Lancashire Care NHS

NHS Foundation Trust

Annual Report and Accounts 2014/15

Children and Families

Community Services

Mental Health

Secure Services

Specialist Services

Supporting Health and Wellbeing

LANCASHIRE CARE NHS FOUNDATION TRUST

ANNUAL REPORT AND ACCOUNTS 2014/15

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

Contents

Chair and Chief Executives Foreword

On behalf of the Board, we are delighted to introduce this annual report for 2014/15. As a Board we are proud of the progress and achievements made across our health and wellbeing organisation this year as we continue to operate in a challenging economic environment. We are particularly proud of our workforce who deliver frontline services and continue to live our values each and every day, striving for excellence and remaining committed to the delivery of high quality and compassionate care for patients.

This commitment is at the heart of everything that we do and in our plans for the future yet we remain realistic about some of the challenges that we have faced, and recognise those challenges will become increasingly tangible as systems come under greater pressure than ever before. We are confident in our ability to lead the way in providing excellent care despite facing tough financial constraints which are laid out in our long term plans. The Board is committed to delivering an ambitious strategy for the next five years and this is detailed on page 22.

The Trust remains committed to its vision: 21st century healthcare with wellbeing at its heart.

Our aim is to prevent people from becoming unwell in the first place, enable them to manage their own conditions and provide alternatives to hospital admission by increasing the infrastructure and service offerings within communities. Not only does this reduce the burden on hospital beds and provide a more sustainable solution, more importantly it represents a better quality and more responsive service for people to ensure they can access the right support at the right time, when they most need it. This applies to all of the services provided by the Trust encompassing physical and mental health with plans already in place to see our services providing care in a much more joined up way for the benefit of our patients. Real progress has been made in areas where the Trust already provides extensive community services including Blackburn with Darwen and Central Lancashire and this is set to continue with the development of intensive home support in these locations and the Beechwood re-ablement unit in Preston, which you can read more about on page 40.

The Trust is particularly interested in improving physical health outcomes for people with mental illness and achieving real parity of esteem. The results of the National Audit of Schizophrenia for Lancashire Care reported a highly positive score for physical health monitoring within the Trust which is as a result of development work within our wards and community services to provide more holistic interventions for people.

On a broader basis, the Trust has big ambitions to improve the health and wellbeing of the entire population of Lancashire by reducing unhealthy behaviours and lifestyle choices that increase the prevalence of disease. During 2014, the Making Every Contact Count initiative was piloted focusing on reducing smoking and drinking and encouraging people in contact with the Trust's services to eat well and get active. This has proved to be very successful and training will gradually be rolled out to all Trust employees from May 2015. The Trust takes its public health responsibility seriously and was proud to go totally smoke free on 5 January 2015. This important step for the Trust demonstrates our commitment to promoting wellbeing and leading by example to help people live a healthier, better quality of life.

Progress against our long term priorities has continued in the reporting period. The Trust has been working to replace its existing mental health wards across the county for many years through improved facilities and community teams providing an alternative to inpatient care. Our flagship development, The Harbour, a purpose built facility in Blackpool opened in March 2015 and is the result of an 18 month construction project and several years of planning. The Orchard facility in Lancaster is also operational and the Trust continues to progress plans for a third unit close to Royal Blackburn Hospital. The reduction of mental health beds and consolidation into improved single sites has been made possible by investment into community services by commissioners.

The Trust has positive and productive relationships with its commissioners and wider partners including local authorities and the third sector across the county. This is imperative if we are to achieve our shared objectives which ultimately aim to deliver improved health outcomes for local people.

The changes in the health economy mean that Lancashire Care will need to be more commercially focused than ever before and able to rise to the challenges of an increasingly competitive market. With uncertainty comes opportunity for innovation and the Board has a clear vision for areas of growth that complement the core objectives defined by the five year strategy. The Trust will continue to grow and protect its core service offering with a particular focus on identifying opportunities that will enhance and complement existing provisions.

We have recognised and reflected on the challenges and have confidence in our Board colleagues, in making key decisions, and faith in our staff to deliver the highest quality care. The positive relationships with our partners will also help the Trust to succeed and achieve what we have jointly set out to do.

On that note, we look towards an interesting future and you will be able to read more in this report about our performance so far and future areas of focus.

With best wishes

Mr Derek Brown
Chair
28 May 2015

Professor Heather Tierney-Moore OBE
Chief Executive
28 May 2015

1.   Strategic Report

The Strategic Report has been prepared under direction issued by Monitor, the independent regulator for Foundation Trusts, as required by Schedule 7 paragraph 26 of the NHS Act 2006 and in accordance with:

- Sections 414A, 414C and 414D[6] of the Companies Act 2006, as interpreted by the FReM (paragraphs 5.2.6 to 5.2.11). Sections 414A(5) and (6) and 414D(2) do not apply to NHS Foundation Trusts ;and
- The NHS Foundation Trust Annual Reporting Manual 2014/15 (FT ARM).

Further details of the areas included in this statement can be found on the Trust's website: www.lancashirecare.nhs.uk

Professor Heather Tierney-Moore OBE
Chief Executive
28 May 2015

1.1 Business Review

1.1.1 Trust Overview and Review of Business

First established in 2002, Lancashire Care NHS Foundation Trust (LCFT) is the only provider of health and wellbeing services that covers the whole county of Lancashire. The Trust's focus is on providing integrated care to the 1.5 million people that live in Lancashire, which is tailored and responsive to local need. The Trust specialises in mental health and secure provision.

The Trust's strategy for the next five years comprises six core elements:

- To provide high quality services
- To provide accessible services delivering commissioned outputs and outcomes
- To become recognised for excellence
- To employ the best people
- To provide excellent value for money in a financially sustainable way
- To innovate and exploit technology to transform care

The Trust employs 6,650 members of staff and has an annual turnover of over £325 million. Historically a provider of mental health services, the Trust now offers a wide range of health and wellbeing services with over half of the Trust's income relating to community and specialist services.

The majority of the Trust's services are commissioned by local Clinical Commissioning Groups (CCGs), which are detailed on page 8. Blackburn with Darwen acts as the lead commissioner for mental health with Chorley and South Ribble leading for community services. Other sources of income for the Trust come

from the provision of specialist services, which are commissioned by NHS England and services commissioned by the local authorities.

The CCGs share boundaries with Lancashire County Council social services with the exception of Blackburn with Darwen and Blackpool which align to their respective unitary authorities.

Clinical Commissioning Group	Areas Covered	Population Size	Number of GP Practices
Blackburn with Darwen	Blackburn with Darwen Borough Council Boundaries	167,450	30
East Lancashire	Burnley, Hyndburn, Pendle, Rossendale, Ribble Valley	371,073	65
Greater Preston	Preston, Longridge, Great Eccleston	178,942	32
Chorley and South Ribble	Chorley and South Ribble	225,529	36
West Lancashire	Ormskirk, Skelmersdale and surrounding communities	111,444	23
Lancashire North	Garstang (in the south) to Carnforth (in the North) and Morecambe (in the west) to Caton (in the east)	160,000	13
Fylde and Wyre	Fylde, Wyre and Fleetwood	182,000	24
Blackpool	Blackpool Borough Council Boundaries	152,968	22
		1, 549,406	245

As a licensed provider of health and wellbeing services the Trust delivers its extensive range of clinical services through a business model of four networks:

Adult Community provides community services (nursing, therapy and primary prevention services) and older adult mental health services. Management and support of people in the community with often multiple (physical and mental health) long term conditions is a key service element. There are close working relationships with local hospitals and social care providers and significant planning is being undertaken to develop person focused 'one stop services'.

Specialist Services are a major part of service provision comprising forensic and criminal justice services. Secure Services are provided for low and medium secure inpatients and for five prisons in Lancashire and two in Liverpool since January 2015.

Adult Mental Health provides inpatient and community services for adults aged 18-65. All adult mental health inpatient facilities are currently being redeveloped and it is

planned that existing wards will be replaced with improved accommodation across the county by 2017.

Children and Families provides prevention and universal services for children and young people (including health visiting) and mental health and wellbeing services (including child and adolescent mental health services and early intervention services). Sexual health services are also within this network.

The Trust is supported by a corporate business management portfolio including Quality Governance and Corporate Governance, Finance, Business Planning and Assurance, Human Resources, Estates, Business Development, Risk Management and Clinical Audit.

Research and Development
The Trust continues to play a major role in supporting research and innovation and is dedicated to improving the health of its patients, service users and the local population through developing and participating in high quality research and supporting new innovations. Developing an active research culture brings a host of benefits for service users, patients, clinicians and the NHS as a whole. It drives innovation, gives rise to better and more cost-effective treatments and creates opportunities for staff development. Additionally, it enables Trust clinicians to stay abreast of the latest treatment possibilities and the evolving evidence base and active participation in research leads to improved patient outcomes.

The Trust supports the Research and Development Department and Innovation Department to work closely with clinicians and internal and external researchers to develop and deliver a range of research studies and increase the number of service users and patients participating in research each year. During 2014-15, the Trust was able to offer over 100 different clinical research studies to patients with more than 1,400 service users and patients participating in quality-assured research.

The Trust has increased the number of commercial clinical drug trials from five studies in 2013/14 to six in 2014/15, thereby increasing the number of patients who can access novel treatments. The Trust has plans to expand access to clinical trials for dementia and mental health service users as well as rheumatology patients in the forthcoming year.

The Research and Development Department ensures that all regulatory requirements are met in relation to NHS research governance and the conduct of clinical studies. The Trust consistently outperforms the national requirement for permission times to enable research to take place in the NHS. It has achieved an impressive median approval time of just seven days, against the national target of fifteen days.

The Trust supports researchers to apply for competitive research funding and has been awarded a prestigious National Institute for Health Research (NIHR) Programme Grant. A number of collaborative projects with local universities have facilitated researchers at different stages of their research careers from novice to post doctorate study to develop their research skills further. Five members of Trust staff have successfully gained places on clinical research internship schemes run in

partnership between the Trust, local universities and the North West Coast Collaboration for Leadership in Applied Health Research and Care (CLAHRC). The Trust also maintains close working relationships with the North West Coast Clinical Research Network.

In addition the Trust hosts the North West Coast Academic Health Science Network which officially launched on 12 March 2014. The Network is one of 15 nationwide and is a product of the Government's Innovation, Health and Wealth strategy. Their primary role is to form a network of NHS organisations, universities and businesses which achieve measurable results in the following key delivery areas:

- To identify and address unmet need/ priority improvement areas
- To speed up the adoption of innovation
- To identify and enable research
- To create wealth

AHSNs will ensure that innovation is spread at "scale and pace" with consequent benefits for the health and wealth of individuals, communities, regions and the nation.

North West Coast Academic Lead Areas (Nationally)	AHSN Clinical Themes
Digital Health	Cardiovascular
Personalised Medicine	Maternal and Child Health
Infection	Cancer
Neurological Health	Long-Term Conditions
Procurement & Industry Engagement	Mental Health
Overall Rating	Stroke
Other Work Programmes:	
Medicines Optimisation	
Patient Safety	
Academic Programme	

You can find out more about the AHSN at http://www.nwcahsn.nhs.uk/index.php

Innovation

Innovation is about taking a new approach to work which will result in an improvement in quality, a reduction in cost and/or a time saving. Over a year ago the Trust launched its Innovation Incubator to promote a shared culture and understanding of innovation. Throughout the year staff have submitted their own ideas for innovation and been supported to develop these in a safe and supportive

environment. As the Incubator has matured it has encouraged staff to network at monthly innovation breakfasts which have attracted colleagues from the Commissioning Support Unit, DAC Beachcroft, Lancaster University, UCLan, NWC AHSN and Lancashire MIND. A recent project with Lancaster University and Health Education North West has identified a range of staff development activities that will be needed to support the NHS agenda on health care 'innovation and improvement'.

The annual innovation staff survey showed an encouraging increase in the awareness of the support available for innovation. The figures from January 2015 show a 52% increase in respondents being aware of innovation than in January 2014. 95% of staff also reported seeing innovation as being important at Lancashire Care and over 91% see innovation as being part of their role.

Some of the ideas that have been developed through the Innovation Incubator include:

- Development of a Hydration Toolkit for care homes using video animation and behavioural insights to increase adoption

- Creation of a video animation to support full implementation of the Trust's Nicotine Management Policy

- Providing tablet computers and applications for service users at The Harbour and the Specialist Rehabilitation Service to promote social inclusion

- Securing funding for the REACH Programme and providing on-going support

- Interactive video role-playing in sexual health education

- Collaborating with Cumbria Clinical Commissioning Group by implementing a co-ordinated approach to patient transitions in South Cumbria and North Lancashire

- Support for the Delivering the Strategy Programme.

Overview of Leadership

The Trust is led by a strong Board of Directors comprising an Executive Management Team and Non-Executive Directors who contribute skills and experience gained in a wide ranging variety of professions and industry. The Board is responsible for defining and implementing strategy as well as for the operational performance of the Trust. More detailed information on the Board of Directors can be found from page 70.

The Board of Directors is held to account by the Council of Governors, comprising elected staff and public governors and appointed governors from partner organisations. They act as a critical friend to the Board and ensure that the views of the Trust's members are represented at a strategic level. More information about the Council of Governors can be found from page 89.

1.1.2 Balanced and Comprehensive Analysis of the Development and Performance of the NHS Foundation Trust's Business During the Financial Year, and of the Position of the Business at the end of the Financial Year

Operational results have been influenced by national and sector-specific challenges culminating in the Trust reporting an operational deficit for the year.

Continuity of Service Risk Ratings

Monitor regulates NHS Foundation Trusts based on the risks they face and how well the risks are managed. Each Foundation Trust board is required to submit a quarterly report to Monitor and performance is monitored against these reports to identify where potential and actual problems may arise. Monitor's overall measurement of risk to continuity of services is the Continuity of Service Risk Rating calculated using an average of Liquidity and Capital Service Cover ratings:

Liquidity, the ability to fund short term obligations and commitments and; Capital Service Cover, the degree to which generated income covers financing obligations.

Ratings are scored 1 to 4, where 4 is the lowest level of risk and 1 the most serious risk. The tables below summarise performance over the last two years.

2014/15	Annual Plan	Q1	Q2	Q3	Q4
Continuity of Service Rating	4	3	4	4	4
Governance Rating	Green	Green	Green	Green	Green

2013/14	Annual Plan	Q1	Q2	Q3	Q4
Under the Compliance Framework					
Financial Risk Rating	3	3	3	-	-
Governance Risk Rating	Green	Green	Green	-	-
Under the Risk Assessment Framework					
Continuity of Service Rating	-	-	-	4	4
Governance Rating	Green	-	-	Green	Green

Performance Measure	2014/15	2013/14
Capital Service Cover	3	4
Liquidity	4	4
Continuity of Service Risk Rating	4	4

Financial Review

Under the Risk Assessment Framework the Trust achieved an overall Continuity of Service Risk Rating of 4, indicating the lowest level of risk (the comparable rating for 2013/14 was 4.)

The Trust also reported a green Governance Rating indicating no regulatory concerns (the comparable rating for 2013/14 was green.)

Financial Performance

The deficit for the year is £12.6m, after removing impairments of £11.2m (see below) the resulting deficit of £1.3m is consistent with deficit before impairments that has been forecast since December. The Trust had planned to deliver a surplus of £4.1m. The 2013/14 surplus was £4.7m.

Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)

EBITDA is used as a more meaningful identifier of an organisation's underlying profitability than raw surplus. The Trust has achieved an EBITDA of £9.9m against a plan of £16.2m, a shortfall of £6.5m (2013/14: £14.1m against a plan of £13.9m.)

Income

Income totalled £327m (£325m in 2013/14) after taking into account reductions to income deflators of £3m, this represents a growth of £5m or 1.5%. New initiatives and developments including Liverpool and Kennet Prisons, Beechwood re-ablement unit and Intensive Home Support offset losses, the largest of which was Substance Misuse. Patient care remains the Trust's main activity, generating 92% (2013/14 93%), Research & Development plus Education, Training and Research generate a further 3.0% (2013/14 3.3%) the remainder being made up non-patient care services.

Expenditure

Operating expenditure totalled £334m, though after adjusting for changes to impairments this figure drops to £323m (£317m 2013/14). Growth/developments of 1.5%, a shortfall on planned savings and efficiencies meant the Trust could not cover inflationary pressures and imposed efficiencies of circa £4.7m. This and pressures experienced by the Trust, particularly Out of Area treatments has led to the deficit position declared.

Efficiencies

As with previous years, expenditure was greatly influenced by the need to achieve national targets and implement efficiencies. The Trust has achieved productivity and efficiency savings of £9.1m against a plan of £13.8m (2013/14 £11.4m) through its cost improvement programmes (CIPs). The Board kept the overall programme under close review throughout the year and recognises the importance of delivering recurrent savings.

Transfers and Other Technical Adjustments

The revaluation of the Trust's estate by the District Valuer (including The Harbour) has seen a significant increase in value (circa £18.6m) though there have been some reductions (circa £3m with £1.2m taken to revaluation reserve and £1.8m taken to

Statement of Comprehensive Income as impairments). This is offset to some degree as the opening of The Harbour has seen the Trust take several significant assets out of use (circa £8.8m, total impairments circa £11.2m). The impact on 14/15 is restricted to technical adjustments to Statement of Comprehensive Income and asset carrying values, no cash was involved.

Inpatient Capital Programme

The Trust's new flagship inpatient facility, The Harbour, opened during March 2015. This 154 bed inpatient hospital on the Fylde Coast is delivering 21st century mental health inpatient services to our service users in state of the art accommodation. This development has been funded via a loan of £61m from the Independent Trust Financing Facility that the Trust will be repaying over the next 25 years.

The Trust is progressing with the next stage of its re-provision of mental health inpatient facilities, and is in detailed discussion with commissioners.

Statement of Financial Position

Strong Statement of Financial Position control is considered essential and liquidity in particular is vital to Foundation Trusts, ensuring both 'going concern' and assisting with the delivery of financial targets.

The Trust started 2014/15 with a strong cash and liquidity position and despite experiencing a deterioration in its operating position it remains strong, partly as a result of gains on the timing of capital expenditure and loan drawdown, but it is also supported by circa £11m of transient gains in working capital in excess of plan (note circa £4.6m was settled immediately following year end.)

Whilst the opening cash position for next year remains strong, the Trust must address its operational performance if it is to remain sustainable and achieve its long term goals. Detailed information on the Trust's financial performance can be found in the annual accounts.

Relationship Management

Strong relationships with stakeholders exist throughout the organisation at many levels. A strategic approach to managing relationships is taken through an engagement matrix which aligns Executives, senior managers and the Engagement Team with specific stakeholders and geographical localities. Three relationship managers support the Trust to achieve its objectives and enhance the reputation of the organisation by leading or supporting appropriate engagement with internal and external stakeholders.

The development of relationships with GPs and other commissioners is a key part of the relationship manager role. This involves co-ordinating visits to GPs in support of the GP Charter, ensuring Trust representatives are appropriately supported, feeding back intelligence in a robust and meaningful way and sharing intelligence with relevant networks and services.

The Trust continues to develop its relationships with:

- New NHS healthcare commissioners
- Other NHS providers
- Local authorities
- Social enterprises
- Other local agencies including police and prisons

The aim of working closely with these organisations is to develop opportunities to enhance service provision to patients and deliver the efficiencies required by government.

The Trust has a variety of communication mechanisms to strengthen relationships by creating a dialogue with stakeholders. This is further enhanced by tailoring activity to specific audiences and localities. Stakeholder communications and meetings are managed through a Customer Relationship Management system which enables the Trust to monitor stakeholder engagement more effectively and identify key themes and issues that need to be addressed.

The aim of the communication and engagement activity is to position the Trust as the prime contractor or partner for health and wellbeing services in Lancashire and relevant geographies outside the county where strategically relevant.

During the year the Trust has invested considerable time in furthering the portfolio of its joint venture, Red Rose Corporate Services. 2015/16 will see the continued exploration of commercial opportunities.

The Private Patient Income Cap (PPI Cap)
The Health and Social Care Act 2012 obliges Foundation Trusts to make sure that the income received from providing goods and services for the NHS (its principal purpose) is greater than its income from other sources. The Trust had no Private Patient Income during the year ending 31 March 2015.

1.1.3 Information about Persons with whom the NHS Foundation Trust has Contractual or other Arrangements which are Essential to the Business of the NHS Foundation Trust (disclosure would, in the opinion of the Directors, be seriously prejudicial to that person and contrary to the public interest)
Excepting the individuals included in the remuneration report, there are no other individuals on which the Trust is required to report.

1.1.4 An Analysis Using Financial Key Performance Indicators
This is addressed in section 1.1.2.

1.1.5 An Analysis Using Other Key Performance Indicators, Including Information Relating to Environmental Matter and Employee Matters
Environmental matters are addressed in section 1.1.11 and employee matters are addressed in section 1.1.12.

The Trust has continued to perform well against the Monitor Risk Assessment Framework throughout 2014/15. The Trust has met all of the performance standards set by Monitor for each of the relevant indicators in the Framework. This includes achieving the standard for each indicator in each individual quarter of the year.

Monitor Performance Indicators 2014/15

Indicator	Target	Q1	Q2	Q3	Q4
MR01 - 7 Day Follow ups	95.0%	96.1%	97.0%	95.3%	96.1%
MR02 – Care Programme Approach Review within 12 Months	95.0%	97.6%	97.1%	96.2%	96.5%
MR03 - Mental Health Delayed Transfers of Care	≤ 7.5%	5.8%	4.3%	6.1%	4.9%
MR04 – Early Intervention Service in place for New Psychosis Cases	95.0%	140.0%	119.8%	111.7%	109.9%
MR05 – Referral To Treatment - Consultant Led (Completed Pathway)	95.0%	100.0%	99.7%	100.0%	99.6%
MR06 – Referral To Treatment - Consultant Led (Incomplete Pathway)	92.0%	99.8%	100.0%	100.0%	100.0%
MR07 – Inpatient Access to Crisis Resolution Home Treatment	95.0%	96.4%	97.8%	95.2%	98.9%
MR08 – Mental Health Data Completeness - Identifiers	97.0%	99.7%	99.7%	99.7%	99.7%
MR09 – Mental Health Data Completeness – Outcomes	50.0%	91.8%	90.8%	89.1%	87.9%
MR10 - Clostridium Difficile Infections	This is not a mandated Monitor target for LCFT				
MR11 – Community Information Dataset Completeness - Referral Information	50.0%	100.0%	100.0%	100.0%	100.0%
MR12 – Community Information Dataset Completeness – Referral To Treatment Information	50.0%	98.7%	98.9%	99.1%	99.3%
MR13 – Community Information Dataset Completeness - Activity Information	50.0%	83.1%	81.3%	82.5%	73.3%

1.1.6 References to, and Additional Explanations of, Amounts Included in the NHS Foundation Trust's Financial Statement

This is addressed in section 1.1.2

1.1.7 In Relation to a Directors' Report on Consolidated Accounts, these Requirements Apply to the Activities and Business of all Entities Included in the Consolidation

Under International Financial Reporting Standards 10 NHS bodies are required to consolidate their charitable funds with their own statements where they are considered to be under common control. However, this decision is made after consideration is given to the materiality of the funds held. Following discussions with the Trust auditors the decision was taken not to produce group accounts on the basis of materiality.

1.1.8 The Main Trends and Factors likely to affect the Future Development, Performance and Position of the NHS Foundation Trust's Business

The Trust has taken the opportunity to review its strategic priorities within the context of current NHS policy, planning developments and other changes in the external market, including:

- Monitor's updated annual planning review guidance
- Five Year Forward View
- Autumn Statement
- Dalton Review
- Commissioner intentions
- Competitive landscape

The Trust conducted a detailed market analysis in December 2013 and this was revisited in January 2015 to identify any material changes that might impact on the Trust's sustainability and delivery of strategic priorities.

The market analysis focused on a review of demand and supply, on the basis that previous assumptions relating to demographics, epidemiology, market size and growth remained valid.

The recent policy initiatives and changes in commissioner intent continue to have an impact on the demand for services. However the Trust remains well placed to respond to key themes that have emerged, for example:

- Out of hospital care and the public health prevention agenda is consistent with the Trust's strategic ambition
- Improved access to mental health services and the development of integrated neighbourhood teams in partnership with primary care colleagues are the focus of the Trust's clinical transformation programmes
- Delivery of financially sustainable and high quality services is a focus of the Delivering the Strategy programme, which forms a key part of the Trust's operational plan for 2015/16

- Piloting of new models of care has already commenced across two local health economies and will be further developed in line with the Strategic Alliances & Partnering strategy (further information on the strategy is available on page 56.)

- Transformational workforce planning is being progressed in partnership with Health Education North West in developing the WRaPT (Workforce Repository & Planning Tool) to support new models of care

- The Trust's unique health and wellbeing portfolio and the Making Every Contact Count initiative facilitates the delivery of parity of esteem.

The Trust has continued to develop strong relationships with a range of commissioners including local authority commissioners in both Blackpool and Blackburn with Darwen unitary authorities and Lancashire County Council, local CCG commissioners (as per the table on page 8) and NHS England specialist commissioners.

The Trust's operational plan is closely aligned to commissioning intentions which reflect plans to transform clinical service pathways in the following areas:

- Inpatient transition programme
- Community mental health redesign
- Out of hospital care
- Unscheduled care
- Specialist rehabilitation
- Children and young peoples' emotional health and wellbeing

The Trust has invested in internal resources in its Programme Management Office (PMO) and its Transformation Advisory Service (TAS) to support Clinical and Corporate services in delivering an ambitious programme of change for clinical pathways.

A review of the provider landscape and Foundation Trust pipeline was undertaken during the year which reinforced the Trust's strategic ambitions to grow and expand and potentially serve new geographies outside of the Lancashire footprint.

The Transformation Advisory Service (TAS) support the clinical networks in developing innovation, transformational change, business development plans and in responding to opportunities to tender for business that is in line with the Trust's strategic priorities and ambitions. This has resulted in the Trust being awarded contracts in the following areas:

- Eating Disorder Services (Central Lancashire)
- Criminal Justice Street Triage Pilot
- Midlands and East of England Inpatient Review
- Phase two delivery of Criminal Justice Liaison and Diversion Services
- Provision of health and social care in HMP Liverpool and HMP Kennet

The TAS service was also key to supporting the transition into The Harbour, improving service excellence in Child & Adolescent Mental Health (CAMHS), Improving Access to Psychological Therapies (IAPT) and Children's Integrated Therapies and Nursing Teams (CITNs) projects.

The Trust submitted its Strategic Plan 2014-19 to Monitor in June 2014. This plan has driven the Trust's annual business planning cycle and informed the development of the Operational Plan for 2015/16 which focuses on clinical, operational and financial sustainability and resilience.

Financial sustainability remains a key challenge in the context of the delivery of high quality care. The Trust has therefore established a transformation programme 'Delivering the Strategy' to drive a number of quality impact assessed, clinical transformation and cross cutting programmes that will contribute to the sustainability of the services being delivered.

The recent planning rounds have challenged the local health and social care economy across Lancashire to produce coherent and cohesive plans which demonstrate a single direction of travel. The Trust has been an active partner with local Health and Wellbeing Boards and the transformation boards across Lancashire and is well placed to continue to support the delivery of the various sub-regional programmes such as the Better Care Fund, Better Care Together and Healthier Lancashire.

1.1.9 Principal Risks and Uncertainties Facing the NHS Foundation Trust
The Trust has further strengthened the mechanisms in place to manage risk throughout the organisation, including a refresh of the Risk Management Policy and the further development of the electronic risk management system, Datix, enabling it to be electronically linked to the Board Assurance Framework allowing direct input and interrogation by teams within the organisation. This allows the Trust to identify key interdependencies between the operational risks managed at Executive Risk Register level and those risks at Board Assurance Framework level which have the potential to impact on the organisation's ability to achieve the strategic objectives.

The principle of managing by risk has been integrated throughout the revised governance framework to which the Trust transitioned in April 2015. Further information on the governance review can be found on page 70.

The work undertaken during 2014/15 further enhanced the Trust's position as a risk-mature organisation seeing improvements in the effectiveness of assurance and reporting systems. The internal audit undertaken in relation to the Trust's Assurance Framework and Risk Management has provided substantial assurance, reporting a positive direction of travel to closely link the Trust's risk management and assurance arrangements which is further supported by the revised governance structures as they develop.

The annual business planning process provides assurance and evidence that can support the mitigation of existing risks at Board Assurance Framework level as well as providing the opportunity to clearly articulate and identify emerging risks.

The principal risks the Trust managed over the year included, amongst others:

Inadequate systems in place to facilitate timely learning from incidents, risks, complaints and patient feedback.
Failure to effectively define integrated mental and physical health and wellbeing in the context of delivery of objectives.
Impact of the complexity and maturity of commissioning arrangements on the services we provide.
Accuracy, timeliness and consistency of data and reporting.
Compliance with Health and Safety legislation and directives.
Ineffective systems to maintain compliance with statutory legislation and directives relating to medical revalidation.

The Trust's position in being able to continue to take advantage of emergent opportunities to foster growth and development whilst increasing efficiency and improving the quality of care remains a significant challenge. Within this context, the existing Board Assurance Framework risks have identified the potential to impact on delivering the 2014-19 strategic priorities, with some of 2014/15 Board Assurance Framework risks continuing into 2015/16.

The risks potentially facing the Trust in 2015/16 are both existing and emerging strategic risks, some of which are identified below. Some of these risks have been reframed from those managed in the reporting period to reflect a more strategic focus:

Protecting service users from avoidable harm and compliance with the CQC standards for the quality and safety of services	New
The Trust does not deliver safe, appropriate and therapeutic environments to deliver high quality services	Existing
Delivering the benefits of being a Health and Wellbeing provider	New
Implementation of a transformational IT programme that ensures transition to a new intuitive clinical system across all services	New
Achieving financial performance sufficient to maintain resilience and sustainability	Reframed
Achieving the required efficiency savings whilst delivering and improving quality	Reframed
Accuracy, timeliness and consistency of data reporting with the potential to compromise decision making and service quality	Existing
Compliance with Mental Health legislation	Existing

Impact of Recent Inquiries

During March 2015 the Trust reviewed a number of key reports;

- *Freedom to Speak Up*, by Sir Robert Francis QC
- *Investigations into the abuse of individuals by Jimmy Savile on NHS premises*, by Kate Lampard QC
- *Morecambe Bay Investigation*, led by Dr Bill Kirkup CBE.

The Trust is committed to achieving a culture of openness and transparency and acceptance of challenge reflected by a constant desire to learn from mistakes, not to conceal them. The Trust approach to raising concerns is being reviewed in response to Sir Robert Francis report: 'Freedom to Speak Up' and work will continue to progress to ensure that the principles and actions are implemented.

A total of 44 reports into the activities of Jimmy Savile in relation to hospitals and hospice premises have been published by the relevant hospital trusts. 28 reports were published in June 2014 and 16 reports were published in February 2015. The Secretary of State appointed former barrister Kate Lampard to conduct an independent review of the reports and the Trust has completed its report and action plan in response to Kate Lampard's report.

The Morecambe Bay Investigation was established by the Secretary of State for Health in September 2013 following concerns over serious incidents in the maternity department at Furness General Hospital. Lancashire Care NHS Foundation Trust's work to establish a centralised investigation team, supported by the review of the Incident Policy and Being Open Policy in April 2015 will support addressing a number of these points.

1.1.10 Trust Strategy

The Board took the opportunity to review the Trust's strategic planning processes and refresh its strategic aspirations to ensure that its strategy is built on robust assumptions to deliver operational services that are clinically and financially sustainable.

The Health and Social care system faces significant challenges over the next five years including an ageing population, increasing numbers of people with complex long term health conditions, together with rising demand and increasing costs.

As a health and wellbeing Trust, Lancashire Care is well positioned to be able to respond to the 'affordability challenge' that is real and unprecedented. The strategic plan describes how the Trust will positively embrace this challenge to ensure that service users, carers and families continue to receive high quality integrated physical and mental health care within their communities, with access to specialist services when they need them.

The Trust cannot respond to this challenge in isolation and has worked with health and social care partners to ensure that respective strategies are aligned and ambitious transformational plans enable delivery at pace.

The quality of services remains a key priority, with the Quality Strategy and implementation plans being refreshed in light of themes emerging from the Francis II, Keogh and Berwick reports, along with the Trust's own internal quality assurance processes and external reviews.

The Trust has an established strategic planning framework and the Operational Plan for 2014-16 continues to be driven by the vision, values and strategic priorities of Lancashire Care:

Vision: 21st century healthcare with wellbeing at its heart

Values: Compassion, Accountability, Respect, Excellence, Integrity and Teamwork

Strategic Priorities:

- To provide high quality services
- To provide accessible services delivering commissioned outputs and outcomes
- To become recognised for excellence
- To employ the best people
- To provide excellent value for money in a financially sustainable way
- To innovate and exploit technology to transform care

The delivery of the operational plan is managed through an accountability framework and a balance scorecard which has been developed to provide oversight of the delivery of the plan to the Board of Directors.

The operational plan for 2014/16 details the key initiatives that will be delivered as part of the five year strategic plan. The Trust's annual planning framework will performance manage the delivery of the plan whilst allowing for regular opportunities to review the strategy and test alignment with local health and social care partners.

The transformation programme is a key element of the plan and includes the Trust's clinical service transformation programmes that respond both to local health economy commissioning intentions and the Trust's internal programme of service transformation.

The Trust's Programme Management Office has been enhanced to project manage the delivery of the programme and provide additional capacity to support the development of programme structures, benefits realisation and provide evidence based assurance through the governance structure to Board. Any proposal or new business idea is now supported by the Case for Change process as part of the Decision Rights Framework and ensures Trust plans continue to be fully developed and fit for purpose.

1.1.11 Environmental Matters (including the impact of the NHS Foundation Trust's business on the environment)

Sustainability

The Trust recognises that sustainability goes far beyond just complying with legislation and preventing pollution and strongly believes that sustainable practices are a fundamental corporate responsibility. To deliver an effective and efficient healthcare service whilst also committing to delivering the sustainability agenda, the Trust employs a full-time Environmental Manager and has a Sustainable Development Management Plan (SDMP) in place in accordance with the NHS Carbon Reduction Strategy 2009.

The Trust's SDMP sets out the Trust's commitments and actions to achieve the NHS wide carbon emission reduction targets. The target to achieve 10% by 2015 has been met and further carbon reduction strategies and projects are in place to continue the reduction in energy use and carbon emissions of 34% by 2020. The main actions being taken to achieve this goal are summarised below.

Carbon and Energy Management

The Trust's approach to carbon and energy management aims; to use less energy, to supply required energy as efficiently as possible and to supply energy using low carbon and renewable sources.

Good energy management is reliant upon the close monitoring and analysis of energy consumption to enable consumption patterns and targets to be set for individual buildings across the estate. Automatic utility metering continues to be rolled out across the estate and provides half hourly gas, electricity and water consumption data for Trust buildings. Automatic meter reading (AMR) enables rigorous scrutiny of consumption patterns to identify and address inefficiencies whilst also enabling greater financial control of energy budgets by eliminating estimated readings.

The Trust's automated meter reading is supported by a dedicated energy monitoring and targeting (M&T) software package which allows the Trust to assess building specific energy performance and comparisons to be made with similar buildings and nationally recognised benchmarks on a year by year basis corrected for variances in weather. The information provided by the AMR and M&T systems allows the Property Services team to generate energy performance league tables and prioritise the investigation and elimination of energy waste.

Over the last 12 months Property Services have identified a number of financially and environmentally viable energy efficiency schemes including the installation of voltage optimisation at Guild Park and upgrades to heating controls and Building Management Systems (BMS) across the estate to improve the efficiency of the boiler plant.

The Trust's commitment to using low carbon technologies is reflected in the recent installation of a 600kW biomass-fuelled boiler plant at The Harbour. The biomass boiler system uses woodchip as a fuel source rather than carbon intensive oil or gas

and will reduce carbon emissions from the heating system by 97% compared to a similar sized gas fired boiler plant. Working alongside Rural Energy and other contractors involved in the development of the building, the system involves a large scale biomass boiler which is fed by a store of woodchips. This project was shortlisted in the Renewable Project of the Year (Public) category at the H&V Awards. This was a great achievement which provides national acknowledgement of The Harbour as a sustainable and environmentally friendly building.

The Harbour has been constructed to the highest standards and incorporates the latest standards of thermal insulation, BMS plant control and energy efficient lighting to help minimise energy use and associated carbon footprint.

Water

The Trust actively works towards minimising water consumption and cost and where opportunities arise this is reflected in the upgrade of systems with water efficient technology across the estate such as the installation of low flush WCs, reduced flow showers and sensors on taps to detect when they are not in use. Rainwater is also collected and used within certain buildings to flush sanitary equipment and prevent the use of valuable fresh mains cold water that would otherwise be used for this purpose.

Waste

In order to ensure the best use of resources and compliance with environmental legislation the Trust has a Waste Management Policy to minimise waste and maximise recovery, reuse and recycling rates.

Property Services work in partnership to review working procedures to ensure the latest legislation is reflected in the policy and that correct segregation is employed in accordance with the regulations. The Trust has 17 different waste streams and continues to recycle a range of items including general waste, batteries and oil from the kitchens to produce biofuel which is used to power a number of Trust vehicles. At present Property Services are working with the Trust's Soft Facilities Management provider to consider the potential to convert waste food and materials into fuel for the biomass boiler for The Harbour.

The monitoring of waste contracts and generation of revenue through recycling continues to reduce costs, as well as the Trust's environmental impact.

Summary of Performance	
Energy	
Total energy cost	£1,467,313.62
Electricity consumption	6,913,442 kWh
Gas consumption	14,959,971 kWh

Water	
Water consumption	39,360 m3
Water and sewage cost	£154,058

Grow Your Own/Common Ground

The Trust's Grow Your Own project is a partnership between volunteer staff from Property Services and Secure Services at Guild Park and provides staff and service users the opportunity to grow organic, fresh vegetables locally whilst reducing carbon emissions associated with food miles. The Kitchen Garden section of the project enables organic seasonal produce to be grown to supply the kitchens at Guild Park, reducing financial and environmental costs whilst helping deliver a variety of fresh crops for inpatient catering.

Since its creation in 2013, the project has proved innovative and successful, generating interest and input from staff, service users, volunteers and local community groups. Following the national recognition received in 2013 for the way the project delivers health and wellbeing benefits as well as environmental benefits the project has gone from strength to strength and remains popular with service users and clinicians. The project has now been rebranded as 'Common Ground' and in October 2014 had the prestige of hosting the NHS Forest Annual Conference to share best practice.

Environmental Steering Group

The Environmental Steering Group was established in November 2013 by the Property Services Director to drive improvement in the physical environment for service users, staff and visitors making the Trust's estate a vibrant and pleasant place to be. The Environmental Steering Group (ESG) includes staff from Property Services, networks and service users. The remit of the group is diverse including the review of the internal and external environment, artwork, food quality, and environmental resource efficiency.

Electric Vehicle Charging Points

A significant proportion of the Trust's CO_2 emissions are related to transport from vehicles used by staff, service users and suppliers. To help address this and enable stakeholders to consider low carbon alternatives, the Trust is installing a number of publicly accessible electric vehicle charging points across the estate.   This technology will help support the operational and financial viability of electric vehicles whilst also reducing the CO_2 emissions attributable to the Trust.

1.1.12 The NHS Foundation Trust's Employees

During 2014/15, the Trust continued to embed its core values:

The annual Staff Awards categories are aligned to the values and acknowledge employees for bringing these values to life. In addition, the Trust induction programme includes discussion on the meaning of each of the values and staff demonstrate their commitment to embedding the values into the heart of the Trust's culture.

The Trust has continued to operate in a period of change and reorganisation and so remains committed to its principle of redeploying staff whenever possible. Redeployment guidelines have been developed in partnership with Trade Union colleagues to clarify responsibilities for managers, individuals and Trade Unions with the aim of keeping redundancies to an absolute minimum.

The Organisational Change Policy is fully embedded and supports the re-deployment of staff affected by change, ensuring that valuable skills are retained within the organisation and the impact on services minimised.

The Appreciative Leadership development programme has continued as planned during 2014/15, with 336 employees undertaking the programme in year and a total of 1234 staff taking part since its launch. This was complemented by an Aspiring Leaders programme which supported the development of a further 30 future leaders in 2014/15.

The Trust has further developed its Organisational Development Strategy which aims to create the conditions and culture across the Trust where all staff are supported to align themselves to the delivery of the Vision and Priorities. As part of the Organisational Development Plan, the Trust has been working with the King's Fund and Professor Michael West to establish a Collective Leadership Strategy to define how collective leadership supports Lancashire Care in having greater influence on organisational success. Research shows that where leaders and leaders' relationships are well developed, organisations benefit from direction, alignment and commitment. Collective Leadership has been offering great opportunity for the Trust in developing its culture of promoting continuous improvement and high quality and compassionate care.

During 2014/15 the Trust has once again benefitted from an excellent working relationship with Trade Union colleagues. This has been particularly evident during periods of reorganisation when the Trade Unions have been most supportive with communication to employees affected by change, and in assisting with redeployment and recruitment to support the opening of The Harbour and related transitional plans. The continuation of the positive relationships established over several years has provided the basis for ensuring organisational change occurs in a supportive, fair and positive way that meets the needs of staff and service users.

Annual Staff Survey

The national NHS Staff Survey took place from September to November 2014 to collect the views of staff about their workplace. The overall aim is to gather information to help provide better care for patients and improve the working lives of employees. The survey results are used by:

- The Trust to inform improvements in working conditions and practices

- The Department of Health to assess organisations' performance in terms of the NHS Constitution's staff pledges

- The Department of Health and other national bodies to assess the effectiveness of national NHS staff policies, such as training and flexible working policies, to inform future development in these areas.

The Care Quality Commission benchmark the survey based upon key findings grouped according to the NHS Constitution's four staff pledges:

1. To provide all staff with clear roles, responsibilities and rewarding jobs.

2. To provide all staff with personal development, access to appropriate education and training for their jobs and line management support to enable them to fulfil their potential.

3. To provide support and opportunities for staff to maintain their health, wellbeing and safety.

4. To engage staff in decisions that affect them, the services they provide and empower them to put forward ways to deliver better and safer services.

Staff Survey Response Rates against National Average and Comparison against 2013/14 Rates

	2014/15		2013/14		Trust Improvement/ Deterioration
	Trust	National Average	Trust	National Average	
Response Rate	27%	41%	41%	49%	14% point decrease in response rate this year 14% point decrease against national average

There was a decline in the response rate which sits below the national average for 2014/15. The Trust decided to conduct a full census of the workforce for 2014 in contrast to the national random sample size of 850 staff which many organisations chose therefore despite the low percentage response rate a total of 1705 completed the survey. The year on year decline in the response rate for the Trust has been a national trend, with the biggest decline experienced in mental health organisations. Analysis of the decline in response rate suggested that the introduction of the quarterly Friends and Family Test may have introduced an element of survey fatigue. Data errors with the online survey may also have created issues with staff receiving the questionnaire which could also have contributed to the lower response rate for 2014.

Overall Staff Engagement

The overall staff engagement score for 2014/15 is 3.64, which is lower than last year's score of 3.75 and below the national average for Mental Health/Learning Disability Trusts which is 3.72.

(the higher the score the better)   *Scale summary score*

Trust score 2014	3.64
Trust score 2013	3.75
National 2014 average for mental health/learning disability trusts	3.72

Poorly engaged staff — *Highly engaged staff*
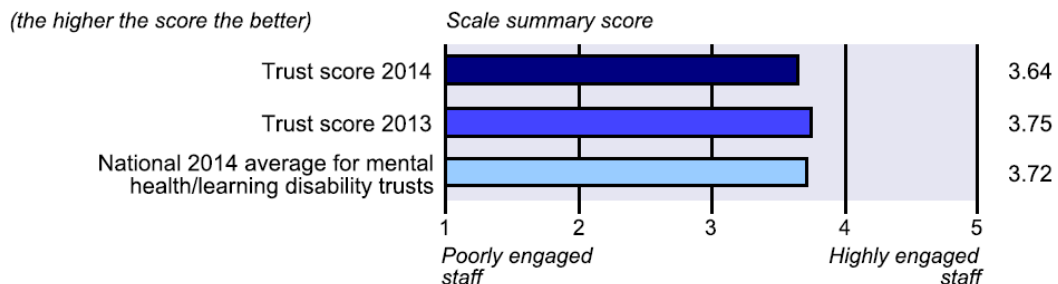
The overall indicator of staff engagement has been calculated using the questions that make up key findings 22, 24 and 25 which relate to the following aspects of staff engagement:

- Perceived ability to contribute to improvements at work (Key Finding 22)
- Willingness to recommend the Trust as a place to work or receive treatment (Key Finding 24)
- The extent to which staff feel motivated at work (Key Finding 25)

There was a decrease in all the sub-dimensions of staff engagement, with two of the key findings (24 and 25) below average.

Top and Bottom Ranking Scores

Out of the 29 key findings, the Trust had 8 above, 7 comparable with and 15 below the national average. The top and bottom ranking scores are detailed in the following tables.

Top 4 Ranking Scores	2014		2013		Trust Improvement/ Deterioration in Percentage Points
	Trust	National Average	Trust	National Average	
Percentage of staff experiencing physical violence from patients, relatives or the public in the last 12 months	10%	18%	11%	19%	8% points better than the national average and 1% point worse than 2013
Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months	24%	29%	24%	30%	5% points better than the national average and no movement from 2013
Percentage of staff experiencing discrimination at work in the last 12 months	9%	12%	8%	13%	3% points better that the national average and 1% point worse than 2013
Percentage of staff experiencing physical violence from staff in the last 12 months	2%	3%	1%	4%	1% point better than the national average and 1% point worse than 2013

Bottom 4 Ranking Scores	2014		2013		Trust Improvement/ Deterioration in Percentage Points
	Trust	National Average	Trust	National Average	
Percentage of staff having well-structured appraisals in the last 12 months	32%	41%	40%	42%	9% points worse than national average and 8% points worse than last year
Percentage of staff suffering work related stress	51%	42%	48%	43%	9% points worse than national average and 3% points worse than last year
Percentage of staff appraised in the last 12 months	75%	88%	86%	87%	13% points worse than national average and 11% points worse than last year
Percentage of staff feeling satisfied with the quality of work and patient care they are able to deliver	69%	76%	77%	77%	7% points worse than national average and 8% points worse than last year

Future Priorities and Targets

The results of the 2014 Staff Survey were considered at length by the Board of Directors and the importance of taking positive action to understand the reasons for the deterioration in scoring was taken seriously. The Board believes a significant improvement is required as this is fundamental to the quality of care. The Board appreciated the time that staff took to complete the survey and provide their valuable feedback but were concerned with the results.

The Board has committed to a proactive approach to listening to staff feedback in addition to the Staff Survey results and a number of initiatives were introduced as part of the commitment to improving staff perception of the Trust. The most recently introduced quarterly InTouch staff engagement sessions enhance existing engagement activity with employees and provide opportunities for staff to understand their role in the Trust's five year plan and priority areas. Partnership work with the networks also took place to capture and map the engagement already taking place with staff to feed improvements and influence positive change across the organisation. A series of engagement events to enable staff to continue to feedback to members of the executive team around key scoring areas of the Staff Survey have also been launched.

The Board of Directors is clear that to achieve the Trust's strategic priority of employing the best people requires a sustained level of continuous improvement to reach a point where the benefits of having a fully engaged, well led and supported workforce can be realised and people want to work for the Trust because they can reach their potential. The Trust is optimistic that the robust engagement plan in place will address the areas requiring improvement not least to demonstrate to staff that their feedback is listened to but their views are converted into improvement actions.

As part of the commitment to gain a deeper understanding of the workforce culture a collaborative piece of work with The King's Fund and Professor Michael West has begun in relation to Collective Leadership. The results of the Cultural Assessment Questionnaire are expected to reinforce the priority improvement areas which have already been identified and allow more focussed actions to mitigate issues.

The progress of improvement activity is monitored through the Trust's management and governance structure and managers will be supported to hold regular conversations with teams about the key areas of learning from the staff survey and also the Friends and Family Test results. Staff will also be provided with regular listening opportunities to provide their feedback and ideas to ensure that Lancashire Care continues to be one of the top 100 NHS employers.

1.1.13 Social, Community and Human Rights Issues

The Trust is committed to eliminating unlawful discrimination and harassment and promoting equality of opportunity for all. This determination ensures equality runs through employment, service delivery and community engagement and extends to demonstrating this commitment in a transparent and easily accessible way. As well as being the 'right thing to do', taking this into account will mean more targeted and

effective use of resources, which makes sound business sense and leads to improved customer satisfaction.

To ensure a common understanding, employees from all levels and networks across the Trust have contributed to developing definitions which describe the Trust's culture with regards to equality, diversity and inclusion;

Equality

The Equality Act (2010) protects individuals and groups of individuals from discrimination so they cannot be treated less favourably, no matter what their age, disability, race, religion or belief, sex, sexual orientation or circumstances in relation to gender reassignment, marriage and civil partnership, pregnancy or maternity.

Equality is about treating individuals fairly and ensuring that they have the same opportunities to fulfil their potential, even if this means doing things differently for people sometimes.

Diversity

A culture which values variety of ideas, experiences and practice where differences are respected and celebrated for the benefit of the workforce and the communities served by the Trust.

Inclusion

When individuals with diverse needs are included without prejudice or discrimination, societies can access a wider pool of talent, commitment and experiences, taking the best from all backgrounds.

To demonstrate compliance with the Equality Act (2010) and the Human Rights Act (1998), the Trust adopted the Department of Health's Equality Delivery System (EDS2). The EDS2 has four distinct goals which are:

1. Better health outcomes for all
2. Improved patient access and experience
3. Empowered, engaged and well supported staff
4. Inclusive leadership at all levels

Progress against these goals is assured with the regular involvement of key stakeholders in scrutiny events called Opportunity Knocks. These events are held in partnership with external organisations, such as Lancashire Police, Lancashire County Council and third sector bodies which share the Trust's geographical footprint and serve the same community. The events have proven to be a great success with service users, staff, community members and partner agencies coming together to review the Trust's approach to equality and diversity.

During the reporting period the Trust's progress against goals one and three of the Equality Delivery System was 'developing' and was described as 'achieving' overall in three areas. These outcomes demonstrate a need for continued work in a number of areas. The Trust has invested in a project to strengthen the position in relation to

equality and diversity whilst developing opportunities to learn and share best practice with other organisations. The Trust's current activity in relation to equality and diversity is fully informed by service users and their carers, along with staff, local community members and partner agencies.

Activity has included all services providing evidence of good practice for the Equality Delivery System, setting equality targets and supporting operational action plans leading to demonstrable health outcomes for people no matter what their diversity.

The Trust has also carried out Equality Impact Assessments (EIA) to ensure that everything that the Trust does is inclusive, the results of which have been published on the Trust's website. New and reviewed policies, procedures and functions are not ratified without an accompanying EIA and the Trust has finalised a new, streamlined template and guidance document to make the process easier to undertake.

The Trust takes a partnership approach to engagement with service users and carers, staff and communities from a variety of backgrounds and communities across Lancashire. This in-depth work has helped the Trust to inform activity, identify gaps and carry out innovative projects and initiatives to reduce any identified inequalities with the aim of ensuring all the Trust's services meet the diverse health needs of the population of Lancashire.

A wide range of activity has been undertaken during the reporting period including the establishment of targeted groups such as 'Goal Difference', a male cognitive behavioural therapy focus group developed in conjunction with local football clubs to reduce the stigma associated with accessing services. The promotion of a Stress Control course on local radio programmes in Urdu has also successfully increased referrals from black and minority ethnic communities. The development of a network of military veterans champions that consulted with volunteer ex-service users and provide information and training to other staff. Partnership work was also undertaken with the Healthy Minds Academy, a consortium of services which predominantly supported women in East Lancashire. Collaboration with schools and businesses has also increased knowledge about the Trust and aimed to reduce fear and potential stigma associated with accessing services.

The Trust Transformation and Equality Strategy; 'A Statement of Intent' has clearly laid out how the Trust is working strategically to ensure equality and diversity is embedded in all areas. The strategy will be refreshed in 2015 to reflect new learning about best practice and opportunities identified for improvement.

Workforce
The Trust's headcount (HC) as at the 31 March 2015 was 6719 with Whole Time Equivalents (WTE) of 6017 (excluding bank and agency). Over the past 12 months there has been a slight increase in the number of substantive posts in the Trust.

The proportion of staff from Black or Minority Ethnic (BME) groups remains in line with previous years with over 7% recorded as BME. This compares with 9.6% of the total population of Lancashire being BME (Lancashire census 2011) and a BME

working age population of 5.3%. Compared with the working age population, the Trust has a favourable representation of staff from a BME background but further analysis indicates that employees from an ethnic minority tend to occupy lower band roles or medical roles. The HR team have continued to work closely with the Equality and Diversity Lead to ensure that opportunities are equitable for all staff across the Trust. Work in relation to this specific characteristic will be recorded in line with the Workforce Race Equality Standard (WRES) which came into force 1 April 2015.

Over recent years Lancashire Care has seen a gradual ageing of its workforce but with a year on year increase in the number of employees aged between 17 and 21. The Trust has signed up to the Apprenticeship Promise to encourage young people to gain skills and qualifications via the Trust's Apprenticeship or Volunteering Schemes, after which many gain substantive employment. In 2014/15, 80 apprenticeships were offered by the Trust, around 23% of which were to employees under 30 years of age. The age profile of the workforce is carefully monitored to ensure career opportunities are provided for young people and services are safeguarded against the increasing impact of retirements.

The Trust's proactive commitment to the Equality Delivery System has continued to promote activity to redress the gender imbalance and attract more men into roles within the Trust. This remains a challenge due to limited external recruitment which is reflected in a slight reduction to the proportion of male staff this year.

Disability is a challenging equality area to analyse as many people with a disability, as defined under the Equality Act 2010, may not regard themselves as having a disability, for example those who are deaf or those with blood borne viruses. Just over 4% of the workforce is recorded as having a disability. The Trust has continued to improve data on disability through awareness sessions with teams and communication across the Trust. During the reporting period the Trust participated in a regional knowledge sharing event focused on Reasonable Workplace Adjustments, the Trust's Equality and Diversity Lead presented some of the good practice which took place across the Trust. Opportunities were also taken for shared learning from neighbouring organisations.

The diversity of religions amongst the workforce has demonstrated the ability of the Trust to attract staff across all cultural and religious groups and has supported the Trust in becoming more culturally sensitive to the needs of all service users regardless of their cultural or religious background. As with disability the Trust has continued to raise awareness of the importance of collecting diversity data to help improve services.

Data regarding sexual orientation is limited due to the proportion of staff who do not wish to disclose this information and a number of undefined records. The Trust has continued to improve the quality of sexual orientation data through awareness training across the Trust to promote greater understanding of the importance of collecting and analysing the data.

For a second consecutive year there has been a reduction in the percentage of people who choose not to disclose information about their sexual orientation, disabilities and religion. Online self-service functionality has enabled employees to input personal data directly into their employee record themselves and the increase in staff confidence around providing this information is reflected in the data.

The Trust's People Committee receives assurance in relation to workforce, organisational development and education strategies which aim to develop a motivated workforce capable of providing excellent, compassionate and safe care for every patient, every day.

The topic of Human Rights is covered as part of the Trust's mandatory training programme. The Trust uses the Equality Delivery System to scrutinise outcomes in relation to equality, diversity and inclusion and this system was designed with the FREDA (fairness, respect, equality, dignity and autonomy) principles compliance which ensure compliance with The Human Rights Act.

The Trust's Equality Statement of Intent has not historically contained a specific reference to the Human Rights Act however the strategy document will contain explicit reference following the completion of a full review in June 2015.

Membership

The Trust's public membership total at 31 March 2015 was 8071 members across the seven public constituencies of Lancashire Care. There has been an increase in the number of new public members joining the Trust due to the continued focus on positive engagement with members for example through membership engagement events and member recruitment.

The enhancement of the membership system allows the evaluation of membership data more accurately to reflect the demographics of public members. The analysis of public membership gives an overview of the current public membership population. The Trust is striving to ensure its public membership base continues to evolve and become more representative of the population within Lancashire which is served by Trust services.

The implementation of the Trust's membership engagement model is increasing dialogue with members and provides opportunities for them to be meaningfully involved in the development of the Trust's future plans. Affiliate membership formalises relationships with partner organisations and this will help the Trust to realise the potential and benefits of working with like-minded organisations to support the health and wellbeing of the people of Lancashire.

Analysis of Staff and Membership 2014/15

Age	Staff 2014/15	%	Staff 2013/14	%	Membership 2014/15	%	Membership 2013/14	%
0 – 16	0	0	0	0	14	0.2	4	0.05
17 – 21	30	0.45	21	0.32	404	5	338	4.44
22+	6689	99.55	6627	99.68	7169	88.8	6740	88.56
Not provided	0	0	0	0	484	6	528	6.93
Total	6719	100	6648	100	8071	100	7610	100

Ethnicity	Staff 2014/15	%	Staff 2013/14	%	Membership 2014/15	%	Membership 2013/14	%
White	5959	88.70	5895	88.67	6934	85.91	6504	85.46
Mixed	48	0.71	47	0.70	120	1.49	108	1.41
Asian or Asian British	327	4.87	321	4.83	469	5.81	413	5.42
Black or Black British	96	1.43	95	1.43	89	1.1	83	1.09
Chinese	7	0.10	5	0.08	7	0.09	7	0.09
Other	3	0.04	2	0.03	131	1.62	117	1.53
Undefined	49	0.73	24	0.36	291	3.61	354	4.65
Not specified	230	3.42	259	3.90	30	0.37	24	0.31
Total	6719	100	6648	100	8071	100	7610	100

Gender	Staff 2014/15	%	Staff 2013/14	%	Membership 2014/15	%	Membership 2013/14	%
Male	1308	19.47	1319	19.84	2856	35.39	2683	35.25
Female	5411	80.53	5329	80.16	5178	64.15	4828	63.44
Not specified	0	0	0	0	37	0.46	99	1.30
Total	6719	100	6648	100	8071	100	7610	100

Recorded Disability	Staff 2014/15	%	Staff 2013/14	%	Membership 2014/15	%	Membership 2013/14	%
Yes	286	4.26	269	4.05				
No/ undefined	6344	94.42	6280	94.46				
Not declared	89	1.32	99	1.49				
Total	6719	100	6648	100				

Religion and Belief	Staff 2014/15	%	Staff 2013/14	%	Membership 2014/15	%	Membership 2013/14	%
Atheism	506	7.53	468	7.04				
Buddhism	26	0.39	26	0.39				
Christianity	3379	50.3	3232	48.61				
Hinduism	56	0.83	57	0.86				
Islam	203	3.02	179	2.69				
Jainism	0	0	1	0.02				
Judaism	5	0.07	6	0.09				
Sikhism	12	0.18	15	0.23				
I do not wish to disclose	2144	31.91	2331	35.06				
Other	345	5.13	320	4.81				
Undefined	43	0.64	13	0.2				
Total	6719	100	6648	100				

Sexual Orientation	Staff 2014/15	%	Staff 2013/14	%	Membership 2014/15	%	Membership 2013/14	%
Lesbian	32	0.48	26	0.39				
Gay	46	0.68	39	0.59				
Bisexual	17	0.25	17	0.26				
Heterosexual	4602	68.5	4377	65.83				
I do not wish to disclose	1944	28.93	2137	32.15				
Undefined	78	1.16	52	0.78				
Total	6719	100	6648	100				

1.1.14 Sickness Absence Figures

As per 2014/15 Treasury Financial Reporting Manual (FReM) guidance, the Trust is required to report staff sickness data. Data for the Trust can be found on page 38.

This data has not been generated locally; it has been nationally generated by Health and Social Care Information Centre (HSCIC) – Sickness Absence Workforce Publications – based on data from the Employment Services Record (ESR) Data Warehouse. The figures are based on a calendar year from January to December 2014. The ESR system does not hold details of the number of days worked by each employee (data on days lost and days available produced in reports are based on 365-day year). The number of full-time equivalent (FTE) days available has been estimated by multiplying the average FTE for 2014 (from March 2015) by 225. The

number of FTE days lost to sickness absence has been estimated by multiplying the estimated FTE days available by the average sickness absence rate. The average number of sick days per FTE has been estimated by dividing the estimated number of FTE days sick by the average FTE. Sickness absence rate is calculated by dividing the sum total sickness absence days (including non-working days) by the sum total days available per month for each member of staff.

Name	OCS Code	Statistics Produced by HSCIC from ESR Data Warehouse		Figures converted by DH to Best Estimate of Required Data items		
		Quarterly Sickness Rate	Monthly Workforce Publication			
		Average 12 Months (2014 Calendar Year)	Average FTE (2014)	FTE days available	FTE days lost to sickness absence	Average sick day per FTE
Lancashire Care NHS Foundation Trust	RW5	5.91%	5,913	1,325,115	78,624	13.3

1.1.15 Employee Gender Breakdown

A breakdown of the number of male and female employees at 31 March 2015 is detailed in the table below.

Group	Male	Female
Executive Directors (including the Chief Executive)	3	4
Non-Executive Directors (including the Chair)	4	2
Other Senior Managers	93	261
Employees	1208	5144

1.2 Going Concern

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.

Professor Heather Tierney-Moore OBE
Chief Executive
28 May 2015

2. Directors' Report

The Directors' Report has been prepared under direction issued by Monitor, the independent regulator for Foundation Trusts, as required by Schedule 7 paragraph 26 of the NHS Act 2006 and in accordance with:

- Sections 415, 416[6] and 418 of the Companies Act 2006 (section 415(4) and (5) and section 418(5) and (6) do not apply to NHS Foundation Trusts);
- Regulation 10 and Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 ("the Regulations");
- Additional disclosures required by the FReM;
- The NHS Foundation Trust Annual Reporting Manual 2014/15 (FT ARM); and
- Additional disclosures required by Monitor.

Further details of the areas included in this statement can be found on the Trust's website: www.lancashirecare.nhs.uk

The names of individuals who were Directors of the Trust during the financial year can be found on page 83.

2.1 Patient Care

2.1.1 Descriptions of how the NHS Foundation Trust is using its Foundation Trust Status to Develop its Services and Improve Patient Care

The Trust continues to use its Foundation Trust status to develop its services and improve patient care.

The joint venture with Ryhurst, Red Rose Corporate Services (RRCS) continues to be productive and has been a key enabler of The Harbour development and the planning stages of the Pennine Lancashire Mental Health Unit development. RRCS continues to support the Trust with the development of its estate to ensure the optimal use of accommodation. There are several new developments in the pipeline and business cases are being progressed for these in line with the Trust's plans to increasingly provide care within the community facilitated by the creation of neighbourhood teams.

Other partnership working has seen a collaboration between the Trust and healthcare providers Midland Heart and Healthcare at Home to deliver innovative new services to patients. The partnership with Healthcare at Home enables the provision of Intensive Home Support, offering a multidisciplinary clinical and therapy service for patients in their own home. This service is further enhanced by a dedicated medical team; pharmacy support; and a clinically-led Healthcare at Home 24/7 Care Bureau to actively enable patients to access the service from either a hospital setting or their GP. The Midland Heart Partnership has resulted in the development of a 24 bed re-ablement care unit called 'Beechwood' based at Royal Preston Hospital. This is for frail elderly patients who are medically fit and require some additional support prior to going home. If required, patients from Beechwood can also be supported by the

Intensive Home Support element of the service. More information can be found on page 46.

The operating environment is increasingly competitive and the Trust has a clear strategy for the areas of its service provision that it intends to protect, grow and expand. The four clinical networks, supported by the Transformational Advisory Service, have robust plans in place for securing contracts and responding to bids. Details of contracts secured in year are provided on page 18.

Foundation Trust status also allows opportunity to engage widely with the local population. The Trust takes the opportunity to engage with its cohort of public and affiliate members in the development of Trust plans and programmes of work. Public and affiliate members have supported the development of the Trust's Public Health Strategy following a successful engagement event. Members are kept informed of the Trust's progress and are able to use their views to influence service development via newsletters, panel surveys and electing governors to represent the interest of the public and hold the Trust's Non-Executive Directors to account. More information about governors can be found on page 89.

2.1.2 Performance against Key Patient Targets

Towards the end of 2014/15 the Trust identified a number of areas for improvement but has remained fully compliant with the Monitor framework at all times. This specifically related to Delayed Transfers of Care (DTOC). During 2014/15 the Trust has worked to address these gaps through a number of workstreams, in turn improving the overall Trust performance management culture.

The Trust ended the period 2014/15 with full compliance against all Monitor indicators. Whilst the DTOC position is improving, the indicator will continue to be managed as at risk as the organisational network plans for improvement extend across 15/16 and this is reflected in the annual plan with Monitor.

2.1.3 Arrangements for Monitoring Improvements in the Quality of Healthcare and Progress towards Meeting any National and Local Targets, Incorporating Care Quality Commission Assessments and Reviews and the NHS Foundation Trust's Response to any Recommendations Made

The implementation of the Quality Strategy 2012 -2015 has continued throughout the reporting period with a specific focus on maintaining and enhancing the Quality SEEL (Safe Effective Experience Leadership) assessment in relation to the Care Quality Commission (CQC) 'Essential Standards for Quality and Safety.' The Quality SEEL findings provide the Board with assurance of quality standards across the organisation. Work was undertaken during the year to ensure that Quality SEEL assessments reflect each of the new CQC Fundamental Standards. All health and social care providers are required to meet these standards as a condition of their registration with the Care Quality Commission from 1 April 2015. The fundamental standards are intended to describe the basic requirements that providers should always meet and set the standard of care that service users should always expect to receive.

The programme of internal 'CQC style' quality visits has continued to support learning and the sharing of good practice. Clinical teams have further developed their Team Information Boards which are actively used to support on-going conversations about the quality of services. The Team Information Boards have been enhanced by an electronic Integrated Quality Report allowing teams to review data and information on-screen in real time about the quality and safety of care provided including incidents, risks, harm free care, staffing levels, patient experience and feedback.

The Quality Strategy 2015-2019 will build upon the goals of the previous strategy. The Trust will continue to refine and embed the systems for the collection and sharing of information on quality at all levels, as well as empower people to use both hard data and soft intelligence to inform conversations about quality and ideas for improvements during the year. The Executive Quality Committee has provided assurance to the Board that the Quality Strategy is being deployed throughout the organisation and that the key actions are being progressed. The new governance structure introduced on 1 January became fully operational on 1 April 2015 and further strengthens this assurance regime.

The Quality Strategy 2015-2019 will be the central strategy for the Trust with all associated strategies reviewed and re-developed to ensure they are fully aligned to the proposed quality strategy outcomes.

The expected outcomes and associated goals of the Quality Strategy 2015-2019 were developed through 'Thinking Space' events held with colleagues from both clinical and support services along with other associated stakeholders.

A model of quality surveillance is being developed within the Trust which will bring together data on safety, effectiveness and experience. This will involve the triangulation of data from a range of sources including the risk management system alongside a series of triggers to provide an early warning of potential areas of concern. The quality surveillance process is developed from the principles of the CQC Intelligent Monitoring model. This proactive quality surveillance process will enable prompt further investigation of potential concern areas and early implementation of corrective action. The outcomes of the quality surveillance process will be reported to the Trust Quality and Safety sub-committee as part of the Integrated Quality and Safety Report.

Throughout the year the Nursing and Quality Directorate have facilitated 'Dare to Share' and 'Time to Shine' events with clinical leaders in support of the Trust's open and honest philosophy following all serious incidents and near misses to share investigation findings to ensure lessons can be learnt to prevent future occurrences. The events support learning across the networks and are open to all employees. Dare to Share enables a reflection of the lessons learnt and how the service, team or individual have and continue to implement improvements in practice. Time to Shine sessions provide the opportunity for reflection of good practice as the norm or when it has been achieved following a serious incident and continues to have a positive impact on staff and service users.

Changes in legislation introduced the statutory duty of candour, which is regulated and enforced by the Care Quality Commission (CQC) to ensure that NHS providers are open and transparent with people who use services. It also sets out some specific requirements that NHS providers must follow when things go wrong with care and treatment, including informing people about the incident, providing reasonable support, providing truthful information and an apology when things go wrong.

The concept of candour following incidents is not new, and was originally introduced by the former National Patient Safety Agency (NPSA) in 2005. The Trust has had a Being Open policy in place for many years with staff having received training in serious incident investigation in accordance with the policy. Additionally, the quality checking of all serious incident investigation reports included ensuring the requirements of the Being Open Policy have been met. Recent feedback from commissioners reviewing Trust serious incident reports reflect the Trust is consistently good at demonstrating candour.

The Quality Strategy and Quality Priorities continue to inform the content of the 2014/15 Quality Account. The Standards and Assurance Committee (SAC), a subgroup of the Council of Governors reviews samples of evidence against each quality priority during the year and receive drafts of the Quality Account during its production prior to formally receiving the Annual Report, Accounts and Quality Account following year end.

The Trust has received several unannounced CQC and Mental Health Act visits throughout the year and has responded to feedback as appropriate. Following CQC inspection visits, the Quality & Experience Team complete debriefs with the clinical teams to share the learning organisationally. An inspection visit to HMP Wymott identified that two of the standards required further assurance. These were in relation to staffing, and assessing and monitoring the quality of service provision in particular to the absence of processes to record and provide assurance of the completion of mandatory training and evidence that staff are able to access supervision.

An action plan was implemented to address the areas of development with solutions being sustained resulting in there being timely access for GP and dental appointments. Robust systems are now in place which include mandatory training records being reviewed, training records displayed on the Team Information Board and discussed during staff supervision and appraisals together with the delivery of appropriate supervision with records of attendance for staff supervision also displayed on the Team Information Board. The action plan was monitored through regular progress reports to both Quality and Safety sub-committee and the Quality Committee and the Trust received the CQC report confirming compliance on 30 March. The new governance structure ensures that assurance is provided from Quality and Safety Sub-Committee to the Board level Quality Committee and ensures that risks are escalated as appropriate.

2.1.4 Progress towards Targets as Agreed with Local Commissioners, Together With Details of Other Key Quality Improvements

As part of the contractual arrangements for community and mental health services, including those services defined as specialist; the Trust has a number of targets to

meet relating to CQUIN (Commissioning through Quality and Innovation) and the Quality Schedule of contracts. The objective for the indicators under the CQUIN scheme is to incentivise quality improvement within priority service delivery areas.

These targets are service specific, locally agreed and based on quality initiatives. The performance for these indicators is reported to commissioners on a quarterly basis and additional income is secured should the quality of services improve through demonstrable achievement of these challenging targets. All respective targets have been achieved and detail about the associated quality improvements and the impact on the experiences of people who use the Trust's services is described further in the Quality Account.

Key priorities reflected in the CQUIN indicators for 2014/15 for the community and mental health contracts included:

- The delivery of the Harm Free Care physical health programme
- The implementation of the Friends and Family Test in line with national guidance
- The introduction of a Quality Improvement Framework to enable the systematic reporting of quality improvements across a range of services
- CAMHS transition from children's services to adult services
- Developing strategies to prevent inappropriate unscheduled acute hospital admissions for people with known mental health problems

The 2015/16 CQUIN indicators for both the community and mental health contracts are agreed with organisational Quality Leads and Clinical Commissioning Group representatives.

Initial proposals include the introduction of the further development of the Quality Framework, staff health and wellbeing, the harm free care programme across all services and a focus on reducing restrictive practices and physical healthcare in mental health settings.

2.1.5 Enhanced Quality Governance Reporting

During the reporting period, the Trust strengthened its quality governance arrangements and appointed the Associate Director for Quality Governance and Patient Safety. The Trust commenced a high level review of its quality governance arrangements against the Monitor framework which will inform improvements being taken forward in 2015/16. Further detail can be found in the Quality Account.

Changes were made to the Trust's governance framework during the year with full implementation from April 2015 and included strengthening the remit of the Quality Committee and the establishment of the Quality and Safety Sub-Committee in November 2014. The work of the sub-committee included scrutinising clinical reports from each network and data from the quality surveillance system developed during the year by means of a newly developed Integrated Quality Report. The Trust's Quality SEEL (Safety, Experience, Effectiveness and Leadership) assessment tool helps teams assess their compliance with Care Quality Commission (CQC)

outcomes. Risks identified through this process are recorded on the Quality Governance risk register and appropriate escalation procedures are in place.

The CQC undertook a range of Mental Health Act monitoring visits to inpatient services as well as inspection visits to offender health services during the year, the Trust received its comprehensive inspection visit in April 2015 under the new CQC inspection programme. During the year, commissioners also undertook a range of quality site visits and action plans were developed and implemented where appropriate. These formal regulatory and contractual inspections complement the Trust's own programme of Quality Assurance visits, Good Practice visits led by Executive Directors and Board quality visits involving the full Trust Board. The Council of Governors also take part in Good Practice Visits.

2.1.6 Any New or Significantly Revised Services

During the reporting period there have been a number of developments across the Trust's network of services including the provision of new services and variations to existing services.

Within the Adult Mental Health Network there is a real focus on making services increasingly localised, accessible and responsive to the needs of service users. Improvements have been made to the provision of talking therapy services across the county and the Improving Access to Psychological Therapies service has been improved and re-launched as the Mindsmatter Service. Mindsmatter provides a range of talking therapies and resources to people with common mental health problems such as depression, stress and anxiety. The team utilised comments and feedback from service users about what improvements they felt would benefit patients and implemented the ideas which came forward. The improved Mindsmatter service has been re-designed with an emphasis on ease of access and support for those who require assistance and a self-referral process has also been introduced. Waiting times for the service have improved with the lead time for a Psychological Wellbeing Practitioner appointment reduced from 17 weeks to four, and work is underway to introduce a four week waiting time for all aspects of treatment available from Mindsmatter.

Other options explored by the Adult Mental Health Network include improvements to community services to ensure that the majority of those people with a mental illness can be cared for in their own home. A new model of care under development will provide an integrated neighbourhood based service, working closely with GPs to provide personal and responsive care with specialist input when required.

The Eating Disorders Service provided by the Trust has also expanded and now covers the whole of Lancashire after the contract to provide the service in Chorley & South Ribble and Greater Preston was awarded. The Trust has received very positive feedback about the service for the multi-disciplinary approach, the detail paid to patient and family-focused planning and the service's integration within the wider Adult Mental Health Network.

In the Adult Community Network a new model of scheduled care has been developed within older adult mental health services following extensive consultation with staff.

This will mean that in the future scheduled care will be delivered within core hours by Community Mental Health Teams and unscheduled care will be provided by a new Rapid Intervention and Treatment Team (RITT) on a seven day basis from 8:00am until 8:00pm. Physical health services for the frail elderly population have also been developed in partnership with neighbouring acute hospitals, local authorities and wider healthcare providers to reduce the pressure faced by acute hospital partners in the face of growing demand, whilst improving the quality of care and provision in the community.

This involves developing services that wrap around primary care, providing alternatives to hospital and supporting people in their own home environments to prevent frail elderly people and those with long term conditions from being admitted to hospital unnecessarily or remaining in hospital when they could be cared for at home. Supporting people with long term conditions remains a priority area for the Trust and work continues to progress this with partners in Central Lancashire and Blackburn with Darwen. The focus remains on supporting people to manage their conditions and self-care through an enhanced service provision from integrated neighbourhood teams, building community assets and alternatives to hospital admission. In Central Lancashire, community nursing and therapy services have been organised in locality bases to form Integrated Neighbourhood Teams. These teams support clusters of GP practices across the region and are designed to enable Trust staff to work closely with other healthcare partners to deliver improved healthcare.

Also within Blackburn with Darwen and Central Lancashire, the Trust has worked with its partners to develop the Intensive Home Support (IHS) service. This is delivered by the Trust in partnership with Healthcare at Home to provide multidisciplinary clinical and therapy services for patients in their own home or usual place of residence. The new model of care provides additional capacity as well as a clinically led 24 hour support infrastructure. In Blackburn with Darwen this step up service will be delivered initially in nursing homes with plans to roll this out to GPs and community services over the next 12 months. In Central Lancashire, the step up and step down service will initially be delivered in the Emergency Department, the Medical Assessment Unit and the Emergency Medical Decisions Unit at Royal Preston Hospital. Over the next 12 months this will be rolled out to the Frailty Unit at Chorley Hospital as well as GPs and community services.

In Central Lancashire, the Trust is also piloting the provision of a 24 bedded re-ablement care unit called Beechwood which is a partnership between the Trust and Midland Heart based at Royal Preston Hospital. Beechwood is an innovative facility which is not provided anywhere else in Lancashire and has proved successful in other parts of the country. Those patients accessing the facility will typically be frail/elderly who are medically fit but may have social care or housing constraints delaying their return home, it is also expected to benefit patients who may need more time to regain the skills and confidence they had before their hospital admission. Patients are supported to achieve optimal independence allowing them to be discharged with the support of the appropriate services if needed, with Beechwood providing the link between hospital and home. The Beechwood care unit provide 24/7

access to medical care and support from a clinical multi-disciplinary team, pharmacy, social work and specialist in-reach services.

Both the Intensive Home Support service and Beechwood unit will improve the quality of care provided to frail, elderly people and provide an alternative to staying in hospital, which ultimately improves a person's chance of recovery and maintaining independence. The 12 month pilot will be thoroughly evaluated with a view to providing these services on a long term basis.

In the Specialist Service Network, developments have been made to provide an alternative to admission into secure beds allowing service users to be cared for in the least restrictive environment. Undertaken in partnership with the Trust's Adult Mental Health Services, Multi-Agency Public Protection Agency (MAPPA) and the Police with additional links forged with the third sector to enable the efficient management of service users in the community. The Trust has been selected as the pilot site in Lancashire to support NHS England's initiative to develop a business case for full implementation of a defined and recognised service model for criminal justice liaison following successful achievement of phase one pathfinder status for mental health services. The provision of high quality services underpinned by a dedicated, experienced and skilled workforce sets the Trust's position at the forefront of delivering a pathway which will work to improve the health and justice outcomes for people who come into contact with the criminal justice system.

The service provision in the Trust's Acquired Brain Injury (ABI) and women's service has been enhanced and a new model of care has been introduced alongside a new workforce model and training packages to ensure that staff have the right skills to deliver high quality, evidenced based care. A number of new roles have been introduced including rehabilitation coaches, speech and language therapists and additional occupational therapists.

Prison healthcare services are provided by the Specialist Services Network and NHS health checks are now being offered to prisoners. This is unique within the NHS and is supporting the early identification of long term conditions. In January 2015, the Trust, in partnership with Mersey Care became the providers of healthcare within HMP Liverpool and Kennet on an interim basis at the request of NHS England. A number of improvements were made and on 4 April, NHS England selected the Trust to work alongside partners to provide health and social care services in both prisons on a more permanent basis.

In March 2015, the Trust's new flagship facility on the Fylde Coast, The Harbour opened to patients, providing specialist care and treatment for adults and older people with mental illness. The Harbour took 18 months to construct and provides state of the art facilities for staff and service users as part of a long term programme to replace existing mental health wards with improved accommodation. In year, the Trust has also celebrated the official opening of 18 adult mental health beds at The Orchard in North Lancashire by Eric Ollerenshaw MP.

To further enhance mental health provision, the Trust opened a rehabilitation service in Morecambe to support adults recovering from mental illness. The site provides 12

beds that replicate a domestic environment to promote independence and rehabilitation. The unit also provides 10 high dependency rehabilitation beds with en-suite facilities and a range of clinical rooms to accommodate service users with more complex mental health needs. The service was officially opened by David Morris MP for Morecambe and Lunesdale in July 2014.

2.1.7 Service Improvements following Staff or Patient Surveys/Comments and Care Quality Commission Reports

The Patient Opinion website is used to collect and respond to feedback about the Trust's services. It is a national platform which is independently run and validated by the CQC, Department of Health and health commissioners. In 2014/15 there was a significant rise in the number of postings about the Trust and this valuable feedback is welcomed.

A Customer Care survey has been developed to capture the experiences of people when offering feedback to the Trust through the complaints process. This survey focuses on the quality of the process and has led to a number of developments being piloted including improving communication with complainants, dealing with simple complaints and issues more promptly and developing the quality of responses.

The publication of the Staff Survey 2014 results has also seen a commitment to utilising valuable staff feedback to make improvements based on staff ideas and suggestions. A number of initiatives were launched to address key areas of the staff survey findings and include:

- An action plan to address the areas requiring improvement as highlighted in the findings

- Network briefings to share the results and facilitate front line/team discussion to gain local feedback, understand what the issues are and what needs to happen to bring about improvements

- Network action plans have been created in response to feedback and will be monitored via the People Committee

- Regular Trust wide communications will update employees on improvements made

- An inclusive approach to making positive changes across the organisation

Staff Survey results can be found on page 29.

Following receipt of the CQC inspection report relating to HMP Wymott the Trust demonstrated its commitment to delivering quality services through the development of a responsive action plan by the Specialist Services network with support from the Quality Governance Team. Following submission of the action plan, CQC assurance sessions supported the timely implementation of actions including improved access to general practice and dental services. A rigorous process was also put into place to

enable appropriate challenge, within a supportive context, to allow learning to be achieved and sustained.

The Trust has a constructive relationship with the CQC and welcomes their input and new inspection regime.

2.1.8 Improvements in Patient/Carer Information

The Trust continues to work closely with service users and carers to improve their experience of services and ensure that they are involved and well-informed, and continues to work collaboratively with partner organisations to support carers.

A portfolio of patient information leaflets is available and services involve service users and carers in reviewing the leaflets. A service user and carer newsletter, Voice News is produced on a quarterly basis with service users and carers being part of the editorial team and contributing to the publication.

The on-going development of the Trust's website continues to improve access to information including self-help materials for patients and the public. A user-friendly directory of services has been developed on the Trust's website to make it easier for patients and GPs to find out what services are available in their local area, how to make referrals to services and contact details. Service users and staff played a key part in this development.

An easy read summary of the Quality Account 2013/14 was published in the summer edition of Voice News having been informed by and developed with people who use Trust services. The full version of the Quality Account was made available on the Trust internet site alongside the Annual Report and Accounts. It was also presented to the Council of Governors and members at the Annual Members Meeting.

2.1.9 Information on Complaints Handling

The Trust has worked hard to listen and respond openly to complaints to ensure resolution where possible. There is a positive attitude to complaints as opportunities to review how things may have gone wrong, enable the chance to put things right, learn lessons and improve services for the people who use services, their carers and families.

The Customer Care department has been continuing to look at ways to improve the complaints process for people who use services and their families. Developments over the past twelve months include:

- A Rapid Resolution process which offers proportionate and timely responses to simple and straightforward complaints
- Redevelopment of elements of the customer care module on Datix which captures higher quality data to facilitate greater learning
- A survey piloted to gather the experiences of complainants during the complaints process
- Increased promotion of how to access the complaints process

The Trust is fully engaged with the standards set out by CQC and Department of Health guidance and has adhered to the NHS Complaints Handling Regulations (2009) including the acknowledgement of formal complaints within three working days and issue of full response within 25 working days, or within a timescale agreed between the complainant and the investigation lead. There is also a procedure to advise complainants about any unexpected delays encountered within the investigation process.

During the reporting period the Trust received a total of 734 formal complaints, 375 Rapid Resolutions (if unresolved within 24 hours it constitutes a complaint) 62 comments and 3876 compliments. There were 15 enquiries from General Practitioners and 60 from Members of Parliament.

Regular detailed information was provided to the Trust Board on the achievement of targets, main themes from complaints, lessons learned and improvements as a result of complaints. The Board also undertook complaints reviews during the year which involved an in depth review of randomly selected complaints from across the four Networks.

 The top themes of complaints during the reporting period were:

- Respecting and involving service users
- Care and welfare

Feedback from people who have used services is an important part of the Trust's Quality Strategy. Networks now have access to dashboards and reporting systems which allow the monitoring of service specific complaints, identification of themes and improved management of complaints.

Parliamentary and Health Service Ombudsman (PHSO) Summary

Number	Current Status
1	The PHSO declined to investigate
0	Referred back to the Trust for a further attempt at resolution
15	PHSO investigated and now closed
1	PHSO investigated and partially upheld
5	Currently with the PHSO

2.2 Stakeholder Relations

2.2.1 Descriptions of Significant Partnerships and Alliances Entered into by the NHS Foundation Trust to Facilitate the Delivery of Improved Healthcare.

The ultimate aims of the Trust's approach to stakeholder relations are to support the business objectives of the Trust by strengthening relationships with key stakeholders, engaging them in working in partnership to address the challenges faced in the health economy.

The Communication and Engagement Teams work together to support the Trust in its ambitions to strengthen relationships with key partners and position itself as the prime contractor or partner for health and wellbeing services in Lancashire and relevant geographies outside the county where strategically relevant.

The Trust's engagement strategy provides leadership in forging relationships with key partners and supporting the clinical networks to identify their key stakeholders and engage with them in an effective way, supported by Executive and Network colleagues. The framework for this approach is provided by key principles which include a commitment to ensuring that stakeholder engagement is clinically led where possible and aligned to the service user and carer involvement work of Clinical Networks.

A common theme reported during the year was the desire articulated by commissioners and primary care colleagues for service provision to be modelled on a locality approach. The Engagement Team's relationship managers, with their geographical focus and primary care relationships, support work being undertaken by the Clinical Networks such as the Long Term Conditions programme and the Community Mental Health redesign. Relationship managers now also deliver a single point of contact service across all localities, providing responsive operational links between General Practice and Trust services.

The Trust is a key player in the Healthier Lancashire Programme, a system-wide response to NHS England's "Five Year Forward View." Healthier Lancashire aims to lead the way in an unprecedented collaboration between people and organisations to define a new and better future for health and care in Lancashire. The programme is delivered from 2015 - 2020 through three complementary work streams: cultural transformation, care components and digital technologies. The Trust is contributing strongly to the strategic leadership of the programme through the Chief Executive's membership of the Lancashire Leadership Forum and chairing of the cultural transformation work stream steering group. In addition the Director of Information Management and Technology has a secondment to the programme to lead the digital technology work stream. The Trust's Engagement Team has also made a significant contribution to the development of the Healthier Lancashire 'People not Patients' brand which aims to create a social movement to affect the kind of revolutionary change necessary to prevent people from becoming patients.

The Trust's Chief Executive sits on both the Lancashire County Council and Blackpool Health and Wellbeing Boards. They are established and hosted by local authorities and bring together the NHS, public health, adult social care and children's

services of their local population. Tackling health inequalities, increasing life expectancy and improving health outcomes are amongst the shared goals of the local boards that the Trust supports.

An annual programme of workshops continues to support the development of the public engagement role of Trust governors. The programme is based on the Trust's current strategic priorities which are outlined in the Trust's five year plan for 2014-19 and which underpin the annual planning framework for 2014-16. The programme comprises six workshops spread evenly across the financial year 2015-16. Clinical and managerial leads will engage with governors about the strategies and initiatives through which the Trust will deliver on its key priorities. The key learning outcome from the programme is that governors will feel confident and supported in the public engagement aspect of their role and feel enabled to undertake engagement at an appropriate strategic level.

GPs continue to provide positive feedback on the impact of the relationship managers. The relationship managers regularly respond to individual requests for contact details and service information on a practice by practice basis, sharing information across the locality where appropriate. Work is ongoing between the relationship managers and the Trust's corporate Communications Team to provide information to GPs and other stakeholders in an accessible way that meets their needs.

Relationships with the third sector were developed by supporting a number of significant events such as Health Melas, Third Sector Expo and the Open Mind Festival.

Health Melas across Lancashire provided a great opportunity for Trust teams to showcase their work to the local communities of Central Preston, Leyland and Fleetwood, almost 1,500 members of the public attended these three events in 2014. Events during the year were supported by teams from the Trust including the Tuberculosis (TB) Team, Fit Squad / Quit Squad, Desmond Diabetes Team and Memory Assessment Teams. These events have also provided opportunities for enhancing the Trust's reputation with key stakeholders, including borough councils and the local Clinical Commissioning Group. Co-ordinating a strategic approach to the various Health Melas in Lancashire will continue to form a key part of the stakeholder engagement strategy in 2015/16.

The Open Mind Festival is a service user led annual public engagement event which uses music as a medium to challenge discrimination and promote anti-stigma messages about members of communities living with a mental health condition. The Trust has provided practical and financial support for the festival, which took place between 29 September and 5 October 2014, in partnership with Preston City Council, Lancashire County Council, Greater Preston, Chorley and South Ribble CCGs, the University of Central Lancashire and Music and the Mind. The Trust is currently working with these partners to develop 'Whittingham Lives', a long term public and service user engagement project that will explore the 150 year history and legacy of the asylum based at Whittingham on the outskirts of Preston. The Hope, Health &

Happiness Conference brought together over 50 partners and colleagues from across the region to share good practice within secure settings.

The Trust's relationships with stakeholders from the third sector have been developed through active support for initiatives to ensure that local, frontline third sector organisations in Lancashire have the appropriate infrastructure support to thrive and prosper as part of the new landscape for commissioning health and social care. For example in September 2014, the Trust, with NHS England, were the main sponsors of a third sector expo held at Blackburn Cathedral which aimed to raise awareness about the contribution that the third sector can make to the Lancashire health and social care economy by facilitating conversations between third sector organisations and health and social care commissioners and providers. Representatives from the Trust made specific contributions to sessions at the expo which launched Lancashire Mind's new strategy for mental health and which discussed the University of Central Lancashire (UCLan) School of Health's proposal to design the health curriculum with the service user in mind.

There are some excellent examples of partnership working in the Specialist Services network. They have worked with NHS England to conduct a review of inpatient services in the Midlands and East of England. This provided the opportunity to share expertise and support crucial work in improving healthcare for the offender population. Strong links have been forged with NHS England, the National Offender Management Service (NOMs) and Tavistock and Portman NHS Trust in a pilot project delivering mentalisation based therapy (MBT) to offenders in the community. Personality disorder services have been jointly developed with the National Probation Service. Provision has grown to include the delivery of the Psychologically Informed Planned Environment (PIPE) model at Edith Rigby House, which is one of only two community services for women offenders in the country. Work continues with the University of Manchester on offender health research.

The Acquired Brain Injury Unit (ABI) continues to work closely with the charity Headway to improve the care provided for service users with a brain injury. Their input is evident in staff training programmes to provide the best possible care for service users. The Trust also partners with the Brain Injury Awareness Trust (BIRT) to share best practice and developments in ABI care amongst other providers.

2.2.2 Development of Services Involving Other Local Services/Agencies and Involvement in Local Activities

As the major health and wellbeing provider for Lancashire the Trust works in partnership with numerous organisations to plan, provide and develop services. The Trust's aspiration is to deliver integrated care and use its position as an expert in the health and wellbeing system to act as a conduit and signpost to other providers when appropriate. The Trust is well placed to help people navigate the complex health and wellbeing system and recognises the unique input and expertise that other agencies contribute to the wider health needs of individuals and communities.

The Trust hosted a membership conference focusing on Public Health in July 2014. The aim of the conference, attended by around 150 delegates from a range of health and social care providers, commissioners and third sector organisations, was to

inform the development of the Trust's new Public Health Strategy. The final version of the strategy makes clear the role of the conference and the contribution of affiliate members in informing its development. The Trust's growing affiliate membership serves to strengthen and formalise partnerships with a range of partner organisations.

At an operational level the Trust's clinical networks work with a wide variety of partners to provide services to local people and communities.

Lancashire County Council's Connect 4 Life programme remains integral to the development of local integrated neighbourhood teams to support people in Central Lancashire that are living with a long term condition. Connect 4 Life provides vital input within multi-disciplinary teams, advising on social issues including bereavement, low level mental health problems and social isolation. The ability to maximise resources within a local community is key to meeting the needs of individuals, families and communities. Achieving the right support, in the right place, at the right time, with the right outcome at the right cost is essential.

Developing care outside of hospital is a priority area for the Trust and work has progressed this year to develop Intensive Home Support in Blackburn with Darwen and Central Lancashire. A re-ablement unit, Beechwood has also been developed in Central Lancashire to ensure that elderly patients that are medically fit and well enough to be discharged from hospital are able to regain and retain their independence in a supported way. These services have been developed as a pilot in partnership with Midland Heart and Healthcare at Home and further detail is available on page 46.

Community assets (land and buildings owned or managed by community organisations, for example town halls, libraries and community centres) play an increasing role alongside commissioned services, making a real contribution to the 'wellbeing & prevention' agenda in local communities. The focus on supporting people to become involved in their communities will improve outcomes, reduce health inequalities, develop capacity and resilience and reduce financial impact on long term support needs on primary and secondary care activity. Involvement with the 'I Love Alison' venture in Preston also enables service users from the specialist network to develop new skills outside of the secure environment. The Adult Mental Health network continues to work with key advocacy providers including Advocacy Focus, NCompass and Empowerment to ensure service users receive the right advice and support at the new flagship facility, The Harbour. Training will be provided to all staff to raise awareness of these services and the support they will provide. Service users, carers and third sector partners have been involved in the development of The Harbour. These included carers support organisations, housing services and benefits advice agencies amongst others. By collating feedback from service user and carer consultations, the network ensure the appropriate agencies and providers are accessible on site. Alongside this, the Richmond Fellowship are engaged as the provider for Sparky's café and shop at The Harbour.

Partnership working between Adult Mental Health Services, Chorley and South Ribble CCG and the Police has led to the development of a street triage service. This

enables police to access mental health workers when they identify issues with members of the public. Putting this resource on the streets means that people are supported in crisis situations and that triaging can be undertaken to signpost the person to the most appropriate service or undertake an assessment for hospital admission. This approach has been trialled in major cities and has been successful in preventing unnecessary admissions to hospital. The pilot in Preston and Chorley will be used to inform a potential roll out to other areas in the county.

The Trust has worked in partnership with General Practice across Lancashire and the Lancashire Local Medical Committee (LMC) to deliver its annual GP survey. The survey asked for GP views on current community services. Responses were both detailed and constructive and have provided the Trust a great opportunity to work with General Practice in improving community services over the coming year.

Relationship managers in Central Lancashire have responded to a request from the Central and West Lancashire LMC to work on a project to deliver an improved single referral form for many of the Trust's community services. The key aim of this project is to reduce the volume of referral forms the Trust has for its services and allow for a single web based form to be used instead. Early progress has been positive with the draft form receiving approval by key partners including the Central and West Lancashire LMC, Chorley and South Ribble CCG and Greater Preston CCG.

Building Community Capacity enables the Children and Families Health Service teams to motivate and encourage individuals and communities to identify and express what services they need. It creates the opportunity to work together to utilise the skills in the community to help meet those needs. Whilst supporting the needs of a community, the aim is to address key local and national priorities for health improvement and enable activities which will be sustained by the community into the future. Building Community Capacity is a core part of the Health Visiting offer and is identified within the Health Visitor Implementation Plan.

Children's and Family Health Service teams throughout the Trust currently have in excess of 25 Building Community Capacity initiatives in development with communities, examples of active Building Community Capacity include One Stop Shop@The Park, Pram Walks, Engaging, and the Family Recipe Directory.

The Specialist Services network held two regional conferences to share good practice. The Criminal Justice Liaison Team (CJLT) and service users brought together over 60 partners from across the Criminal Justice System (CJS) to celebrate driving innovative practice to improve health, social and criminal justice outcomes for adults and children who come into contact with the youth and CJS. The service used the conference to showcase a pilot initiative in Central Lancashire that was being undertaken for NHS England to divert people from the criminal justice system into mental health services. The pilot phase was very successful and a contract worth £1.4 million was secured in year to roll the service out across Lancashire working in partnership with Lancashire Constabulary. This will result in the input of a CJLT member in custody suites across Lancashire, enabling the early identification of mental health issues and packages of care to be put in place.

In Adult Mental Health Services, as a result of consultation with service users, GPs and commissioners, the Improving Access to Psychological Treatments (IAPT) service has undergone significant development and is now known as 'Mindsmatter'. Key relationships are being developed to ensure more people have access to the new self-referral routes into the service. This includes making links with local pharmacies to help distribute self-referral leaflets to people that may benefit from the information. Restart services continue to work with partners such as Richmond Fellowship and Making Space, supporting a wide range of local initiatives and service user led groups within specific areas of interest such as music, sports and ecology.

The Trust continues to work in partnership with Burnley Football Club and the 'It's a Goal!' Foundation to use the positive and encouraging aspects of football to help men in the community deal with depressive problems in a different way. Horticulture is another area of interest provided from Grange Gardens in West Lancashire and the Eco Centre project in partnership with MIND.

The Trust is supportive of charities and also works closely with the mental health charity Breakthrough, of which the Trust's Chief Executive Heather Tierney-Moore is a patron.

The Trust has developed a Strategic Alliances and Partnering Strategy which aims to bring greater consistency, speed and quality to the alliance activity the Trust undertakes. The Strategic Alliances & Partnering Strategy is just one of the strategies that will deliver the Trust's Vision and Values.

The Trust defines an alliance as a voluntary, long-term relationship with one or more other organisation/s designed to achieve mutual and individual benefit by sharing resources. The Trust is already pursuing several strands of work relating to strategic alliances, including:

- Prison health tenders: opportunities for joint bidding with providers of substance misuse and other clinical services
- Intensive home support and care hotels: opportunity to develop joint services with homecare and social re-ablement service providers
- Red Rose Corporate Services: the estates partnership also potentially provides a contracting vehicle for further partnership activity.

Where the Trust envisages delivering integrated services, the intention is to consider the gaps in the clinical offering and identify which of these could be addressed by strategic alliances with a few core partners.

2.3 Statement as to Disclosure to Auditors

Each of the people who are Directors at the date of approval of this report confirms that:

- They consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for stakeholders to assess the NHS Foundation Trust's performance, business model and strategy;
- So far as the Director is aware, there is no relevant audit information of which the NHS Foundation Trust's auditors are unaware; and
- The Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the NHS Foundation Trust's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the UK Corporate Governance Code 2012, para. C.1.1.

This confirmation is given and should be interpreted in accordance with the provisions of s415-s418 of the Companies Act 2006.

For and on behalf of the Board:

Mr Derek Brown
Chair
28 May 2015

Professor Heather Tierney-Moore OBE
Chief Executive
28 May 2015

2.4 Additional Disclosures

Pensions Disclosure
The accounting policies for pensions and other retirement benefits are set out in note 1.3 to the accounts and details of senior employees' remuneration can be found in the remuneration report on page 66.

Statement on Accounts Preparation
The accounts have been prepared under direction issued by Monitor, the independent regular for Foundation Trusts, as required by paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 and in accordance with the NHS Foundation Trust Annual Reporting Manual 2014/15 (FT ARM).

Statement on Register of Interests' Information
Company directorships and other significant interests held by Directors or Governors which may conflict with their management responsibilities are detailed in a Register of Interests maintained by the Trust. Access to the information in the register can be obtained by written request to the Trust's Director of Governance & Compliance.

Statement on NHS Foundation Trust Compliance with the Cost Allocation and Charging Requirements set out in HM Treasury and Office of Public Sector Information Guidance
The Trust remains compliant with cost allocations and charging requirements laid down by HM Treasury and the Office of Public Sector Information Guidance.

Sickness Absence Data
Over the last 12 months the Human Resources (HR) Business Partnering team have been providing coaching and training to Trust managers to support them to proactively manage and monitor attendance to reduce the number of days lost due to sickness which stands at 5.99% for 2014/15.

In order to support managers the team developed a number of initiatives to help drive this forward. These include internal toolkits to develop fairness and consistency across the team when advising managers, review of standard letters and documentation and since February 2014 a suite of management development training on the topic of attendance management to over 80 managers across the Trust. This rolling programme of training for managers provides them with the basic knowledge and skills for the effective management of sickness absence.

Regular analysis and review of absence cases is undertaken within the HR team in order to ensure sickness absence issues are addressed and managed by managers. Managers are also able to view absence information via ESR Business Intelligence Dashboards which are updated daily. In addition, a review of the Attendance Management Policy has taken place to streamline and provide clarity on the stages for managers to follow and is available on the Trust intranet. This will be accompanied by robust guidance and support to managers on key areas of managing absence issues.

3. Remuneration Report

The Trust has prepared this report in compliance with:

- Sections 420 to 422 of the Companies Act 2006 (section 420(2) and (3), section 421(3) and (4) and section 422(2) and (3) do not apply to NHS Foundation Trusts);
- Regulation 11 and parts 3 and 5 Schedule 8[9] of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) ("the Regulations") and;
- Parts 2 and 4 of Schedule 8 of the Regulations as adopted by Monitor in its NHS Foundation Trust Annual Reporting Manual and;
- Elements of the NHS Foundation Trust Code of Governance.

[9] Schedule 8 as substituted by The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 (SI 2013/1981)

Professor Heather Tierney-Moore OBE
Chief Executive
Lancashire Care NHS Foundation Trust
28 May 2015

3.1 Annual Statement on Remuneration

During the reporting period a decision was made to discontinue the previously agreed performance related pay scheme for senior managers with effect from 31 March 2014. A one off consolidated uplift to the base salaries of the relevant senior managers was applied with effect from 31 July 2014. The benefits of the performance related pay scheme were a contractual right for senior managers however unanimous agreement was sought and given on the new approach and disestablishment of the performance related pay scheme.

3.2 Senior Managers Remuneration Policy

3.2.1 Future Policy Table

There is no current policy for senior manager remuneration. The Trust will be undertaking an exercise to develop a policy during 2015.

Component of senior manager remuneration packages	Description of each component
Salary & Fees	Annual objectives are set for senior managers at the start of the year that are aligned to Trust strategic priorities and five year plan. The Delivering the Strategy programme which set out the mechanisms of transformational change each has an Executive sponsor. Fulfilment of objectives supports the salary component of the remuneration packages. Quarterly performance reviews are held between senior managers and the Chief Executive to formally review the progress and delivery of objectives. The maximum that could be paid in respect of this component is the full salary as agreed by the Board of Directors Nomination Remuneration Committee.
Taxable Benefits	Senior managers receive taxable benefits on an optional basis in relation to reimbursement of mileage or a combination of mileage and lease cars as part of the remuneration package.
Annual Performance Related Bonuses	The Trust does not operate Annual Performance Related Bonuses.
Long Term Performance Related Bonuses	The Trust does not provide any Long Term Performance Related Bonuses
All pension related benefits	Pensions related benefits are reported on page 68. Appointments are superannuable under the terms of the NHS Pension Scheme as contained in the 'NHS National Handbook of Terms and Conditions'. Senior managers are entitled to become/continue as a member of the NHS Pension Scheme subject to its terms and rules, which may be amended from time to time.

The Trust is required to disclose the provision for the recovery, or withholding of sums paid to senior managers. Senior manager contracts contain a general provision for the recovery, or withholding of sums paid.

There have been no new components introduced to the remuneration package. The only change made to the existing components of the remuneration package relate to the removal of Performance Related Payment as disclosed in section 3.1.

The Trust does not have a separate policy for senior manager remuneration. Senior manager remuneration packages are agreed on an individual basis by the Board of Directors Nomination Remuneration Committee. The remuneration of employees is determined nationally through Agenda for Change national guidance.

The policy on setting the components of Non-Executive Director remuneration is to set and agree remuneration at the Council of Governors Nomination Remuneration Committee. The level of remuneration is benchmarked. An appraisals process is in place however this is not performance weighted. The remuneration package set by the Council of Governors Nomination Remuneration Committee recognises the additional responsibilities of the Chair of Audit Committee and Chair and these are already included within the remuneration package of those Non-Executive Directors. There are no other fees due or benefits payable to Non-Executive Directors in addition to standard remuneration. The remuneration payable to Non-Executive Directors can be seen on page 67.

All remuneration payments are paid through payroll.

3.2.2 Service Contracts Obligations

The obligatory notice period for senior managers is six months as set out within the senior manager contract.

The Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 placed a requirement on NHS provider organisations to ensure that director-level appointments meet the Fit and Proper Persons Requirement (FPPR). The Trust is responsible for the appointment, management and dismissal of its directors and to ensure the Fit and Proper Persons Requirements are met. A review of senior management contracts has established a specific provision for compliance with the Fit and Proper Persons Requirements and a programme of work to roll out the refreshed contracts is underway.

The Trust can declare there are no additional obligations contained in senior managers' service contracts that have not previously been disclosed. There are no obligations which could give rise to, or impact on, remuneration payments or payments for loss of office.

The Trust does not propose to set any new obligations within service contracts.

3.2.3 Policy on Payment for Loss of Office

The policy on the setting of notice periods under senior managers' service contracts and the principles on which the determination of payments for loss of office will be approached, including an indication of how each component will be calculated and whether the circumstances of the loss of office and the senior manager's performance are relevant to any exercise of discretion are subject to discussion and approval by the Board of Directors Nomination Remuneration Committee. All termination payments are made strictly in accordance with contractual conditions.

Payments for Loss of Office do not apply to Non-Executive Directors.

3.2.4 Statement of Consideration of Employment Conditions Elsewhere in the Foundation Trust

The pay and conditions of employees (including any other group entities) are determined nationally by Agenda for Change national policy. Senior managers remuneration packages are determined by the Board of Director Nomination Remuneration Committee.

The Trust does not currently consult with employees in preparing the senior managers' remuneration policy.

Anonymous benchmarking data from an external network was considered in the preparation of agreed remuneration packages of senior managers.

3.3 Annual Report on Remuneration

3.3.1 Service Contracts

For each senior manager who has served during the year, the date of their service contract and any unexpired term can be found within the remuneration table on page 66. The notice period for Executive Directors is six months.

3.3.2 Remuneration Committee

As stated on page 83, the Trust has a Joint Nomination and Remuneration Committee however for the purpose of this report will focus on the remuneration activity.

The details of the membership of the Nomination/Remuneration Committee, including the names of the chair and members of the committee is referred to on page 83.

The number of meetings and individuals' attendance at each is referred to on page 83.

No advice or services have been provided to the Nomination/Remuneration Committee during the reporting period that materially assisted the committee in their consideration of any matter.

3.3.3 Disclosures Required by Health and Social Care Act

Information required by section 156 (1) of the Health and Social Care Act 2012, which amended paragraph 26 of Schedule 7 to the NHS Act 2006, and is not subject to audit:

- information on the corporation's policy on pay and on the work of the committee established under paragraph 18(2) of Schedule 7 to the NHS Act 2006, and such other procedures as the corporation has on pay; and
- information on the remuneration of the Directors and on the expenses of the governors and the Directors.

Expenses Disclosure

As required by section 156 (1) of the Health and Social Care Act 2012, the following expenses were remunerated.

Reporting Group	2014/15			2013/14*		
	Total Number in group	Number in receipt of expenses	Travel expenses £'00	Total Number in group	Number in receipt of expenses	Travel expenses £'00
Executive Directors	8	6	71	10	8	79
Appointees (Chair and Non-Executive Directors)	8	4	34	9	5	28
Council of Governors	25	12	50	31	13	55

*restated

3.3.4 Reporting High Paid Off-Payroll Arrangements

Arrangements and controls were in place during the year for highly paid staff, 'highly paid' as defined by the threshold used by HM Treasury. The Trust developed a policy covering all off-payroll arrangements during the reporting year for implementation in 2015.

Table 1

For all off-payroll engagements as of 31 March 2015, for more than £220 per day and that last for longer than six months

Number of existing engagements as of 31 March 2015	44
Of which:	
Number that have existed for less than one year at the time of reporting	14
Number that have existed for between one and two years at the time of reporting	4
Number that have existed for between two and three years at the time of reporting	1

Number that have existed for between three and four years at the time of reporting	25
Number that have existed for four or more years at the time of reporting	0

All existing off-payroll engagements 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
For all new off-payroll engagements, or those that reached six months in duration, between 01 April 2014 and 31 March 2015, for more than £220 per day and that last for longer than six months.

Number of new engagements, or those that reached six months in duration, between 1 April 2014 and 31 March 2015	**14**
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	12
Number for whom assurance has been requested	2
Of which:	
Number for whom assurance has been received	1
Number for whom assurance has not been received*	1
Number that have been terminated as a result of assurance not being received	0

*this individual is no longer engaged by the organisation

Table 3
For any off-payroll engagements of Board members, and/or senior officials with significant financial responsibility, between 01 April 2014 and 31 March 2015

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	**13**

Further information and definitions can be found in guidance previously issued by HM Treasury through the following websites;

Board of Directors Nomination and Remuneration Overview

The Board directs the operations of the Trust and is appointed as follows; the Chair and the Non-Executive Directors are appointed by the Council of Governors' Joint Nomination/Remuneration Committee. Remuneration, allowances and terms and conditions of office of the Chair and Non-Executive Directors is directed by the Council of Governors Nomination/Remuneration Committee. The Chair and Executive Directors appoint the Chief Executive. The Chair, Non-Executive Directors, Executive Directors and the Chief Executive appoint the other Executive Directors. Executive Directors are on substantive contracts. Remuneration, allowances and terms and conditions of all Executive Directors, including the Chief Executive, is directed by the Board of Directors Nomination/Remuneration Committee. Posts are advertised in relevant media and interviews are undertaken by a panel comprising members of the Board of Directors Nomination/Remuneration Committee and external assessors. Non-Executive Directors positions, including the Chair, are terminable by the Council of Governors Nomination/Remuneration Committee. Executive Director positions are terminable by the Board of Directors Nomination/Remuneration Committee. In the case of Executive Directors other than the Chief Executive, the Chief Executive would also take part in the decision.

Benefits in kind relate to the provision of a lease car or taxable mileage benefits.

3.3.5 Salary and Pension Entitlements of Senior Managers
(The tables below have been subject to audit review)

a) Remuneration

Employee Name and Title	Period 1 April 2014 - 31 March 2015						Period 1 April 2013 - 31 March 2014					
	Salary (bands of £5,000)	All Taxable Benefits (nearest £100)	Annual Performance Related Bonus*** (bands of £5,000)	Long Term Performance Related Bonus (bands of £5,000)	All Pension Related Benefits Increase # (bands of £2,500)	Total (bands £5,000)	Salary (bands of £5,000)	All Taxable Benefits (nearest £100)	Annual Performance Related Bonus (bands of £5,000)	Long Term Performance Related bonus (bands of £5,000)	Pension Related Benefits Increase (bands of £2,500)	Total (bands £5,000)
Professor Heather Tierney-Moore OBE Chief Executive (01/04/2014 - 31/03/2015)	205-210	400	10-15	0	0	215-220	195-200	500	0-5	0	0	200-205
Mr David Tomlinson Director of Finance (01/04/2014 - 23/04/2014)	45-50	300	0	0	0	45-50	135-140	4500	0-5	0	17.5-20	160-165
Professor Max Marshall** Medical Director (01/04/2014 - 31/03/2015)	190-195	2700	0	0	575-577.5	770-775	190-195	1100	0-5	0	1447.5-1450	1640-1645
Mr Craig Barratt* Director of Strategy & Transformation (01/04/2014 – 31/03/2015)	145-150	100	0-5	0	47.5-50	195-200	85-90	300	0	0	47.5-50	130-135
Mrs Denise Roach** Director of Nursing & Quality (01/04/2014 – 31/03/2015)	125-130	200	0	0	430-432.5	555-560	15-20	300	0	0	850-852.5	870-875
Mrs Sue Moore** Chief Operating Officer (01/04/2014 – 31/03/2015)	135-140	3100	0	0	117.5-120	260-265	30-35	100	0	0	905-907.5	935-940
Mr Dominic McKenna Acting Director of Finance (01/04/2014 – 31/01/2015)	120-125	4800	0	0	210-212.5	335-340	5-10	300	0	0	0	5-10
Mr William Gregory Chief Finance Officer (01/02/2015 – 31/03/2015)	25-30	0	0	0	47.5-50	75-80	0	0	0	0	0	0

* currently serving notice period which expires on 24/08/2015, please refer to page 120 of the Annual Governance Statement for further information

** As reported in 2013/14 figures for 2013/14 are distorted due to the lack of any 2012/13 prior year information

*** There were two Performance Related Bonuses remunerated during the reporting period however these relate to performance during 2013/14.

Pensions related benefits is a calculation of the increase to the total sum of the individuals accrued pension and lump sum entitlements taking into account an additional year of service ar multiplying by a factor of 20 as per the prescribed HMRC method.

Appointees Name and Title ^	Period 1 April 2014 - 31 March 2015						Period 1 April 2013 - 31 March 2014					
	Salary (bands of £5,000)	Taxable Benefits (nearest £100)	Annual Performance Related Bonus (bands of £5,000)	Long term Performance Related Bonus (bands of £5,000)	Pension Related Benefits Increase (bands of £2,500)	Total (bands £5,000)	Salary (bands of £5,000)	Taxable Benefits (nearest £100)	Annual Performance Related Bonus (bands of £5,000)	Long Term Performance Related Bonus (bands of £5,000)	Pension Related Benefits Increase (bands of £2,500)	Total (bands £5,000)
Mr Derek Brown Chair (01/04/2015 – 31/03/2015)	45-50	0	0	0	0	45-50	35-40	0	0	0	0	35-40
Mrs Teresa Whittaker Non-Executive Director (01/04/2014 – 30/09/2014)	10-15	100	0	0	0	10-15	20-25	500	0	0	0	20-25
Professor Christopher Heginbotham Non-Executive Director (01/04/2014 - 31/08/2014)	5-10	0	0	0	0	5-10	10-15	0	0	0	0	10-15
Mr Peter Ballard Non-Executive Director (01/04/2014 - 31/03/2015)	15-20	0	0	0	0	15-20	10-15	900	0	0	0	15-20
Mr Gwynne Furlong Non-Executive Director (01/04/2014 - 31/03/2015)	15-20	300	0	0	0	15-20	10-15	800	0	0	0	15-20
Ms Naseem Malik Non-Executive Director (01/04/2014 – 31/03/2015)	15-20	0	0	0	0	15-20	5-10	0	0	0	0	5-10
Mr David Curtis Non-Executive Director (20/11/2014 – 31/03/2015)	5-10	0	0	0	0	5-10	0	0	0	0	0	0
Ms Louise Dickinson Non-Executive Director (01/04/2014 – 31/03/2015)	15-20	200	0	0	0	15-20	5-10	0	0	0	0	5-10

^The Chair and Non-Executive Directors are not employees of the Trust, they are appointed by the Council of Governors to provide leadership, strategic direction and independent scrutiny. In this context, 'salary' relates to the amounts paid as remuneration for this position.

b) Pension

Name and Title of Senior Manager	Real Increase in Pension at age 60 (Bands of £2,500)	Real Increase in Pension Lump Sum at aged 60 (Bands of £2,500)	Total Accrued Pension at age 60 at 31 March 2015 (Bands of £5,000)	Lump Sum at age 60 related to accrued pension at 31 March 2015 (Bands of £5,000)	CETV at 01 April 2014 (Rounded to nearest £1,000)	Real Increase in CETV (Rounded to nearest £1,000)	CETV at 31 March 2015 (Rounded to nearest £1,000)	Employers contribution to stakeholder pension
Mr David Tomlinson Director of Finance (01/04/2014 – 23/04/2014)	0	0	40-42.5	122.5-125	827	802	0	0
Professor Max Marshall Medical Director (01/04/2014 – 31/03/2015)	25-27.5	75-77.5	87.5-90	202.5-205	1813	1237	543	0
Mr Craig Barratt Director of Strategy & Transformation (01/04/2014 – 31/03/2015)	0-2.5	0	2.5-5	2.5-5	51	28	22	0
Mrs Denise Roach Director of Nursing (01/04/2014 – 31/03/2015)	17.5-20	55-57.5	57.5-60	177.5-180	976	632	327	0
Mrs Sue Moore Chief Operating Officer (01/04/2014 – 31/03/2015)	5-7.5	15-17.5	42.5-45	127.5-130	756	629	110	0
Mr Dominic McKenna Acting Director of Finance (01/04/2014 – 31/01/2015)	7.5-10	22.5-25	37.5-40	115-117.5	648	469	139	0
Mr William Gregory Chief Finance Officer 01/02/2015 – 31/03/2015)	0-2.5	0-2.5	47.5-50	142.5-145	861	779	10	0

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

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and from 2004-05 the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

3.3.6 Fair Pay

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.

Other Remuneration Disclosure	2014/15 £'000	2013/14 £'000
The highest paid senior manager in the organisation is the Chief Executive, being:	218	202
The median salary of full time Trust staff is:	27	27
The ratio therefore of the highest and the median salary is:	8.1	7.5

*The calculation is based on full-time equivalent staff of the Trust at the 31 March 2015 on an annualised basis.

During 2014/15 no employees received remuneration in excess of the highest paid director (2013/14 zero individuals). Remuneration ranged from £5,000 to £218,000 (2013/14 £5,000 to £202,000).

The ratio between the highest and the median salary has increased as a result of an increase in the remuneration of the highest paid senior manager's base salary in comparison to prior year, and payment of performance related pay from 2013/14.

3.3.7 Payments for Loss of Office

There have been no payments to individuals who were a senior manager in the current or in a previous financial year, for loss of office during the financial year.

3.3.8 Payments to Past Senior Managers

There have been no payments of money or other assets to any other individual who was not a senior manager during the financial year but has previously, or who has previously been a senior manager at any time.

4. Disclosures set out in the NHS Foundation Trust Code of Governance

4.1 Description of How the Foundation Trust Applies the Main and Supporting Principles of the Code

In setting its governance arrangements, the Trust has regard for the provisions of the revised UK Corporate Governance Code 2014 issued by the Financial Reporting Council, the updated Code of Governance 2014 issued by Monitor and other relevant guidance where provisions apply to the responsibilities of the Trust. The following paragraphs together with the Annual Governance Statement and Corporate Governance Statement explain how the Trust has applied the main and supporting principles of the Code.

Lancashire Care NHS Foundation Trust is committed to maintaining the highest standards of corporate governance. It endeavours to conduct its business in accordance with NHS values and accepted standards of behaviour in public life, which includes the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership (The Nolan Principles).

4.2 The Role of the Board of Directors

Lancashire Care NHS Foundation Trust's Board of Directors is made up of 13 Directors, six Executive Directors, six independent Non-Executive Directors plus a Non-Executive Chair. During April 2015 a decision around redirection in the size of the Board was taken to reduce the Executive Director representation by one, with the Non-Executive Director ratio adjusted accordingly and amendments made to the Trust Constitution. The Board of Directors is responsible for a range of matters including the operational performance of the Trust, the defining and implementation of strategy and for ensuring that its obligations to regulators and stakeholders are met. The decisions reserved for the Board of Directors and the delegated discharge of its responsibilities is set out under a formal Scheme of Delegation. Along with the Matters Reserved for the Board, the Decision Rights Framework is established to clearly define the allocated responsibilities for making and approving decisions relating to Trust business. The framework ensures that adequate controls are in place for the authorisation of transactions, defines the financial and other approval limits, such as quality, that apply to individuals and safeguards the assets of the Trust against loss, fraud and improper use. The Decision Rights Framework has been reviewed within the reporting period and further strengthened.

The Board of Directors has undertaken a large-scale review of its governance structure during the reporting period which has informed the development and implementation of a new integrated governance framework from 1 April 2015. The committees of the Board have defined responsibility delivering aspects of the Board's remit under delegated authority and recommendations are made to the Board of Directors on areas of specialisation. Each committee has established formal terms of reference and cycle of standard business and reporting which will be subject to audit and further renew in 2015/16 in order to ensure the continuous effective discharge of duties.

The establishment of the integrated governance framework has been designed initially from the Matters Reserved for the Board. This was supported by in-depth consideration of the level of assurance required by Board members to ultimately mitigate risks on the Board Assurance Framework and to make key decisions as required by the Decision Rights Framework, which has also undergone an intense review during the reporting period.

The integrated governance structure supports triangulation of information through well-informed chairs reports that provide assurance, highlight risks and identify further action required.
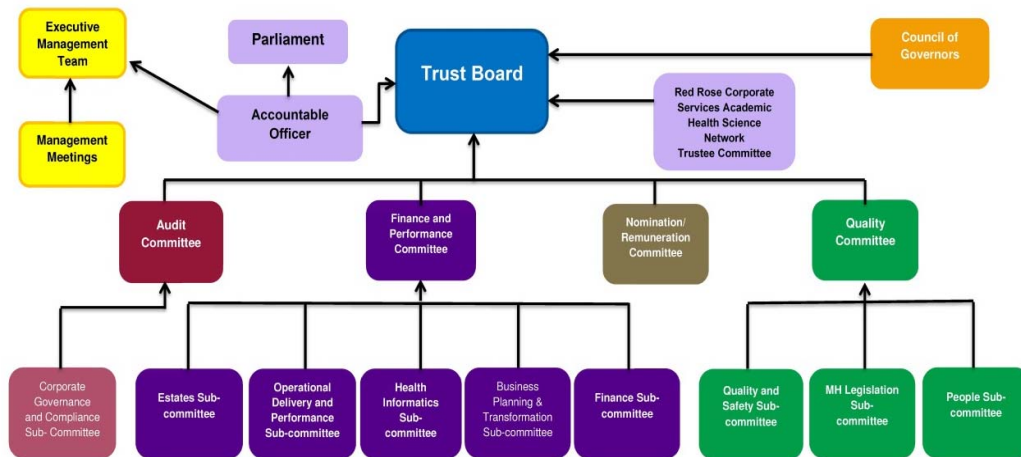
The integrated governance structure has been the platform to develop a systemic approach to mapping assurance against key strategic and operational risks, identifying gaps or weaknesses in controls which will lead to systems and process improvements in support of long term sustainability. An evidence based assurance regime has been introduced and is currently facilitated through the governance structure. A programme of work to undertake an assurance mapping exercise to support the development of an assurance directory for the Trust is in the early stages of development which will provide a structured sustainable approach to secure reliable evidence to underpin the assessment of risk and control environment for the Annual Governance Statement.

A Total Management System will be the delivery vehicle for communication and access to all internal control systems and will be the driver that facilitates a wider understanding of the difference between governance, management systems and process across the whole organisation thereby providing long term sustainability. The work undertaken around the standardisation of documentation and the production of a Standard Operating Procedure to support governance meetings will be available for staff to access as a key resource to support a consistent approach.

The Corporate Governance and Compliance Sub-Committee, which is detailed in the Trust governance framework on page 72, will be the custodian of these improved regimes and will continue to monitor and audit compliance over the next 12 months.

The Strategy and Policy Development Committee was disestablished by the Board of Directors when its responsibilities were subsumed in the new integrated governance framework. The use of informal Board briefing sessions as an opportunity for Board members to review outline plans and contribute to their development at an early stage and explore complex issues in depth complements the formal governance structure.

The Trust Board insists on comprehensive role descriptions for each of the key roles of Chair, Chief Executive, Non-Executive Director and Senior Independent Director to provide clarity of role and purpose. Directors are required to declare any potential conflicts of interest as part of the Trusts' robust Declaration of Interests process which has been commended following a regulatory review by NHS Protect. All of the Directors on the Board meet the 'fit and proper' persons test as described in the Monitor provider licence and the Board have received training on the Fit and Proper Persons and Duty of Candour requirements as part of its commitment to the new CQC regulations. All members of the Board have the same general legal responsibilities to the Trust and have a collective responsibility to act with a view to promoting the success of the organisation to maximise the benefits for the members of the Trust and for the public.

Two of the Lancashire Care Foundation Trust Directors on the Board are appointed Directors on the Board of Red Rose Corporate Services LLP, a joint venture with Ryhurst. Another member of the Trust Board of Directors is an appointed Director to the Board of the North West Coast Academic Science Health Network (AHSN). These posts ensure Trust representation in both ventures and are non-remunerated. More information about the AHSN can be found on page 10.

The Board of Directors meets on a quarterly basis to formally transact its business in accordance with an agreed agenda setting process and an annual cycle of business which ensures that standard items of accountability and assurance are addressed but also that sufficient time is set aside to focus on quality and appropriate strategic development. The Board of Directors has introduced a standard 'Quality Improvement' agenda item and welcomes clinical staff and service users to share their experiences of good improvements being made across the organisation but also areas that require support to make necessary improvements and ensure the highest possible standard of care is provided.

Trust Board meetings are held in public unless restrictions under the Freedom of Information Act 2002 require discussions to take place privately. This is detailed on

the Board agendas which are published on the Trust's internet site one week prior to the meeting and circulated to its Council of Governors. Papers are issued to Board members seven days in advance of the meeting and are made available on the internet following each Board meeting. Unconfirmed minutes of the Board meetings are circulated to the Council of Governors as soon as practically possible following each meeting. At the request of the Chief Executive and with the consent of the Chair, members of the senior management team attend Board meetings where necessary in order to help inform debate and discussion. Governors have a standing invitation to each formal Board meeting to observe the work of the Board of Directors.

Regular informal briefings and presentations on specific topics or services are provided outside of the formal Board meeting structure to explore complex issues in more depth in preparation for discussion at future Board meetings. The Board of Directors ensure that quality remains a focus of each Board agenda and undertake quality visits to services regularly, with protected time following Formal Board meetings and Board development sessions. The Directors also attend a programme of good practice visits to review aspects of good practice within Trust services, this year has seen visits undertaken to a wide range of community, inpatient and mental health services across Lancashire.

The Board of Directors collectively agrees and sets the performance monitoring regime on the recommendation of the Chief Executive. Non-Executive Directors have a duty to exercise appropriate constructive challenge against the performance of the Executives in meeting agreed objectives and receive regular assurance reports, including risk, strategic, financial, operational and clinical performance and compliance, to allow them to discharge that duty. The Board Balanced Scorecard has been embedded over the last twelve months and has been reported to the Board on a monthly basis via the Chief Executive's report. Further developments to strengthen the strategic focus and subsequent work streams which sit behind the report are set to continue to evolve over the next twelve months.

The Trust has developed standard operating guidance and corporate branding for all meetings within the formal governance structure to embed consistent governance practice across the Trust as well as supporting the principles of corporate records management. The new integrated governance framework will be supported by a newly designed dynamic handbook which will incorporate the previous standard operating guidance and provide clear principles of governance and administration for staff across the organisation.

The Board of Directors gives clear direction in relation to its information requirements necessary to facilitate proper and robust discussions to reach informed and strategic decisions. Decisions made by the Board of Directors are tracked and the execution of those decisions monitored at each meeting. The Board of Directors agrees and tracks actions to ensure completion and close out with appropriate audit trail.

The Board of Directors reports to a range of regulatory bodies as required on relevant performance and compliance matters and in the prescribed form. The Board of Directors meets its reporting requirements under the Monitor Risk Assessment

Framework and provides notifications under that regime on a quarterly basis. The Board of Directors is responsible for ensuring compliance with the Trust provider licence, constitution, mandatory guidance issued by Monitor and other relevant statutory requirements. The embedding of the Board Assurance Framework (BAF) risk register to identify potential risks to compliance and the successful roll out of an electronic BAF risk register provides the Board with a systematic process of obtaining assurance to support the mitigation of risks. The Board reviews evidence of assurance received against the BAF risk register on a quarterly basis.

The Board of Directors sets the Trust's strategic priorities on an annual basis. The risks aligned to the strategic priorities are again monitored by the Board of Directors through the Board Assurance Framework risk register.

The Trust's Risk Management Policy was reviewed during the year which provides the framework for risk management systems and processes. The policy details the mechanisms by which risk is identified, managed and escalated. The Trust's risk management system, Datix, was enhanced and expanded during the year to become the Trust's single risk register tool. All corporate services are now using this system alongside clinical networks, providing greater insight into the risks encountered by the Trust. Risk management training was delivered to a proportion of teams as requested during the year, with corporate and clinical risk forums established to promote collaborative risk management across services.

The Board of Directors has overall responsibility for providing leadership of the Trust and endeavours to ensure that it represents a balanced and understandable view of the Trust's position and prospects in all of its communications and publications to regulators and stakeholders.

All members of the Board receive induction training on joining the Trust and undertake a personal induction programme during the first 12 months of appointment. Board members are also encouraged to attend external training, briefing seminars and networking events relevant to their role.

The Board continues to review the effectiveness of its systems of internal control demonstrated in the review of the governance framework, further information can be found on page 70. In light of the Board's continuing experience as an NHS Foundation Trust, a number of board development sessions have been undertaken during the year as part of a fundamental review of its own effectiveness and efficiency. The Board of Directors commissioned a limited scope Board evaluation into its effectiveness and awarded a contract to Learning Studios, an external independent consultant with no prior connections to the Trust. This included consultation with the Council of Governors and observation of Board and Audit Committee meetings. The Board received the outcomes of the review and implemented all of the improvement recommendations identified. The Monitor Governance Review guidance was subsequently published and on the basis that this review did not cover the whole of the new Monitor requirements, the Trust will be undertaking a scoping exercise in early 2015/16 to capture the additional

requirements in order to conduct a further externally facilitated review in 2016/17 which meets the guidance.

All new developments that might affect the Trust's financial or service performance or reputation are brought to the attention of the Council of Governors and Monitor in accordance with the Risk Assessment Framework as appropriate.

During the period there were no matters that the Board or the Council of Governors considered should be brought to the attention of the public that had an overall detrimental impact on the Trust's financial or performance position.

4.3 Appointments to the Board of Directors

Information on the Trust Board of Directors can be found on page 78.

All Non-Executive Directors including the Chair serve for a defined term of office. During the reporting period Non-Executive Director Chris Heginbotham reached the end of a standard six year term. Non-Executive Director Teresa Whittaker reached the end of an extended seven year term of office which had been agreed after full consideration of the balance between continuing skills imperative versus the good governance practice of Board renewal was undertaken by the Council of Governors.

The two vacancies created within the Non-Executive Director community of the Board had undergone appropriate succession planning exercises and Board skills gap analysis, highlighting the importance of preserving the established clinical input of the outgoing Non-Executive Director. The Board also directed that a Non-Executive Director with commercial experience to fulfil the second vacancy would be highly desirable.

A thorough recruitment process to appoint a clinically experienced successor was undertaken, overseen by the Council of Governors Nomination Remuneration Committee including a review of both role description and person specification. Non-Executive Director David Curtis was successfully appointed by the Council of Governors in October 2014 for a term of three years. A second Non-Executive Director vacancy was carried during the year which was withdrawn following the serving of notice by an Executive Director and the decision not to appoint to the Non-Executive Director vacancy.

The Council of Governors Joint Nomination/Remuneration Committee had previously recognised the need to ensure continuity of knowledge and skills amongst the Non-Executive Directors which provided the basis for the Council of Governors approving the extension of Teresa Whittaker's term of office for a period of up to two years. Governors were assured that the appointment of Louise Dickinson, a qualified and financially experienced Non-Executive Director appropriately fulfilled the skills requirement of the Board and approved the decision of Teresa Whittaker to step down one year early. Louise Dickinson was appointed as Chair of Audit Committee in July 2014.

The ongoing independence of Non-Executive Director Chair Derek Brown was considered by the Council of Governors Nomination/Remuneration Committee during the annual re-appointment process, a condition of the exceptional extension to his term of office. The full Council of Governors approved the re-appointment of the Chair for a further and final 12 month term to conclude on 31 March 2016.

The role of Senior Independent Director was assigned to Non-Executive Director Naseem Malik, with Peter Ballard retaining his role as Deputy Chair. An additional 12 month extension to Peter Ballard's term of office until 31 May 2016 was granted during the reporting period, in acknowledgement of skills retention and organisational memory required for the Deputy Chair to lead the Council of Governors in the recruitment and appointment of a successor for the role of Chair upon retirement. The Trust acknowledge the Monitor Code of Governance 'comply or explain' provision around Non-Executive Directors terms of office and it remains the intention of the Trust to return to compliance with the best practice Code provision in due course.

The Board of Directors alongside the Council of Governors Joint Nomination/Remuneration Committee continues to consider and monitor the skills and experience of the Board and clear succession planning is in place and is reviewed regularly. In reviewing the expertise and skills of each Director, the Board has considered and confirmed the appropriateness, completeness and balance of the Board in relation to the requirements of the Trust.

The Council of Governors Governance Handbook details the accountability framework for the discharge of Council of Governors statutory duties, the procedures for the discharge of those responsibilities and the terms of reference for all committees. The handbook includes arrangements for the appointment, evaluation and remuneration of the Chair and Non-Executive Directors. A review of the process for appointing the Lead Governor took place during the year and a similar update for the procedure for removal of a governor is planned.

Each member of the Board of Directors is required to undertake an annual performance review, the outcome of which is reported to the relevant Nomination/Remuneration Committee. Objectives for each Director are set as part of the performance appraisal process and a personal development plan for each Director is agreed on an annual basis with mid–year reviews undertaken to monitor progress. A formal appraisal process for the evaluation of the performance of the Chair and Non-Executive Directors has been reviewed and approved during 2014/15 by the Council of Governors which is closely aligned to the organisation's values.

The Board of Directors has established a Joint Nomination/Remuneration Committee to determine the pay and conditions of service for the Executive Directors including the Chief Executive. In setting the level of remuneration, consideration is given to the market position of the Trust and its ability to attract and retain the calibre of individuals needed in these key leadership roles. This is achieved by reference to a range of comparator materials including internal pay scales and awards and externally commissioned market and sector benchmarking information. The element

of executive remuneration packages directly linked to the achievement of personal and organisational performance has been removed.

There has been one new appointment to the Executive Management Team in 2014/15. Bill Gregory joined the Trust on 1 February 2015 as Chief Finance Officer following the resignation of the Director of Finance, Dave Tomlinson in April 2014. In the interim period Dominic McKenna, Director of Financial Management acted up into the role of Director of Finance. Dates of appointment can be seen on page 83.

4.4   The Chair

The Chair of the Board of Directors was appointed on 26 June 2013 and met the independence criteria set out in the Monitor Code of Governance. He also chairs the Council of Governors and provides the link between the two bodies. The responsibilities of the Chair are set out in the Constitution and a clear role description and person specification has been agreed by the Council of Governors.

The Board of Directors meets regularly with the Council of Governors to ensure they work together effectively, promote clear communication and understand the views of Foundation Trust members. The Chief Executive, Senior Independent Director and Director of Governance & Compliance have particular roles in the management of the relationship between the two bodies and have a standing invitation to attend Council of Governor meetings. The Chief Executive holds informal briefing sessions with governors on a regular basis and provides monthly e-briefings.

The Council of Governors has a duty to hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors. This includes providing feedback as part of the annual appraisal process and requires a depth of knowledge of each Non-Executive Director's portfolio. To allow governors to provide informed and valuable feedback, the Chair invited each Non-Executive Director to present on their area of expertise and individual contribution to the work of the Board of Directors. The Non-Executive Directors are also invited by the Chair to attend informal sessions with the Council of Governors to promote networking and provide opportunity for governors to challenge the Non-Executives about the Trust's performance and other developing topics.

The Chair sets and agrees the agenda for the Board of Directors and Council of Governors on the advice of the Chief Executive and the Director of Governance & Compliance; Board members and governors have the opportunity to suggest agenda items through the Chair, or Lead Governor in the case of the Council of Governors. The Chair is responsible for producing minutes of all meetings of the Board, the Council of Governors and their sub-committees which is facilitated by the Director of Governance & Compliance.

The Trust publishes an Annual Plan which contains details of its vision, strategy and priorities. The Council of Governors have opportunity to contribute to different elements of the Annual Plan and are kept informed of its progress through an iterative process which is formally scheduled into the Annual Cycle of Business. The Trust engages with stakeholders through its governors, members and wider

partnerships. Membership conferences also take place to engage members and wider stakeholders in the development of Trust plans on a consultative basis to gather community feedback and also to promote new services and initiatives. The members of the Board attend these events to monitor the effectiveness of member engagement in conjunction with the reporting undertaken through Chair's Reports from the Council of Governor sub-committees. The Board of Directors monitor the representation of the Trust's membership through a number of reporting mechanisms including the quarterly Monitor declarations and the Annual Report. The Council of Governors also receive an annual update of membership and stakeholder engagement at a formal meeting which the Board is also able to attend.

The Trust also holds an Annual Members Meeting which the majority of the Board of Directors attend. The Trust's Annual Report and Accounts are presented at the meeting along with the auditor's report and members are able to take the opportunity to question members of the Board including the Trust Chair.

In the event of a vote being necessary in a Board of Directors, Council of Governors or Annual Members Meeting, the Chair carries a casting vote.

4.5 The Board of Directors

Membership of the Board of Directors at 31 March 2015 was:

Chair: Derek Brown

Derek served in the Royal Air Force for 14 years until joining BAE Systems where he spent 14 of his 28 years with the company overseas directing and managing large scale programmes for customers. These included delivery of design and construction projects and running a flying training academy. On his return to the UK he was appointed Director of New Programmes where he developed, contracted, managed and delivered high value projects. Derek retired in 2007 and joined the Trust in November of that year. Since then he has been a Non-Executive Director, the Senior Independent Director and subsequently Trust Chair.

Executive Directors

Chief Executive: Professor Heather Tierney-Moore OBE

Professor Heather Tierney-Moore OBE joined the Trust in January 2009 with a background in nursing, a distinguished track record of achievement in the NHS at Board and national level in England and Scotland. She has an MSc in Managing Change and is a visiting professor at Edinburgh Napier University.

Heather continues to play a key leadership role across the Trust, Lancashire and the wider North West region in supporting a number of system wide transformation

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programmes to deliver integrated services, contributing to Health Education England North West and Academic Health Science Network (North West Coast). She is also a Trustee on the NHS Confederation Board

Medical Director: Professor Max Marshall

Max Marshall has been the Trust's Medical Director since it was established in 2002. He is currently an honorary professor of community psychiatry at the University of Manchester.

Over the last 12 months he has concentrated on improving safety and effectiveness, and in delivering the Trust's clinical audit strategy. In his role as Responsible Officer for medical revalidation, Max has led in the development and implementation of a systematic process to support revalidation and appraisal of Trust doctors. He has been working to improve the Trust's relationships with local General Practitioners and to redesign community mental health services.

In February 2014, Max became the full time Medical Director of the Trust taking responsibility for: research, clinical audit, Caldicott issues, revalidation and appraisal, Making Every Contact Count and Smokefree (the Trust public health initiatives) and medical education.

Chief Finance Officer: Bill Gregory

Bill is the Chief Finance Officer who joined the Trust from Stockport NHS Foundation Trust in 2015. Bill was the Finance Director there for 7 years, leading a number of successful and high profile projects including a significant re-development of the hospital site and integrating community services from Stockport and Tameside into the organisation. His role also included responsibility for IT, a field that Bill has vast experience in and he was the lead director for estates and facilities. Bill brings a wealth of experience from both the private and public sector having undertaken a range of senior finance roles throughout his career.

Director of Strategy and Transformation: Craig Barratt

Craig joined the Trust from global consulting firm AT Kearney where he worked with healthcare leaders in the UK and abroad supporting and delivering change. Between 2008 and 2012 he was one of the two founding Directors of the Healthcare Advisory Practice at BDO, the world's 5th largest professional services firm.

Craig has led in the refresh of Trust strategy and the

advancement of an in-house business development capability. Supported by his knowledge of the consulting industry, Craig has led the development of high quality commercial advice to the Board in the delivery of transformational change. Craig also established the Trust's Innovation Incubator programme.

Director of Nursing and Quality: Dee Roach

Dee Roach joined the Trust in January 2014 from Birmingham and Solihull Mental Health NHS Foundation Trust. She is experienced in the development and implementation of nursing strategy, the development of nursing care metrics across mental health services and strategies for service user involvement and experience. Dee has previously worked in Lancashire in a number of senior clinical and operational management roles across inpatient and community settings and was the Deputy Director of Nursing for Lancashire Care.

As a mental health nurse by background, at the forefront of Dee's work is an enthusiasm for improving quality and passion for ensuring the best patient experience. Dee also has an exceptional track record of developing strong nursing leaders within organisations. In her role, Dee is responsible for professional leadership, clinical governance, patient safety and service user and carer involvement. She is passionate and committed to improving outcomes, exceeding standards and delivering compassionate care.

Chief Operating Officer: Sue Moore

Sue Moore joined the Trust as Chief Operating officer in February 2014, prior to this she worked for the Heart of England NHS Foundation Trust as Managing Director of Good Hope Hospital in Sutton Coldfield, West Midlands. A particular highlight in this role was the development of the Collaborative Care Programme, which comprises multiple agency providers who all support patients on a frailty pathway in and out of hospital. Sue has also commissioned several commercial partnerships including the innovative Healthcare at Home collaboration, which delivered early supported discharge from hospital for patients in orthopaedics, vascular and acute medicine. Recently this has also expanded to include a partnership with a housing association to provide elderly transitional care, post discharge from the acute inpatient setting.

Non-Executive Directors

Deputy Chair: Peter Ballard

Peter has a long history of developing partnerships with local authorities, statutory bodies, regional and central government departments, third sector organisations and many of the newer private sector service providers. He has supported charities and not for profit companies in establishing links with major consulting and contracting company's providing professional support and services which otherwise would be beyond their means.

Peter is Chief Executive of DBE Services a company founded to deliver high quality bespoke services to public bodies on a not for profit basis. The company has grown from a Lancashire based organisation to providing support to organisations across England.

He has served in a variety of non-executive roles including chairing a university council. He is currently involved with a number of local and national charities and is the national treasurer of the National Society.

Gwynne Furlong

Gwynne has over 40 years' experience as a qualified professional in business, involved primarily in the commercial property industry. He has been a partner in professional practice and has been a Director and MD of both private and publically listed companies. Gwynne's last post prior to retiring in 2008 was as a Director within the Asset Management division of Close Brothers Plc. Merchant Bank.

Gwynne is also a Non-Executive Director with two north-west based Housing Associations one of which specialises in providing independent living for the disabled and people with learning difficulties.

Gwynne is a Trustee of a locally based charity providing opportunities for the local community to become involved in Art, Dance, Music and Drama, and he is a part time CEO of the national charity Regain which specialises in helping those who have become paralysed/tetraplegic through sporting accidents.

Senior Independent Director: Naseem Malik

Naseem began her public sector career in local government, before taking up the role of Independent Police Complaints Commissioner for the North West region, a post held for ten years. Naseem has previously held a Non-Executive role within a Primary Care Trust and brings a wealth of experience from the public sector. Naseem is the Trust's Design Champion.

Audit Committee Chair: Louise Dickinson

Louise is a Fellow of the Institute of Chartered Accountants in England & Wales. She worked in professional services for a number of years, initially with EY and then as a Corporate Finance Partner with Grant Thornton. During this period, she advised clients in both the public and private sectors on strategy and business planning and implementation, including acting as lead external adviser on a wide range of corporate transactions.

Since leaving Grant Thornton, Louise has undertaken a number of board level executive roles in private sector with leadership responsibilities in Finance, Commercial and Supply Chain, Business Intelligence and Risk Management. She has considerable experience at successfully managing and delivering complex change programmes in highly regulated environments.

David Curtis

David Curtis MBE, was appointed as a Non-Executive Director in November 2014. David is a registered mental health and general nurse and brings a wealth of clinical and Board level experience from his 40 year career with the NHS having undertaken a range of senior clinical, teaching, community and hospital management roles. David was awarded an MBE in 2008 for his services to nursing and health care in Manchester.

David is particularly interested in meeting and working with the people who use Trust services, and supporting employees.

Attendance at Board of Director Meetings and Sub-Committees
01 April 2014 – 31 March 2015

Board Member	Term of Appointment	Trust Board	Audit Committee	Nomination/ Remuneration Committee
		Attendance (actual/max)		
Non-Executive Directors				
Derek Brown	01/10/06 – 31/03/16	8/8		7/7
Peter Ballard	01/06/09–31/05/16	8/8		7/7
Teresa Whittaker	01/10/06 – 30/09/14	5/5	3/3	5/6
Chris Heginbotham	01/09/08 – 31/08/14	5/5	4/4	4/5
Gwynne Furlong	01/10/12 – 31/08/15	8/8	6/6	6/7
Naseem Malik	29/10/13 - 31/10/16	8/8	1/1	5/7
Louise Dickinson	29/10/13 – 31/10/16	8/8	6/6	6/7
David Curtis	20/11/14 – 30/11/17	1/2	1/1	
Executive Directors				
Heather Tierney-Moore	*(in post 05/01/09)*	7/8	6/6	6/6
Max Marshall	*(in post 01/08/02)*	8/8	2/4	
Craig Barratt*	*(in post 27/08/13)*	6/8	1/1	1/1
Dominic McKenna	*(in post 06/03/14)*	6/8	6/6	
Dee Roach	*(in post 01/02/14)*	8/8	2/2	
Sue Moore	*(in post 10/02/14)*	7/8	3/3	
Bill Gregory	(in post 01/02/15)	1/1		
Dave Tomlinson	*(left the Trust 23/04/14)*	0/0		

*currently serving notice period which expires on 24/08/2015

4.6 Sub-Committees of the Board of Directors

The Board of Directors has established the following sub-committees:

- Nomination/Remuneration Committee
- Quality Committee
- Finance & Performance Committee
- Audit Committee

Nomination and Remuneration Committee

The Board of Directors Nomination/Remuneration Committee is constituted as a formal sub-committee of the Board of Directors and met seven times during the reporting period. The Committee is chaired by the Trust Chair, Derek Brown and its membership includes all Non-Executive Directors, the attendance for whom can be seen above. The Committee is responsible for identifying and appointing candidates to fill Executive Director positions on the Board of Directors and for determining their

remuneration and other conditions of service. During the reporting period the Nomination Remuneration Committee were responsible for the recruitment of the Chief Finance Officer. An external recruitment firm (CY Executive Resourcing) was awarded the search and selection contract following a transparent tender procedure and a rigorous recruitment process was undertaken which was monitored by the Nomination Remuneration Committee. Relevant and appropriate advice was provided to the Committee in respect of the recruitment from CY Executive Resourcing and a scoping exercise for the development of the role description was undertaken through an external consultant (Tony Nichols). The Committee identified a suitable candidate for the role and made a formal recommendation of appointment to the Board of Directors.

During the year the Committee also reviewed the remuneration of Executive Directors. The decisions made by the Committee in relation to Executive pay can be found within Section 3, Remuneration Report.

Quality Committee

The ultimate accountability for quality rests with the Board of Directors and to ensure that the appropriate level of scrutiny is provided into quality standards and patient safety, a Board level Quality Committee has been established. The role of the Quality Committee is to test the robustness of the assurances provided that the organisational systems and processes in relation to quality are robust and well-embedded and to identify and manage the risks to the quality of care we provide. The Committee is also responsible for monitoring strategic level risks associated with the effective delivery of education, training and leadership opportunities and the recruitment and retention of high quality staff.

Finance & Performance Committee

The Finance and Performance Committee has been established as a formal committee of the Board of Directors. Its purpose is to support the Board of Directors by providing high level scrutiny of financial and business performance data including the long-term sustainability of the Trust.

The role of the Finance and Performance Committee is to test the robustness of analysis and assurance provided by its feeder sub-committees to support effective and efficient decision making at Board of Director meetings relating to the operational delivery and performance of the Trust, business growth and opportunities available to ensure the long-term sustainable development of the Trust, delivery of the Trust's Property Strategy, Capital Programme and the effectiveness of the Red Rose Corporate Service partnership, delivery of the Trust's Health Informatics Strategy, Clinical Systems Strategy and IT infrastructure, the Trust's financial performance and the development of regulatory financial reporting.

Audit Committee

The Audit Committee is responsible on behalf of the Board of Directors for independently reviewing the systems of governance, control, risk management and assurance. The activity of the Committee covers the whole of the organisation's

governance agenda including finance, risk and clinical audit. The Committee also has a duty to monitor the integrity of the financial statements and related reporting.

The Audit Committee membership consists of three independent Non-Executive Directors and attendance can been seen on page 83. The Chief Executive, Chief Finance Officer, Director of Governance & Compliance and Medical Director have a standing invitation to attend all meetings and in addition members of the senior management team, internal auditors, external auditors and Local Counter Fraud attend as appropriate to the agenda.

The Audit Committee is required to report annually to the Board of Directors and to the Council of Governors outlining the work it has undertaken during the year and where necessary highlight any areas of concern. The latest Annual Report of the Audit Committee can be viewed on the Trust's website. The Board of Directors also receives copies of Audit Committee minutes following each meeting and these can be viewed within the Board packs published on the Trust's website. As part of the new governance framework the Audit Committee also issues a Chair's Report to the Board of Directors for assurance.

Throughout 2014/15 the Committee reported on the nature and outcomes of its work to the Board of Directors highlighting any areas that should be brought to its attention, or that of the Council of Governors.

There were no significant issues or areas of concern raised by the Committee to the Board of Directors or the Council of Governors during the year.

Other key development themes featured at meetings were:

- Ensuring that the audit arrangements are sufficient to meet the future requirements of the Trust, particularly in respect of quality and capital programmes
- The further development of risk management and assurance framework
- The development and application of change controls, in particular HR functions
- The clinical audit programme
- Development of local management systems as a first line of assurance and general strengthening of the control environment
- Changes to regulator environment and compliance
- The continuation of 'deep-dive' network audits
- Asset management
- The development of Value for Money reporting
- The on-going monitoring of the implementation of improvement actions
- Monitoring of the appointment and tender process for internal and external audit.

The Audit Committee takes a holistic approach in discharging its accountability in relation to the Annual Report, Financial Statements and the Quality Account with its

reach across the whole of the system of risk and internal control focusing on clinical systems and quality alongside the traditional domains of finance and business systems.

The Committee promotes the importance of creating the right environment for the consideration of emerging regulatory requirements and best practice, in order to ensure that the scope of Trust work in response is appropriate, a planned approach to considering issues is taken and the provision of support and training is made available to Committee members.

The Trust aims to create an environment where employees feel it is safe to raise and discuss concerns and weaknesses openly so that the appropriate action plans can be established and monitored through to implementation. The Audit Committee reviews the system for raising concerns as part of its normal cycle of business.

Audit Committee encourages frank, open and regular dialogue with the Trust's internal and external audit teams and a risk and assurance approach runs throughout all the planning activity and the development of annual audit programmes.

Throughout the year the Committee received reports from the internal audit, clinical audit, local counter fraud and the external audit teams on both their audit findings and updates on action implementation. Additional reporting was received from both Corporate and Network risk owners and the progress in embedding a risk management regime across the organisation. Similarly the Finance Directorate provided assurances against a Trust control improvement plan around procurement processes. The Committee has continued to promote the importance of the clinical audit function as a key element of the Trust's quality improvement activity. In addition to the results of the clinical audit work, regular updates on the clinical audit development plan and approval of a Clinical Audit Protocol to support consistency of compliance targets and methodology for data interpretation and ratings.

The Audit Committee Chair has undertaken a number of activities outside of the formal meetings on matters relating to the Committee and these are reported in the Annual Report of the Audit Committee.

The Audit Committee is required to demonstrate how it has tested the robustness of the financial statements, operations and compliance. Examples of specific activity that the Audit Committee has undertaken to facilitate an informed identification, review and assessment of significant issues to the 2014/15 annual report include:

- The Annual Report and Financial Statements represent a fair and reasonable view of the Trust's financial position
- There were no significant accounting policy changes
- Asset values are considered fair and reasonable
- The Trust undertook a revaluation exercise resulting in some significant changes to the valuation of the Trust estate. There were no significant or unusual transactions in the year

- A prudent approach has been taken to establishment of provisions in line with the Trust's guidance.

Internal Audit

During the reporting period the Trust's internal audit function was provided by Deloitte LLP as part of five year extended contract. The annual audit plan was risk based and formed part of a three-year programme. The plan was designed to complement and support the work performed by the External Auditors and was approved by the Audit Committee. A report was received at each Audit Committee meeting detailing progress against the plan and drawing attention to any concerns. The Internal Auditors have the opportunity to meet with Audit Committee members in private (without senior management present) to discuss any concerns relating to the performance of management.

Information about the work of internal audit is detailed in the Audit Committee Annual Report which is presented to the Council of Governors by the Chair of Audit Committee.

The internal audit contract with Deloitte expires on completion of the work programme for the 2014/15 financial year and thereafter the delivering of the Head of Internal Audit Opinion. In April 2015, the Trust completed a tender exercise to award a new three year internal audit contract to a new supplier, Mersey Internal Audit Agency.

External Audit

During the reporting period the external audit function was provided by KPMG LLP, as part of a five year extended contract. A declaration of auditor independence and objectivity is provided to the Committee on an annual basis, and as part of the tendering process the Trust tests how the professional firms manage this process internally.

There are clear policy guidelines in place around the provision of non-audit services by the External Auditor. Safeguards are in place that ensures that the Committee are kept informed of the scope and value of additional work commissioned from the External Auditors. During the year KPMG conducted additional non-audit work relating to the data quality review, the fee for this work was £18,500 net.

The External Auditor attends a Council of Governor meeting following the production of the Annual Report and Financial Statements to ensure Governors are assured by the process undertaken to audit the accounts. They also attend the Annual Members Meeting.

The Audit Committee has reviewed the work of external audit and is satisfied that the external audit service is of a sufficiently high standard and that fees are appropriate and reasonable.

The current external audit contract expires on completion of the work programme for the 2014/15 financial year and as such a robust procurement process led by the

Council of Governors audit working group has begun, in consultation with the Chief Finance Officer and Chair of the Audit Committee. It is expected that a contract award will be made in August 2015 and a full report will be disclosed in the Audit Committee's Annual Report 2015/16.

Local Counter Fraud

Local Counter Fraud services were provided by Deloitte LLP during 2014/15.

The role of the Local Counter Fraud Service assists in creating an antifraud culture within the Trust: deterring, preventing and detecting fraud, investigating suspicions that arise, seeking to apply appropriate sanctions and redress in respect of monies obtained through fraud.

The Audit Committee receives regular progress reports from the Local Counter Fraud Service during the course of the year and also receives an annual report.

4.7 Council of Governors

The Council of Governors (CoG) is a statutory part of an NHS Foundation Trust governance structure, whose role is to hold the Non-Executive Directors of the Board to account for the performance of the Trust Board and to represent the interests and views of the Trust's members and partner organisations in the governance of the Trust. The Trust is accountable to members via the Council of Governors.

Members of the Trust, both public and staff, are able to stand as a governor candidate in order to be elected onto the Council by the members, providing they are 16 years of age and are resident in the constituency for which they are standing. The Council also includes appointed representatives from partner organisations and stakeholders from the local area to ensure a representation of views from the community. Elections during the reporting period saw three new governors elected onto the Council and one existing governor re-elected. Further detailed information of individual governors for all constituencies can be found on the Trust website.

The Council of Governors meet formally in public four times per year and up to six times informally with the Trust's Board of Directors to facilitate meaningful engagement, listening and to exercise the responsibility to hold the Non-Executive Directors to account for the performance of the Trust. A forward plan detailing the cycle of business for the Council of Governors is prepared in line with the Board of Director's business to ensure consistency in reporting. The decisions and matters undertaken by the Council of Governors include business such as the appointment of the external auditors, appointment of Non-Executive Directors and formal receipt of the Annual Report and Accounts. The Trust also maintains a formal policy for the resolution of disagreements between the Council of Governors and Board of Directors.

Members of the Board are able to attend the informal council meetings to facilitate networking with the governors which supports the appraisal process for Non-Executive Directors. Executives and Non-Executives will also attend formal meetings to present papers or provide technical sessions for governors on specialist areas such as audit or property. The Board attendance at Council of Governors meetings can be viewed on page 93.

The Chair of the Council of Governors is also the Chair of the Trust Board which promotes transparency and encourages the flow of information between the Board and CoG.

The Council of Governors is required to discharge specific duties and responsibilities in line with their role, with the Health and Social Care Act 2012 empowering governors further with a number of significant responsibilities around;

- Holding the Non-Executive Directors, individually and collectively, to account for the performance of the Board of Directors
- Representing the interests of the members of the Trust as a whole and the interests of the public

- Approving 'Significant Transactions'
- Approving an application by the Trust to enter into a merger, acquisition, separation or dissolution
- Deciding whether the Trust's non-NHS work would significantly interfere with its principal purpose
- Approving amendments to the Trust's Constitution.

Governors are supported in discharging these responsibilities through a comprehensive training programme delivered by the Trust, with opportunities for bespoke training in specialist areas such as Chairperson Skills, Peer Mentoring and Effective Questioning & Challenge. Opportunities for external training and networking are also provided to governors. Governors have been integral to embedding informal discussion meetings demonstrating their positive Non-Executive Director and governor relationships which focus on holding to account.

The work of the Council of Governors is supported by the Lead Governor, whose role includes liaison with Monitor on issues or concerns related to the Trust where it would be inappropriate to contact the Chair or Senior Independent Director. The Trust has chosen to expand the role of the Lead Governor to promote governor involvement in Non-Executive Director appraisals and to support the Chair in the leadership of the Council.

During the reporting period, the previous Lead Governor term of office came to an end and the Council of Governors were required to appoint a successor through a democratic vote. The Council of Governors also undertook a review of the Procedure for the Appointment of Lead Governor and approved both a new procedure and the nomination of Alan Ravenscroft as Lead Governor. Monitor have been informed of the changes to the role of Lead Governor at Lancashire Care.

In 2012/13 the Council of Governors conducted a review of its effectiveness with the three year reduction plan to gradually decrease the number of governors having being achieved, the new breakdown of governors and constituencies is as follows:

Area (CCG & Constituency)	Number of Governors
NHS East Lancashire	3 Public Governors
NHS Lancashire North	2 Public Governors
NHS Blackburn with Darwen	1 Public Governor
NHS Blackpool	1 Public Governors
NHS Central Lancashire	3 Public Governor
NHS Lancashire West	1 Public Governor
Out of Area	1 Public Governor

Engagement with members is an important part of the governor role and the members of the Council are supported to undertake effective engagement with Foundation Trust members through various Trust conferences, membership events

as well as during governor elections. The Trust ensures governors are supported through additional training workshops focusing on a range of aspects of the Trust's portfolio which equips governors with knowledge and information to share with members and inform the public of the Trust's work. The governors attend a wide range of community groups and forums within their constituencies and are a valuable resource in gathering feedback and views from members and the public. Equally governors are able to support the work of the Trust by sharing key messages about service development and opportunities for public involvement.

An important area of work for the Trust is the production of the Annual Plan and governors input in relation to feeding in the views of the members and local communities is a critical part of the development of the plan. This year governors met informally with Executives and Non-Executive Directors to inform the early stages of the Annual Plan and undertook a dedicated session with all of the Trust Networks to consider the business plans and understand how member views, through the governors have been reviewed and incorporated into the Trust's Plan. Governors formally received the Annual Plan in May 2014.

A key responsibility of the Council of Governors is to appoint the Trust's External Auditor. The existing External Audit contract with KPMG expires upon completion of work around the Annual Report & Quality Account 2014/15 reporting. As a significant source of assurance for the Council, the appointment of a suitable auditor is a pivotal process undertaken in close partnership with the Audit Committee. A small working group of governors were appointed by the Council of Governors to lead the appointment process and award a new external audit contract in conjunction with the Chair of Audit Committee. The role of the working group is to represent the views and requirements of the Council during the mini-competition tender exercise and appointment process. The tender process to identify suitable external audit firms was temporarily deferred during March 2015 to allow resource to focus on securing a new Internal Audit contract for the Trust. The Council of Governors have been regularly updated on developments during the appointment process and will continue to monitor progress. The process to appoint the External Audit firm will re-commence in June 2015.

Governors can be contacted by emailing membership@lancashirecare.nhs.uk.

Attendance of Governors at Council of Governor and Sub-Committee Meetings between 01 April 2014 and 31 March 2015

Governor	End of Term	Council of Governors	Membership Committee	Patient Experience Oversight Group	Standards & Assurance Committee	Nomination Remuneration Committee
		Attendance (actual/max)				
Chair						
Derek Brown	31/03/2016	9/9				3/3
East Lancashire						
Catherine Dobson	15/12/2014	6/7			3/3	2/3
Tom Lawman	26/11/2015	5/9	3/4		4/4	
Alan Ravenscroft	26/11/2015	7/9		2/2	4/4	3/3
Mike Wedgeworth	26/11/2015	9/9	3/4	2/4		
Hilary Whitworth	15/12/2014	4/7		2/3		
North Lancashire						
David Jackson	26/11/2015	1/9		1/4		
John MacLeod	26/11/2015	9/9		3/4	3/4	
Blackpool						
Linda Jones	26/11/2015	5/9	2/4			3/3
Central Lancashire						
Bill Coulton	02/12/2016	7/9		4/4	2/4	
Mike Marsden	26/11/2015	9/9		4/4		
Brian Taylor	26/11/2015	7/9	2/4			1/3
Blackburn with Darwen						
Brian Spencer	02/12/2016	9/9	3/4		4/4	
West Lancashire						
Jacqui Sutton	02/12/2017	2/2				
Out of Area						
Tahir Khan	15/12/2017	6/9	2/4			
Staff Governors						
Graham Ash	02/12/2016	6/9			2/4	
Lynne Bax	02/12/2016	6/9		0/4	1/4	
Barbara Hummer	15/12/2014	6/7	3/3			3/3
Paul Morris	02/12/2016	8/9	2/4			
Linda Ravenscroft	02/12/2016	6/9			4/4	
Max Oosman	02/12/2017	1/2				
James Harper	02/12/2017	2/2				

Governor	End of Term	Council of Governors	Membership Committee	Patient Experience Oversight Group	Standards & Assurance Committee	Nomination Remuneration Committee
		Attendance (actual/max)				
Appointed Governors						
David Jones N Compass	28/02/2015	5/8		4/4		
Nigel Harrison UcLan	n/a	4/9				3/3
Steve Sansbury Lancashire Constabulary	n/a	1/9				

Attendance of the Board of Directors at Council of Governor Meetings between 01 April 2014 and 31 March 2015

Board Member	Term of Appointment	Council of Governors
		Attendance (actual/max)
Non-Executive Directors		
Peter Ballard	01/06/09 – 31/05/16	6/9
Teresa Whittaker	01/10/06 – 30/09/14	1/4
Chris Heginbotham	01/09/08 – 31/08/14	0/3
Gwynne Furlong	01/10/12 – 31/08/15	3/9
Naseem Malik	29/10/13 - 31/10/16	3/9
Louise Dickinson	29/10/13 – 31/10/16	5/9
David Curtis	20/11/14 – 30/11/17	1/1
Executive Directors		
Heather Tierney-Moore	*(in post 05/01/09)*	6/9
Max Marshall	*(in post 01/08/02)*	2/9
Craig Barratt	*(in post 27/08/13)*	3/9
Dominic McKenna	*(in post 06/03/14)*	2/8
Dee Roach	*(in post 01/02/14)*	2/9
Sue Moore	*(in post 10/02/14)*	2/9
Bill Gregory	*(in post 01/02/15)*	0/1

4.8   Sub-Committees of the Council of Governors

The Council of Governors have sub-committees which are used for reviewing specific areas of Trust activity. Through a working group approach, governors join relevant sub-committees according to their areas of interest and expertise, and also periodically rotate committee membership as part of their continued governor development.

The four sub-committees are;

- Membership & Governance Committee
- Standards and Assurance Committee
- Patient Experience Oversight Group
- Nomination Remuneration Committee

Sub-committees allow the Council of Governors to delegate specific areas of work to focus groups of governors to receive assurance on behalf of the Council of Governors and if required, make recommendations to the full Council, for example in relation to Non-Executive Director pay or recruitment.

Each committee is made up of public, appointed and staff governors, and is chaired by either a public or appointed governor to ensure independent scrutiny of reports and information. Each sub-committee reports directly to the full Council of Governors through a Chair's Report presented by each sub-committee Chair.

The Nomination Remuneration Committee is responsible for identifying and appointing Non-Executive Directors to the Board of Directors. Chaired by an appointed governor to ensure independence, the Committee oversaw a competitive recruitment process to appoint a clinically experienced Non-Executive Director and made a formal recommendation to the full Council of Governors. The recruitment process used open advertising and, following unsuccessful interviews, a competitive search and selection process which identified the successful candidate.

The Trust has planned a review of the Council of Governors governance arrangements for 2015/16 in line with the new integrated governance framework being embedded across the organisation. The piece of work will map the information and assurances received by the Council through its sub-committees and wider Trust reporting mechanisms as part of the overall strengthening and effectiveness of the Council of Governors.

4.9 Membership

The Trust's membership comprises public and staff members as well as affiliates or stakeholder groups. To become a public member of the Trust you must be at least 14 years of age and live within the North West. Staff members employed by the Trust are automatically opted into membership. There are some exemptions to becoming a member and these can be found within the Trust Constitution.

Members are encouraged to engage with Trust activities throughout the year and each member receives a bi-annual magazine and invitations to events and conferences. Governors also play a role in engaging with Trust members to discharge their responsibility to represent the views and interests of members. Governors take opportunities to meet with members face-to-face during elections, conferences and in their local communities as well as attending meetings to engage with stakeholder partners too.

4.9.1 Eligibility Requirements

The Trust has a public and staff constituency. The public constituency is divided into six voting areas to represent the geographical area served by the Trust.

Public Constituency	Electoral divisions comprising the electoral boroughs, cities or districts as set out in The County of Lancashire (Electoral Changes) Order 2005, The Borough of Blackburn with Darwen (Electoral Changes) Order 2002 and The Borough of Blackpool (Electoral Changes) Order 2002	Minimum number of Members
NHS East Lancashire	Hyndburn, Ribble Valley, Burnley, Pendle and Rossendale	75
NHS Lancashire North	Lancaster, Wyre and Fylde	60
NHS Blackburn with Darwen	Blackburn with Darwen	30
NHS Blackpool	Blackpool	30
NHS Central Lancashire	Preston, Chorley and South Ribble	75
NHS Lancashire West	West Lancashire	30
Out of Area	All electoral divisions within the boundaries of the following counties: Cheshire, Cumbria, Greater Manchester, Halton, Merseyside and Warrington	15

4.9.2 Number of Members

As of 31 March 2015, the Trust had a total of 14, 790 members.

Area	Public Member	Staff
NHS East Lancashire	1649	-
NHS Lancashire North	2022	-
NHS Blackburn with Darwen	717	-
NHS Blackpool	798	-
NHS Central Lancashire	2130	-
NHS Lancashire West	262	-
Out of Area	478	-
Unknown	15	-
Medical Staff	-	187
Nursing Professions & Support Staff	-	2384
Other Clinical & Social Care Professionals and Support Staff	-	2525
Corporate Staff	-	1623

4.9.3 Membership Strategy

The Trust's current membership strategy runs for the period 2014-2018. A process of annual incremental revision has been introduced to prevent any drift in the implementation of the strategy and to ensure that it is flexible and responsive to changes in the priorities of the Trust and in the wider health economy.

The Board of Directors require that the membership strategy is aligned to the Trust's wider stakeholder engagement strategy and the framework for its implementation is set by five objectives. The achievement of these objectives will ensure that the profile of the Trust's membership is representative of the diversity of users of the Trust's services and that there is an increase in the proportion of the membership who are actively engaged in shaping the priorities of the Trust.

An annual programme of workshops continues to support the development of the public engagement role of Trust governors. The programme is based on the Trust's current strategic priorities which are outlined in the five year plan for 2014-19 and which underpin the annual planning framework for 2014-16. Clinical and managerial leads engage with governors about the strategies and initiatives through which the Trust will deliver on its key priorities. The key learning outcome from the programme is that governors feel confident and supported in the public engagement aspect of their role and feel enabled to undertake that engagement at an appropriate strategic level.

4.9.4 Contact Procedures for Members

Members are encouraged to contact the Trust and local governors with enquiries or questions about the running of the Trust, or to request further information on how to get involved in schemes such as volunteering, membership panel surveys, conferences and events. The contact details for the Membership Support Office are publicised on the Trust website with a dedicated inbox for member queries, the electronic application form to become a Trust Member can also be found online. Raising the profile of the Trust's governors has progressed over recent months with an improved website offering members more information about their local governors and prospective members are also welcome to enquire about getting involved.

4.10 Risk and Control

The Risk Management Policy has been reviewed and agreed and operational and strategic risk management processes are embedded in the organisation at all levels within a refreshed governance framework.

The Board is responsible for reviewing the effectiveness of the internal system of control, including processes and resources for managing all types of risk. The level and nature of both strategic and operational risk information that should be subject to Board scrutiny has been determined and the Board receives regular reports on the status of those risks through a revised Board Assurance Framework.

The Executive Risk and Assurance Committee reviews the Board Assurance Framework and the Executive Risk Register on a quarterly basis and identifies key areas of risk interdependency. As part of the development of the new governance structure this activity is now undertaken by the Corporate Governance & Compliance sub-committee. The Board of Directors Risk Appetite Statement is scheduled to be reviewed during April 2015.

4.11 Statement of Compliance with the Code of Governance Provisions

Lancashire Care 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 2014.

The Trust has reported compliance with the revised Code of Governance which includes a more prescriptive approach to how the Code is discharged and further granularity around reporting. An evidence based statement against the revised code has been fully disclosed and reported to Audit Committee for assurance.

Last year the Board of Directors identified three areas where further attention would improve the governance practice and process:

- Progress the recommendations from the effectiveness of the Board of Directors evaluation
- Further embed the changes to the Monitor Code of Governance
- Implementing the first electronic version of the Board Balanced Scorecard

Each of these areas has been addressed and the outcomes reported in the relevant areas of this disclosure, with the exception of the electronic element of the Board Balanced Scorecard. Following on from 12 months of implementation, the opportunity to review the Balanced Scorecard has allowed for any lessons learned throughout the process to be incorporated into the planned development for 2015/16.

The development of the electronic platform has been dependent on a number of factors such as IT resource and a focus on wider performance issues and information has taken priority and had an impact. The development of an electronic platform forms part of the plans for the next stage of the Balanced Scorecard development and the strengthening of wider performance data will allow the Balanced Scorecard to be aligned with existing systems.

In the spirit of continuous improvements three further areas of development will be addressed during 2015/16:

- Embed the refreshed governance and assurance structure across the organisation
- Development of an electronic Contracts Register & electronic Board level Balanced Scorecard
- Develop the Board Assurance Framework governance process at all levels of the organisation

For 2014/15 the Trust can declare compliance with all provisions of the Monitor Code of Governance, including the statutory provisions, with the exception of B.7.1. The Trust is not compliant with the expectation that Non-Executive Directors will not be appointed for a period of longer than six years other than in exceptional

circumstances. The Council of Governors Nomination/Remuneration Committee gave significant consideration to this area of non-compliance in reviewing the continued independence of; the Non-Executive Trust Chair, currently serving over six years, the extended term of office for the Deputy Chair and one other Non-Executive Director who stepped down mid-year, following a term of seven years. The explanation detailed in the reporting to Monitor highlights the rigorous annual re-appointment process for the Trust Chair to ensure the Council of Governors remain satisfied with the decision.

Discussions and reporting to Monitor in relation to this area have been undertaken and the Trust continues to demonstrate compliance with the spirit of the code provisions in relation to the need for independence of Non-Executive Directors, refreshing of the Board as a whole and a rigorous approach to the review of the Board skill mix and the annual re-appointment process. The Trust recognises that this is a temporary position and intends to return to a fully compliant position following the end of the Chair and Deputy Chair's final, extended term of office and the recruitment of a successor for the role of Trust Chair.

5. Other Disclosures in the Public Interest

5.1 Action Taken by the NHS Foundation Trust to Maintain or Develop the Provision of Information and Consultation with Employees

A range of internal communication channels are in place to provide staff with information and the opportunity to feedback on key issues. These include the quarterly staff newsletter Insight, the Chief Executive's monthly brief Team Talk and The Pulse weekly bulletin. A range of improvements have been made to internal communications following feedback from the first annual communications survey. The results of the 2014/15 survey are informing an improvement plan for future communication activity.

Staff are encouraged to access information either through the intranet or via online help services. This includes the e-HR portal which allows access to a range of HR information and resources and self-service for the majority of HR queries.

The Trust also hosts events throughout the year to engage with staff including the quarterly Engage event, a senior leadership forum to discuss the Trust's strategic plans and cascade information through teams and service areas. Following successful implementation in 2013/14 the Trust continues to host the Rising Stars event which is aimed at aspiring leaders within the organisation to support their development and increase staff engagement.

Along with the formal communication channels, staff receive information through their line managers, team meetings, team information boards and cascades from their senior leadership teams.

The Trust's membership strategy provides opportunities for staff, alongside members of the public, to receive information, attend events and take part in surveys as members of the Foundation Trust. More information can be found on page 96.

The Trust has successfully embraced partnership working with the staff unions. There is a Partnership Forum which meets regularly and represents all staff groups excluding medical staff, who are represented through the Joint Local Negotiating Committee (JLNC). Both committees have a partnership agreement in place. Representatives from the JLNC attend the Partnership Forum to enable effective communication between both groups.

InTouch employee engagement sessions have been launched to run every quarter and are linked to the Trust's five year plan to support staff to understand and contribute to the achievement of the six priority areas. The sessions are designed to raise awareness amongst employees about current priorities in the context of the Trust's long term plans and priorities. The first round of sessions focused on the priority areas Quality, People and Money and provided the opportunity for members of the Executive Management Team and wider senior management team to meet frontline teams and listen to their experiences, challenges and ideas. The format of the sessions comprises a presentation to teams with time set aside for discussions

and questions in an open forum, face to face. An internal communication audit at the end of 2014 highlighted that face to face communication was the preference of the majority of staff and the sessions were introduced in light of this feedback and the need to support employees to understand the Trust's long term direction of travel and how this translates into local priorities. The content of the sessions has been designed to complement wider Trust communication channels and is made available to service managers to enable them to deliver sessions locally, increasing the reach of messaging across the organisation. Session information and feedback is also made available on Trustnet as a means of sharing with all employees the topics that were raised at the sessions and frequently asked questions.

The Transformational Savings Plan (TSP) generated more than 900 ideas from staff through engagement activities. The ideas and suggestions were reviewed and grouped into 16 large scale transformation programmes of work which are being implemented as part of the Delivering the Strategy Programme.

5.2 The NHS Foundation Trust's Policies in Relation to Disabled Employees and Equal Opportunities

The Trust uses the Department of Health's Equality Delivery System (EDS) and has carried out regular scrutiny events since 2012. Trust services provide evidence to demonstrate inclusion, equity of access and engagement for all diverse groups covered by the Equality Act 2010, including service users and staff with disabilities. In relation to disability, Trust policies and processes mandate the use of 'reasonable adjustments' in line with the Equality Act 2010 and EDS action plans across the organisation support this. The Trust is also committed to ensuring Equality Impact Assessments (EIAs) are carried out on all policies, service changes and other activities and has re-launched a simplified EIA toolkit to ensure these assessments are robust and meaningful. Access audits are carried out on all new buildings and refurbishments to address access and usability for service users, carers, other visitors and staff.

5.3 Information on Health and Safety Performance and Occupational Health

The Trust is committed to ensuring the safety & security of its staff, patients, visitors and other users of its services. To this end it has undertaken a comprehensive review of its provision and compliance with health & safety legislation to ensure it continues to fulfil its statutory duties.

The Trust appointed a new Health and Safety Manager to ensure improvements continue in health and safety compliance. The Trust's Risk Team has been realigned and two additional dedicated advisors for health and safety have been appointed.

The health and safety policy has been refreshed and is available for all employees to view, supported by specific procedures. A three year health and safety improvement plan has been developed to establish priority areas and a new Health and Safety Steering Group is in place which monitors progress against completion. The statutory Health and Safety Committee continues with a newly written terms of reference.

The Trust has invested a significant amount of money into ligature reduction and annual ligature audits are in place for all inpatient areas. An annual health and safety audit process has also been completed.

A full audit programme looking at all teams and buildings throughout the Trust commenced in April 2015.

The Trust continues to promote and develop a maturing safety culture across all areas of the organisation. The emphasis on patient safety maintains a focus on transparency and the enabling of an open learning environment as an essential aspect of improving care. A key component of patient safety is providing a system for comprehensive incident reporting and risk management across the Trust.

The Datix risk management system is now fully embedded across the whole organisation. The data collected from incidents, risks, complaints, compliments and claims is used to populate team information boards and governance reports to allow continued monitoring. Managers also use the system to document actions taken and lessons learnt to enhance risk management processes.

During the reporting period, the Trust's Occupational Health Service was provided by People Asset Management (PAM), the contract for which was managed in line with a specification and set of key performance indicators.

Elements of the service included the physiotherapy information line, a telephone-triage service run by qualified physiotherapists which allowed for rapid access to physiotherapy services with immediate interventions for acute conditions. Employees also received access to the Employee Assistance Programme, a free confidential life management and personal support service available to staff and their immediate family, with access available 24/7, 365 days a year via a telephone helpline or on-line.

The Occupational Health contract with People Asset Management was extended to 30 June 2015. The process to identify interested bidders including both NHS and private sector providers allowed for a new occupational health contract to be awarded to Wellbeing Partners, a joint venture between three local NHS hospital trusts. The Employee Assistance Programme contract was awarded to private company, Health Assured. The new contracts will run from 1 July 2015.

Employees are able to access a range of support for their physical and mental health and wellbeing via the e-HR portal to enable staff to access information and resources 24/7.

5.4 Information on Policies and Procedures with Respect to Countering Fraud and Corruption

The Trust has an Anti-Fraud, Bribery and Corruption Policy in place and as part of this an annual work plan is agreed by the Chief Finance Officer. This covers areas such as creating an anti-fraud culture, deterring fraud and preventing fraud. The Trust

engages the services of a Local Counter Fraud Specialist who attends the Audit Committee to provide updates on the progress of the annual work plan.

5.5   A Statement Describing the Better Payment Practice Code, or any other Policy Adopted on Payment of Suppliers, and Performance Achieved Together with Disclosure on any Interest Paid under Late Payment of Commercial Debts (interest) Act 1998

The Better Payment Practice Code (BBPC) requires the Trust to pay all valid non-NHS invoice by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later, unless other payment terms have been agreed with a supplier.

As a result of the general economic crisis, and at the request of the Prime Minister and Monitor, the Trust now endeavours to pay all smaller non-public sector suppliers within 10 days in order to ease their cash flows.

Legislation is in force which requires Trusts to pay interest to small companies if payment is not made within 30 days (Late Payment of Commercial Debts (interest) Act 1996).

Details of compliance with the above are described in note 7 to the accounts.

5.6   Details of any Consultations Completed in the Previous Year, Consultations in Progress at the Date of the Report, or Consultations Planned for the Coming Year

During this reporting period the obligation to formally consult has not been required. At the time of publication, there are no formal consultations planned in relation to the Trust's services. However, the Trust has continued to keep local groups and organisations informed of its plans and continues to provide opportunities for these groups to be involved in the Trust's work and developments.

5.7   Consultation with Local Groups and Organisations, including the Overview and Scrutiny Committees of Local Authorities Covering the Membership Areas

A monthly e-bulletin is issued to the local Healthwatch and Overview and Scrutiny Committees and the Trust maintains good relationships with these groups, attending meetings on invitation. Relationships with local authorities are maintained by the Trust's Executive Management Team attending Board to Board meetings and representation on Health and Wellbeing Boards.

Good relationships exist with local Clinical Commissioning Groups and opportunities to engage jointly are pursued. The involvement of the third sector continues to enhance the provision offered by the Trust. This is proving to be particularly beneficial in terms of The Harbour development, where the Sparky's café is provided by Richmond Fellowship, and opportunities to do this on a broader basis are being explored.

5.8 Any Other Patient and Public Involvement Activities

The people that use Trust services continue to play their part in the development of the Trust's Quality Strategy. Patients and carers sit on the Trust's Quality Committee to represent the diverse needs of the patients and communities served.

Service users and their carers also played a big part in developing and contributing to the Trust's service user and carer newsletter; Voice News which included participating in editorial groups and writing items for the quarterly publications.

Research initiatives at the Trust have benefited from the input of service users and carers who have helped with the design and delivery of several schemes. This included a programme to improve the discharge experience of adult mental health patients as well as clinical research into mobile telephone interventions for people with psychosis.

Patient Led Assessments of the Care Environment (PLACE) were carried out throughout the year at the Trust's mental health inpatient wards and Longridge Community Hospital. The PLACE programme allowed service users, carers and Healthwatch representatives to conduct checks and evaluations of the care environment.

Service users contributed to the development of the Trusts new inpatient facility, The Harbour including input into the design of the new building and many of the features such as living areas and recreational facilities.

Work has also began on redeveloping the Trust's website in particular the areas relating to Involvement and Experience. Service users and carers have helped generate ideas on how to make the most of social media for engaging with the public and local communities.

Service users have continued to feature in the Trust induction programme throughout the year and regularly contributed by sharing their stories and taking part in roundtable discussions about good practice with new members of staff.

The Trust is committed to supporting the NHS Leadership Academy and promoting work to develop the next generation of NHS leaders by supporting services users and carers to share their experiences on a range of leadership courses.

The Adult Mental Health network has worked with the network's Experts by Experience Group throughout the year, for service users and carers who wish to become involved in improving the network's services. Achievements include playing key roles in community redesign and the network's research implementation plan. The team completed the first phase of their Excellence in Customer Care project, which involved speaking to all of the network's operational services teams on compassionate, 'mental health aware' approaches tailored to the network's service users and carers at every point of contact. The team have also advised the network's senior management team on improving care planning. The network's participatory action research team of mental health service users (PAR Excellence) chose their

research topic of shared decision making, and started planning a project on the use of service user experiences as a shared decision making resource, in partnership with UCLan. They presented their progress at the International Network of Psychiatric Nursing Research Conference at Warwick University.

The Specialist Services Network held a Hope, Health and Happiness Conference at Guild Lodge with key note speaker Rufus May and the involvement of low and medium secure service users.

The Children and Families Network is piloting the 'Experience by Co-design' approach as part of an Advancing Quality Alliance (AQuA) project into reducing harm to service users with complex physical health needs with the work continuing into 2015. The Experience by Co-design approach has also been used to inform and develop new service specifications for special needs nursing.

The Fylde and Wyre Child & Adolescent Mental Health Services (CAMHS) team will be moving to a new site at Wesham. The service has used this opportunity to positively engage young people in shaping how the new centre will look and feel. One of the young people that used the service has volunteered to lead a group of young people in designing the environment including choosing the colours and furniture. This team of young people will also be involved with a local college, working collaboratively to produce pieces of artwork for the centre.

The CAMHS Tier 4 service has a longstanding reputation for participation, notably setting up the 'The Crew' several years ago. This group of young people and carers who have previously used the services are involved in every aspect of service planning and improvement. The Crew have won numerous awards, most recently winning the top national award for Participants of the Year at the NHS England National Participation Awards. They also received a commendation from Care Services Minister Norman Lamb MP at the Positive Practice in Mental Health Awards in October 2014.

5.9 The Number of, and Average Additional Pension Liabilities for, Individuals who Retired Early on Ill-health Grounds During the Year

Costs of ill health retirements are borne by the NHS Pensions Agency. Details of numbers and estimates of associated liabilities are supplied by the NHS Pension Agency and detailed in note 6.5 to the accounts.

5.10 Detailed Disclosure in Relation to 'Other Income' where 'Other Income' in the Notes to the Accounts is Significant

The Trust does not consider 'Other Income' figure in the annual accounts significant enough to disclose detail on.

5.11 Income Disclosures Required by Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012)

The Trust can confirm that the income it receives for the provision of goods and services for the purposes of the health service in England exceeds its income from the provision of goods and services for any other purposes.

Income from activities accounts for over 90% of the Trust's income. The remainder is all classed as operating income, split approximately evenly between income received for the purposes of education, training, research and development and income received for non-patient care services. This other operating income compliments the Trusts overarching objective to provide goods and services for the purposes of the health service in England.

6. Statement of Directors' Responsibility in Preparing the Financial Statements

Each of the people who are Directors at the date of approval of this report confirms that they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

This confirmation is given and should be interpreted in accordance with the UK Corporate Governance Code 2014, para. C.1.1.

For and on behalf of the Board:

Mr Derek Brown
Chair
28 May 2015

Professor Heather Tierney-Moore OBE
Chief Executive
28 May 2015

7. Statement of Accounting Officer's Responsibilities

Statement of the Chief Executive's responsibilities as the accounting officer of Lancashire Care 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 Lancashire Care 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 Lancashire Care 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.

Professor Heather Tierney-Moore OBE
Chief Executive
28 May 2015

8. Annual Governance Statement

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 Lancashire Care 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 Lancashire Care NHS Foundation Trust for the year ended 31 March 2015 and up to the date of approval of the annual report and accounts.

In order to ensure continuous development of the system of internal control within the Trust, the Standing Financial Instructions and Decision Rights Framework have both been subject to a full combined review to enhance the definition of allocated responsibilities for making and approving decisions relating to Trust business. This activity has supported the completion of a Control Improvement Plan which was initiated in response to specific and isolated issues dealt with in the previous reporting year, 2013/14. This has been subject to independent review by the auditors and resulted in an outcome of Substantial Assurance that the controls are in place and working effectively.

Capacity to handle risk

The Trust has further embedded the management of risk across the organisation which has been significantly enabled by the development and implementation of a refreshed framework of governance. This has involved the embedding of managing by risk within the committees and sub-committees and has resulted in the disestablishment of the Risk and Assurance Committee. The transition to the new governance structure has been led by the Board of Directors, who provide leadership of the Trust's governance programme.

To further support the development of the organisation's risk maturity, the Board Assurance Framework risk register is now fully integrated within the Datix system. This has enabled risk profiling to be undertaken during the last quarter of the reporting period where risks are identified that have a key interdependency with the principal risks on the Board Assurance Framework. As a result, the end of year process for reviewing the Board Assurance Framework risks has been strengthened and alongside the annual strategic and operational planning process, an outcome was reached that resulted in the principal risks being refreshed and further aligned to the Strategic Planning Framework 2014-19. This approach means that the process supports the identification and effective management of high level

strategic risks which have the potential to impact on the Trust's ability to deliver the strategic objectives. It is acknowledged by the Board of Directors that a selection of risks managed at Board Assurance Framework level will be enduring during the course of the implementation of the 2014-19 Strategic Plan and assurance is provided through the rigorous end of year review process that these risk are fully evaluated in terms of their management and effectiveness.

A risk training e-module has been introduced as part of the existing health and safety e-module during the reporting period to further enhance the Trust's approach to ensuring that staff are trained to manage risk in a way that is appropriate to their authority and duties. To support this, the Risk Management Policy is currently under review and will ensure that staff across the organisation have clear guidance and support in their management of risk. During 2015/16 there will be further development to enhance the risk management training undertaken across the Trust.

The risk and control framework

The Trust's Board Assurance Framework provides the organisation with a structured approach to effectively managing the principal risks to achieving its strategic objectives. The Trust promotes an open culture and encourages staff to operate in a transparent manner when identifying, understanding, responding and escalating risks. The Board Assurance Framework risk register has been re-designed to be interdependent with the Executive Risk Register which contains high level operational risks. The effective management of assurance and controls at this level has supported the implementation of a robust process for Board Assurance Framework risk reporting through the governance framework to the Board of Directors. Each Board Assurance Framework risk is owned by an Executive Director and reviewed at Board of Directors Sub-committee level.

The end of year review of the Board Assurance Framework risk register provided the Board of Directors with the opportunity to consider a review of the Risk Appetite Statement which provides a broad understanding of the level of risk that will be taken to achieve the strategic objectives. The Statement was originally approved in January 2014 and a refresh was undertaken during the last quarter of the reporting period to align the Statement with the strategic objectives and amend the wording to enable communication throughout the organisation. Further work is planned for 2015/16 to ensure that the Risk Appetite Statement is firmly embedded across the strategic risk management process and that effective translation of the principles are enabled across the Trust. The Trust's approach to risk appetite ensures that risks are considered both in terms of opportunities and threats as well as risk and reward.

A total of 19 Board Assurance Framework principal risks have been managed during 2014/15. The table on pages 112 and 113 summarises these risks as outlined in the Board Assurance Framework risk register. All risks identified below are the 2014/15 risks and an outline is provided of how these risks will be managed moving forwards into 2015/16. Some risks have been considered to be more operational in nature and will be managed as such moving forwards through the newly established Committees and Sub-committees within the new governance structure, supporting the principal of managing by risk. The full Board Assurance Framework risk register for 2015/16 can be viewed in Appendix 1 which also outlines which Sub-committee within the governance framework will have responsibility for seeking assurance against each risk.

Strategic Objective	Strategic principal risk	End of Year Position as at 31.03.15
To provide high quality services	1.1 The Trust has inadequate systems in place to facilitate timely learning from incidents, risks, complaints and patient feedback.	There has been significant improvement in the management of incidents and some improvement to the quality of the investigations. This risk will be managed at operational level in 2015/16 and reported through the Quality & Safety Sub-committee.
	1.2 Adult Mental Health continues to have inadequate systems, processes and procedures in place.	Overall increased assurance received during 2014/15. This risk will be managed at operational level in 2015/16 and reported through the Operational Delivery & Performance Sub-committee.
	1.3 The Trust does not deliver appropriate, safe and therapeutic environments for care delivery including reduction of ligature risks.	The focus of this risk for 2014/15 was primarily reduction of ligature risk. The Ligature Reduction Programme has now been largely achieved and therefore reduces the likelihood for this particular risk.
To provide accessible services delivering commissioned outputs and outcomes	2.1 The Trust does not receive assurance of the accuracy, timeliness and consistency of data and reporting with the potential to compromise decision making and service quality.	The focus of this risk for 2014/15 has been the quality of performance data. The Performance Improvement Plan has provided assurance and been subjected to external scrutiny and consultation with commissioners. Risk remains for 2015/16 with a wider focus on data quality.
	2.2 The potential impact of the complexity and maturity of the commissioning arrangements on the services we provide.	Internal capacity and capability around business development/ tendering has significantly increased. Current year-to-date tender win rate is 50%. This risk remains with some reframing for 2015/16.
To become recognised for excellence	3.1 The Trust fails to effectively define integrated mental and physical health and wellbeing in the context of delivery of objectives.	This risk achieved its target in Q3. Additional controls have been added in Q4 relating to smoke-free from 05.01.15 and agreement of a Public Health Strategy for the Trust.
To employ the best people	4.1 The Trust does not recruit and develop high quality staff, with the required skills and performance level.	There is a significant risk profile identified against this BAF risk from the 15 and above operational risks. The key enabler to manage this risk moving forwards will be the HR Transformation Programme.
	4.2 The Trust fails to staff to agreed safe staffing levels, to take account of fluctuating activity and absence levels over above funded posts.	This risk will be incorporated into a wider workforce risk for 2015/16 to ensure a consolidated strategic approach to assurance. Operational management of nurse safer staffing risk will continue at Executive Risk Register level in 2015/16.
	4.3 The Trust does not deliver effective education and learning.	This is an enduring risk that will continue into 2015/16 and has been reframed to include linking delivering of education and learning with quality and provision of safe care. There is a recognition that evaluation of performance reviews should be improved. The HR Transformation programme is providing assurance that systems and processes are being reviewed.

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Strategic Objective	Strategic principal risk	End of Year Position as at 31.03.15
To provide excellent value for money in a financially sustainable way	5.1 The Trust is unable to achieve its financial plan; lack of planning and effective monitoring results in a threat to our underlying financial sustainability, resilience and non-achievement of financial balance.	This risk has been reframed for 2015/16 and takes account of challenges relating to Out of Area Treatments and the sustainability of the Trust finances.
	5.2 The Trust does not deliver the estates major capital programme.	The risk has been managed to target within the context of delivering The Harbour unit at Blackpool. Estates major capital programme associated risks will be managed on the operational risk register and reported through the Estates Sub-committee.
	5.3 A small number of valid and articulated CIP plans are not implemented through agreed delivery plans in a timely manner resulting in full year realisable benefits not being achieved.	The risk for 2014/15 has remained significant due to the challenges of achieving the CIP programme. This risk remains for 2015/16 and has been reframed to place a strong focus on 'Delivering the Strategy'.
To innovate and exploit technology to transform care	6.1 Inability to reposition the Trust in the market place to foster growth, development, increase efficiency and improve quality of care.	Increasing involvement and engagement from key third parties such as Lancashire County Council, Lancashire Mind and CSUs has improved the ability to provide wider support to innovators. A key focus of this risk for 2015/16 will be the tendering processes.
To meet our statutory/compliance obligations	7.1 The Trust does not comply with information governance legislation and directives.	2014/15 risk will be managed operationally at Exec Risk Register level and has a key interdependency with the statutory compliance risk for 2015/16.
	7.2 The Trust does not comply with Mental Health Act law.	Further controls have been added following the centralisation of the Mental Health Law Team. The risk will remain a principal risk for 2015/16.
	7.3 The Trust does not comply with CQC registration, legislation and national standards.	Assurances increased in the last quarter of 2014/15. This risk will be incorporated into a wider strategic quality risk for 2015/16.
	7.4 Inadequate systems and processes to fully demonstrate compliance with Monitor licence.	New controls have been added. The risk will transfer into 2015/16 as Licence conditions are constantly changing and therefore there will always be a gap in assurance.
	7.5 The Trust does not comply with Health and Safety Legislation and Directives.	Baseline assessment of health and safety compliance and performance undertaken supported by the development of a 3 year health and safety improvement plan which is now underway. This risk will be operationally managed in 2015/16 and reported to the Quality & Safety Sub-committee.
	7.6 Ineffective systems to maintain compliance with statutory legislation and directives relating to medical revalidation.	Gap analysis undertaken during Q4 against the NHS England Quality Assurance Framework has provided significant assurance and compliance. This risk has been managed to its target during 2014/15 and any associated risks will be managed operationally in 2015/16 and reported to the People Sub-committee.

Governors represent Trust membership and they are invited to attend the quarterly formal Board meetings where the Board Assurance Framework risk register is reviewed. Board papers are also made available on the Trust's website following each meeting.

The review of the Quality Strategy during 2014/15 has provided an opportunity to look at how the Trust sets its vision for risk and assurance across the organisation. A plan will be developed at the beginning of 2015/16 that will support the implementation of this aspect of the Quality Strategy.

The resilient approach to governance at board level has provided significant assurance that risks are escalated appropriately. The governance programme of work for 2015/16 will further develop the maturity in terms of how the strengthened governance framework is embedded at all levels within the organisation.

A data quality improvement plan has been implemented within the reporting period, which was initially informed by a review undertaken at my request by external auditors. In addition, the wider organisational lessons learnt during 2013/14 have resulted in advancement in the way that the quality of performance information is assessed and assurance relating to this is now monitored though the governance framework. During the implementation of the improvement plan, a full review of Trust-wide systems has been undertaken, highlighting other areas of potential data weakness which have been resolved during the course of the year. In the early part of the year the implementation plan had not gained sufficient traction to systemically validate the data received by the Board for Quarter One, however mitigating controls were in place to manually verify the Monitor data to provide assurance to the Board prior to submission. By quarter two the Board of Directors was assured that there is a system of internal control in place to monitor the quality of data and this is further supported by a Board Assurance Framework risk which considers the accuracy, timeliness and consistency of data and reporting mechanisms. The Top 50 Indicators that the Trust considered as priorities have been delivered as part of the improvement plan and are firmly embedded within the data quality programme.

Associated with this Board Assurance Framework risk is a recognition that the internal arrangements for provision of the data performance function require improvement from a sustainability perspective. During the year we have experienced issues relating to capacity and skill mix within the existing resource which has necessitated an interim solution with support from an external consultancy. A proposal has recently been agreed to move to a blended approach of internal and external resource for a period of time until the internal resource has been firmly established.

During 2014/15 the management of risk to data security has been managed at Board Assurance Framework level. Assurance has been provided through the implementation of a programme of improvement which resulted in a rating of 'Satisfactory' by the Information Commissioner's Office when the Information Governance Toolkit submission was made in March 2015. In addition, an internal audit had provided 'Substantial Assurance' that the systems of internal control are established and self-assessment processes are appropriately designed, consistently applied and generally effective. The Trust has reported a total of six information governance incidents to the Information Commissioner and more detail regarding this can be reviewed in the Information Governance section below.

The Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission as at 31 March 2015. The Trust is currently awaiting the outcome of a comprehensive CQC visit which took place at the end of April 2015.

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 Trust is committed to continuous improvement in relation to equality and diversity and uses the Department of Health Equality Delivery System (EDS2) to scrutinise outcomes and assess performance against its goals. Equality Impact Assessments are embedded within the Trust processes for policies procedures and functions including the transformation programme 'Delivering the Strategy' and further work is planned in 2015/16 to embed the EIA toolkit.

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. The Trust has met the NHS CO_2 emissions reduction target of 10% by 2015 from the 2007 baseline. The next milestone is a reduction in CO_2 emissions of 34% by 2020, and the Trust's Sustainable Development Management Plan is currently being reviewed to put into place strategies to deliver this latest target.

In considering compliance with the NHS Foundation Trust Code of Governance, a review has been undertaken which resulted in assurance being provided to the Audit Committee compliance against each of the principles with the exception of B.7.1. This principle relates to a maximum term of office of six years for any Non-Executive Director. The Trust is unable to declare compliance with this principle as both the Trust Chair and Deputy Chair have served more than six years. Non-compliance in this area has been carefully considered by the Council of Governors Nomination and Remuneration Committee and continues to be reviewed on an annual basis via a robust re-appointment process. The Trust remains compliant with the spirit of the code principle and intends to return to a fully compliant position in 2016.

A risk at Board Assurance Framework level has been managed during 2014/15 relating to inadequate systems and processes to fully demonstrate compliance with the Monitor licence. A significant programme of work has been undertaken during the reporting period that includes the development of the revised governance structure and the embedding of the principle of managing by risk, along with the strengthening of internal control across a number of areas that has resulted in improvements in the controls and assurances associated with this risk. The risk has been effectively managed but is recognised to be and

enduring risk that will continue to be reflected on the Board Assurance Framework for 2015/16.

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

At the beginning of the reporting year, the Trust had a process in place for evaluating the effectiveness of Cost Improvement Plans (CIP). During Quarter 2 it was identified that a CIP that was designed to make a significant contribution to the Trust's overall scheme was not developed robustly enough to implement safely. This CIP was withdrawn on the basis that the Board of Directors did not receive assurance of the plan's ability to deliver the required outcomes and the Trust's financial plan was adjusted in-year and reported to Monitor. The system of internal control identified this issue and as a result of this a fully revised process was developed that has resulted in CIPs being identified through a robust evaluation process which is now firmly embedded within the Trust's system of internal control. An internal audit of the CIP programme was commissioned and the completion of actions from this report has resulted in further strengthening the approach.

The progress of the key plans that support the Trust's transformation programme, 'Delivering the Strategy', are monitored through a Programme Management Office approach and assurance is provided through the Business Planning and Transformation Sub-committee.

The challenge to the Trust to achieve financial performance sufficient to maintain resilience and sustainability is recognised on the Board Assurance Framework risk register and assurance is sought through the monitoring of the CIP programme and this has been reinforced during 2014/15 by the realisation of a Transformation Savings Plan which has incorporated strategic planning with the innovation agenda. A total of 16 key programmes are now identified for 2015/16 which form 'Delivering the Strategy', based on collective reporting and understanding of the 2014/15 performance. The principles of the 2014/15 development process to support this have been placing a focus on quality to drive efficiency savings, reducing duplication and variation through capturing best practice and improving patient experience with a focus on better outcomes.

An internal process has been established that allows the Executive Management Team to scrutinise the delivery of business plans across the Trust's clinical networks and corporate services which includes quarterly reviews of performance against the agreed plans. Throughout this process I maintain managerial accountability to ensure delivery of the plans that there is a system of managing performance against the plans that in the event there are signs of risk to delivery that are emerging. There is then a process for additional managerial intervention where remedial action is instigated to ensure the plans get back on track.

The Audit Committee has a key role on behalf of the Board of Directors in ensuring in receiving assurance on matters relating to economy, efficiency and effectiveness. The Internal Audit programme provides recommendations to how the organisation can improve its system of internal control and the Audit Committee monitors the implementation of the resulting action plans. The newly established Corporate Governance and Compliance Sub-committee will have a key supportive role in respect of this in 2015/16.

Continuing to challenge and encourage the organisation to further improve its approach to demonstrating value for money has been a continuing fundamental element of the business

of the Audit Committee. The Trust is currently in the process of evaluating the options for carrying out an integrated approach to measuring efficiency using readily available information, benchmarking with similar organisations and also the availability of a performance comparison service that covers the healthcare services that the organisation provides.

Information Governance

There have been six Information Governance (IG) incidents that the Trust determined were reportable as level 2 during the reporting period which have qualified for automatic reporting to the Information Commissioner's Office (ICO) and the Department of Health. An IG incident is determined by the context, scale and sensitivity. The incidents that have occurred during 2014/15 relate to serious breaches of confidentiality and security where patient information has been shared inappropriately and in contravention of the Data Protection Act (DPA). Internal investigations have been completed by the Trust for all of the incidents. Although these six incidents affect a small number of patients (8 in total), the Trust recognises the impact and the seriousness of these breaches. This position does not reflect the level of assurance provided by internal audit in terms of design which leads me to conclude that there remain issues in terms of compliance and we are working hard to understand how to address this.

A significant risk has been managed at Board Assurance Framework level throughout the reporting period and further controls have been identified through the work undertaken to mitigate the risk.   Compliance with IG requirements will remain a focus of the Board Assurance Framework risk management process for 2015/16.

Following discussion with the Information Commissioner's Office (ICO), a Compliance Audit has been planned for June 2015 whereby the ICO will assess our levels of compliance with the DPA and IG standards. This Audit will support the Trust in providing a strategic review of our IG framework and operational processes.

In addition, the Trust has commissioned an IG Consultant who is working collaboratively to develop an IG Operational Plan, which will be further informed by the ICO Audit.   Once implemented, this plan will realise improved control and assurance of the management of IG risk and provide a clear understanding of how roles and responsibilities in relation to IG are embedded across the organisation.

A review of our policy framework has identified the need to seek assurance of the implementation of IG related policies which will further reinforce our control mechanisms and support internal governance of the IG agenda. Policy ratification will take place following the agreed route.

Once considered by the Information Governance team, the operational plan will be reviewed by the SIRO and presented to the Corporate Governance and Compliance Sub-committee for approval.

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 has effective systems, processes and mechanisms in place to produce the Quality Account and to ensure that it provides a general and balanced view and that appropriate controls are in place to ensure the accuracy of the data. The executive lead is the Director of Nursing and Quality. The content of the report reflects the Trust's overall Quality Strategy and the priorities included in this document. This document is being refreshed following a period of consultation and development to reflect the ongoing programme of quality governance development and maturity. This will be the overarching central Strategy for the Trust which has been fully endorsed by the Board of the Directors, with associated plans developed to support the delivery of the Strategy.

The development of the Quality Account includes input from service users and carers, staff, senior managers, senior clinicians, the Council of Governors (through the Standards and Assurance committee), the Executive Directors and Non-Executive Directors. A project plan is in place which ensures that all key stakeholders have input into the report and are able to comment on the content and the overall format of the report. The Account is considered by the Quality Committee, reviewed by the Audit Committee and approved by the Board of Directors.

This work has supported the production of the Account and the validation of the data which is included in it. The External Auditors have undertaken a review of the content of the Quality Account and completed testing on indicators.

Finally commissioners, Local Authority Overview and Scrutiny Committees and local Healthwatch are requested to comment on the report. Senior members of the Trust attend relevant forums to present and discuss this report when this is required.

During Quarter two in 2014/15, the Care Quality Commission (CQC) visited the healthcare service HPM Wymott within Lancashire Care NHS Foundation Trust to assess compliance with the Essential Standards of Quality and Safety. Two moderate concerns were identified which have led to action plans being developed and submitted to the CQC. The progress of these action plans was monitored on an on-going basis through network governance meetings.

The outcome of these visits identified particular challenges that relate to:
- Ensuring that the skill mix and staffing levels are appropriate;

- The need to further develop systems to monitor the quality of service received to take all aspects of service performance into account.

Following an unannounced review meeting on 30 March 2015, the CQC has confirmed Lancashire Care NHS Foundation Trust is now fully compliant in relation to the prison healthcare service originally visited.

On 1 January 2015 at the request of NHS England, Lancashire Care NHS Foundation Trust assumed responsibility for the physical health service and inpatient unit at HMP Liverpool and HMP Kennet and are working with the clinical teams to support quality improvement. Following a successful bid as part of the tendering process Lancashire Care NHS Foundation Trust has subsequently been selected as the preferred supplier for health and social care at both HMP Liverpool and HMP Kennet.

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 the associated governance committees and sub-committees and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Board's assurance framework and on the controls reviewed as part of the internal audit programme. The Board Assurance Framework itself provides me with evidence that the effectiveness of controls which manage the risks to the organisation achieving its principal objectives has been reviewed.

On the basis of the outcome of the internal audit programme for 2014/15, substantial assurance is given that there is generally a sound and rigorous system of internal control. Although the outcome of some audits provided a Moderate level of assurance, it is important to acknowledge that this does not impact on the overall level of Substantial and that the Trust's control environment has not deteriorated. In particular, the enhancement of the Board Assurance Framework risk register has further embedded managing by risk at Board of Directors level, where a strong approach to governance was noted.

The role of the Corporate Governance and Compliance Sub-committee forms an integral part of the Trust's governance framework and its long term sustainability. It will be the custodian of the improved evidence based assurance regime and will continue to monitor and audit compliance with the standard operating procedures to support the enhancement of the system of internal control. This Sub-committee has an important function in compliance monitoring in relation to statutory and legislative requirements and reports upwards to the Audit Committee.

There is an annual clinical audit plan that is approved by the Audit Committee, outlining the Trust's involvement in national audits and cross priority audits. The achievement of the plan

and outcome of the audits is monitored by the Audit Committee. During the year, the Board Assurance Framework risks have been aligned with the clinical audit plan to support the provision of assurances and this work continues to be progressed moving forwards into 2015/16.

There was one incidence of Limited Assurance within the internal audit programme. This was provided by the audit in October 2014 that reviewed the Trust's Quality SEEL which is the process designed internally to assess and assure compliance with the Care Quality Commission standards. The audit identified sound processes at operational level but observed a lack of evidence of how the outcomes of the QSEEL process was reported at higher level upwards to the Board of Directors. A position statement provided in February 2015 has provided assurance that the actions recommended by the audit have been completed with one exception.

Since the end of the year coinciding with the resignation of the Director of Strategy and Transformation, the Board of Directors has taken the opportunity to review its composition and capacity and as a result with effect from 7 May 2015 and on the recommendation of the Board of Directors, the Council of Governors approved a change to the Constitution to adjust the number of board members, reducing this by one Non-Executive Director and one Executive Director. The Constitution will therefore be amended to reflect this change.

Conclusion

During the reporting period, the Audit Committee has approved a consistent definition of what constitutes significance in relation to the assessment of control issues[1]. On the basis of the application of this definition, I can confirm that there have been no significant control issues in the Trust in 2014/15. Where control issues have been identified they have been addressed and effectively managed, particularly in relation to data quality, information governance and delivery of the CIP.

During the year, the Trust has made considerable and sustainable improvement to its governance arrangements accompanied with a significant shift to managing by risk.

My review confirms that Lancashire Care NHS Foundation Trust has a generally sound system of internal control that supports the achievement of its policies, aims and objectives. The Trust recognises that there are opportunities to strengthen the internal control environment and this work has been scheduled for 2015/16 as part of the strategic planning process.

Heather L. Tierney-Moore.

Professor Heather Tierney-Moore OBE
Chief Executive
Lancashire Care NHS Foundation Trust
28 May 2015

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[1] *A **'significant control issue'** is defined as that which has the potential to impact on the organisation's control environment and will feature within the parameters of strategic risk as defined on the Board Assurance Framework Risk Register as a score of 15 or above.*

Appendix 1 – Board Assurance Framework Risk Register 2015/16

Strategic Objective	BAF Risk	Sub-committee	Lead Director
S01 To provide high quality services	1.1 The Trust does not protect service users from avoidable harm and fails to comply with the CQC standards for the quality and safety of services	**Quality & Safety**	Director of Nursing and Quality
	1.2 The Trust does not deliver safe, appropriate and therapeutic environments to deliver high quality services	**Quality & Safety**	Director of Nursing and Quality
SO2 To provide accessible services delivering commissioned outputs and outcomes	2.1 The Trust does not receive assurance of the accuracy, timeliness and consistency of data and reporting with the potential to compromise decision making and service quality	**Operational Delivery & Performance**	Chief Operating Officer
	2.2 Uncertainly and inconsistency of commissioning arrangements affects the Trust's ability to address and meet service demands	**Business Planning & Transformation**	Chief Finance Officer
SO3 To become recognised for excellence	3.1 The Trust fails to deliver the benefits of being a Health and Wellbeing provider	**Quality & Safety**	Medical Director
	3.2 The Trust does not build its communication and reputation with all stakeholders	**Operational Delivery & Performance**	Chief Operating Officer
SO4 To employ the best people	4.1 The Trust is unable to attract, recruit and retain high quality staff impacting on a continued dependency on temporary staffing levels, affecting quality of care and financial costs.	**People**	Human Resource Director
	4.2 The Trust does not deliver effective education, training and leadership opportunities resulting in a workforce who are unable to deliver high quality, safe care	**People**	Director of Nursing and Quality
SO5 To provide excellent value for money in a financially sustainable way	5.1 The Trust does not achieve financial performance sufficient to maintain resilience and sustainability	**Finance**	Chief Finance Officer
	5.2 The Trust does not achieve the required efficiency savings whilst delivering and improving quality	**Operational Delivery & Performance**	Chief Operating Officer
SO6 To innovate and exploit technology to transform care	6.1 The Trust is unable to reposition in the marketplace to become established as a provider of choice achieving excellence	**Business Planning & Transformation**	Chief Finance Officer
	6.2 The Trust does not implement a transformational IT programme that ensures transition to a new intuitive clinical system across all services	**Health Informatics**	Chief Finance Officer
SO7 To meet out statutory/compliance obligations	7.1 The Trust does not comply with Monitor Licence	**Governance & Compliance**	Director of Governance and Compliance
	7.2 The Trust does not comply with statutory legislative requirements	**Governance & Compliance**	Director of Governance and Compliance
	7.3 The Trust does not comply with Mental Health Legislation	**MH Legislation**	Director of Nursing and Quality

FOREWORD TO THE ACCOUNTS

LANCASHIRE CARE NHS FOUNDATION TRUST

These accounts for the year ended 31 March 2015 have been prepared by the Lancashire Care NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006.

Lancashire Care NHS Foundation Trust received its authorisation as an NHS Foundation Trust on 1 December 2007 in line with Section 35 of the National Health Service Act 2003.

Its registered headquarters address is:

Lancashire Care NHS Foundation Trust
Sceptre Way
Walton Summit
Bamber Bridge
Preston
PR5 6AW
Tel: 01772 695 300
E-mail: lct.enquiries@lancashirecare.nhs.uk
Web: www.lancashirecare.nhs.uk

Signed   Dated   28 May 2015

Professor Heather Tierney-Moore

Chief Executive

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2015

	NOTE	Year to 31 March 2015 £000	£000	Year to 31 March 2014 £000	£000
Income from continuing activities	3	**302,820**		303,846	
Other operating income	4	**23,943**		21,570	
Operating expenses from continuing operations	5	**(334,409)**		(316,718)	
OPERATING SURPLUS/(DEFICIT)			**(7,646)**		8,698
Finance Costs					
Finance income	9	**116**		135	
Finance expense - financial liabilities	10	**(1,686)**		(848)	
Finance expense - unwinding of discount on provisions	22	**(22)**		(33)	
Public Dividend Capital dividends payable		**(3,489)**		(3,171)	
Net finance costs			**(5,081)**		(3,917)
Share of Profit/(Loss) of Associates/Joint ventures accounted for using the equity method			**172**		(123)
Surplus/(deficit) from operations			**(12,555)**		4,658
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR			**(12,555)**		4,658
Other comprehensive income:					
Gain/(loss) from transfer by absorption from demising bodies			**0**		7,117
Impairments			**(1,149)**		0
Revaluations			**18,614**		0
FOR THE FINANCIAL YEAR			**4,910**		11,775

The notes on pages 127 to 156 form part of these accounts.

Revaluation of Trust estate
Note, the reported operating deficit includes impairments charged to operating expenses, see note 13. The impact of impairments on the 2014/15 accounts is limited to adjustments to operating expenses and asset carrying values, no cash was involved.

Prior year gain from transfer by absorption from demising bodies
This transaction concerned the transfer of a number of property assets from the demising East Lancashire PCT to the Trust as the identified successor body.

STATEMENT OF FINANCIAL POSITION (SOFP) AS AT 31 MARCH 2015

	NOTE	31 March 2015 £000	31 March 2014 £000
NON-CURRENT ASSETS:			
Intangible assets	11	**3,815**	1,898
Property, plant and equipment	12	**192,924**	156,386
Investments in associates (and joined controlled operations)	15	**235**	18
Other Financial assets	30.1	**695**	695
Total non-current assets		**197,669**	158,997
CURRENT ASSETS:			
Inventories	16	**120**	279
Trade and other receivables	17	**15,937**	13,416
Cash and cash equivalents	19	**34,712**	35,834
Total current assets		**50,769**	49,529
CURRENT LIABILITIES:			
Trade and other payables	20	**(35,112)**	(33,643)
Borrowings	21	**(2,600)**	(477)
Other financial liabilities		**(132)**	(122)
Provisions	22	**(1,483)**	(3,254)
Other Liabilities - Deferred Income	24	**(4,750)**	(4,594)
Total current liabilities		**(44,077)**	(42,090)
NON-CURRENT LIABILITIES:			
Borrowings	21	**(56,796)**	(25,309)
Provisions	22	**(2,149)**	(1,710)
Total non-current liabilities		**(58,945)**	(27,019)
TOTAL ASSETS EMPLOYED		**145,416**	139,417
TAXPAYERS' EQUITY			
Public dividend capital		**102,739**	101,650
Revaluation reserve		**38,450**	21,409
Income and expenditure reserve		**4,227**	16,358
TOTAL TAXPAYERS' EQUITY		**145,416**	139,417

The financial statements on pages 123 to 126 and pages 127 to 156 were approved by the Board on 28 May 2015 and signed on its behalf by Professor Heather Tierney-Moore, Chief Executive:

Signed: *Heather L. Tierney-Moore* (Chief Executive)   Date: 28 May 2015

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY AS AT 31 MARCH 2015

	Total £000	Public Dividend Capital £000	Revaluation Reserve ** £000	Income and Expenditure Reserve * £000
Taxpayers' equity at 1 April 2014	**139,417**	101,650	21,409	16,358
Surplus/(deficit) for the year	**(12,555)**	0	0	(12,555)
Impairments	**(1,149)**	0	(1,149)	0
Revaluations - property, plant and equipment	**18,614**	0	18,614	0
Public Dividend Capital received	**1,089**	1,089	0	0
Transfer of excess of current cost depreciation over historical cost depreciation to the income and expenditure reserve	**0**	0	(424)	424
Taxpayers' equity at Year Ended 31 March 2015	**145,416**	**102,739**	**38,450**	**4,227**

" The I&E reserve is the cumulative surplus/deficit made by the Trust since its inception. It is held in perpetuity and cannot be released to the SOCI.

** The revaluation reserve reflects movements in the value of assets as set out in the accounting policy. The revaluation reserve balance relating to each asset is released to the I&E reserve on disposal of that asset. It should be noted that none of the revaluation reserve balance relates to intangible assets as these are carried fair value in the accounts and there has been no change to their value in the financial year.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

	NOTE	Year to 31 March 2015 £000	Year to 31 March 2014 £000
Cash flows from operating activities			
Total operating surplus/(deficit) from continuing operations		**(7,646)**	8,698
Depreciation and amortisation	5.1	**6,377**	5,412
Impairments	13	**11,220**	0
Gain/(Loss) on disposal		**0**	(14)
(Increase)/Decrease in Trade and Other Receivables		**(2,059)**	(2,455)
(Increase)/Decrease in Other Assets		**0**	(120)
(Increase)/Decrease in Inventories		**159**	(30)
Increase/(Decrease) in Trade and Other Payables		**2,381**	3,397
Increase/(Decrease) in Other Liabilities		**156**	(379)
Increase/(Decrease) in Provisions		**(1,433)**	1,045
Tax (paid) / received		**(41)**	(104)
Other movements in operating cash flows		**(2)**	4
Net cash generated from operations		**9,112**	15,454
Cash flows from investing activities			
Interest received	9	**116**	135
Purchase of intangible assets		**(2,506)**	(1,602)
Purchase of Property, Plant and Equipment		**(36,993)**	(22,887)
Sales of Property, Plant and Equipment		**0**	674
Cash from acquisitions of business units and subsidiaries		**(45)**	(25)
Net cash used in investing activities		**(39,428)**	(23,705)
Cash flows from financing activities			
Public dividend capital received		**1,089**	761
Loans received from the Foundation Trust Financing Facility		**33,600**	14,291
Loans repaid to the Foundation Trust Financing Facility		**(352)**	(176)
Capital element of finance lease rental payments		**463**	0
Capital element of Private Finance Initiative Obligations		**(101)**	(117)
Interest element of Foundation Trust Financing Facility		**(1,111)**	(296)
Interest element of Private Finance Initiative obligations	10	**(443)**	(430)
PDC Dividend paid		**(3,951)**	(3,200)
Cash flows from (used in) other financing activities	22	**0**	(33)
Net cash used in financing activities		**29,194**	10,800
Increase/(decrease) in cash and cash equivalents		**(1,122)**	2,549
Cash and cash equivalents prior year	19	**35,834**	33,285
Cash and cash equivalents	19	**34,712**	35,834

NOTES TO THE ACCOUNTS

1   ACCOUNTING POLICIES

Monitor has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the *NHS Foundation Trust Annual Reporting Manual* which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the *2014/15 NHS Foundation Trust Annual Reporting Manual* issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's *Financial Reporting Manual* 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.

The accounts have been prepared under the historic cost convention modified to account for the revaluation of property, plant, equipment and intangible assets.

1.1   Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of healthcare services. Where income is received for a specific activity which is to be delivered in the following financial 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.

1.2   Expenditure on goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.3   Expenditure on 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 annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension 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 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. As a consequence it is not possible for the NHS foundation trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme. Employers pension cost contributions are charged to operating expenses as and when they become due. The NHS Pension Scheme (England and Wales) Resource Account is published annually and can be found on the Business Service Authority - Pensions Division website at www.nhspa.gov.uk.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

1.4   Intangible fixed assets

Recognition

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

Software

Software which is integral to the operation of hardware e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset. Purchased computer software licences are capitalised as intangible fixed assets where expenditure of at least £5,000 is incurred and amortised over the shorter of the term of the licence and their useful economic lives.

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. They are capitalised when they are capable of being used in a Trust's activities for more than one year; they can be valued; and they have a cost of at least £5,000. Subsequently intangible assets are measured using the valuation model. Where there is no value in use as there is no active market the asset is valued at historic cost as a proxy for depreciated replacement cost. These measures are a proxy for fair value. Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse an impairment previously recognised in operating expenses, in which case they are recognised in operating income. Decreases in asset values and impairments 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. The carrying value the asset is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'. 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 on a straight line basis in a manner consistent with the consumption of economic or service delivery benefits.

1.5 Property, Plant and Equipment

Recognition

Property, Plant and Equipment is capitalised where:

• 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 be provided to, the Trust;
• it is expected to be used for more than one financial year; and
• the cost of the item can be measured reliably.

 Further, property, plant and equipment assets are capitalised if they:
• individually have a cost of at least £5,000; or
• form a group of assets which individually have a cost of more than £250, collectively have a cost of at least £5,000, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
• form part of the initial setting-up cost of a new building or refurbishment of a ward or unit, irrespective of their individual or collective cost.

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

Measurement

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 fair value. Valuations are carried out primarily on the basis of depreciated replacement cost for specialised operational property and existing use value for non-specialised operational property. The value of land for existing use purposes is assessed at existing use value. For non-operational properties including surplus land, the valuations are carried out at open market value. The costs arising from financing the construction of the asset are not capitalised but are charged to the income and expenditure account in the year to which they relate.

All land and buildings are revalued using professional valuations in accordance with IFRS every five years with the most recent one being carried out as at 31 March 2015. Interim valuations are also carried out to ensure that carrying values are not materially different from those that would be recognised at the statement of finacial position date.

Assets in the course of construction are valued at cost and are valued by professional valuers as part of the five or three-yearly valuation or when they are brought into use.

As part of their valuation of our buildings the valuers assign useful economic lives to individual properties. Non property assets are valued using the following asset lives:

	Years
Medical equipment and engineering plant and equipment	5 to 15
Furniture	5 to 10
Mainframe information technology installations	5 to 8
Soft furnishings	7
Office and information technology equipment	5
Set-up costs in new buildings	10
Vehicles	7

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is added to the asset's carrying value. Where subsequent expenditure is simply restoring the asset to the specification assumed by its useful economic life then the expenditure is charged to operating expenses.

Depreciation

Items of Property, Plant and Equipment are depreciated on a straight-line basis over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated. Property, Plant and Equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use or reverts to the Trust, respectively. Buildings, installations and fittings are depreciated on their current value over the estimated remaining life of the asset as assessed by the NHS foundation trust's professional valuers. Leaseholds are depreciated over the primary lease term. Equipment is depreciated on current cost evenly over the estimated life.

Revaluation and impairment

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse an impairment previously recognised in operating expenses, in which case they are recognised in operating income. Carrying values are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. Decreases in asset values and impairments 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'

Operational equipment is valued at net current replacement cost. Equipment surplus to requirements is valued at net recoverable amount.

De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met

- the asset is available for immediate sale in its present condition subject only to terms which are usual and

- the sale must be highly probable i.e

1. management are committed to a plan to sell the asset;
2. an active programme has begun to find a buyer and complete the sale;
3. the asset is being actively marketed at a reasonable price;
4. the sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and
5. the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'Held for Sale' and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

1.6 Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession i.e.where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement, as interpreted in HM Treasury's FReM, are accounted for as 'on-SOFP' by the Trust. The underlying assets are recognised as Property, Plant and Equipment at their fair value. An equivalent financial liability is recognised in accordance with IAS 17. The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charges for services. The finance cost is calculated using the implicit interest rate for the scheme. The service charge is recognised in operating expenses and the finance cost is charged to Finance Costs in the Statement of Comprehensive Income.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:
a) Payment for the fair value of services received;
b) Payment for the PFI asset, including finance costs; and
c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

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.

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.

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

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.

1.7 Cash and cash equivalents

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

1.8 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is calculated as weighted average cost.

1.9 Leases

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the NHS foundation trust, the asset is recorded as Property, Plant and Equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate

is that which produces a constant periodic rate of interest on the outstanding liability. The asset and liability are recognised at the inception of the lease, and are de-recognised when the liability is discharged, cancelled or expires. The annual rental is split between the repayment of the liability and a finance cost. The annual finance cost is calculated by applying the implicit interest rate to the outstanding liability and is charged to Finance Costs in the Statement of Comprehensive Income.

Operating leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately. Leased land is treated as an operating lease.

1.10 Provisions

The NHS foundation trust provides for legal or constructive obligations that are of uncertain timing or amount at the SOFP date on the basis of the best estimate of the expenditure 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 rates.

As at 31 March 2015 these are:

Short term:	-1.50%
Medium term:	-1.05%
Long term:	2.20%

Further information can be found at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/383957/PES__2014__09_-_Discount_Rates_for_Post_Employment_Benefits_and_General_Provisions.pdf

1.11 Contingencies

Contingent liabilities are not recognised as liabilities, but are disclosed in note 26 unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:
 - Possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
 - Present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.12 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 at note 22.

1.13 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.

1.14   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.

1.15   Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS foundation trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of the HM Treasury *Financial Reporting Manual*.

1.16   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, (ii) net cash balances held with the Government Banking Services and (iii) any PDC dividend balance receivable or payable. In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the 'pre-audit' version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note, from 2013/14, the adjustment to net relevant assets calculation in respect of the GBS must be calculated on the basis of average daily cleared balances. In practice therefore, GBS values will not be deducted from 1 April 2013 and 31 March 2014 net relevant assets calculations as spot values at those dates. Rather, average net relevant assets including GBS for the year should be calculated, and then the average daily cleared GBS balances deducted from that figure to arrive at the relevant net assets calculation for the calculation of the dividend. National Loans Fund deposits are considered to be analogous to GBS balances for the calculation of relevant net assets and should also be calculated on an average daily basis.

1.17   Research and Development

Research and development expenditure is charged against income in the year in which it is incurred, except insofar as development expenditure relates to a clearly defined project and the benefits of it can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the Statement of Comprehensive Income on a systematic basis over the period expected to benefit from the project. It should be revalued on the basis of current cost. The amortisation is calculated on the same basis as depreciation, on a quarterly basis.

1.18   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.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described earlier. All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

De-recognition

All financial assets are de-recognised when the rights to receive cashflows 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.

The Trust will commonly have the following financial assets and liabilities.

Classification and Measurement

Financial assets are categorised as 'Fair Value through Income and Expenditure', Loans and receivables or 'Available-for-sale financial assets'. Financial liabilities are classified as 'Fair value through Income and Expenditure' or as 'Other Financial liabilities'.

Financial assets and financial liabilities at 'Fair Value through Income and Expenditure'

Financial assets and financial liabilities at 'fair value through income and expenditure' are financial assets or financial liabilities held for trading. A financial asset or financial liability is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Derivatives which are embedded in other contracts but which are not 'closely-related' to those contracts are separated-out from those contracts and measured in this category. Assets and liabilities in this category are classified as current assets and current liabilities. These financial assets and financial liabilities are recognised initially at fair value, with transaction costs expensed in the income and expenditure account. Subsequent movements in the fair value are recognised as gains or losses in the Statement of Comprehensive Income.

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.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets which are either designated in this category or not classified in any of the other categories. They are included in long-term assets unless the Trust intends to dispose of them within 12 months of the SOFP date.

Available-for-sale financial assets are recognised initially at fair value, including transaction costs, and measured subsequently at fair value, with gains or losses recognised in reserves and reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'. When items classified as 'available-for-sale' are sold or impaired, the accumulated fair value adjustments recognised are transferred from reserves and recognised in 'Finance Costs' in 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 SOFP 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.

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts where material are determined using discounted cash flow.

Impairment of financial assets

At the SOFP 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 cashflows 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 a bad debt provision. The carrying amount of individual debts is written down directly where it is certain that the debt cannot be recovered. Where there is a level of uncertainty as to the recoverablility of individual debts, an appropriate provsion is made.

1.19 Accounting standards issued but not yet required to be adopted

The Trust has considered the below new standards, interpretations and amendments to published standards that are not yet effective and concluded that they are either not relevant to the Trust or that they would not have a significant impact on the Trust's financial statements, apart from some additional disclosures.

	Financial Year for which the change first applies and is expected to be adopted by the Trust
IFRS 9 Financial Instruments	2018/19
IFRS 13 Fair Value Measurement	2015/16
IFRS 15 Revenue from contrcats with customers	2017/18
IAS 36 (amendment) - recovrable amount disclosure	2015/16
Annual Improvements 2012	2015/16
Annual Improvements 2013	2015/16
IAS 19 (amendment) - employer contributions to efined benefit pension scheme	2015/16
IFRIC 21 Levies	Uncertain

1.20   Critical management judgements made when preparing these accounts

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

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- Leases

The Trust followed IFRS guidance to decide on the most appropriate method of disclosing its leases. It decided that all current leases fall to be treated as operating leases.

- PFI asset recognition.

The Trust followed IFRS guidance to assess how to disclose its PFI assets. It decided that on-SOFP disclosure was the most appropriate method of disclosure and are presented as such in these accounts.

- Accruals

As with previous years the Trust prepares these accounts using the accruals accounting concept.

- Provisions

The Trust has provided for expected liabilities in line with accounting guidance. Details of the provisions can be found in note 22 of these accounts.

- Impairments

Carrying values of assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. Decreases in asset values and impairments 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.

- Asset valuations

The Trust follows NHS guidance in the valuation strategy of its estate. As such a full revaluation exercise of the Trust estate has been conducted as at 31 March 2015. The results of this exercise are presented in these accounts.

1.21   Accounting for Joint Ventures

The Trust has also entered into an equally owned Joint Venture Partnership with Ryhurst Ltd. The venture, Red Rose Corporate Services LLP, has been established to support the development of state-of-the-art facilities to deliver modern mental health services in the future, and capitalise on the combined skills & capabilities of the parties to exploit estates and other commercial opportunities.

A review of RRCS's management arrangements and ownership structure has concluded that this venture is accounted for under equity accounting guidance within these financial statements.

Further details surrounding the joint venture can be found in note 28 to these accounts.

1.22 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that 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).

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.

2   Operating segments

The Trust's Chief Operating Decision Maker as defined by IFRS 8 Operating Segments is the board. It has determined that the Trust operates only one material business segment, that being the provision of healthcare services. The operating results of this segment are regularly reviewed by the board.

Note 3 to the accounts analyses income from healthcare activities by type and also by source with the majority of our income coming from CCG and NHS England commisioners.

Note 4 to the accounts analyses other operating income the Trust received during the year. This is largely in relation to non-patient care services to other bodies, medical education and training monies and healthcare research and development funding.

3. Income from activities

3.1 Income from Activities by type

	Year to 31 March 2015 £000	Year to 31 March 2014 £000
Income from Mental Health and Community activities	302,820	303,846
	302,820	303,846

3.2 Private Patient Income

The Trust did not generate any private patient income in the year ending 31 March 2015.

3.3 Income from Activities by source

	Year to 31 March 2015 £000	Year to 31 March 2014 £000
NHS Trusts	240	216
Department of Health	0	72
CCG's and NHS England	283,891	282,795
Local Authorities	18,163	20,763
Non NHS:		
- Other	526	0
	302,820	303,846

3.4 Income from Commissioner Requested Services and non-Commissioner Requested Services

	Year to 31 March 2015 £000	Year to 31 March 2014 £000
Commissioner Requested Services	302,820	303,846
	302,820	303,846

3.5 Income from continuing operations

	Year to 31 March 2015 £000	Year to 31 March 2014 £000
Continuing Operations	326,763	325,416
	326,763	325,416

4. Other Operating Income

	Year to 31 March 2015 £000	Year to 31 March 2014 £000
Research and development	1,117	1,486
Education, training	8,666	9,167
Non-patient care services to other bodies	13,378	10,641
Other income	689	197
Profit on disposal of land and buildings	0	14
Rental revenue from operating leases	93	65
	23,943	21,570

5. Operating Expenses

5.1 Operating expenses comprise:

	Year to 31 March 2015 £000	Year to 31 March 2014 £000
Services from Foundation Trusts	7,047	7,280
Services from NHS Trusts	2,829	2,537
Services from CCG's and NHS England	0	63
Services from other NHS bodies	2	96
Purchase of healthcare from non NHS bodies	7,714	4,265
Executive directors' costs	1,211	1,019
Non-executive directors costs	141	139
Employee costs (excluding executive directors' costs)	244,335	241,994
Supplies and services - clinical (excluding drug costs)	5,899	5,927
Supplies and services - general	1,136	1,144
Establishment	8,576	8,311
Transport	681	914
Premises	16,872	15,412
Increase/(Decrease) in bad debt provision	75	444
Drug Costs	7,602	7,050
Operating lease rental	3,739	3,513
Depreciation and amortisation	6,377	5,412
Impairments of assets *	11,220	0
Audit services - statutory audit	92	90
Audit services - audit related regulatory reporting	0	0
Other auditor's remuneration	23	18
Clinical negligence	452	466
Consultancy	4,300	4,478
Training	1,698	1,809
Redundancy Payments	384	1,291
Retirements	52	(38)
Insurance	678	716
Other	1,274	2,368
	334,409	316,718

* See note 13 for further detail.

5.2 Other auditor's remuneration

	Year to 31 March 2015 £000	Year to 31 March 2014 £000
Other auditor's remuneration comprises:		
- Other non audit services	23	18
	23	18

5.3 Auditor liability limitation agreements

Our auditors accept liability to pay damages for losses arising as a direct result of breach of contract or negligence on their part in respect of services provided in connection with or arising out of their letter of engagement (or any variation or addition thereto) but the liability of our auditors, its members, partners and staff (whether in contract, negligence or otherwise) shall in no circumstances exceed £1 million in the aggregate in respect of all such services.

5.4 Operating leases

As Lessee

	Year to 31 March 2015	Year to 31 March 2014
Payments recognised as an expense	**£000**	£000
Minimum lease payments	**3,739**	3,513
Sub-lease payments received	**(93)**	(65)
	3,646	3,448

Total future minimum lease payments

	£000	£000
Payable:		
Not later than one year	**3,426**	3,512
Between one and five years	**4,390**	5,338
After five years	**7,712**	2,370
	15,528	11,220

The Trust has 20 operating lease arrangements in place. All of which are arrangements for accommodation. These arrangements do not have an option to purchase or to transfer title to the trust at the end of the lease term, nor are any of them for the majority of the asset life. None of the leases on an individual basis are deemed to be significant, however, 9 of the properties when aggregated account for £3.3m of the minimum lease payments.

The lease terms expire as follows:	Years	Number of Leases
	0 - 1	7
	1 - 5	4
	Over 5	9

As Lessor

	Year to 31 March 2015	Year to 31 March 2014
Rental revenue	**£000**	£000
Contingent rent	93	65
Sub-lease receipts	**93**	**65**

Total future minimum lease receipts

	£000	£000
Receivable:	**£000**	**£000**
Not later than one year	**93**	65
Between one and five years	**372**	260
After five years	**363**	318
	828	643

6. Employee costs and numbers

6.1 Employee costs

	Year to 31 March 2015			Year to 31 March 2014
	Total	Permanently Employed	Other	
	£000	£000	£000	£000
Salaries and wages	197,667	194,965	2,702	196,061
Social Security Costs	13,001	13,001	0	13,441
Employer contributions to NHS Pension Scheme	23,830	23,830	0	23,753
Agency/contract staff	11,048	0	11,048	9,758
	245,546	231,796	13,750	243,013

6.2 Average number of persons employed

	Year to 31 March 2015			Year to 31 March 2014
	Total	Permanently Employed	Other	
	Number	Number	Number	Number
Medical and dental	331	331	0	327
Ambulance staff	0	0	0	0
Administration and estates	1,249	1,249	0	1,239
Healthcare assistants and other support staff	850	850	0	832
Nursing, midwifery and health visiting staff	2,232	2,232	0	2,220
Nursing, midwifery and health visiting learners	7	7	0	10
Scientific, therapeutic and technical staff	998	998	0	1,021
Social care staff	56	56	0	0
Bank and agency staff	646	0	646	716
Other	98	98	0	53
Total	6,468	5,822	646	6,418

6.3 Retirement benefits

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

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation
A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The latst valuation of the scheme liability as at 31 March 2015, is based on valuation data as 31 March 2014, updated to 31 March 2015 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation
The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates.

The last actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012.

The Scheme Regulations were changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

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

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

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

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971. From 2011-12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI).

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

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

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

6.4 Workforce Pensions Reform

In line with government driven Workforce Pensions Reform the Trust has established its own auto enrollment pension scheme for staff who do not qualify for the normal NHS pension scheme. This was done following option appraisal with the result that the trust opted to use the National Employment Savings Trust (NEST) scheme.

6.5 Retirements due to ill-health

During the period to 31 March 2015 there were 15 early retirements from the Trust on the grounds of ill-health (6 in 2013/14 totalling £497k). The estimated additional pension liabilities of these ill-health retirements will be £930k. The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

6.6 Staff Exit Packages

Year to 31 March 2015

Exit package cost band	Number of Compulsory Redundancies	Cost of Compulsory Redundancies £000	Number of other agreed departures	Cost of other departures agreed £000	Total number of exit packages	Total cost of exit packages £000
<£10,000	3	22	0	0	3	22
£10,00 - £25,000	4	77	0	0	4	77
£25001 - £50,000	8	283	0	0	8	283
£50,001 – £100,000	0	0	0	0	0	0
£100,001 - £150,000	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0
£200,001 - £350,000	0	0	0	0	0	0
Total	15	382	0	0	15	382

Year to 31 March 2014

Exit package cost band	Number of Compulsory Redundancies	Cost of Compulsory Redundancies £000	Number of other agreed departures	Cost of other departures agreed £000	Total number of exit packages	Total cost of exit packages £000
<£10,000	4	22	0	0	4	22
£10,00 - £25,000	20	389	2	36	22	425
£25001 - £50,000	19	588	0	0	19	588
£50,001 – £100,000	2	174	2	128	4	302
£100,001 - £150,000	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0
£200,001 - £350,000	0	0	0	0	0	0
Total	45	1,173	4	164	49	1,337

The details for compulsory redundancies are for those members of staff who have been compensated due to their positions being lost as a result of departmental reorganisation or clincial service transformation.

	£000
Highest value departure payment	49
Lowest value departure payment	6
Median value departure payment	27

6.7 Other exit packages

Year to 31 March 2015

	Number of agreed payments	Value of agreements £000
Voluntary redundancy	0	0
MARS contractual costs	0	0
Early retirement in the efficiency of the service	0	0
Contractual payments in lieu of notice	0	0
Exit payments following employment tribunal or court order	0	0
Non contractual payments requiring HM Treasury approval*	0	0
Total	0	0
*Of which where the payment was more than 12 months annual salary	0	0

Year to 31 March 2014

	Number of agreed payments	Value of agreements £000
Voluntary redundancy	0	0
MARS contractual costs	1	60
Early retirement in the efficiency of the service	0	0
Contractual payments in lieu of notice	0	0
Exit payments following employment tribunal or court order	3	104
Non contractual payments requiring HM Treasury approval*	0	0
Total	4	164
*Of which where the payment was more than 12 months annual salary	0	0

7. Better Payment Practice Code

7.1 Better Payment Practice Code - measure of compliance

	Year to 31 March 2015		Year to 31 March 2014	
	Number	**£000**	Number	£000
Total Non-NHS trade invoices paid in the year	**64,285**	**108,934**	62,772	90,732
Total Non NHS trade invoices paid within 30 day target	**61,916**	**105,546**	60,567	88,337
Percentage of Non-NHS trade invoices paid within 30 day target	**96%**	**97%**	96%	97%
Total NHS trade invoices paid in the year	**2,447**	**27,745**	2,279	22,859
Total NHS trade invoices paid within 30 day target	**2,367**	**27,391**	2,190	22,597
Percentage of NHS trade invoices paid within 30 day target	**97%**	**99%**	96%	99%

The Better Payment Practice Code represents best practice and 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.

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

	Year to 31 March 2015 £000	Year to 31 March 2014 £000
Amounts included within Finance Expenses (Note 10) arising from claims made under this legislation	**0**	0
Compensation paid to cover debt recovery costs under this legislation	**0**	0

8. Other gains and losses

	Year to 31 March 2015 £000	Year to 31 March 2014 £000
Gain/(loss) on disposal of intangible fixed assets		
Gain/(loss) on disposal of property, plant and equipment	0	14
	0	14

9. Finance income

	Year to 31 March 2015 £000	Year to 31 March 2014 £000
Interest from bank accounts	**116**	135
	116	135

10. Finance expense - financial liabilities

	Year to 31 March 2015 £000	Year to 31 March 2014 £000
Interest on obligations under finance leases and on-SOFP PFI	**443**	430
Interest on loan	**1,243**	418
	1,686	848

11. Intangible Assets

11.1 Intangible assets at the SOFP date comprise the following elements:

	Software licences	Total
	£000	**£000**
Gross cost at 1 April 2014	3,036	3,036
Additions - purchased	2,436	2,436
Gross cost at 31 March 2015	**5,472**	**5,472**
Amortisation at 1 April 2014	1,138	1,138
Provided during the year	519	519
Amortisation at 31 March 2015	**1,657**	**1,657**
Net book value at 31 March 2015	**3,815**	**3,815**
- Purchased at 31 March 2015	3,815	3,815
- Donated at 31 March 2015	0	0
- Government granted at 31 March 2012	0	0
- Total at 31 March 2015	**3,815**	**3,815**

12. Property, plant and equipment

12.1 Property, plant and equipment at the SOFP date comprise the following elements:

	Land	Buildings excluding dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2014	19,911	123,213	30,166	827	40	14,061	954	189,172
Additions - purchased	0	4,601	30,847	0	0	703	0	36,151
Impairments charged to operating expenses	(319)	(453)	0	0	0	0	0	(772)
Impairments charged to the revaluation reserve	(524)	(625)	0	0	0	0	0	(1,149)
Reclassifications	0	59,437	(59,437)	0	0	0	0	0
Revaluations	970	(4,680)	0	0	0	0	0	(3,710)
Cost or Valuation at 31 March 2015	**20,038**	**181,493**	**1,576**	**827**	**40**	**14,764**	**954**	**219,692**
Depreciation at 1 April 2014	0	22,339	0	740	40	9,017	650	**32,786**
Transfer by modified absorption								**0**
Provided during the year	0	4,244	0	39	0	1,471	104	**5,858**
Impairments charged to operating expenses	0	10,448	0	0	0	0	0	**10,448**
Revaluations	0	(22,324)	0	0	0	0	0	**(22,324)**
Depreciation at 31 March 2015	**0**	**14,707**	**0**	**779**	**40**	**10,488**	**754**	**26,768**
Net book value at at 31 March 2015	**20,038**	**166,786**	**1,576**	**48**	**0**	**4,276**	**200**	**192,924**
Purchased at 31 March 2015	20,038	166,786	1,576	48	0	4,276	200	**192,924**
Donated at 31 March 2015	0	0	0	0	0	0	0	**0**
Government granted at 31 March 2015	0	0	0	0	0	0	0	**0**
Total at 31 March 2015	**20,038**	**166,786**	**1,576**	**48**	**0**	**4,276**	**200**	**192,924**
Asset financing at 31 March 2015								
Owned	20,038	160,980	1,576	48	0	4,276	200	187,118
On-SOFP PFI contract	0	5,806	0	0	0	0	0	5,806
Net book value at 31 March 2015	**20,038**	**166,786**	**1,576**	**48**	**0**	**4,276**	**200**	**192,924**

Valuations are carried out by professionally qualified valuers in accordance with the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

The Trust uses the Modern Equivalent Asset basis for valuing its property assets.

The value of land for existing use purposes is assessed at existing use value. For non-operational properties including surplus land, the valuations are carried out at open market value.

Assets in the course of construction are valued at cost and are valued by professional valuers as part of the five or three-yearly valuation or when they are brought into use.

Operational equipment is valued at net current replacement cost. Equipment surplus to requirements is valued at net recoverable amount.

Revaluation of Trust estate

The Trust has followed NHS guidance in the valuation strategy of its estate. As such the Trust employed an independent professional valuer to conduct a full revaluation exercise of its estate as at 31 March 2015 including specifically valuations of the assets impacted by the Trust's new hospital, The Harbour, becoming operational in March 2015.

The results of these valuations can be summarised as follows:

Impact on the Trust estate of opening of The Harbour
Increase in asset value & revaluation reserve	£1.2m
Decrease in asset value & revaluation reserve	£0.3m
Impairments charged to SOCI	£8.8m

Impact on the remaining Trust estate of the revaluation exercise
Increase in asset value & revaluation reserve	£17.3m
Decrease in asset value & revaluation reserve	£0.8m
Impairments charged to SOCI	£1.8m

Summary impact of commissioned revaluations
Increase in asset value & revaluation reserve	£18.6m
Decrease in asset value & revaluation reserve	£1.2m
Impairments charged to SOCI	£10.6m

Other impairments
During the year the Trust took a decision to permanently change the status of another unit to non-operational. The result being the recognition of an impairment of £0.6m.

This took the total impairments recognised within operating expenses to £11.2m.

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13. Impairments

Impairments in the year arose from:

	Tangible			Intangible	
	Year Ended 31 March 2015 £000	Year Ended 31 March 2014 £000		**Year Ended 31 March 2015 £000**	Year Ended 31 March 2014 £000
Impact on the Trust estate of opening of The Harbour	**8,849**	0		0	0
Change in market price following revaluation exercise	**1,800**	0		0	0
*Other	**571**	0		0	0
Total	**11,220**	0		**0**	0

The Trust has followed NHS guidance in the valuation strategy of its estate. As such the Trust employed an independent professional valuer to conduct a full revaluation exercise of its estate as at 31 March 2015 including specifically valuations of the assets impacted by the Trust's new hospital, The Harbour, becoming operational in March 2015.

	Year Ended 31 March 2015	Year Ended 31 March 2014
Impairments recognised can be broken down as follows:		
	£000	£000
Impact on the Trust estate of opening of The Harbour	**8,849**	0
Impact on the remaining Trust estate of the revaluation exercise	**1,800**	0
*Other - recognition of making a unit permanently non-operational	**571**	0
Total	**11,220**	0

See note 12 for further detail.

14. Capital commitments

Commitments under capital expenditure contracts at the SOFP date were:

	31 March 2015 £000	31 March 2014 £000
Property, plant and equipment	**1,752**	26,145
Total	**1,752**	26,145

15. Investments

	31 March 2015 £000	31 March 2014 £000
Cost or valuation		
Investments in associates	**235**	18
Total carrying value	**235**	18

This represents the Trust's investment in a joint venture registered as Red Rose Corporate Services (RRCS). It was established as a Limited Liability Partnership (LLP) between Lancashire Care NHS Foundation Trust (LCFT) and Ryhurst Ltd. See note 28 for further details.

16. Inventories

	31 March 2015	31 March 2014
	£000	£000
Consumables	15	21
Energy	5	4
Other	100	254
TOTAL	**120**	279

17. Trade and other receivables

17.1 Trade and other receivables

	31 March 2015	31 March 2014
	£000	£000
NHS receivables	8,384	8,778
Other receivables with related parties	1,705	3,103
Provision for impairment of receivables	(693)	(839)
Prepayments and accrued income	3,509	1,472
Other receivables	3,032	902
Reclassified as held for sale	0	0
Trade and other receivables falling due within one year	15,937	13,416
Trade and receivables falling due after more than one year	0	0
TOTAL	**15,937**	13,416

17.2 Provision for impairment of receivables

	31 March 2015	31 March 2014
	£000	£000
Balance at beginning of the year	839	431
Amount reversed during the year	(447)	0
Amount recovered during the year	(221)	(36)
Arising allowance recognised in income statement	522	444
Balance at 31 March 2015	**693**	839

The provision consists of overpayments of salary to current and former staff alongside items identified by review of outstanding debt, including items of a unique nature or that are greater then 12 months old.

17.3 Ageing of Impaired Receivables

	31 March 2015	31 March 2014
	£000	£000
By up to three months	48	0
By three to six months	86	0
By more than six months	559	839
TOTAL	**693**	839

17.4 Receivables past their due date but not impaired

	31 March 2015	31 March 2014
	£000	£000
By up to three months	4,529	1,282
By three to six months	815	376
By more than six months	434	701
TOTAL	**5,778**	2,359

The Trust does not normally provide for NHS receivables past their due date but only provides for non-NHS receiveables past their due date where it is thought appropriate. This is due to the reasoning that NHS receivables will eventually be settled at some point in the future.

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18. Non-current assets held for sale and assets in disposal groups classified as held for sale

	31 March 2015 £000	31 March 2014 £000
Property, plant and equipment	0	0
Intangible assets	0	0
Investments	0	0
TOTAL	**0**	0

19. Cash and cash equivalents

	31 March 2015 £000	31 March 2014 £000
Balance at beginning of the year	35,834	33,285
Net change in the year	(1,122)	2,549
Balance at 31 March	**34,712**	35,834
Made up of:		
Cash at commercial banks and in hand	56	84
Cash with the Government Banking Service	34,656	35,750
	34,712	35,834

20. Trade and other payables

	31 March 2015 £000	31 March 2014 £000
NHS payables	6,693	7,131
Amounts due to other related parties	5	7
Other trade creditors	2,772	3,684
Capital creditors	3,520	4,191
Social Security costs	2,196	2,201
Other taxes payable	1,997	2,077
Other payables	3,054	3,549
Accruals	14,875	10,803
Trade and other payables falling due within one year	**35,112**	33,643
Trade and other payables falling due after more than one year	**0**	0
TOTAL	**35,112**	33,643

Other creditors include;

- £3,193k outstanding superannuation contributions at 31 March 2015 (£3,128k 31 March 2014).
- £34k outstanding pensions contributions at 31 March 2015 (£45k 31 March 2014).

21. Borrowings

	31 March 2015 £000	31 March 2014 £000
Loans from Independent Trust Financing Facility	2,392	352
Obligations under PFI contracts	208	125
Borrowings falling due within one year	**2,600**	477
Loans from Independent Trust Financing Facility	53,771	22,563
Obligations under Private Finance Initiative contracts	3,025	2,746
Borrowings falling due after more than one year	**56,796**	25,309
TOTAL	**59,396**	25,786

Expected timing of cashflows:

	31 March 2015 £000	31 March 2014 £000
Within one year	2,600	477
Between one and five years	10,400	1,908
After five years	46,396	23,401
TOTAL	**59,396**	25,786

The Independent Trust Financing Facility loan is to fund the development of the Trust's new in-patient hospital, The Harbour. This represents drawings to 31 March 2015 against a total agreed loan of £60.9m that will be accessed by the Trust over the project life.

22. Provisions

	31 March 2015	31 March 2014
	£000	£000
Pensions relating to staff (excluding directors)	130	189
Other legal claims	198	263
Redundancy	705	1,069
Other	450	1,733
Provisions falling due within one year	**1,483**	3,254
Pensions relating to staff (excluding directors)	1,793	1,710
Other legal claims	0	0
Redundancy	0	0
Other	356	0
Provisions falling after more than one year	**2,149**	1,710
TOTAL	**3,632**	4,964

	Pensions £000	Legal claims £000	Redundancy £000	Other * £000	Total £000
At 31 March 2013	1,949	169	1,553	224	**3,895**
Transfer by modified absorption				24	**24**
Change in discount rate	97	0	0	0	**97**
Arising during the period	120	227	884	1,486	**2,717**
Utilised during the period	(142)	(77)	(1,330)	(1)	**(1,550)**
Reversed unused	(158)	(56)	(38)	0	**(252)**
Unwinding of discount	33	0	0	0	**33**
At 1 April 2014	1,899	263	1,069	1,733	**4,964**
Transfer by modified absorption					**0**
Change in the discount rate	80	0	0	0	**80**
Arising during the year	95	106	383	493	**1,077**
Utilised during the year	(130)	(62)	(337)	(23)	**(552)**
Reversed unused	(43)	(109)	(410)	(1,397)	**(1,959)**
Unwinding of discount	22	0	0	0	**22**
At 31 March 2015	**1,923**	**198**	**705**	**806**	**3,632**

Expected timing of cashflows:

	£000	£000	£000	£000	£000
Within one year	130	198	705	450	**1,483**
Between one and five years	520	0	0	356	**876**
After five years	1,273	0	0	0	**1,273**
	1,923	**198**	**705**	**806**	**3,632**

The pensions provisions are ongoing provisions which are regularly reviewed and revalued.

* Other provisions consists of: £494k staff excess travel, £89k VAT, £161k carbon tax and £62k dilapidations.

£6,096k is included in the provisions of the NHS Litigation Authority at 31 March 2015 (2013/14 £5,507k) in respect of clinical negligence liabilities of the Trust.

23. Tax payable

	31 March 2015 £000	31 March 2014 £000
PAYE	1,997	2,077
NI Contributions	2,196	2,201
Tax payable falling due within one year	**4,193**	4,278
Tax payable	0	0
Tax payable falling due after more than one year	**0**	0
TOTAL	**4,193**	4,278

24. Other liabilities

	31 March 2015 £000	31 March 2014 £000
Deferred income	4,750	4,594
Other liabilities falling due within one year	**4,750**	4,594
Other liabilities falling due after more than one year	**0**	0
TOTAL	**4,750**	4,594

25. Private Finance Initiative (PFI) Transactions

25.1 Obligations in respect of on-SOFP PFI schemes

	31 March 2015 £000	31 March 2014 £000
Gross PFI liabilities:		
due in less than one year	**578**	470
later than one year and less than five years	**2,312**	1,880
later than 5 years	**2,250**	2,303
Finance charges allocated to future periods	**(1,907)**	(1,782)
Net PFI obligation	**3,233**	2,871
Not later than one year	**208**	125
Later than one year and less than five years	**1,083**	648
Later than 5 years	**1,942**	2,098

During the year a reassessment of the PFI liability was undertaken to ensure the accuracy of the carrying value. Disclosed values have have been updated to reflect the reassessment.

25.2 Commitments in respect of the "Service"element of on-SOFP PFI schemes

	31 March 2015 £000	31 March 2014 £000
Within one year	**681**	661
2nd to 5th years inclusive	**2,723**	2,644
Later than 5 years	**2,655**	3,239
	6,059	6,544

25.3 Imputed finance lease obligations in respect of on-SOFP PFI schemes

	31 March 2015 £000	31 March 2014 £000
Rentals due within one year	**578**	470
Rentals due within two to five years	**2,312**	1,880
Rentals due thereafter	**2,250**	2,303
	5,140	4,653
Less: interest element	**(1,907)**	(1,782)
Total	**3,233**	2,871

25.4 Additional Information

On 1 October 2006 the Trust inherited a PFI development from Morecambe Bay PCT (MB). MB was in turn successor to the original NHS body that agreed the deal, Bay Community NHS Trust (BC).
The agreement in Feb 1999 between BC and the PFI provider, Flagship Care (Lancaster) Limited was for 25 years with the provider delivering:
• 3 fully serviced Elderly Mentally Ill Continuing Care Units plus attached Day Facilities,
• A single Resource Centre, and
• An office building.

The contract with Flagship Care (Lancaster), later transferred to Equitix Healthcare (Lancaster), expires on 8 February 2024 and there is no provision within the contract to re-price or re-negotiate the prices and dates. There is however the facility for variations to the contract and the NHS Foundation Trust has procedures to manage those variations in line with Standing Financial Instructions. The annual contract payments will be indexed each year using preceeding December RPI figures.

The Trust has the right to use the buildings, however Equitix have the responsibility for maintaining the buildings to an agreed standard. All lifecycle replacement is also the responsibility of Equitix.

A key feature of PFI schemes is that the operator is responsible for ensuring that the property is maintained to an agreed standard for the entire life of the contract. These are known as lifecycle costs. The cost which the operator expects to incur in doing this is reflected in the unitary payment and reflects two elements:
• maintenance (planned and reactive); and
• replacement of components as they wear out during the contract – this is known as capital lifecycle.

Under the terms of the contract at the end of the concession the Trust has 3 options: Walk away from the arrangement, renegotiate a new contract, or acquire the residual interest at market value.

The Trust initially did not recognise the properties as being on-SOFP, however, with the adoption of IFRS accounting by the NHS in 2009/10 the trust subsequently recognised the properties as being on-SOFP. This resulted in the introduction to the SOFP of a depreciating asset and an interest bearing liability.

The annual contract payments are apportioned, using appropriate estimation techniques, between repayment of the liability, interest costs and service charges. The payments are subject to annual indexation. Similarly the PFI contarct is assessed every five years and carrying values of asset and liability are adjusted accordingly.

26. Contingencies

The Trust had £118k (2013/14 £190k) of contingent liabilities being in relation to the Risk Pooling Schemes for Trust's.

	31 March 2015 £000	31 March 2014 £000
Contingent liabilities	**(118)**	(190)
Net value of contingent liabiliies	**(118)**	(190)

27. Events after the Reporting Period

There are no material events after the reporting period.

28. Joint Venture Arrangement

During 2010/11 the Trust entered into a joint venture registered as Red Rose Corporate Services (RRCS). It was established as a Limited Liability Partnership (LLP) between Lancashire Care NHS Foundation Trust (LCFT) and Ryhurst Ltd. The partnership was established with two primary objectives:

 - To deliver estate and other commercial activities that enable the Trust to implement its services strategy and satisfy commissioners etc; and

 - To capitalise on the combined skills and capabilities of the parties to exploit other estates and commercial opportunities.

The joint venture has one active subsiduary, Red Rose Corporate Services (Estate Management) LLP, that supports the Trust in streamlining and identifying savings on the Trust's estate management

Its is anticipated that further subsiduaries may be created when business opportunities arise.

RRCS's mission is that it will work with the health and social care communities to deliver vibrant, efficient and effective services that enhance customer service provision and deliver a sustainable profit.

RRCS is committed to doing alll this whilst:
 - acting with integrity in all it does;
 - being transparent at all times;
 - empathising with everyone it works with; and
 - promoting teamwork in all areas.

29. Financial Instruments

The Trust does not have any listed capital instruments and is not a financial institution.

Credit Risk

Credit risk is the possibility that other parties might fail to pay amounts due to the Foundation Trust. Credit risk arises from deposits with banks as well as credit exposures to the Foundation Trust's commissioners and other debtors. The bulk of the Trusts commisioners are NHS, which minimises the credit risk from these customers. Non-NHS customers do not represent a large proportion of income and the majority of these relate to bodies which are considered low risk - e.g. universities, local councils, insurance companies, etc...

An analysis of the ageing of debtors and provision for impairment can be found at Note 17 "Debtors".

Surplus operating cash is only invested with the Government Banking System.

Liquidity Risk

The Trust's net operating costs are incurred under service agreements with the local primary care trust's, which are financed from resources voted annually by Parliament. The Trust largely finances capital expenditure through internally generated funds and from loans that can be taken out up to an agreed borrowing limit. The borrowing is based upon a risk rating determined by Monitor, the Independant Regulator for Foundation Trusts and takes account of the Trust's liquidity. The Trust is therefore not exposed to significant liquidity risk.

Market Risk

All of the Trust's financial liabilities carry nil or fixed rates of interest. In addition the only element of the Trust's financial assets that is currently subject to a variable rate is cash held in the Trust's main bank account and therefore the Trust is not exposed to significant interest-rate risk.

Treasury Management Risk

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors.

30.1 Financial assets by category

All assets are denominated in sterling

	31 March 2015	31 March 2014
	Loans and receivables £000	Loans and receivables £000
Investments	235	18
Receivables (net of impairment)	15,937	13,416
Other financial assets	695	695
Cash at bank and in hand	34,712	35,834
Total Financial assets	**51,579**	49,963

30.2 Financial liabilities by category

All liabilities are denominated in sterling

	31 March 2015	31 March 2014
	Other financial liabilities £000	Other financial liabilities £000
Loans	56,163	22,915
Payables	35,112	33,643
Obligations under PFI contracts	3,233	2,871
Provisions under contract	3,632	4,964
Total Financial Liabilities	**98,140**	64,393

31. Third Party Assets

The Trust held £293k cash at bank and in hand at 31 March 2015 that relates to monies held by the NHS Trust on behalf of patients (£286k at 31 March 2014). This has been excluded from cash at bank and in hand figure reported in the accounts.

32. Related Party Transactions

Lancashire Care NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health.

During the year none of the board members or parties related to them has undertaken any material transactions with the Trust

32.1 Department of Health Related Parties

The Trust has had a significant number of material transactions with entities for which the Department of Health is regarded as the parent Department. These entities are:

	2014/15 Debtor £'000	2014/15 Creditor £'000	2014/15 Income £'000	2014/15 Expenditure £'000
NHS Blackburn With Darwen CCG	339	536	30,299	0
NHS Blackpool CCG	64	0	15,336	0
NHS Chorley And South Ribble CCG	353	0	34,093	0
NHS East Lancashire CCG	307	0	42,679	45
NHS Fylde & Wyre CCG	75	0	16,085	0
NHS Greater Preston CCG	393	0	38,384	0
NHS Lancashire North CCG	41	0	16,434	0
NHS West Lancashire CCG	546	0	11,921	0
NHS England	4,273	7	76,466	18
Health Education England	1	0	10,247	2
Lancashire Teaching Hospitals NHS FT	241	1,007	466	5,136
East Lancashire Hospitals NHS FT	330	758	145	2,638
NHS Property Services	0	1,694	42	4,066
Community Health Partnerships	2	955	2	2,866
Other DoH bodies *	2,133	1,736	3,946	4,279
	9,098	6,693	296,545	19,050

* represents immaterial transactions with a number of healthcare commissioners

32.2 Other Healthcare Commissioners Related Parties

The Trust has also had a significant number of material transactions with other entities who have commissioned our healthcare services. These entities are:

	2014/15 Debtor £'000	2014/15 Creditor £'000	2014/15 Income £'000	2014/15 Expenditure £'000
UCLAN	16	72	61	142
MIND	0	0	0	11
Making Space	3	0	3	0
Alzheimer's Society	0	0	0	103
Lancashire County Council	1,304	5	21,883	2,165
Blackpool County Council	0	0	781	130
Blackburn with Darwen Borough Council	109	0	2,943	235
Burnley Borough Council	7	0	0	79
Lancaster City Council	0	0	0	170
Preston City Council	0	0	0	312
South Ribble Borough Council	0	0	0	197
Wye Borough Council	0	0	0	46
Other local authorities*	24	0	51	272
	1,463	77	25,722	3,862

* represents immaterial transactions with a number of local authorities.

All income was received as income to commission heathcare services, and all expenditure relates to the associated operating expenses.

All transactions were conducted during the normal course of business in delivering healthcare.

32.3 Other Central Government Related Parties

NHS Pension Scheme	0	1,969	0	23,830
National Insurance Fund	0	2,198	0	13,001
Income tax	0	1,997	0	24,072
	0	6,164	0	60,903

32.4 Other Related Parties

Social Enterprise

During 2011/12 the Trust entered into an loan arrangement with a social enterprise organisation, Harvey House Social Enterprises Ltd. This organisation focusses on delivering increased choice and access to detoxification services across Lancashire; contributing to the successful provision of a whole treatment system thereby increasing positive outcomes for service users, carers and families.

The outstanding debtor represents finance the Trust has provided to the enterprise for it to support the establishment of its operations. This debt will be repaid to the Trust from future operational surpluses.

	2014/15 Debtor £'000	2014/15 Creditor £'000	2014/15 Income £'000	2014/15 Expenditure £'000
Harvey House Social Enterprises Ltd, Lancaster*	939	0	105	30
	939	0	105	30

*A number of the Trust's employees have interests in Harvey House details of which can be found in the trusts Register of Interests.

Joint Venture

During 2010/11 the Trust entered into an equally owned Joint Venture Partnership with Ryhurst Ltd. The venture, Red Rose Corporate Services LLP, was established to support the development of state-of-the-art facilities to deliver modern mental health services in the future, and capitalise on the combined skills & capabilities of the parties to exploit estates and other commercial opportunities.

	2014/15 Debtor £'000	2014/15 Creditor £'000	2014/15 Income £'000	2014/15 Expenditure £'000
Red Rose Corporate Services LLP	0	0	0	1,305
Total	11,500	12,934	322,372	85,150

Lancashire Care NHS Trust Charity

The Trust is a corporate trustee of the Lancashire Care NHS Foundation Trust Charity and Other Related Charities. The Trust has received monies from the charity in respect of its management of the charity to the value of £8k (£7k to 31 March 2014). The charity is registered with the charities commission (Charity Number 1099568) and produces its own annual report and accounts.

Under IFRS 10 NHS bodies are required to consolidate their charitable funds with their own statements where they are considered to be under common control, however, consideration is given to the materiality of the funds held. As with prior year the Trust's charitable funds are not considered material and so their results have not been consolidated. The statements of the Trust's charitable fund are available upon request.

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33. Losses and Special Payments

There were 65 cases of losses and special payments totalling £81k paid during year to 31 March 2015 (35 totalling £22k for year to 31 March 2014). Special payments are recognised on an accruals basis.

34. Intra-Government and Other Balances

2014/15 Balances

Receivables

		Total	FTs	NHS Trusts	Department of Health	Public Health England	Health Education England	Special Health Authorities	NDPBs	Local Authorities	Bodies external to government	CCGs and NHS England	Other DH bodies	Other WGA
Current	NHS Receivables	8,384	687	422	66	9	1	0	2	0	0	7,195	2	0
Current	Other receivables with related parties	1,444	0	0	0	0	0	0	0	1,444	0	0	0	0
Current	Prepayments	2,842	0	0	0	0	0	0	0	0	2,842	0	0	0
Current	Accrued income	0	0	0	0	0	0	0	0	0	0	0	0	0
Current	Other receivables	3,267	0	0	0	0	0	0	0	0	3,267	0	0	0
Current	VAT, SS and other taxes receivable, Current	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	NHS Receivables	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	Other receivables with related parties	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	Prepayments	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	Accrued income	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	Other receivables	0	0	0	0	0	0	0	0	0	0	0	0	0
	Balance as at 31 March 2015	15,937	687	422	66	9	1	0	2	1,444	6,109	7,195	2	0

Payables

		Total	FTs	NHS Trusts	Department of Health	Public Health England	Health Education England	Special Health Authorities	NDPBs	Local Authorities	Bodies external to government	CCGs and NHS England	Other DH bodies	Other WGA
Current	NHS payables	6,693	1,773	1,474	2	0	0	0	0	0	0	795	2,649	0
Current	Amounts due to other related parties	5	0	0	0	0	0	0	0	5	0	0	0	0
Current	Accruals	14,875	0	0	0	0	0	0	0	0	14,875	0	0	0
Current	Other payables	9,346	0	0	0	0	0	0	0	0	6,292	0	0	3,054
Current	VAT, SS and other taxes payable, Current	4,193	0	0	0	0	0	0	0	0	0	0	0	4,193
Non-Current	NHS payables	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	Amounts due to other related parties	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	Accruals	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	Other payables	0	0	0	0	0	0	0	0	0	0	0	0	0
	Balance as at 31 March 2015	35,112	1,773	1,474	2	0	0	0	0	5	21,167	795	2,649	7,247

2013/14 Balances

Receivables

		Total	FTs	NHS Trusts	Department of Health	Public Health England	Health Education England	Special Health Authorities	NDPBs	Local Authorities	Bodies external to government	CCGs and NHS England	Other DH bodies	Other WGA
Current	NHS Receivables	8,778	602	273	389	0	24	0	0	0	0	7,472	9	9
Current	Other receivables with related parties	3,103	0	0	0	0	0	0	0	2,193	910	0	0	0
Current	Prepayments	1,443	0	0	0	0	0	0	0	0	1,443	0	0	0
Current	Accrued income	29	0	0	0	0	0	0	0	0	29	0	0	0
Current	Other receivables	63	0	0	0	0	0	0	0	0	63	0	0	0
Current	VAT, SS and other taxes receivable, Current	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	NHS Receivables	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	Other receivables with related parties	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	Prepayments	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	Accrued income	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	Other receivables	0	0	0	0	0	0	0	0	0	0	0	0	0
	Balance as at 31 March 2014	13,416	602	273	389	0	24	0	0	2,193	2,445	7,472	9	9

Payables

		Total	FTs	NHS Trusts	Department of Health	Public Health England	Health Education England	Special Health Authorities	NDPBs	Local Authorities	Bodies external to government	CCGs and NHS England	Other DH bodies	Other WGA
Current	NHS payables	7,131	2,773	835	0	1	0	4	0	0	0	98	3,420	0
Current	Amounts due to other related parties	7	0	0	0	0	0	0	0	7	0	0	0	0
Current	Accruals	10,803	0	0	0	0	0	0	0	0	10,803	0	0	0
Current	Other payables	11,424	0	0	0	0	0	0	0	0	8,296	0	0	3,128
Current	VAT, SS and other taxes payable, Current	4,278	0	0	0	0	0	0	0	0	0	0	0	4,278
Non-Current	NHS payables	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	Amounts due to other related parties	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	Accruals	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Current	Other payables	0	0	0	0	0	0	0	0	0	0	0	0	0
	Balance as at 31 March 2014	33,643	2,773	835	0	1	0	4	0	7	19,099	98	3,420	7,406

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INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF LANCASHIRE CARE NHS FOUNDATION TRUST ONLY

Opinions and conclusions arising from our audit

1   *Our opinion on the financial statements is unmodified*

We have audited the financial statements of Lancashire Care NHS Foundation Trust for the year ended 31 March 2015 set out on pages 122 to 156. In our opinion:

- the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2015 and of the Trust's income and expenditure for the year then ended; and

- the financial statements have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2014/15.

2   *Our assessment of risks of material misstatement*

In arriving at our audit opinion above on the financial statements the risk of material misstatement that had the greatest effect on our audit was as follows:

Valuation of Land and Buildings - £187.1 million

Refer to page 86 (Audit Committee Report), pages 129 and 136 (accounting policies) and pages 123 to 145 (financial disclosures)

The risk: Land and buildings are required to be maintained at up to date estimates of year-end market value in existing use (EUV) for non-specialised property assets in operational use, and, for specialised assets where no market value is readily ascertainable, the depreciated replacement cost of a modern equivalent asset that has the same service potential as the existing property (MEAV). There is significant judgment involved in determining the appropriate basis (EUV or MEAV) for each asset according to the degree of specialization, as well as over the assumptions made in arriving at the valuation and the condition of the asset. In particular the MEAV basis requires an assumption as to whether the replacement asset would be situated on the existing site or, if more appropriate, on an alternative site, with a potentially significant effect on the valuation.

For 2014/15, a full revaluation of land and buildings, which did involve the physical inspection of the assets, was undertaken by an external valuer. This valuation covered all land and buildings. There is a risk that the valuation may not reflect the current use or condition of the assets.

Our response: In this area our audit procedures included:

- Assessing the competence, capability, objectivity and independence of the Trust's external valuer and considering the terms of engagement of, and the instructions issued to, the valuer for consistency with the requirements of the NHS Foundation Trust Annual Reporting Manual;

- Confirming that the information provided to the valuer, including details of in-year capital expenditure on land and buildings and changes in use of buildings, was complete, relevant and accurate;

- Undertaking work to understand the basis upon which any movements in the valuation of land and buildings have been identified and treated in the financial statements and determining whether they have complied with the requirements of the FT Annual Reporting Manual;

- Considering the adequacy of key judgements and degree of estimation involved in arriving at the valuation.

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

The materiality for the financial statements was set at £6.53 million determined with reference to a benchmark of income from operations (of which it represents 2%). We consider income from operations to be more stable than a surplus-related benchmark.

We report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £325,000, in addition to other identified misstatements that warrant reporting on qualitative grounds.

Our audit of the Trust was undertaken to the materiality level specified above and was all performed at the Trust's head office at Walton Summit, Preston.

4   *Our opinion on other matters prescribed by the Audit Code for NHS Foundation Trusts is unmodified*

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2014/15; and

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

5   *We have nothing to report in respect of the matters on which we are required to report by exception*

Under ISAs (UK&I) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In particular, we are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our audit and the directors' statement that they consider that the annual report and accounts taken as a whole 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; or

- the section in the annual report describing the work of the audit committee does not appropriately address matters communicated by us to the audit committee.

Under the Audit Code for NHS Foundation Trusts we are required to report to you if in our opinion:

- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2014/15, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

- the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in its use of resources

We have nothing to report in respect of the above responsibilities.

Certificate of audit completion

We certify that we have completed the audit of the accounts of Lancashire Care NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts issued by Monitor.

Respective responsibilities of the accounting officer and auditor

As described more fully in the Statement of Accounting Officer's Responsibilities on page 109 the accounting officer is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the UK Ethical Standards for Auditors.

Scope of an audit of financial statements performed in accordance with ISAs (UK and Ireland)

A description of the scope of an audit of financial statements is provided on our website at www.kpmg.com/uk/auditscopeother2014. This report is made subject to important explanations regarding our responsibilities, as published on that website, which are incorporated into this report as if set out in full and should be read to provide an understanding of the purpose of this report, the work we have undertaken and the basis of our opinions.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report or for the opinions we have formed.

Timothy Cutler
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE

28 May 2015

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF LANCASHIRE CARE NHS FOUNDATION TRUST ON THE QUALITY REPORT

We have been engaged by the Council of Governors of Lancashire Care NHS Foundation Trust to perform an independent assurance engagement in respect of Lancashire Care NHS Foundation Trust's Quality Report for the year ended 31 March 2015 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2015 subject to limited assurance consist of the following national priority indicators:

- Patients on Care Programme Approach (CPA) who are followed up within seven days of discharge from psychiatric inpatient care;
- Minimising mental health delayed transfers of care.

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

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the NHS Foundation Trust Annual Reporting Manual issued by Monitor.

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

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the Quality Report is not consistent in all material respects with the sources specified in the Detailed Guidance for External Assurance on Quality Reports 2014/15 ('the Guidance'); and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

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

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

- board minutes for the period April 2014 to May 2015
- papers relating to quality reported to the board over the period April 2014 to May 2015
- feedback from Commissioners, dated 01/05/2015 and 08/05/2015
- feedback from governors, dated 11/03/2015
- feedback from local Healthwatch organisations, dated 29/04/2015
- feedback from Overview and Scrutiny Committees, dated 08/04/2015, 29/04/2015 and 11/05/2015
- the Trust's 2014 complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated May 2015;

- the 2014 national patient survey;
- the 2014 national staff survey;
- Care Quality Commission Intelligent Monitoring Report, dated 20/11/2014; and
- the Head of Internal Audit's annual opinion over the trust's control environment, dated May 2015

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

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of Lancashire Care NHS Foundation Trust as a body, to assist the Council of Governors in reporting the NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2015, 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 Lancashire Care 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
- testing key management controls
- 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 to the categories reported in the Quality Report.
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

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

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change

over time. It is important to read the quality report in the context of the criteria set out in the NHS Foundation Trust Annual Reporting Manual.

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

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2015:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and
- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

KPMG LLP

KPMG LLP
Chartered Accountants
1 St Peter's Square, Manchester, M2 3AE

28 May 2015

Lancashire Care NHS Foundation Trust

Quality Account 2014/15

Contents

Part 1: Statement on Quality from the Chief Executive of the Organisation

Lancashire Care NHS Foundation Trust is a health and wellbeing organisation providing a holistic service that is able to meet a wide range of health needs, supported by our mission to provide high quality care with wellbeing at its heart.

This Quality Account is our report about the quality of services we deliver. In this report we describe an account of the quality of services we provided for the period April 2014 to March 2015 and in addition to this, we set out our priorities for improving quality over the coming year from April 2015 to March 2016.

We have a duty to publish a Quality Account and we welcome this as a valuable opportunity to help raise awareness of our work. In conjunction with our Annual Report, this Quality Account will give you an overview of what we do and the range of our activities and current performance.

In developing our Quality Account our staff have been able to reflect on and demonstrate their commitment to continuous, evidence-based quality improvement. We want to be open as well, demonstrating real improvements where we can, and being honest about where we need to improve.

Quality is at the heart of everything we do in the organisation and is reflected within our Quality Strategy which ensures year on year quality improvements. As Chief Executive I am proud of our achievements to date and, with the board, have committed to delivering further improvements. Examples of this include;

- the opening of The Harbour, our state of the art new mental health inpatient unit in Blackpool
- that Lancashire Care NHS Foundation Trust is now leading by example, and from 5th January 2015 became completely smoke free

The development of our new Quality Strategy for 2015-19 will build on the good work to date to ensure that people are at the heart of everything we do; our staff are proud of the services they provide and that a quality culture is embedded throughout the organisation.

At Lancashire Care NHS Foundation Trust we are proactively managing the financial pressures faced by many NHS organisations. In addressing this we are strengthening our primary goal of maintaining the focus on delivering quality services and being open and honest about any challenges to this.

We want our Quality Account to be part of our evolving conversation with the people we serve about what quality means and about how we must work together to deliver quality across the organisation. In offering you an overview of our approach to quality, we invite your scrutiny, debate, reflection and feedback.

The Council of Governors and Lancashire Care NHS Foundation Trust Board have approved this Quality Account which covers the full range of services we provide. To the best of our knowledge the information contained in this account is accurate. We hope that this Quality Account gives you a clear picture of how important quality improvement, patient safety and the experiences of the people who use our services together with the experiences of our staff are to us at Lancashire Care NHS Foundation Trust.

Professor Heather Tierney-Moore

Chief Executive

Part 2: Priorities for Improvement and Statements of Assurance from the Board

2.1) Priorities for Improvement - Forward Looking 2015/16

This section of the Quality Account is the 'forward looking' section. It describes the improvements related to the quality of services provided which Lancashire Care NHS Foundation Trust plans to take over the next year. This section explains why the Trust priorities have been chosen, how they will be implemented, monitored and reported.

Quality is about giving people treatments that work (effectiveness), making sure that they have a good experience of care (caring and responsive), protecting them from harm (safety) with services that are well led. Quality is part of our Trust value of excellence.

Three priorities were chosen following consultation with a range of stakeholders. Each priority relates to one of the quality domains of safety (the Mental Health Harm Free Care Programme), patient experience (all teams will seek the views of service users and carers to inform quality improvements) and effectiveness (implementation of the Quality Strategy 2015 -2019), reflecting a health and wellbeing organisation. The progress to date is reported in Part 3: Review of Quality Performance 2014/15. The priority areas continue to be a focus for ongoing quality improvements during 2015/16 with additional stretch targets added to ensure further improvements with positive impacts on patient care.

Lancashire Care NHS Foundation Trust has undertaken a review of the organisational governance framework. This began in September 2014 and since January 2015 the Trust has been transitioning into the revised structure which became fully operational from 1st April 2015. The new structure supports the focus on quality with the work previously undertaken by a single Executive Quality Committee now split between a Quality and Safety Sub-Committee at Executive level and Quality Committee at Board level.

During 2014/15 the Care Quality Commission (CQC) visited a prison healthcare service within Lancashire Care NHS Foundation Trust to assess compliance with the Essential Standards of Quality and Safety. Two moderate concerns were identified which have led to action plans being developed and submitted to the CQC. The progress of these action plans is monitored on an on-going basis through network governance meetings.

The challenges relate to:
- Ensuring that the skill mix and staffing levels are appropriate
- The need to further develop systems to monitor the quality of service received to take all aspects of service performance into account

Following an unannounced review meeting on 30th March 2015 CQC has confirmed Lancashire Care NHS Foundation Trust are now fully compliant in relation to the prison healthcare service originally visited.

At the request of the CQC on 1st January 2015 Lancashire Care NHS Foundation Trust assumed responsibility for the physical health service and inpatient unit at HMP Liverpool and HMP Kennet and are working with the clinical teams to support quality improvement. Following a successful bid as part of the

tendering process Lancashire Care NHS Foundation Trust has been selected as the preferred supplier for health and social care at both HMP Liverpool and HMP Kennet.

Lancashire Care NHS Foundation Trust is committed to achieving a culture of openness and transparency and acceptance of challenge reflected by a constant desire to learn from mistakes, not to conceal them. The 'see something, say something' message is supported by a 'Dear Derek' internet link which enables individuals to raise a concern anonymously with any concerns raised reviewed by the Chair of the Trust Board and the Director of Nursing. This approach is proving to be a good tool for 'flagging things up and getting issues sorted quickly'. The approach to raising concerns is being reviewed in response to Sir Robert Francis's report: 'Freedom to Speak Up' and work will progress to ensure that the principles and actions are implemented. This will be monitored in year by the Executive Quality Committee.

The Secretary of State appointed Kate Lampard a former barrister to conduct an independent oversight of the reports into the activities of Jimmy Saville in relation to hospitals/hospice premises. These have been published by the relevant hospital trusts - 44 reports have been published: 28 in June 2014 and 16 in February 2015. Allegations against Saville were made in over 41 acute hospitals. The Secretary of State for Health has accepted in principle 13 of the recommendations, 10 of which apply to NHS trusts and foundation trusts. Although the Secretary of State did not accept recommendation 6 on Disclosure and Barring (DBS) checks, organisations have been requested to consider the use of these checks (standard or enhanced) where appropriate. Monitor and the NHS Trust Development Authority have written to all Trusts to ask them to review their current practice against the recommendations and to develop an action plan in response. Lancashire Care NHS Foundation Trust has completed a report and action plan in response to Kate Lampard's report which will be monitored by the Quality Committee on behalf of the Board. The action plan is underpinned by the Safeguarding Strategy which describes a commitment to a three year strategic approach to maintain safe and effective safeguarding services, strengthening arrangements for safeguarding children and adults and incorporating full implementation of the Mental Capacity Act. The action plan identified that systems and processes are in place to protect vulnerable adults and children, these are described within suite of Policy and Procedures and the Safeguarding Strategy. Increased governance arrangements and security concerns have made it less likely that a celebrity could gain the power and influence that Saville had. It is now more likely that concerns would be managed and escalated via formal channels.

The Morecambe Bay Investigation was established by the Secretary of State for Health in September 2013 following concerns over serious incidents in the maternity department at Furness General Hospital (FGH). Covering January 2004 to June 2013, the report concludes the maternity unit at FGH was dysfunctional and that serious failures of clinical care led to unnecessary deaths of mothers and babies. The Investigation Panel also reviewed pregnancies at other maternity units run by University Hospitals of Morecambe Bay NHS Foundation Trust. It found serious concerns over clinical practice were confined to FGH. The report makes 44 recommendations, aimed at ensuring the failings are properly recognised and acted upon. The key issues identified include:

- Clinical competence of a proportion of staff fell significantly below the standard required;
- Working relationships between different groups of staff (medical, nursing, allied health) were extremely poor;
- Serious incident investigations were grossly deficient, often carried out by staff within the same service and rarely multidisciplinary;
- There was a failure to identify repeated problems and areas of concern – issues were treated in isolation;
- Some staff were prepared to compromise the professional standards expected of them to conceal the truth;
- The maternity unit that felt itself to be isolated, both geographically and professionally;

- Frequent organisation changes caused managerial instability, there was evidence that lines of responsibility and accountability were blurred, individuals were given management posts without any knowledge or experience of these services, the focus was on operational objectives such as finance and waiting times rather than governance and quality of service.

Within Lancashire Care NHS Foundation Trust, the development of centralised investigations, supported by the review of the Incident Policy and Being Open Policy in April 2015 together with the development and implementation of a revised Quality Impact Assessment process will address a number of these points.

In response to an increasing number of national incidents of abuse of the vulnerable in health and social care settings, the Department of Health commissioned the Royal College of Nursing (RCN) and partners to review the culture and practices around restrictive practices in health and social care settings. The resulting document *"Positive & Proactive Care: reducing the need for restrictive practices"* was published in April 2014 and sets out a blue print for organisations to follow as a means of introducing a prevention and reduction model for restrictive practices. The report set out 142 recommendations, of which 91 recommendations are considered as requiring Lancashire Care NHS Foundation Trust action. An action plan is in place which sets out a programme to reduce restrictive practices with challenging objectives and targets. The programme is referred to as Reducing Restrictive Practices (RRP) and includes a wide range of areas such as violence and aggression, physical restraint, chemical restraint and mechanical restraint. The programme also covers restrictive practise in the form of restrictive environments and the use of blanket restrictions which have a negative impact on how people behave, their care and recovery. The intention of this programme is to transform Lancashire Care NHS Foundation Trust into an organisation regarded as a leader within the NHS around restrictive practices. This will improve patient safety, staff safety, clinical effectiveness and patient experience. An example of this is that Lancashire Care NHS Foundation Trust is leading the way nationally on the elimination of prone restraint and remains on target to stop the planned use of prone restraint by April 2015. Workshops are being held for existing staff to retrain and new staff are receiving a revised training programme. Further information about this programme is available in part 3 of the account as a Support Services Safety story.

Engaged and content employees are directly linked to the quality of care and compassion, so it is really important that we get this right. Lancashire Care NHS Foundation Trust was pleased to be named as one of the Health Service Journal's top 100 places to work in healthcare. However, the annual staff survey has given the organisation valuable feedback which we are eager to explore further to enable Lancashire Care NHS Foundation Trust to develop, with a happier workforce focusing on high quality care. We are working with the King's Fund looking at how we can help to create the right conditions for our desired culture through an appreciative and collective leadership approach. A full diagnostic of our leadership capability and a measure of culture will be an important part of this work.

The Director of Nursing is leading an ambitious, innovative Blue Wave of Change programme. The aim of this ambitious programme is to connect with 4,000 nurses across Lancashire Care NHS Foundation Trust to ensure that their voices are heard and to develop deeper levels of listening to enable nurses to connect with their deeper purpose. The themes from conversations are to be aligned to the 6Cs (care, compassion, communication, courage, commitment and competence) to inform the direction of the future nursing strategy and celebrations at International Nurses day on the 12th May.

The implementation of the Quality Strategy during 2014/15 has continued to focus on understanding quality across all clinical teams against the Essential Standards of Quality and Safety using the Quality SEEL which is a self-assessment framework centred on the domains of Safety, Effectiveness, Experience and Leadership (SEEL). This enables team leaders to review the quality of care provided, at the point of care, and identify and address any issues which may compromise this. The results are reported in section 3.

During 2014-15 the Integrated Quality Report (IQR) has been developed to build on the principles of the Team Information Boards (TIB). The IQR pulls a range of data at team level, electronically and can be viewed on the big touch screen on the ward or on a laptop/computer. The IQR has been developed in partnership with clinical staff, the Information Management and Technology Team and the Nursing and Quality Directorate. Available data includes: incidents, compliments, complaints, risks, Quality SEEL results, etc. This list is not exhaustive and additional data will be added over time. The IQR pulls real time data into one place which then enables the team to spend time discussing the data and implications for quality, rather than sourcing data from various systems. Across 2014/15 the IQR has been introduced to all inpatient settings and a sample of community teams.

The current Quality Strategy comes to an end in March 2015. The new Quality Strategy is to be the primary strategy for Lancashire Care NHS Foundation Trust, building on the achievements of the previous strategy. The new Quality Strategy will clearly outline the ongoing commitment to always place people who use our services and the people who provide services at the heart of everything we do. The development of the strategy has involved "Thinking Space" sessions with people who use our services, staff and stakeholders. The goals of the strategy are:

People are at the heart of everything we do

We have motivated, engaged staff who are proud of the service they provide

A quality focused culture is embedded across the organisation

As part of the Organisational commitment to ensuring that people are at the heart of everything we do, patient stories are now shared at the opening of every Trust Board meeting.

A central part of the strategy has been the development of our Experience Vision and aspirational patient story. The organisational vision and principles will be interpreted at service line level using a model of co-production, with people who use our services, their families, carers and staff, to provide clarity about what an excellent experience looks like in local care environments, to create a culture of listening and learning to inform continuous quality improvements. The experience vision is framed around **5 Experience Commitments;** care, compassion, choice, collaboration and communication. These 5 experience commitments along with our commitment to have competent, courageous and committed staff create Lancashire Care's **8 Quality Commitments** which underpin the Quality Strategy. Thus ensuring people are at the heart of everything we do and that the care we provide is of the highest quality, is safe, effective, caring, responsive and well-led.

THE LANCASHIRE CARE WAY: OUR 8 QUALITY COMMITMENTS

The aspiration is that in 2019 Lancashire Care NHS Foundation Trust's experience story will be: https://www.youtube.com/watch?v=gqZD05vab_o&rel=0

*When I knew I needed care I had an easy **choice** to make as Lancashire Care's reputation for providing high quality care is second to none, why would my carer and I choose to go anywhere else? I definitely made the right decision as whenever we meet someone from Lancashire Care they are always warm and friendly, and when I've had to go to the clinic or hospital it's always welcoming, comfortable and clean. We have all the information we need **communicated** to us in ways that we understand, without jargon. This has included written summaries of the care I've received. As a result we always feel prepared and informed and know what we want to ask / say.*

*I have always felt at the heart of every decision about me and have felt that the staff **care** and want to help me. They always acknowledge that my family and I know me best and they have endeavored to understand 'what matters most to me' and demonstrate this in their care. I have felt that both my family and I have been listened to, and my care is planned **collaboratively** with the staff from Lancashire Care, whose help and support I have needed. We talk together about how my care could be improved. The team are knowledgeable, open and honest and if something can't be provided I'm told why and we consider alternatives together. When people say they'll do something, they do it, or they get back to me and my family with an update. At all times I **choose** the level I want to be involved, this may be at an individual level and sometimes I have chosen to be involved at a more strategic level as well. Whatever I choose, my opinion is respected and I can change my mind at any time.*

*I have always been treated with **compassion** and respect by thoughtful, caring staff who are committed to providing the best care they can and are visibly supported by their leaders. There is a real sense of team working at Lancashire Care, and my family and I are recognised as key people in the team.*

Lancashire Care was the right choice, the care I received was of the highest quality and the experience was fantastic. Both my family and I felt supported at every step of the way. I would definitely recommend Lancashire Care. Thank you.

Lancashire Care NHS Foundation Trust has a number of key quality work streams focused on providing quality assurance and evidence of continuous quality improvement. Three of these quality priorities for 2015-16 are detailed below with additional stretch targets (reflected in bold) to ensure further improvements with positive impacts on patient care. Progress against the priorities for 2014 -15 is included in part 3.0.

Priority 1	Quality Strategy 2015 -2019 implementation year 1
Domain	Effectiveness
Rationale	Report of the Mid Staffordshire NHS Foundation Trust Public Inquiry February 2013 (Francis 2) The NHS Outcomes Framework 2013/14 The Health Foundation - Building the foundations for improvement 2015
Target	All teams will have team information boards and use these to drive quality improvements. Teams will have a quality improvement framework. **The quality improvement framework will be implemented by all teams reflecting the use of quality improvement methodologies and enablers.**
How progress will be monitored	Monitoring through the Quality Strategy Steering Group and Network Governance structures.
How progress will be reported	Network Governance to the Quality and Safety subcommittee and Executive Quality Committee.

Priority 2	**All teams will seek the views of service users and carers to inform quality improvements**
Domain	Patient Experience
Rationale	Department of Health - The NHS Friends and Family Test and 'always events' National Quality Board – Improving experiences of care
Target	Taking the learning from the local implementation in line with Lancashire Care NHS Foundation Trust's project plan, implement the NHS Friends and Family Test across the organisation in line with national guidance. **All teams will use information feedback from people who use their services to inform quality improvements and will share feedback in the form of 'you said we did' messages.** **Lancashire Care NHS Foundation Trust will identify 'always events' to be implemented in line with the 'always events plan' across the organisation.**
How progress will be monitored	Quality SEEL outcomes, team information boards and the experience vision implementation plan.
How progress will be reported	Team level progress will be discussed through Team Information Boards and reported to Network Governance, to the Quality and Safety subcommittee and Executive Quality Committee.

Priority 3	Compliance with Harm Free Care national priority To implement the Mental Health Harm Free Care Programme
Domain	Safety
Rationale	Harm Free Care quality initiative Commissioning for Quality and Innovation (CQUIN) Quality Strategy Goal Department of Health - Positive and Proactive Care: reducing the need for restrictive interventions
Target	Monthly submissions of the Harm Free Care physical health safety thermometer for all applicable services to the Information Centre. **Implementation of Mental Health Harm Free Care Programme across inpatient mental health Services.** **Implementation of the reducing restrictive practices programme in line with the Lancashire Care NHS Foundation Trust's plan.**
How progress will be monitored	Monthly reporting to Health and Social Care Information Centre and quarterly submission to Commissioners.
How progress will be reported	Harm Free Care sub groups, steering groups, Network Governance, to the Quality and Safety subcommittee and Executive Quality Committee.

2.2) Statements of Assurance from the Board

This section of the Quality Account is governed by regulations which require the content to include statements in a specified format; this allows the reader to compare statements for different Trusts. These statements serve to offer assurance to the public that Lancashire Care NHS Foundation Trust is performing to essential standards, providing high quality care, measuring clinical processes and involved in initiatives to improve quality.

Review of Services

During 2014/15 Lancashire Care NHS Foundation Trust provided three types of NHS services (mental health & learning disability services, community services and specialist services).

Lancashire Care NHS Foundation Trust has reviewed all the data available to them on the quality of care in these three NHS services via the quality schedule of the NHS standard contract and through the reconciliation of Commissioning for Quality & Innovation scheme (CQUIN).

The income generated by the NHS services reviewed in 2014/15 represents 100% of the total income generated from the provision of NHS services by Lancashire Care NHS Foundation Trust for 2014/15.

Participation in Clinical Audits

During 2014/15, five national clinical audits and one national confidential enquiry covered NHS services that Lancashire Care NHS Foundation Trust provides.

During that period Lancashire Care NHS Foundation Trust participated in 100% of the national clinical audits and 100% of the 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 Lancashire Care NHS Foundation Trust was eligible to participate in during 2014/15 are:

- National Audit of Stroke
- National Chronic Obstructive Pulmonary Disorder Audit
- National Audit of Schizophrenia
- National Audit of Learning Disabilities
- National Rheumatology Audit
- National Audit of Memory Assessment Clinics/Services
- National Audit of Intermediate Services
- National Diabetes Audit, Foot care Audit
- National Dementia audit
- Falls and Fragility Audit programme

The national clinical audits and national confidential enquiries that Lancashire Care NHS Foundation Trust participated in, and for which data collection was completed during 2014/15, 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.

National Audit	Participation	% of cases submitted/update
National Audit of Stroke	Yes	Data collection is ongoing. Report due March 2015
National COPD audit	Yes	Pilot completed. Registration phase
National Audit of Schizophrenia	Yes	1 Organisational questionnaire 100 (100%) case note audits 47 service user surveys returned 18 carer surveys returned
National Audit of Learning Disabilities	Yes	1 organisational checklist 13 (87%) case note audit 33 (73%) staff questionnaires carer/service user
National Rheumatology Audit	Yes	Data collection began February 2014. First report due October 2015
National Audit of Memory Assessment Clinics/Services	Yes	Awaiting final report
National Audit of Intermediate Services	Yes	Awaiting final report
National Diabetes Audit, Foot care Audit	Yes	Registration phase
National Dementia audit	Yes	Pilot commenced January 2015
Falls and Fragility Audit programme	Yes	No start dates available currently

Name of National Confidential Enquiry	Participation	% Cases Submitted
National Confidential Inquiry into Suicide and Homicide for people with Mental Illness (NCISH)	Yes	Suicide 100% Homicide 100%

The reports of the national clinical audits and national confidential enquiries that Lancashire Care NHS Foundation Trust participated in in 2014/15 will be reviewed and acted upon when published.

Lancashire Care NHS Foundation Trust is committed to ensure each network has a robust network priority audit programme. Network priority audits are identified through each network's Quality and Effectiveness groups and in discussion with the Clinical Audit Team and Medical Director. Each Network has included at least one audit focussed on the Mental Health Act or Mental Capacity Act in its programme where appropriate, other audits may be selected based on new services/ clinical practices or areas identified as requiring improvement, risk or serious incidents may also trigger inclusion within the priority audit programme. Each network identifies 8 network priority clinical audits. The reports of 32 network priority clinical audits were reviewed by the provider in 2014/15.

Lancashire Care NHS Foundation Trust supports the view that whilst Clinical Audit is fundamentally a quality improvement process, it also plays an important role in providing assurances about the quality of services. The prime responsibility for auditing clinical care lies with the clinicians who provide that care. The Clinical Audit Team is committed to supporting clinicians who carry out clinical audit by providing advice and assistance from appropriately trained and experienced staff, who provide advice and training in clinical audit processes and practice. Appropriate advice and training will also be made available to non-clinical staff and patients who may be involved in clinical audit projects.

The reports of 32 internal clinical audits were reviewed by the provider in 2014/15 and the following are a selection of the actions Lancashire Care NHS Foundation Trust intends to take to improve the quality of healthcare provided:

NICE Quality Standard 3 (QS3): Venous Thromboembolism (VTE): Adult Community: August 2014

A baseline audit was undertaken with the adult community network to determine if appropriate standards outlined in NICE Quality Standard 3 were being met. The audit demonstrated a high level of compliance (90%) for the standards audited. The following actions were agreed to make further improvements to the network in this area.

- The Older Adult Matron with responsibility for ward 22 will carry out training for ward staff
- Older adult wards will repeat the audit locally each quarter to monitor compliance with standards
- Amendment to VTE form to allow opportunity to record that risk factors have been considered but no further action is required.

Falls: Adult Community: August 2014

The aim of the audit was to monitor if those identified as being at risk of falls within older adult inpatients had appropriate assessments carried out and action taken as recommended in the organisational protocol for the Assessment and Management of Falls and NICE Clinical Guideline 161, Falls: assessment and prevention of falls in older adults June 2013.

The overall compliance of the audit was good, showing high levels of compliance across the network. However, there is some variation in practice which will be addressed by the actions below.

- The Senior responsible Officer to inform all team leaders to discuss with staff the importance of including falls assessment in the admission to services assessment
- Inpatient Matron to request Harm Free Care Group to agree to an amendment in the Falls policy to allow other tools than the one listed in policy to be used by ward staff to measure cognitive impairment
- Documentation to be developed which will detail what information is provided to patients and when it is given

Participation in Clinical Research

The number of patients receiving NHS services provided or sub-contracted by Lancashire Care NHS Foundation Trust in 2014/15, recruited in that period to participate in research approved by a research ethics committee was 1528 patients.

Goals Agreed with Commissioners
Use of the CQUIN Payment Framework

A proportion of Lancashire Care NHS Foundation Trust income in 2014/15 was conditional on achieving quality improvement and innovation goals agreed between Lancashire Care NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of NHS services, through the Commissioning for Quality and Innovation payment framework. The amount of income in 2014/15 conditional upon achieving quality improvement and innovation goals in Lancashire Care NHS Foundation Trust is expected to be £6.5m. In 2013/14 this value was £6,703,005

Further details of the agreed goals for 2014/15 and for the following 12 month period are available electronically at: http://www.england.nhs.uk/nhs-standard-contract. Examples included in the 2014/15 contract; care planning, smoking cessation, Making Every Contact Count and carer involvement. The national guidance for 2015/16 National schemes has been published. Lancashire Care NHS Foundation Trust has worked closely with commissioners in relation to this and to agree local CQUIN goals as part of each contract. Examples include; harm reduction, staff health and well-being, and quality improvement framework implementation.

Statements from the Care Quality Commission (CQC)

Lancashire Care NHS Foundation Trust is required to register with the Care Quality Commission (CQC) and its current registration status is 'registered'. Lancashire Care NHS Foundation Trust does not have any conditions placed on its registration.

The CQC has not taken enforcement action against Lancashire Care NHS Foundation Trust during 2014/15.

Lancashire Care NHS Foundation Trust has not participated in any special reviews or investigations by the CQC during the reporting period.

Data Quality
Statement on Relevance of Data Quality and Actions to Improve Data Quality

Lancashire Care NHS Foundation Trust has taken the following actions to improve data quality during 2014/2015

- Implemented a set of actions based on the review undertaken by external auditors, KPMG in addition to the wider organisational lessons learnt during 2013/14.
- Ensured the continued implementation of the improvement plan relating to the specific data quality issues and the wider data and performance management. This has been monitored through Lancashire Care NHS Foundation Trust's governance framework.
- Provided additional resource to Lancashire Care NHS Foundation Trust's Performance team to ensure that immediate steps have been taken to respond to data quality issues within a wider performance improvement plan involving a full review of Trust-wide systems.
- Ensured that mitigating controls were in place to manually verify the Monitor data to provide assurance to the Board prior to submission for Quarter one with a system of internal control being in place to monitor the quality of data for Quarter two onwards with the accuracy, timeliness and consistency of data and reporting mechanisms monitored by the Board of Directors as part of the Board Assurance Framework.
- An organisational data quality action plan is in place that focuses on improving the quality of operational delivery data across all services.
- Lancashire Care NHS Foundation Trust has agreed with community lead commissioners the information and data that will be provided across community services for the next 12 months along with a Data Quality Improvement Pan. This will ensure improved reporting throughout the year.
- Lancashire Care NHS Foundation Trust are exploring opportunities for a systematic Clinical Commissioning Group (CCG) level of reporting

NHS Number and General Medical Practice Code Validity
Lancashire Care NHS Foundation Trust submitted records during 2014/15 to the Secondary Uses Service (SUS) for inclusion in the Hospital Episode Statistics (HES) detailed in the latest published data (December 2014)

Record Type	Area	Target	13/14 Outcome	14/15 Outcome as at M12 YTD	14/15 England average M12	Targets Achieved
Patients Valid NHS Number	Admitted Patient Care	50.0%	99.9%	99.8%	99.2%	✔
	Outpatient Care	50.0%	99.9%	100.0%	99.3%	✔
Patients Valid General Practitioner	Admitted Patient Care	50.0%	99.8%	99.9%	99.9%	✔
Registration Code	Outpatient Care	95.0%	100%	100%	99.9%	✔

Source: SUS Data Quality Dashboard Definitions   Data is governed by Standard National

This data includes all Lancashire Care NHS Foundation Trust inpatient facilities (e.g. mental health wards, Longridge Community Hospital) and outpatient clinics (e.g. Rheumatology). The data reflects the reporting period April 2014 – December 2014 as further quarter data has not been published at the time of completing this report. Lancashire Care NHS Foundation Trust continues to perform well against this metric.

Information Governance Toolkit Attainment Levels

Lancashire Care NHS Foundation Trust Information Governance Assessment Report score overall score for 2014/15 was 81% and was graded **green** (satisfactory).

Clinical Coding Error Rate:

Lancashire Care NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2014/15 by the Audit Commission. Lancashire Care NHS Foundation Trust did participate in the Information Governance Toolkit Audit in January 2015. This audit looks at the accuracy of diagnosis and procedure coding recording for all inpatient episodes. The results should not be extrapolated further than the actual sample audited.

CODING FIELD	Information Governance Requirement 154 Level 2 Target 2013-2014	Information Governance Requirement 154 Level 2 Target 2014-2015	Level Achieved 2013-2014	Level Achieved 2014-2015
Primary diagnosis	>=90%	>=85%	89%	74.0%
Secondary diagnosis	>=80%	>=75%	91.82%	86.1%
Primary procedure	>=90%	>=85%	None of the records audited had a primary procedure recorded	33.3%
Secondary procedure	>=80%	>=75%	None of the records audited had a secondary procedure recorded	None of the records audited had a secondary procedure recorded

Source: SUS Data Quality Dashboard   *Data is governed by Standard National Definitions*

Lancashire Care NHS Foundation Trust considers that this data is as described for the following reasons:

- The audit was completed by Mersey Internal Audit Agency, an agency that are approved by Health and Social Care Information Centre (HSCIC)
- Lancashire Care NHS Foundation Trust information reflects Electroconvulsive therapy (ECT) procedures only, which are limited in number

The overall accuracy of clinical coding is achieving level 1 in the Information Governance Toolkit (Requirement 514). As a result of these findings the assurance level provided in respect of clinical coding and underlying processes was:

Low Assurance

Lancashire Care NHS Foundation Trust intends to take the following actions to improve the percentage and so the quality of its services in relation to Clinical Coding:

- Review and refresh clinical coding record requirements
- Implement robust clinical coder training, support and supervision
- Undertake regular clinical coding quality checks to ensure consistent and timely clinical coding
- Ensure that the clinical record includes details to support accurate clinical coding
- Ensure that discharge letters/ summaries are produced in a timely manner

2.3) Reporting against core indicators

This section of the document contains the mandatory indicators as set by the Department of Health and Monitor. A detailed definition of the mandated indicators in line with ISAE 3000 can be found in Appendix 1. For Lancashire Care NHS Foundation Trust this includes indicators relevant to all trusts, all trusts providing mental health services and all trusts providing community services.

The indicators are linked to the five domains of the NHS Outcomes Framework and the quality domains of safety, experience and effectiveness.

NHS Outcomes Framework and Quality Domains
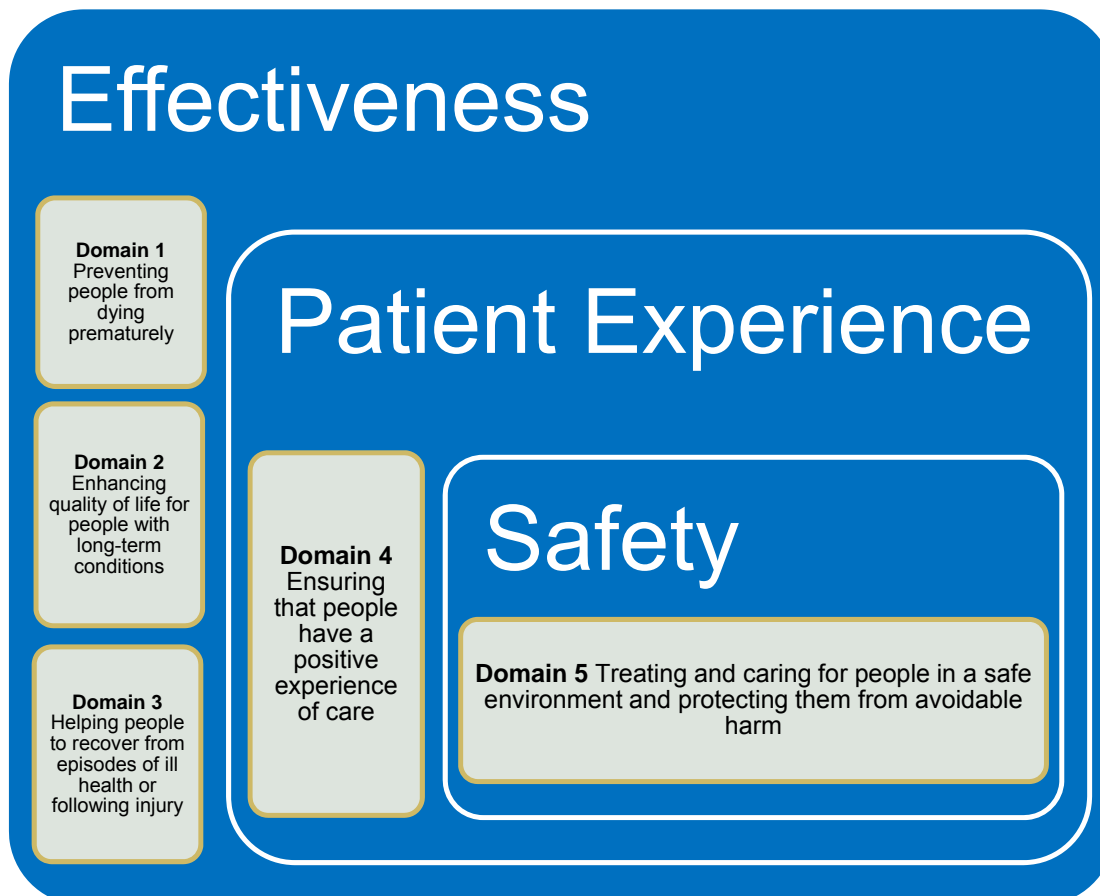
Effectiveness

Domain 1 Preventing people from dying prematurely

Domain 2 Enhancing quality of life for people with long-term conditions

Domain 3 Helping people to recover from episodes of ill health or following injury

Patient Experience

Domain 4 Ensuring that people have a positive experience of care

Safety

Domain 5 Treating and caring for people in a safe environment and protecting them from avoidable harm

Effectiveness

Domain 1: Preventing people from dying prematurely Domain 2: Enhancing quality of life for people with long conditions					
Indicator	Target	13/14 Outcome	14/15 Outcome	14/15 England average	Targets Achieved
Patients on Care Programme Approach who are followed up within seven days of discharge from psychiatric inpatient care	95.0%	95.9%	96.3%	97.2%	✔
Admissions to inpatients services for which the Crisis Resolution Home Treatment Team acted as a gatekeeper	95.0%	97.0%	97.0%	98.1%	✔
Data source: LCFT internal information system (eCPA and IPM). Data is governed by Monitor definitions					

Lancashire Care NHS Foundation Trust considers that this data is as described for the following reasons:

- The data is reported from our local system to the Health and Social Care Information Centre.
- Lancashire Care NHS Foundation Trust is organisation 50 out of 59 when ordered by performance against target and as such is within the bottom 20% despite having exceeded the national average.
- Lancashire Care NHS Foundation Trust is organisation 36 out of 58 when ordered by performance against target and as such is within the mid-range.

Lancashire Care NHS Foundation Trust intends to take the following actions to improve the percentage and so the quality of its services in relation to Patients on Care Programme Approach who are followed up within seven days of discharge from psychiatric inpatient care by:

- Regular data quality reviews undertaken to check coding
- Ensuring that this data is available in Lancashire Care NHS Foundation Trust's performance systems and is regularly monitored, both at service and executive level, enabling ownership, self-monitoring and improvement.
- Ensuring all service users about to be discharged have a confirmed follow up appointment with date, time, venue and name of the practitioner who will see them.
- Ensuring that where a service user is thought to be unlikely to engage, Lancashire Care NHS Foundation Trust will negotiate a telephone follow-up and record this as part of the follow up plan
- Ensuring if a service user is arrested, Lancashire Care NHS Foundation Trust will liaise with the Criminal Justice Liaison service and try to secure information to support follow up. If the service user is in custody Lancashire Care NHS Foundation Trust will request follow up by the Prison Mental Health In-reach team.
- Facilitating a pre discharge meeting with Service Users to secure better engagement and higher potential for attendance at scheduled meetings.
- Ensuring robust reporting of whether a service user is on the Care Programme Approach or not.

- An Operational Performance Group chaired by the Chief Operating Officer oversees performance of all key metrics.

Lancashire Care NHS Foundation Trust intends to take the following actions to improve the percentage and so the quality of its services in relation to Admissions to inpatients services for which the Crisis Resolution Home Treatment Team acted as a gatekeeper:

- Lancashire Care NHS Foundation Trust has reviewed its reporting of Admissions to the Crisis Resolution Home Treatment Team to ensure it is congruent with the Monitor definition of only incorporating 16-65 year olds.

Domain 1: Preventing people from dying prematurely Domain 2: Enhancing quality of life for people with long conditions				
Indicator	Target	13/14 Outcome	14/15 Outcome	Targets Achieved
Patients on Care Programme Approach who have a formal follow-up within 12 months	95.0%	96.7%	96.7%	✔
Data source: LCFT internal information system (eCPA and IPM). Data is governed by Monitor definitions No national average percentage benchmark is published for this indicator by NHS England				

Lancashire Care NHS Foundation Trust considers that this data is as described for the following reasons:

- The data is reported from our local system to the Health and Social Care Information Centre.

Lancashire Care NHS Foundation Trust is currently undertaking the following actions to improve this percentage and so the quality of its services, by:

- Continuing to prioritise the collection and quality of this data through the Performance Strategy.
- Ensuring consistency in recording of data.
- Ensuring that this data is monitored weekly as part of Lancashire Care NHS Foundation Trust's performance systems.

Domain 2: Enhancing quality of life for people with long conditions				
Indicator	Target	13/14 Outcome	14/15 Outcome	Targets Achieved
Minimising mental health delayed transfers of care	<=7.5%	7.8%	5.3%	✔
Meeting commitment to serve new psychosis cases by early intervention teams	95.0%	131.0%	109.9%	✔
Data source: LCFT internal information system (eCPA and IPM). Data is governed by Monitor definitions				

Lancashire Care NHS Foundation Trust considers that this data is as described for the following reasons:

- The data has been taken from internal reporting systems.
- In relation to minimising mental health delayed transfers of care, through the year, coding of "medically fit" on the case note as well as patient information systems improved, resulting in more accurate reporting as well as increases in reports of delayed discharges.
- The target relating to meeting the commitment to serve new psychosis cases by early intervention teams refers to 95% of the commissioned caseload. More than the commissioned caseload were seen by the Early Intervention Team, which resulted in the target being exceeded.

Lancashire Care NHS Foundation Trust has taken the following actions to minimise mental health delayed transfers of care by:

- The development of Performance Improvement Strategy for Lancashire Care NHS Foundation Trust which places delivery of Monitor targets as the first priority, establishing a reporting hierarchy from the Trust Board, to Executive Management Team, to network performance meetings.
- Enhanced network performance meetings concentrating on the hierarchy described above.
- Consistent approach for monitoring and addressing delayed transfers of care across all networks.
- Development of internal standard operating procedures (SOPs) which will include a flow diagram for managing discharges, and prioritisation processes.
- Ensuring consistency in recording of data.
- Ensuring Ward Managers and Modern Matrons correctly input the "medically fit" date based on the Monitor definitions. Focus includes both current delays, and better/earlier planning for complex delays.
- The development of better information on current delays and performance tracking for operational staff.
- The inauguration of a fortnightly Operational Performance group with Chief Operating Officer, Network Directors and Director of Performance to ensure high level focus on Delayed Transfers of Care.

Domain 2: Enhancing quality of life for people with long term conditions					
Increasing Access to Psychological Therapies (IAPT)					
The % of people who are moving to recovery as a proportion of those who have completed a course of psychological treatment	Target	13/14 Outcome	14/15 Outcome	Variance between 14/15 and Target	
NHS Blackburn with Darwen CCG	50.0%	34.1%	31.5%	▼	-18.5%
NHS East Lancashire CCG	50.0%	37.6%	37.2%	▼	-12.8%
NHS Chorley and South Ribble CCG	50.0%	37.9%	36.6%	▼	-13.4%
NHS Greater Preston CCG	50.0%	38.6%	32.9%	▼	-17.1%
NHS West Lancashire CCG	50.0%	39.8%	41.8%	▼	-8.2%
NHS Fylde & Wyre CCG	50.0%	37.6%	35.8%	▼	-14.2%
NHS Lancashire North CCG	50.0%	36.9%	34.6%	▼	-14.4%
Data source: LCFT Information Systems using standard definitions					

Lancashire Care NHS Foundation Trust considers that this data is as described for the following reasons:

- The data has been taken from internal reporting systems.
- There is no data for Blackpool as primary care mental health services are provided by the Acute Trust.
- Failure to deliver against the IAPT targets reflects both access to services and data quality issues.
- It has been recognised nationally, as documented in 'Measuring Recovery in IAPT Services (June 2014)', that the measurement of recovery in its current form is not robust. As of 2015 an approach of measuring 'Reliable Improvement' and 'Reliable Recovery' will be pursued as the direction of travel.

Lancashire Care NHS Foundation Trust has been undertaking the following actions to improve this percentage, and so the quality of its services, by:

- The Board approving the purchase of IAPTus, which is the national leading system to support IAPT delivery and reporting.
- Data Project Group has been convened that meets weekly to ensure;
    - Data submissions comply with the requirements of the IAPT 1.5 data standard
    - Effective implementation of IAPTus from April 2015
- Rectifying identified shortfalls in data submissions, future reports will reflect actual performance supported by IAPTus
- Actioning National IAPT team recommendations, with delivery against actions being monitored
- An internal IAPT Recovery and Performance Meeting chaired by the Deputy Clinical Director with support from the Network Director. This meeting has:
    - Monitored and reviewed progress against performance targets
    - Overviewed delivery of the action plan from Intensive Support Team visit against agreed milestones
    - Overviewed service recovery
    - Reviewed and approved Performance Reports to ensure accuracy
    - Ensured robustness of current data systems
    - Overviewed implementation of IAPTus. To include data cleansing and migration.
    - Ensured that the actions do not adversely affect care quality, safety or outcomes

Domain 2: Enhancing quality of life for people with long conditions Domain 3: Helping people to recover from episodes of ill health or following injury				
Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways				
Indicator	Target	13/14 Outcome	14/15 Outcome	Targets Achieved
MR05 – Referral to treatment time (RTT) - Consultant Led (Completed Pathway)	95.0%	99.4%	99.9%	✔
MR06 - RTT - Consultant Led (Incomplete Pathway)	92.0%	99.8%	99.9%	✔

Data source: LCFT Information Systems using standard definitions

This measure only applies to the Lancashire Care NHS Foundation Trust provided consultant led rheumatology service. The national benchmarks included here cover all acute consultant led activity. For this reason it is felt the average does not provide a good benchmark for the organisation.

Lancashire Care NHS Foundation Trust considers that this data is as described for the following reasons:

- The data has been taken from internal reporting systems

Lancashire Care NHS Foundation Trust has been undertaking the following actions to improve this percentage, and so the quality of its services, by:

- Continuing to adhere to the Standard Operating Procedures (SOPs) for both complete and incomplete RTT pathways to maintain and improve access to services ensuring a reduction in clinical risk and improvement in patient experience.
- Ongoing validation of consultant led RTT on a monthly basis by Adult Community Network leads.

Patient Experience

Domain 4: Ensuring that people have a positive experience of care							
Indicator	**2013 Outcome**	**2014 Outcome**	**National Average 2014**	**Comparison to National Average**		**Comparison to organisational average**	
Patients experience of community mental health services with regard to a patients experience of contact with a health or social care worker during the reporting period	Not comparable due to substantial changes in the survey	8.0	Figure not available	Performing about the same as other trusts		Not applicable	Not applicable
Patients experience of inpatient mental health services with regard to how the care received was rated overall (scored excellent of very good)	46%	52%	49%*	+3%	⬆	+1%	⬆

Date Source: National Community Mental Health Survey
HSCIC NHS Outcome framework portal
National Inpatient Mental Health Survey

Data is governed by standard definitions

Lancashire Care NHS Foundation Trust considers that the Community Mental Health survey data is as described for the following reasons:

- This data has been taken from the national survey data
- Lancashire Care NHS Foundation Trust falls within the mid-range when compared with other similar NHS Trusts
- The Community Mental Health Survey rated Lancashire Care NHS Foundation Trust as "Better than other Trusts" on 1 of the 9 sections. The Trust was rated "The same as other Trusts" for the remaining 8 sections
- Lancashire Care NHS Foundation Trust scores indicated they were better than other Trusts for treatments.
- Lancashire Care NHS Foundation Trust scores indicated that they were the same as other Trusts for health and social care workers, organising care, planning care, reviewing care, changes in who you see, crisis care, other areas of life, overall.

- Individual scores for Lancashire Care NHS Foundation Trust when benchmarked against other Trusts indicate that for 3 items Lancashire Care NHS Foundation Trust was in the top 20% of Trusts (helped keep in touch with family, out of hours telephone number, contact with the mental health team within 1 week of discharge); for 3 items Lancashire Care NHS Foundation Trust was in the bottom 20% of Trusts (having talking therapy if wanted, definitely finding talking therapy helpful, discharge not delayed).

Lancashire Care NHS Foundation Trust considers that the Inpatient Mental Health survey data is as described for the following reasons:

- This data has been taken from the Mental Health Inpatient Survey management report published by Quality Health.
- The comparative data relates to the 23 Mental Health Trusts who undertook the voluntary survey with Quality Health.
- Lancashire Care NHS Foundation Trust scored in the intermediate 60% range for 8 of the 9 key questions (always felt safe in hospital, hospital food very good, always had confidence and trust in the psychiatrist, always treated with respect and dignity by psychiatrist, told completely about the side effects of the medication, given enough notice of discharge from hospital, have been contacted by mental health team since discharge and overall care during the stay excellent or very good)
- Lancashire Care NHS Foundation Trust scored in the top 20% for the key question having an out of hours telephone number.

Lancashire Care NHS Foundation Trust intends to take the following actions to continue the programme of improvement:

- As clinical teams develop their quality improvement frameworks for 2015/16 the national survey findings together with Friends and Family feedback will be used to inform the ways in which we can improve the experiences people have of our services
- The findings have been fed back through network governance meetings and appropriate actions progressed.

Domain 4: Ensuring that people have a positive experience of care				
Indicator	2013 Outcome	2014 Outcome	Average median for Mental Health Trusts 2014	Comparison to National Average
% of staff employed by Lancashire Care NHS Foundation Trust, who: ' if a friend or relative needed treatment, I would be happy with the standard of care provided by Lancashire Care NHS Foundation Trust'	60%	54%	60%	-6%
Date Source: National NHS Staff Survey Co-ordination Centre *http://nhsstaffsurveys.com/cms/index.php?page=staff-survey-2014*			*Data is governed by standard definitions*	

Lancashire Care NHS Foundation Trust considers that this data is as described for the following reasons:

- The data has been taken from the 2014 national staff survey
- The summary of the findings for Lancashire Care NHS Foundation Trust identify key findings. Key finding 24 "Staff recommendation of the trust as a place to work or receive treatment" is a combination of 3 responses as described below;
    "Care of patients / service users is my organisation's top priority"
    "I would recommend my organisation as a place to work"
    "If a friend or relative needed treatment, I would be happy with the standard of care provided by this organisation"
    The results indicate that Lancashire Care NHS Foundation Trust's rating is 3.41, the average rating for a similar mental health and learning disability trust is 3.57. Lancashire Care NHS Foundation Trust's score in 2013 was 3.53. Therefore, the score is worse than last year and worse than the national average however, it does not fall within the bottom 20% of organisations.

Lancashire Care NHS Foundation Trust intends to take the following actions to improve this percentage, and so the quality of its services, by:

- Using this valuable feedback to improve the working lives of our staff.
- Implementing a series of engagement events to enable staff to feedback to members of the Executive team about how people can work together to make Lancashire Care NHS Foundation Trust a great place to work and to receive care.
- From these listening events an improvement plan will be developed.
- Working with the King's Fund looking at how we can help to create the right conditions for our desired culture through an appreciative and collective leadership approach. A full diagnostic of our leadership capability and a measure of culture will be an important part of this work.

Safety Incidents:

	Domain 5: Treating and caring for people in a safe environment and protecting them from avoidable harm								
	01 April 2013 – 30 September 2013			01 October 2013 – 01 April 2014			01 April 2014 – 30 September 2014		
Indicator	LCFT	National Average	Comparison to National Average	LCFT	National Average	Comparison to National Average	LCFT	National Average	Comparison to National Average
Rate of patient safety incidents	48.45	26.37	⬆ 22.08	53.07	26.71	⬆ 26.36	53.98	32.82	⬆ 21.16
Percentage resulting in severe harm	0.3	0.4	⬇ 0.1	0.1	0.4	⬇ 0.3	0.4	0.3	⬆ 0.1
Percentage resulting in death	0.6	0.9	⬇ 0.3	0.4	0.7	⬇ 0.3	0.1	0.7	⬇ 0.6
Data Source: National Reporting and Learning System							*Data is governed by standard definitions*		

Lancashire Care NHS Foundation Trust considers that this data is as described for the following reasons:

- The data has been taken from the National Reporting and Learning System (NRLS)
- The latest data available from the NRLS reports is for 1 April 2014 to 30 September 2014
- Data reports are made available six months in arrears
- NRLS[1] encourage high reporting of patient safety incidents. "Scrupulous reporting and analysis of safety related incidents, particularly incidents resulting in no or low harm, provides an opportunity to reduce the risk of future incidents. Research shows that organisations which report more usually have a stronger learning culture where patient safety is a high priority. Through high reporting the whole of the NHS can learn from the experiences of individual organisations"
- The reporting rate is higher than average which represents a maturing safety culture and the organisation remains in the top percentile of reporters (NRLS, 2015) in the current comparable cluster of Trusts. The incident reporting data is reviewed alongside a 6 monthly thematic analysis and report of serious incidents
- Due to the judgemental nature of this indicator it is difficult to be certain that all incidents are identified and reported and that all incidents are classified consistently within the organisation and nationally. One individual's view of what constitutes severe harm can differ from another's substantially. Lancashire Care NHS Foundation Trust aims to ensure all our staff are aware of and comply with internal policies on incident reporting and standardisation in clinical judgements
- The period to period comparison highlights a decrease in the actual number of deaths which is also reflected in our serious incident reporting data through the STEIS system and for the last reporting figure a slightly higher than average rate of severe harm which is being explored further (although the figure is broadly in line with previous reporting periods)
- A higher number of documentation errors are reported compared with other Trusts – this relates to Lancashire Care NHS Foundation Trust's approach in treating inputting errors in electronic patient records as an incident
- Further details of patient safety incidents and reporting of serious incidents can be found in the Safety section of this document.

Lancashire Care NHS Foundation Trust has taken the following actions to improve its incident reporting rates and therefore patient safety:

- Launched a new process for the management of incidents and serious incidents in October 2014
- Continued development of the Datix risk management system including the usage of dashboard analysis tools and the action planning module
- Provided a programme of training in incident reporting and root cause analysis
- Enhanced our serious incident governance arrangements including work with commissioners to establish robust sign off processes for serious incident investigation reports
- Delivered a number of *Dare to Share* and *Time to Shine* events to promote learning from incidents.

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[1] NRLS Frequently asked questions (FAQs) about the Data http://www.nrls.npsa.nhs.uk/patient-safety-data/organisation-patient-safety-incident-reports/#11

Part 3: Review of Quality Performance 2014/15

This section of the document reports on the quality performance across Lancashire Care NHS Foundation Trust in the past year. Quality is reported using a combination of measurable indicators and best practice examples from our services.

Overview of Services Provided

Lancashire Care NHS Foundation Trust provides health and wellbeing services for a population of around 1.4 million people. The Trust covers the whole of the county and employs around 7,000 members of staff across more than 400 sites. The infographic below captures the richness and diversity of the services offered by Lancashire Care NHS Foundation Trust:
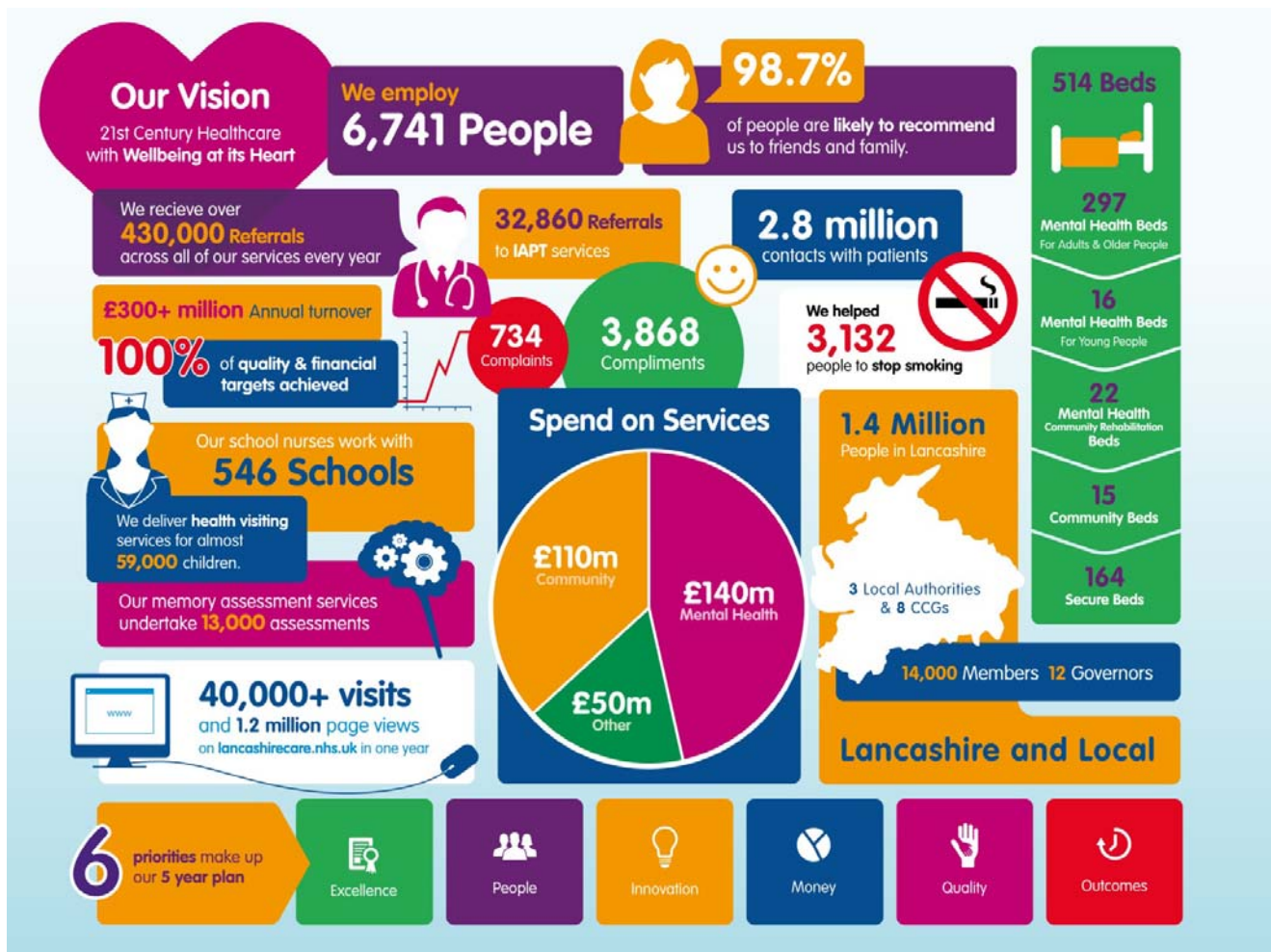
A range of clinical services are delivered through four Networks as in the table below which is not an exhaustive list but gives a flavour of the services provided. A comprehensive list can be found at http://www.lancashirecare.nhs.uk/services

Adult Community	Specialist Services	Adult Mental Health	Children and Families
- Adult Learning Disabilities - Community Matrons - Community Older Adult Mental Health Teams - Dental Services - Rheumatology - Diabetes - District Nursing - Health Improvement - Inpatient Dementia beds - Longridge Hospital - Memory Assessment Services - Occupational Therapy - Physiotherapy - Podiatry - Speech and Language Therapy - Stroke and Rehabilitation - Treatment Rooms - Stop Smoking Services	- Criminal Justice liaison Service - Forensic Community Mental Health Team - Forensic In-Reach Team - Low Secure Inpatient Units - Medium Secure Inpatient Units - Step Down - Prison Healthcare across 7 sites - Harm Reduction and ADEPT (substance misuse services)	- Adult Mental Health Inpatient Care - Complex Care and Treatment Teams (CMHTs) - Eating Disorder Services - Mental Health Liaison Teams - Mindfulness - Mindsmatter (IAPT/Primary Care Mental Health Services) - Restart Social Inclusion and Day Services - Specialist Psychological Interventions - Supported accommodation and group homes - Veterans Mental Health - Lancashire Traumatic Stress Service - Personality Disorders Managed Clinical Network	- Child and Adolescent Mental Health Services (includes inpatient, community and learning disability services) - Children and Family Psychological Services - Children's Integrated Therapy and Nursing Services - Complex Packages of Care - Early Intervention for Psychosis Service - Health Improvement Services - Health Visiting and School Nursing - Immunisation and Vaccination Services - Sexual Health Services
Support Services includes the following functions: Nursing and Quality, Human Resources, Finance, Performance, Pharmacy, Organisational Development, Transformation and Innovation, Research and Development, Clinical Audit, Communication and Engagement.			

In part 3 we will report against the quality priorities for 2014/15. Networks and support services have provided case studies which illustrate the high quality services they provide. Clinical Directors were asked to provide examples of service improvements and innovations building on areas of development identified by the team for example: from patient feedback, clinical audit findings, CQC visits and appreciative leadership action research projects.

Effectiveness

This section of the document explains the effectiveness of treatment or care provided by services. This is demonstrated using clinical measures or patient/service users' feedback, this may also include people's wellbeing and ability to live independent lives.

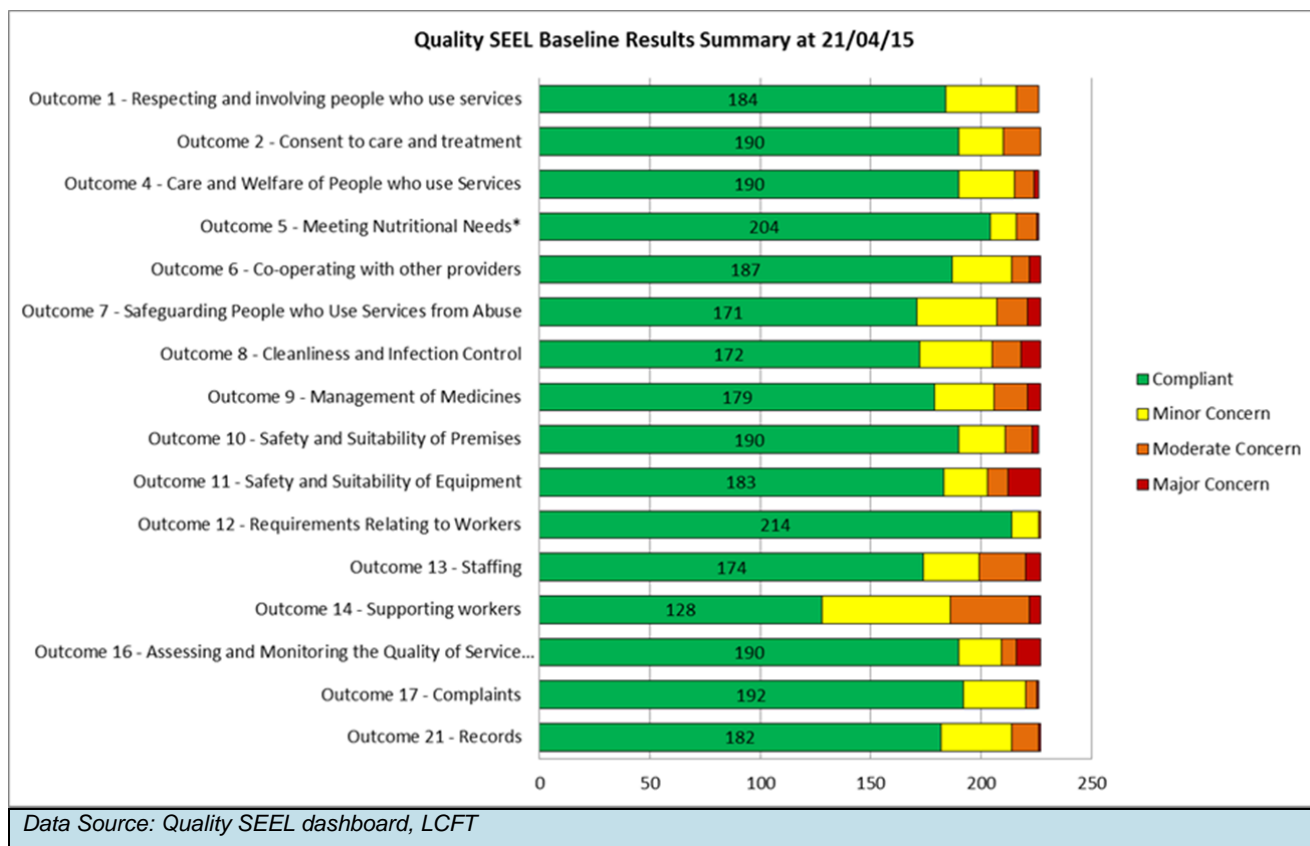Other quality indicators relating to the domain of effectiveness have been reported in section 2.3 and include:

- Patients on Care Programme Approach (CPA) who are followed up within seven days of discharge from psychiatric inpatient care
- Admissions to inpatient services for which the Crisis Resolution Home Treatment Team acted as a gatekeeper
- Patients on Care Programme Approach (CPA) who have a formal review within 12 months
- Minimising mental health delayed transfers of care
- Meeting commitment to serve new psychosis cases by early intervention teams
- Increasing access to psychological therapies – the percentage of people who are moving to recovery as a proportion of those who have completed a course of psychological treatment
- Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways

Quality Priority 1 - Quality Strategy Implementation	
Target	**Progress**
• **All teams will have completed the Quality SEEL** • **All teams will have monitored progress against the Quality SEEL** • **All teams will have completed the risk register and managed risks appropriately** • **All teams will have team information boards and use these to drive quality improvements** • **All teams with have a Quality Improvement Framework (QIF)**	 All teams have completed Quality SEEL self-assessments during 2012/13, 2013/14 and 2014/15 with these findings reflected on the Team Information Boards and in team level risk registers. Roll out of the QIF has been enhanced to include an Introduction to Quality Improvement Methodologies Programme facilitated by AQuA (Advancing Quality Alliance). Roll out to date has met the 2014/15 CQuIN requirements involving 48 QIF Pioneer Teams

The information below reflects the new baseline positions resulting from the Quality SEEL self-assessment process completed during the latter part of 2014/15. The system has been further developed to enable

changes to the dashboard to be made in year to illustrate the effective management of risks to quality and to reflect any new risks identified in year. As such the information will always reflect the current position which will support and enable teams to use the data to inform conversations about quality and quality improvement.

The self-assessment and associated validation process supports a culture of openness and transparency in that concerns are identified and teams receive the appropriate support to empower them to lead the necessary changes. This information is reported through the Executive Quality Committee which supports ward / team to Board information flows.

Quality SEEL Baseline Results Summary at 21/04/15

Outcome	Compliant
Outcome 1 - Respecting and involving people who use services	184
Outcome 2 - Consent to care and treatment	190
Outcome 4 - Care and Welfare of People who use Services	190
Outcome 5 - Meeting Nutritional Needs*	204
Outcome 6 - Co-operating with other providers	187
Outcome 7 - Safeguarding People who Use Services from Abuse	171
Outcome 8 - Cleanliness and Infection Control	172
Outcome 9 - Management of Medicines	179
Outcome 10 - Safety and Suitability of Premises	190
Outcome 11 - Safety and Suitability of Equipment	183
Outcome 12 - Requirements Relating to Workers	214
Outcome 13 - Staffing	174
Outcome 14 - Supporting workers	128
Outcome 16 - Assessing and Monitoring the Quality of Service...	190
Outcome 17 - Complaints	192
Outcome 21 - Records	182

Legend: Compliant, Minor Concern, Moderate Concern, Major Concern

Data Source: Quality SEEL dashboard, LCFT

Risk Registers

Each clinical Network and corporate Directorate maintains a risk register on the Datix risk management system. Throughout the year work was undertaken to enhance the use of these risk registers with a particular focus on Directorate risk registers and the interdependency between clinical and corporate risks. Training in risk management was provided throughout the year alongside professional support from the Trust's Risk Team. Network and Corporate Risk Forums were established to promote collaborative risk management across services. The Board Assurance Framework (BAF) was refreshed and a robust process developed to ensure assurances against the BAF risks were received at Board Committees and Sub-committees. Risks identified from the Trust's Quality SEEL process are recorded on risk registers. An internal audit into risk management and assurance was completed during the year and the Trust was given substantial assurance.

Team Information Boards (TIB)

As described in the 2013-14 Quality Account all clinical teams have a TIB in place to enable ongoing conversations about quality. The TIB enables a variety of specific data and additional information to be viewed in one place, the team can then discuss the findings and implications of this and triangulate the data to support continuous quality review and improvement. During 2014-15 12 Good Practice Visits have taken

place with Executives, Non Executives, Governors and Commissioning colleagues visiting clinical teams. The focus for 2014/15 Good Practice Visit continues to celebrate the Good Practice that is being delivered throughout Lancashire Care NHS Foundation Trust, with the visit focus being the Team Information Board.

Twelve good practice visit 2014/15 across all four of the networks

Network	Adult Community	Specialist Services	Adult Mental Health	Children & Families
Number of Visits Held	5	2	2	3
Non-Executive representative	5	2	2	2
Governor representative	5	2	2	3
Executive Director representative	5	2	2	3
CCG representation	4	1	2	2

During the Good practice visits the visiting team observed how creative staff have been in developing TIBs in a number of formats responding to challenges regarding available space, working patterns and geographical spread. The visiting teams observed TIBs:

Created in power point

Created on boards on the wall

Developed Electronically
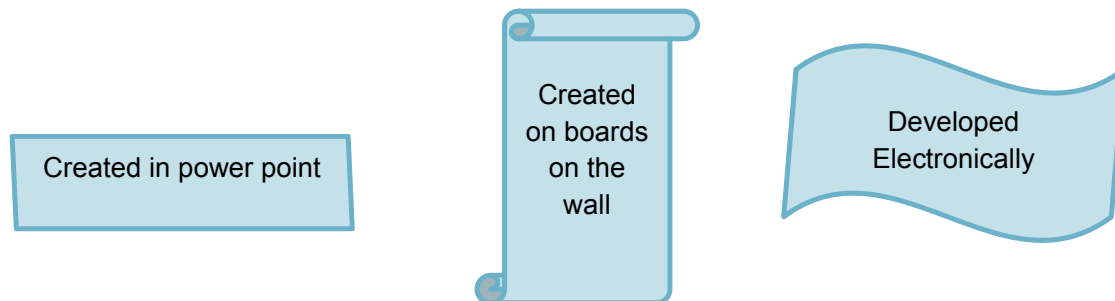
As part of the reporting for the Good practice visit the impact of the board is reflected – examples include:

Rheumatology:
- Conversations around the TIB have influenced practice. Real time data has informed understanding of the quality picture and team performance, for example, waiting list and referral rates.
- The team information board principals are extended into the quarterly governance meetings and support the team's quality agendas, learning and improvement.

Community Sexual Health (East) Service:
- Improved how they monitor the quality of their services through the increase in information available to share with the team. This creates more knowledge and understanding in the team and provides different insights ideas and shared responsibility, this has been realised through the electronic version of the TIB.
- Provided the individual teams within the service, an opportunity to take ownership for their performance and risk.
- Enabled the team to be more involved in action planning and work collectively to support improvements in service delivery.

Preston Adult learning Disability Service:
- Staff described the board as a focal point that pulls the team together

Harm Reduction & Substance Misuse Service:

- The team have a number of information boards that support their huddles at "breakfast conversation". The huddles are jointly accessed by service users and the team. The team lead explained that sharing information about targets and activity with people who use our services supports engagement, ownership and choice.

Integrated Quality Report

During 2014-15 the Integrated Quality Report (IQR) has been developed to build on the principles of the TIB. The IQR pulls a range of data at team level, electronically and can be viewed on the big touch screen on the ward or on a laptop/computer. The IQR has been developed in partnership with clinical staff, the Information Management and Technology Team and the Nursing and Quality Directorate. Available data includes: incidents, compliments, complaints, risks, Quality SEEL results, staff absence etc. This list is not exhaustive and additional data will be added over time. The IQR pulls real time data into one place which then enables the team to spend time discussing the data and implications for quality, rather than sourcing data from various systems. There are a number of services and teams across the Trust that already access this information from their electronic screen during their huddle and meetings, these include all inpatient wards. The phased roll out of the Integrated Quality report across all clinical teams in Lancashire Care NHS Foundation Trust is planned and is part of a wider programme of work that involves mapping all clinical teams to enable accurate and comprehensive reporting of team level data. The vision is that all teams will be able to access this data at the point of care with service line, network and organisational IQR's providing a clear line of sight.

Risk Assessment Framework

Risk Assessment				
Indicator	**Target**	**13/14 Outcome**	**14/15 Outcome**	**Targets Achieved**
Data completeness: Identifiers	97.0%	98.5%	99.7%	✔
Data completeness: Outcomes	50.0%	65.6%	89.6%	✔
Data source: LCFT internal Monitor compliance dashboard				

Lancashire Care NHS Foundation Trust continues to perform well against these indicators and will continue to undertake regular data quality reviews.

Clinical Supervision

Clinical supervision is an activity which allows clinical staff to meet with a skilled supervisor in order to reflect upon their practice. The purpose of these meetings is to improve practice by identifying solutions to problems and increase understanding of professional challenges. There are various approaches to clinical supervision for example: one-to-one supervision, group supervision or peer group supervision (Royal College of Nursing, 2004).

The Quality SEEL self-assessment process includes specific questions relating to clinical supervision opportunities. The findings are reflected on the following page:

Clinical Supervision 2014/15

- Green: 90% of teams reported staff were receiving clinical supervision in line with policy
- Amber: 7% of teams reported minor improvements were needed to be made to comply with supervision policy
- Red: 3% of teams reported significant improvements were needed to be made to comply with supervision policy
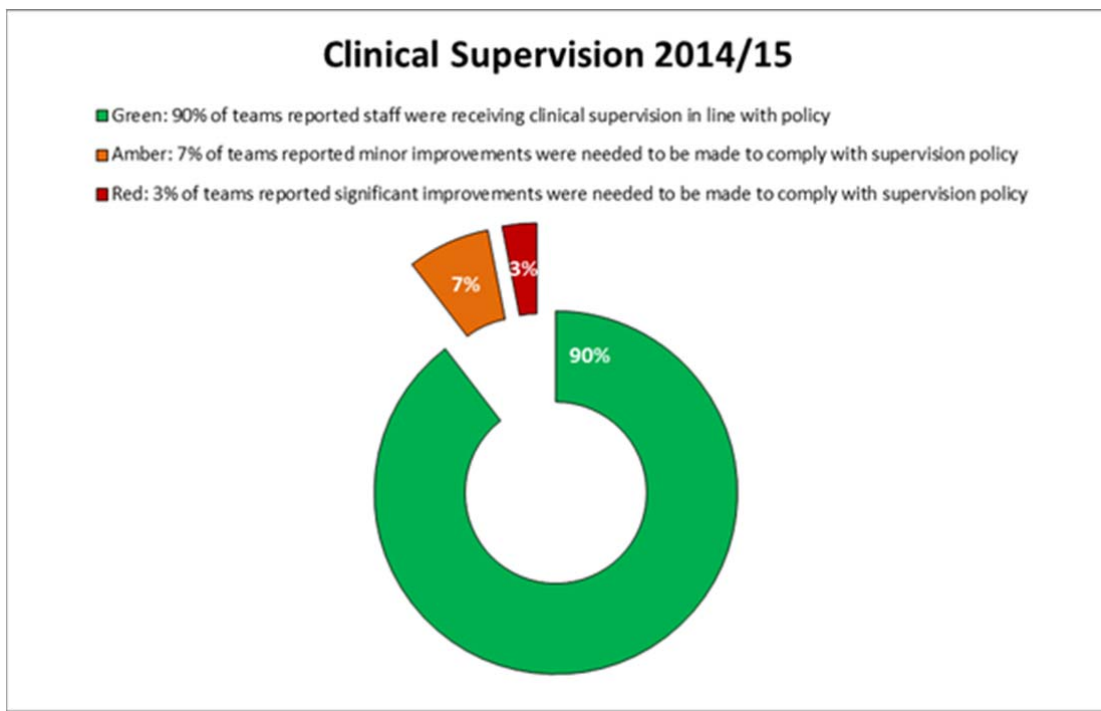
Data Source: Quality SEEL dashboard, LCFT

Clinical teams will use their team level information to inform quality improvement plans. Lancashire Care NHS Foundation Trust is committed to supporting staff to understand their roles, responsibilities and key objectives, enabling them to undertake their job as effectively as possible. The supervision of staff is one of the ways that this can be achieved and continues to be a priority for Lancashire Care NHS Foundation Trust.

Research and Development

Lancashire Care NHS Foundation Trust is dedicated to improving the health of its service users, carers and stakeholders by providing its staff with the most current research findings in the country and by continuing to actively take part and lead high quality research. The Trust supports the Research and Innovation department to work closely with clinicians and internal and external researchers to develop and deliver a range of research studies. The department ensures that all regulatory requirements are met in relation to NHS research governance and the conduct of clinical trials.

A number of collaborative projects with local Universities have facilitated researchers at different stages of their research careers (from novice to post doctorate study) to develop their research skills further.

Outcomes:

- Participation in clinical research demonstrates Lancashire Care NHS Foundation Trust is committed to improving the quality of care offered and to contributing to wider health improvement

- Clinical staff are informed and aware of the latest treatment possibilities and active participation in research supports successful patient outcomes
- Lancashire Care NHS Foundation Trust's R&D median permission approval time is 7 days 2014/15, which exceeds the national performance target of 15 days.

- Lancashire Care NHS Foundation Trust has increased the number of commercial clinical drug trials from 5 studies in 2013/14 to 6 in 2014/15, thereby increasing the number of patients who can access novel treatments

EFFECTIVENESS

Adult Community

Cardiac and Respiratory Service, Central Lancashire Locality – COPD (Chronic Obstructive Pulmonary Disease) Intensive Home Support

The Cardiac and Respiratory Service provide a range of community services to support the management of COPD and Heart Failure in the Central Lancashire locality. These services are high volume and provide clinically and cost effective care to people in the community. The Cardiac and Respiratory service is multi-disciplinary with nurses, physiotherapists and support workers and links in with primary and secondary care colleagues.

COPD is a common medical cause for admission to hospital but with specialist community services a substantial proportion of admissions can be safely avoided and managed in the community. Following a review by all stakeholders the local pathway for acute exacerbation of COPD was changed in 2014. The Cardiac and Respiratory service set up a 60 bedded COPD Intensive Home Support virtual ward. People with acute exacerbation can be referred to this ward, to avoid hospital admission, or can be discharged to this ward from hospital, in order to support safe and early discharge. The service runs 8.00am -8.00pm weekdays and 9.00am-5.00pm weekends and bank holidays. People are referred to COPD Intensive Home Support and are contacted within 2 hours of referral and seen within 24 hours (usually same day). The person is assessed by a specialist COPD practitioner and treatment commenced as indicated. The person is then kept under regular review until stable. During the time on Intensive Home Support the person and their carers also receive self-management information and a care plan for the ambulance service: both of which help to keep the person safely at home.

ADMISSION TYPE	2 months prior	2 months following	% Change in number of admissions
Emergency Department only	27	11	40.7
Including transfer to Medical assessment unit/ Rehabilitation assessment unit	10	1	90.0
Including transfer to ward	84	43	51.2
TOTAL	**121**	**55**	**54.5**

Hospital Admissions
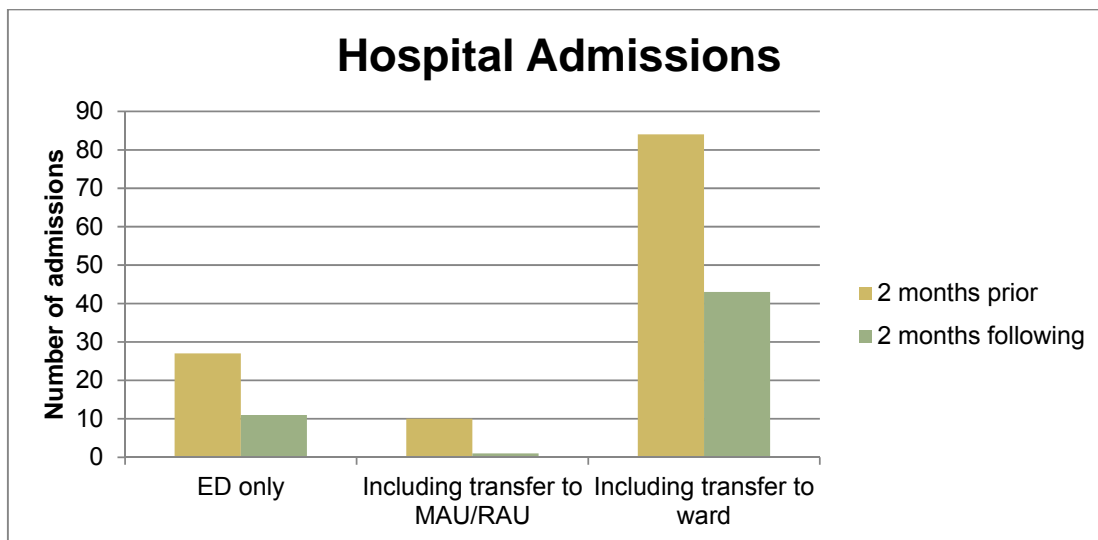
Outcomes:

- In order to facilitate the COPD Intensive Home Support the existing COPD specialist team has re-aligned their work. One additional nurse has been funded. The COPD Intensive Home Support began in July 2014.
- An initial audit has been carried out to look at hospital admissions and readmissions for the period July to September 2014. The graph above shows the number of hospital admissions for people admitted to the COPD Intensive Home Support scheme.
- During that period 254 people were part of the COPD Intensive Home Support scheme. In the 2 months prior to the programme there were 121 hospital admissions as a result of acute COPD. This fell to 55 hospital admissions as a result of acute COPD in the 2 months after admission to the scheme.This is a reduction of 54%.
- This has a significant impact on costs for the health economy and the hospital bed capacity and the scheme itself is hugely cost effective.
- This is initial data and longer term data collection will be necessary to check that gains are sustained and consolidated over time.

Learning Disability – Joint Assessment Care Pathway for Diagnosing Dementia in People with Learning Disabilities.

Presenting at the 5th National Memory Services

The Learning Disability and Memory Assessment Services in Lancaster have been working together for almost 10 years to provide an accessible assessment / diagnostic service for people with learning disabilities.

The leads from these teams showcased their most recent update of the Joint Care Pathway to a large number of attendees at the 5th National Memory Services Conference. This pathway has at its heart: a strong evidence base, appropriate (reasonably adjusted) assessment measures, clarity of roles and good communication (between practitioners involved), and consistency / continuity of care for service users. It is currently being piloted in the services.

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A Dementia awareness training workshop facilitated jointly by the Community Learning Disability Team and Memory Assessment Service was held in November 2014.

Feedback from staff attending the event includes:

Having insight and being able to help the people I support with any problems occurring in their life

Greater knowledge now of dementia and how to help if someone is diagnosed

More awareness about the early signs and how to support someone with the early signs, but also bearing in mind that it may be some other cause, which I was unaware of

Better understanding of the signs of dementia how best to support them and pass this information on to the team

How useful was the information provided,

1 – (Have learned nothing) 5 (Have learned a lot)
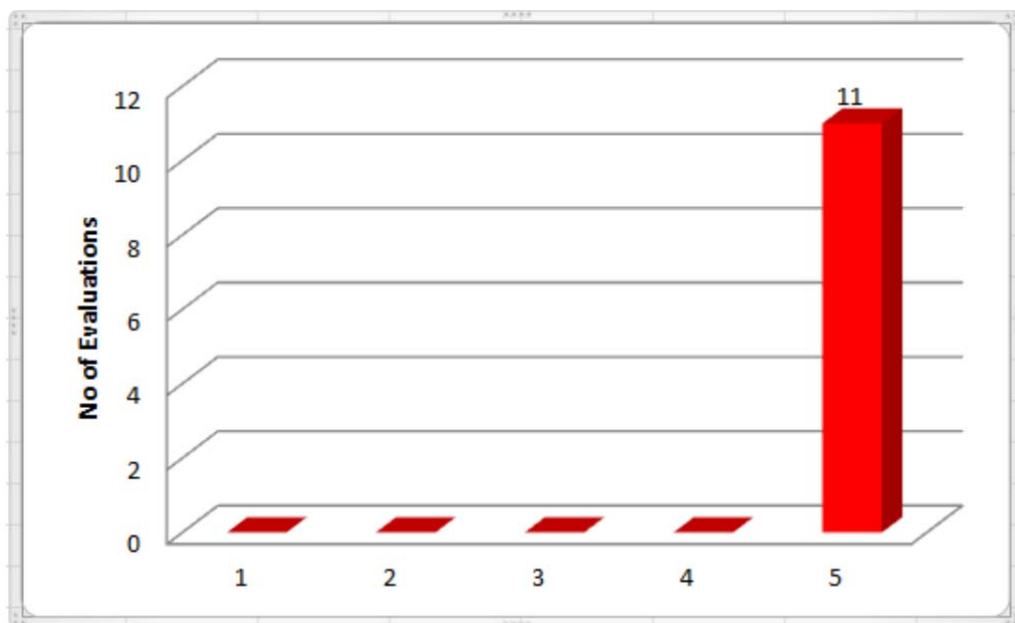
Outcomes:

- The project has developed a more effective coproduced care pathway designed between older adult's mental health and learning disability psychology in Lancaster.
- There is a shared referral pathway, single point of access with a focus on early intervention. Joint assessment and treatment plans are co-designed which are person centred.
- There is shared training and joint review processes in place.
- The service user will have a person centred co-produced care plan that ensures that the reasonable adjustments required to ensure effective interventions are in place.
- Carers / families are provided with ongoing advice and support ensuring that there able to meet the persons changing needs.
- The memory assessment service and the learning disability service write joint reports on every patient and provide joint care planning sessions for individuals with learning disability who are diagnosed as having dementia.
- General awareness training is offered to care providers supporting people with a learning disability and dementia

Specialist Services

Conference speakers

Occupational Therapy - Hope, Health & Happiness' Recovery Conference

Guild Lodge is a mental health unit, which offers medium and low secure care, including an acquired brain injury unit and step-down facilities for both men and women. Our service aims to provide high standards of assessment, treatment and compassionate care for people with mental health needs in such a way that safeguards the service user, staff and the general public. Service users' recovery is supported by a range of specialist multi-disciplinary staff, including consultants, psychologists, occupational therapists, nurses, social workers, health care support workers, pharmacists, associate practitioners and rehab coaches.

Conference Art Work
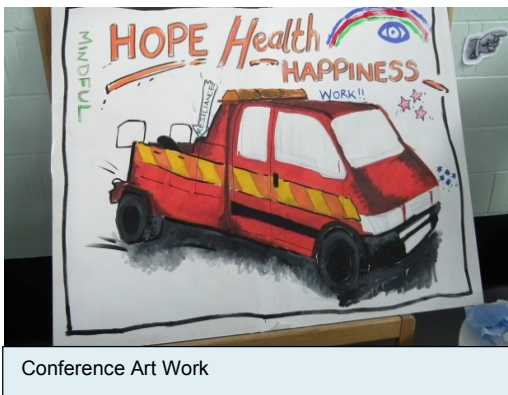
The purpose of the recovery conference was about having the opportunity to share good news stories and to develop a vision that embraces positive attitudes within secure settings from a national and local perspective. The conference was attended by staff and service users from within Guild Lodge and a range of other key stakeholders. There were a number of inspirational guest speakers including Rufus May, whose work has previously been featured in the Channel 4 documentary 'The Doctor Who Hears Voices'; Ashworth Hospital Recovery Team; Bolton Wanderers Offender Outreach Programme; the Consultant in Public Health; Guild Lodge's own Acquired Brain Injury Team and 'Soapy Suds' car wash scheme, which is a real work experience programme set up by a group of service users within Guild Lodge. We were also able to enjoy a live music performance from the in-house band 'Section 17'.

Acquired Brain Injury Service - Acquired Brain Injury Training

The Acquired Brain Injury (ABI) Service within Specialist Services was set up in October 2011. It is unique within the National Health Service as it offers medium, low and stepdown facilities for service users with an acquired brain injury – the only service nationally to do this. A range of assessment and treatment strategies are offered from a multi-disciplinary perspective reflecting the complex needs of the services users.

A combination of the complex needs of the service user group and the training needs of the workforce led to initially the provision of acquired brain injury training offered by the University of Central Lancashire (UCLAN) over 4 years ago. The content of the training has been reviewed and altered to reflect greater service user involvement. The training programme involves members of the multi-disciplinary team explaining their roles and importantly what it is like to be a service user experiencing a brain injury. The varied learning needs of the staff group are taken into account with the training offering a range of styles and media such as members of the multi-disciplinary team presenting; group and discussion work and the use of activities and film/video. The training offers an overview and induction to the main principles of cognitive rehabilitation and working with brain injury.

Comments from staff about the training:

I have a better understanding of ABI and how the brain affects ability

Gave me ways in which I can be more effective in my role

Mindsmatter: providing an IAPT compliant service for people experiencing common mental health disorders such as mild to moderate anxiety and depression.
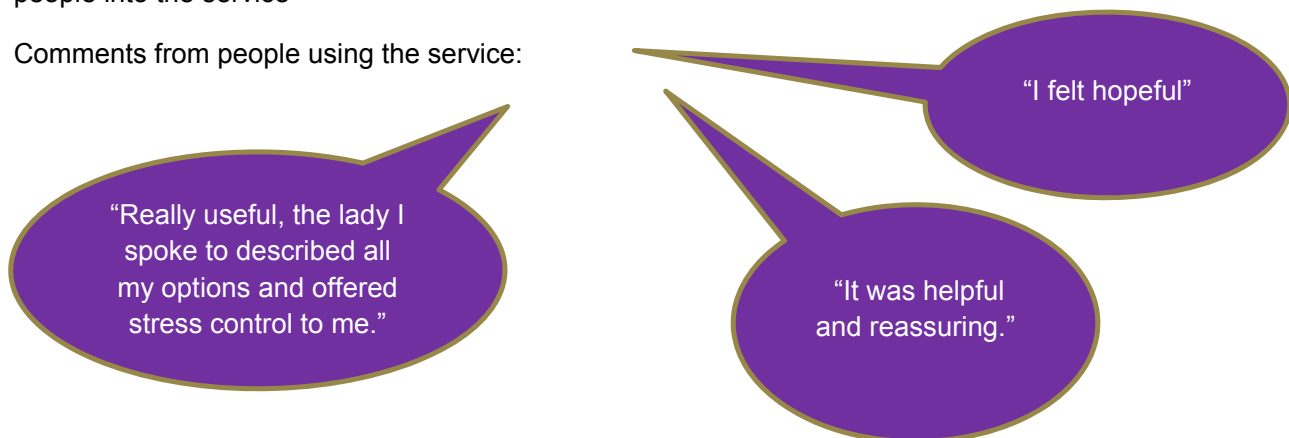
Mindsmatter has rapidly extended the menu of service offered to the population of Lancashire over the last 12 months. It is now able to offer self-referral and a prompt welcome call to every person wishing to enter the service, along with taster sessions, workshops, stress control programmes and individual work.

Lancashire Care NHS Foundation Trust's Improving Access to Psychological Therapies (IAPT) service has been redesigned and was re-launched as Mindsmatter. Mindsmatter provides a menu of talking therapies and resources to people with common mental health problems, such as depression, stress and anxiety. The service redesign project team listened to comments from patients, GPs and local Clinical Commissioning Groups on what they felt would improve the service. This included reducing waiting times, stigma and increasing access to the service.

To effect change transformation and innovation have come to the forefront of everyday working practice. Significant changes have been developed and taken forward by clinicians. Stepped care was rigorously applied where clinically appropriate, the menu of service was extended, self-referral was promoted, activity levels were increased and telephone welcome calls were introduced for all. These are structured evidence based conversations which provide initial assessment and support patients to make informed and collaborative choices about their treatment. They provide quick contact and access to the service. Choices include a range of evidence based group, online and individual interventions.

A significant change has been from an inward looking service to one that is actively promoting and pulling people into the service

Comments from people using the service:

"I felt hopeful"

"Really useful, the lady I spoke to described all my options and offered stress control to me."

"It was helpful and reassuring."

Outcomes:

- IAPT services were under increasing pressure to meet key performance indicators, including more people entering treatment and the reduction in waiting times.
- Mindsmatter has increased access to treatment and reduced waiting times across the footprint. The service is on track to achieve the 15% prevalence target for 2014/15.
- Patients are waiting less time to access the service, receiving a welcome call within 2 weeks of contacting the service and waiting times for Cognitive behavioural Therapy (CBT) and counselling have significantly reduced.
- The service has become more visible, is reaching more people with mild mental health issues.
- There has been very positive feedback from service users. 98% of service users reported having a positive experience when entering the service.

Chorley and South Ribble Complex Care and Treatment Team – MaZon Project

Complex care and treatment teams provide a high quality specialist assessment and treatment for patients between the ages of 16 and 65 with complex mental and social care needs. The team strives to assist people to maximise their quality of life by promoting recovery and social inclusion. The team offers treatment and care for people with severe and enduring mental health needs, long term interventions for people with more stable chronic severe mental health issues, assertive engagement approach to people who would benefit from it and a range of psychological therapies. The team work closely with carers, primary care and a wide range of statutory and non-statutory services.

The MaZon Project is an innovative practice within Community Mental Health Teams. The approach ensures that a focus on recovery is incorporated and embedded in the culture of the team's clinical practice. In the absence of this there is a risk of working with people using a paternalistic approach, creating dependency on services and the loss of self-management skills. To ensure a focus on recovery the team reviewed 540 records of people's clinical and social care needs and categorized them into three groups of varying needs using the MaZon tool (see Table below). The objective of this project was to develop a better understanding of people's needs, promoting a recovery focussed approach. This enabled the team to offer the right care to the right patient at the right time, effectively respond to emergencies and reduce waiting times. The MaZon Tool, developed in collaboration with people who use services, carers and staff used a holistic approach considering biological, psychological and social aspects of patient care. The domains included severity of symptoms, physical health needs, medications, risk assessment, relationship with carers, housing and benefits problems, occupational needs, impairment of functioning and Health of Nation Outcome Scales (HoNOS) clusters.

RED	AMBER	GREEN
Multiple medications (above BNF limits)/ clozapine initiation	Multiple meds (clozapine, depot etc.) awaiting monitoring arrangements	Multiple meds (clozapine, depot)
Severe side effects	Less side effects	Coping with side effects
Recently discharged from ward	Stable for 6 months	Stable for 12 months
Symptomatic – active/acute	Some residual symptoms	Some residual symptoms, but coping well
Non compliant with meds/supervised meds.	Compliance issues present but responds to prompts from staff	Compliance issues (to a little extent but not leading to a relapse)
Physical health problems-recent and severe	Physical health problems are currently being assessed	Aware of physical health problems and compliant with meds
Relapsing	Some early warning signs	Patient aware of relapse symptoms and care pathways
Immediate risk of harm to self or others, self neglect, vulnerability	Some risks identified but manageable	Patient aware of risks and seeking help appropriately
Recent homelessness or current housing crises	Housing, employment, occupational and benefit issues, are being addressed	Coping with housing, financial, employment & occupational issues
Actively avoiding staff contact	Requires frequent visits from CC to encourage engagement	Engages very well with the team
Recent loss of job, disruption in education, bankruptcy	Assessing social care needs, occupational needs, psychological needs	Pt addressing social and occupational needs with little support from others
Recent and severe impairment in functioning	Action being taken to address impairment in functioning	Coping well with current level of functioning

Outcomes

- 10% of the 540 people on the caseload (green zone) were suitable for safe transfer to primary care.

- 60% were categorised in the amber zone and programmes of care have been established to progress to recovery.

- 30% were categorised in the red zone needing assertive engagement and more intensive support

- A clinical discussion meeting (CDM) has been established which provides forum for individual case discussion with the multi-disciplinary team of Consultant Psychiatrists, Psychologist, Lead Social Worker, Occupational Therapist and the Team Manager. This has enabled the care coordinators to reflect on their practice and commence collaborative pieces of work with people to support them on their journey of recovery. Care coordinators report feeling more confident and able to manage risks positively in partnership with the person using services using self-management approach.

- Discussions as part of the Care Programme Approach (CPA) meetings reflect this approach informing the ongoing care plan.

- The caseload has reduced to 500 following this piece of work. This has resulted in increased capacity which has helped to reduce waiting time in the clinics, respond promptly to new referrals and emergencies leading to a more efficient and a safer service.

- This project has helped instil a culture of recovery focussed high quality care

- The findings of this work were shared within the organisation and there are plans to publish this work to share the good practice widely

Children and Families

Contraception and Sexual Health team – Single Point of Access (SPOA) telephone booking line.

The Single Point of Access (SPOA) telephone booking line was introduced into the Contraception and Sexual Health (CaSH) service in December 2013 enabling people to call one number, to make an appointment at any of the 32 locations where contraceptive clinics are available. Before the SPOA service was in place, patients had to call individual clinical sites to make an appointment.

The introduction of the SPOA now enables the service to offer people alternative nearby sites if their chosen clinic is very busy enabling them to be seen more quickly. This has also improved uptake in appointments across the service. The rota system means staff from across the patch use software to take calls from their regular bases, and by working as a virtual team call volumes are manageable.
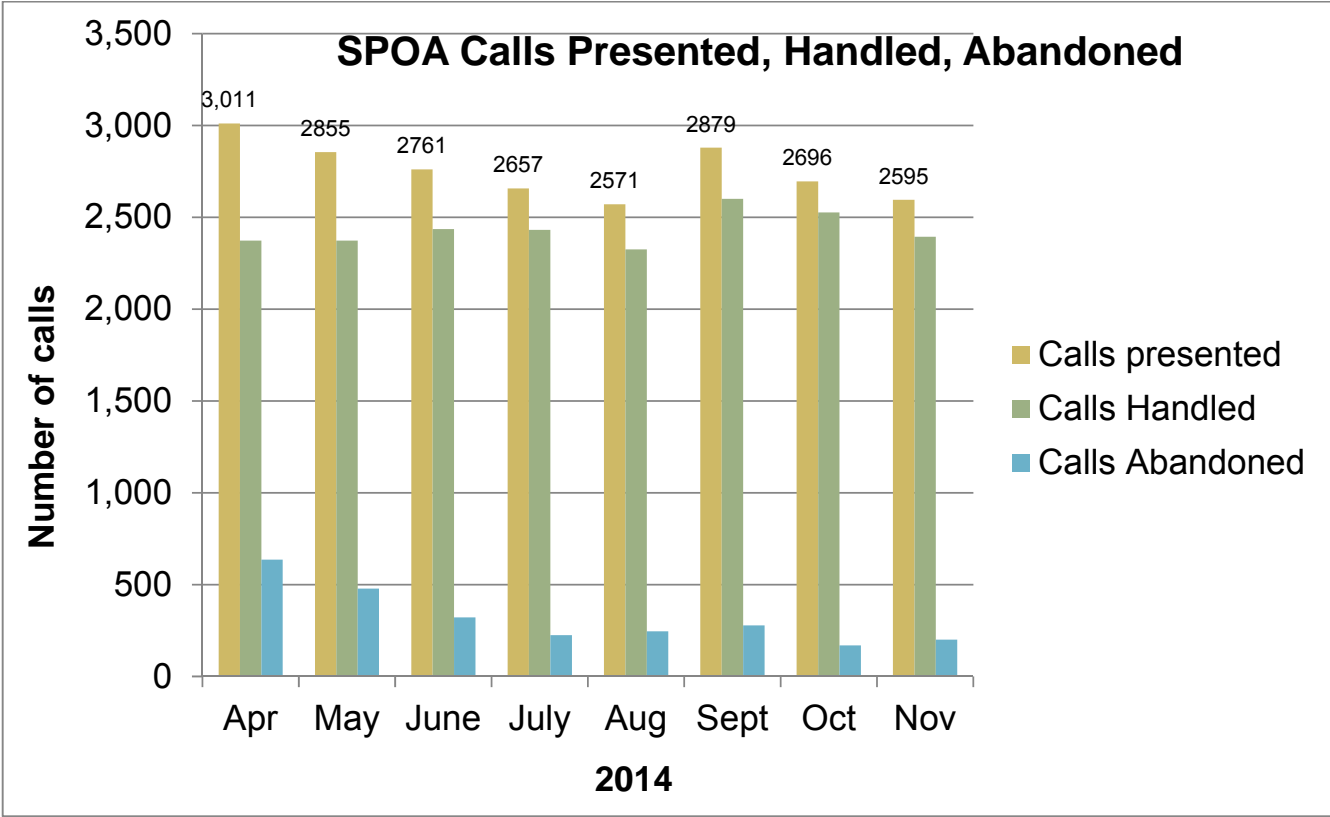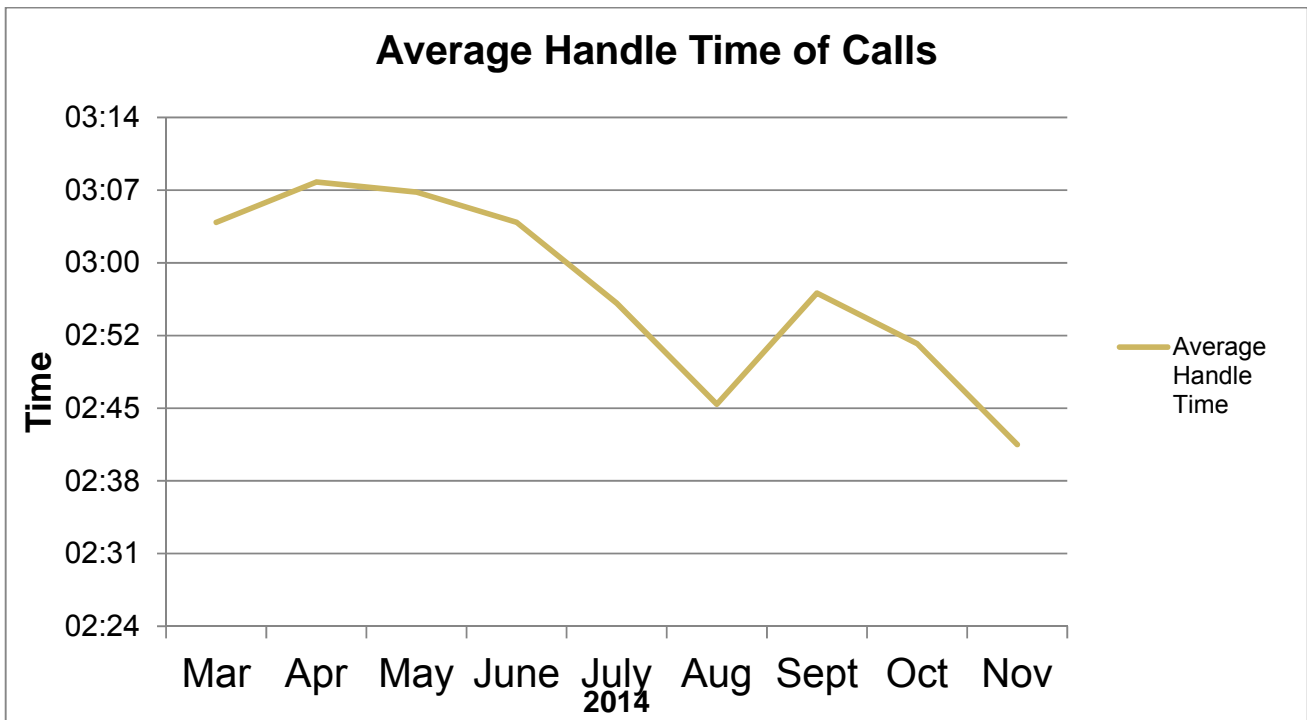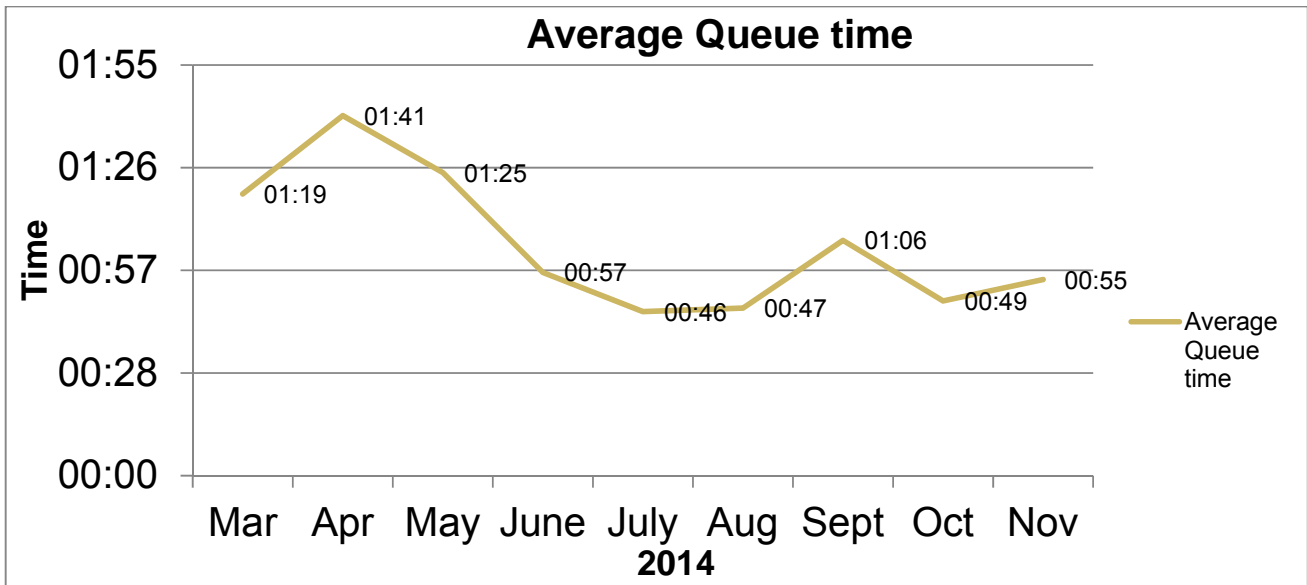
A quote from a team member:
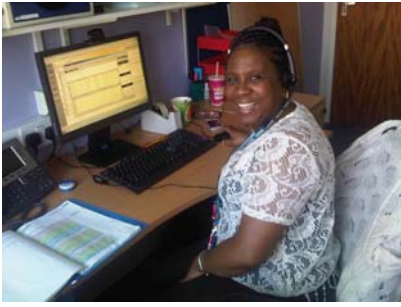
"This lady has the most positive outlook and infectious smile so it's delightful to know that our patients are being greeted by such a lovely lady - one member of our fabulous SPOA team!"
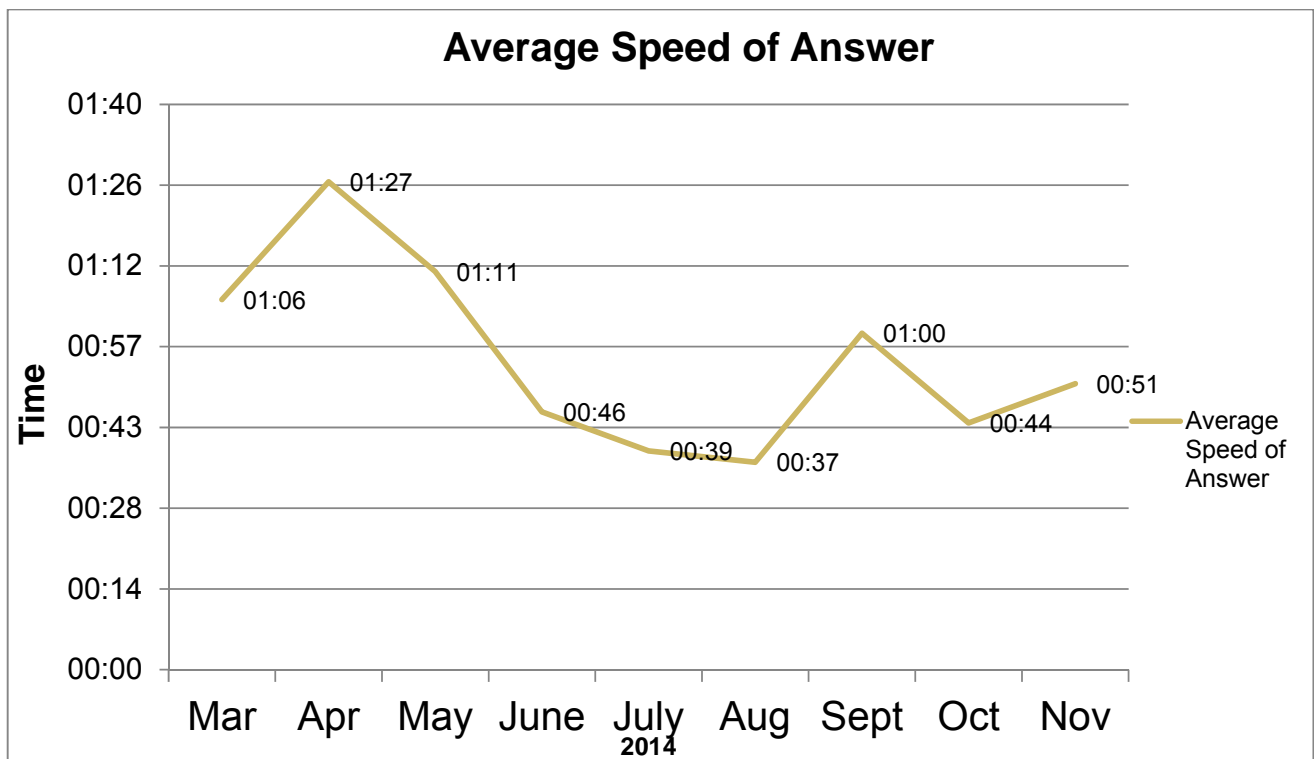
Some quotes from people who have used the service:

"The new appointment system is very good and I feel assured of good service and care at the Health Centre in future"

"Booking process friendly, and extremely helpful. Felt relaxed when having procedures done and was put completely at easy by staff."

SPOA Calls Presented, Handled, Abandoned

- Calls presented
- Calls Handled
- Calls Abandoned

Number of calls (y-axis): 0 to 3,500

Apr: 3,011
May: 2855
June: 2761
July: 2657
Aug: 2571
Sept: 2879
Oct: 2696
Nov: 2595

2014

Average Queue time

Average Handle Time of Calls

Average Speed of Answer

Time

01:40
01:26 — 01:27
01:12 — 01:11
00:57 — 01:06
00:43 — 00:46   00:39   00:37   01:00   00:44   00:51
00:28
00:14
00:00

Mar Apr May June July Aug Sept Oct Nov

2014

Average Speed of Answer

Outcomes:
- Since introducing the SPOA service accessibility to appointments has improved
- The SPOA receives 3000 calls a month.
- Since going live, call handle time has reduced and the average time people wait to speak to someone has halved. This has reduced the number of 'abandoned' calls by approximately 60%.
- The service has won the 2015 Staff Awards Innovation category

Transformation Hub Team – Routine Enquiry into Adversity in Childhood (REACh)

There is now a large and growing body of evidence that Adverse Childhood Experiences (A.C.E.) are linked to poor physical, emotional and mental health outcomes and also have significant impact on social and educational outcomes.   A.C.E. is defined as a set of related childhood experiences that include abuse, neglect and growing-up with household dysfunction. For example, violence between parents/caregivers, parental incarceration and drug and/or alcohol misuse. Recent research in Blackburn with Darwen has found that individuals who report more than 4 adverse experiences were more likely to smoke, drink heavily, be morbidly obese and be incarcerated at some point. They were also likely to have poor educational and employment outcomes, low mental wellbeing and life satisfaction, involvement in recent violence, recent inpatient hospital care and chronic health conditions. The long term vision for the work was that individuals accessing health or social care services would be routinely screened for A.C.E.'s

leading to more effective and appropriate early help and asset based interventions. In the first phase four pilot sites were chosen including a team of Health Visitors, Local Authority Family Service and two Charitable and Voluntary Sector organisations.

The REACh project was established to explore what was required to implement and embed routine enquiry about adversity in childhood within different care giving organisations. Also In the

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longer term to identify the benefits and any consequences of enquiry for the people using services and the teams that support them. Advice is provided to organisations on what is required to ensure good practice in routine enquiry. They are then supported to complete a self-assessment to ensure that they can support routine enquiry. Training in how to enquire and respond effectively is delivered and ongoing mentoring support is provided for 6 months to ensure practice change is embedded successfully. Phase two has just been completed in a Blackburn and this involved training drug and alcohol workers across the borough. In total 102 professionals have been trained in the REACh approach in Blackburn and the team are currently planning a follow up study with colleagues from Public Health England to establish the longer term impact of routine enquiry on the service users asked during phase one.

Following the pilot there have been a couple of emerging themes:

- Organisations trained and supported continue to enquire routinely up to 18 months post training.
- Early evidence that parents who understand the impact of adverse experiences on themselves begin to recognise that their children may have already had adverse experiences. Conclusion from a report by a clinical psychology student who carried out an independent piece of research stated 'the research findings suggest that the REACh training facilitated more ACE informed formulations of clients experiences, which allowed clients to gain a better understanding of the impact of their own A.C.E.'s and of the impact of their own behaviour on their children. Furthermore, it allowed for more collaborative working relationship and led to A.C.E. informed intervention plans that facilitated more lasting change.

Outcomes:

- Professionals are not reporting any difficulties with enquiring.
- When asked people are disclosing adverse experiences which they have not previously disclosed despite previous contact with services.
- Professionals report feeling that they can offer a more appropriate intervention plan if they have enquired about previous experiences 'dealing with the root cause of presenting issues rather than the symptom'.
- Individuals are not requiring high levels of intervention following disclosure and in some cases are stating that just being able to tell someone has made them feel better.
- Qualitative evaluation of the training provided was extremely positive.

Support Services

Quality Improvement Framework (QIF): A systematic approach to capturing and evidencing quality improvement – Nursing and Quality

The 'live' QSEEL reporting affords an opportunity to support and evidence quality improvements in relation to progressing any concerns identified. The improvements associated with the QSEEL enable clinical teams to demonstrate compliance with the Care Quality Commission Essential standards of Quality and Safety. The expectation is that from this baseline of quality, progressive quality improvements will occur to achieve 'excellence' in each clinical area.

Many clinical teams are proactively working to improve quality but there was not a systematic approach capturing and/or reporting this. The Quality improvement framework has been developed as part of

QIF Pioneers: Phase 1

the integrated quality report element of the e-TIB family to achieve this.

A number of QIF Pioneer teams from across the organisation have developed and piloted the QIF. Teams have developed team level improvement metrics in the domains of safety, effectiveness, experience and leadership. In determining metrics external national/international benchmarks, best practice guidance, best evidence etc. were referenced. The QIF is currently a paper based framework but plans are in place for it to be hosted in datix, which will enable reporting through the Integrated Quality Report.

The QIF presents a simple model within which clinical teams can systematically capture and reflect their quality improvement initiatives. The QIF will support teams in progressing outcomes focused thinking.

On the 1st December 2014 a number of QIF Pioneers came together to showcase their quality improvements and the story so far.

Following the presentations discussions took place in relation to:

- When quality improvement is part of a team's culture what do we feel?

- How has the QIF helped to structure quality improvement reporting?

- Even better if…. What would help?

A summary of these conversations is detailed below:

Team = people who use services,

Culture changes – impacting from QIF

Empowered

Learning environment

Care improved

Owned by team

Morale high

People – equal voices to improve quality

Energy

Connect with it –'want to do it'!

Accountability Culture changes – impacting from QIF

Sense of achievement

Heard

Have a go

When quality improvement is part of a team's culture. What do we feel?

Feel good factor

Not silo working – share learning

Continuity – want to do something next

Equality of access

Honesty – transparency

Quality conversation

Fewer opportunities for things to go wrong

Family (equals) – involvement

How has the Quality Improvement Framework helped to structure quality improvement reporting?

Created a focus
Good to hear examples of practice in other networks
A framework to guide and generate discussion with the team
Improved sense of commitment and enthusiasm regarding my role in improving quality
A framework tool in which to record and monitor quality improvement initiatives
Focused the reporting to allow it to hold equal voice and weight to financial and operational reporting
Generating conversations within teams and amongst partnering care providers
Focus has been team level quality improvement so some good projects contributing to improved reporting
Shared ownership of quality improvement
Hearing from colleagues how changes have been made very helpful!
Gives food for thought Transparency

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How has the Quality Improvement Framework helped to structure quality improvement reporting? (continued)

Quality event to inform all staff
Be able to link internal audits with the department to IQR
Helps it to be focussed and aids team conversations
QIF has provided a framework that enabled me to draw together a number of QI initiatives
innovations already in place to improve quality
Learning from others consolidation of good practice
eTIBs
Reduces silo working
Improved focus of standards of work
Gives recognition and sharing into the process what people are doing allows opportunity for sharing
Really enjoyed this morning brought the quality improvements to life
Created space and time to think and carry out quality improvements

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Even better if ……… What would help?

To have a system to report on the QIF
IQR board was used more and more
Meetings cancelled could do with more notice if possible
Podcasts or animated powerpoints on the intranet
Quality events to lead quality initiatives
Tie this back into local government structures
Clinical quality meetings in networks
Link into IQR
Included in Datix system reporting

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Outcomes:

- Feedback from the teams led to the redesign of the framework
- A further pilot commenced in January – taking the total number of QIF Pioneers to 48
- In partnership with the Advancing Quality Alliance (AQuA) QIF pioneers have the opportunity to attend a 3 day Introduction to Quality Improvement programme which outlines quality improvement methodologies
- Commissioners are supporting the full implementation of the QIF through a local Commissioning for Quality and Innovation (CQuIN)indicator in 2015/16

Quality Impact Assessment (QIA) – Nursing and Quality

A comprehensive review and refresh of Lancashire Care NHS Foundation Trust's approach and process relating to assessing any impacts on the quality and safety of services of cost improvement schemes, transformation programmes, service changes, service development proposals and business case development plans has been undertaken resulting in the approval of a new QIA procedure .

The Quality impact assessment ensures:

- Robust review of each identified transformation programme to identify the presenting opportunities and risks to quality and safety
- Demonstrable focus on identifying and driving quality improvements through clearly defined measures and approaches
- Robust assurance reporting via the Executive Quality Committee to the Board.

The QIA is:

- Clinically led – supporting clinician ownership of the transformation
- A systematic exploration of quantitative and qualitative intelligence with triangulation of information to assess the quality impact
- An approach which provides assurances that any risks to quality and safety can be mitigated

The aim of the QIA is to:

- To evidence a systematic approach to maintaining and improving quality
- To ensure that 'cross over' reviews of respective QIA's to help assess the cumulative impact of the transformation programmes – being vigilant in spotting any unintended consequences or known risk which are not being adequately mitigated.
- To monitor the impact on quality as the programme progresses – QIA is a dynamic process and in integral to the ongoing implementation

A full evaluation of the implementation of the QIA procedure will be completed during 2015/16.

Outcomes:

- Introduction of a new QIA procedure
- All Cost Improvement Programmes (CIPs) are now reviewed in relation to any impact on quality alongside the financial considerations

Patient Experience

This section of the document aims to demonstrate the experience of patients, service users and carers who are using or have used our services.

Lancashire Care NHS Foundation Trust utilises a number of ways in which to receive feedback and welcomes it in all forms. These include the Mental Health Surveys, the Friends and Family test and Patient Opinion.

Other quality indicators relating to the domain of experience have been reported in section 2.3 and include:

- Community Mental Health Service National Survey Results.
- Inpatient Mental Health Service Survey Results. Percentage of patients who rate the overall care they received during their stay in hospital as excellent, very good.
- The percentage of staff employed by Lancashire Care NHS Foundation Trust, who would recommend Lancashire Care NHS Foundation Trust as a provider of care to their family or friends

Lancashire Care NHS Foundation Trust values the contribution of people who use our services to inform continuous quality improvements at an individual service level and at a strategic level; for example, there are two service user representatives as members of the Executive Quality Committee.
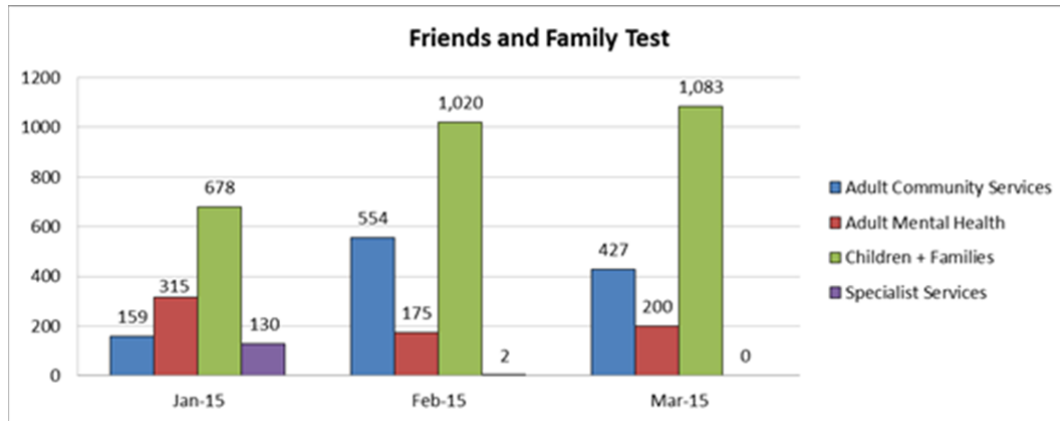
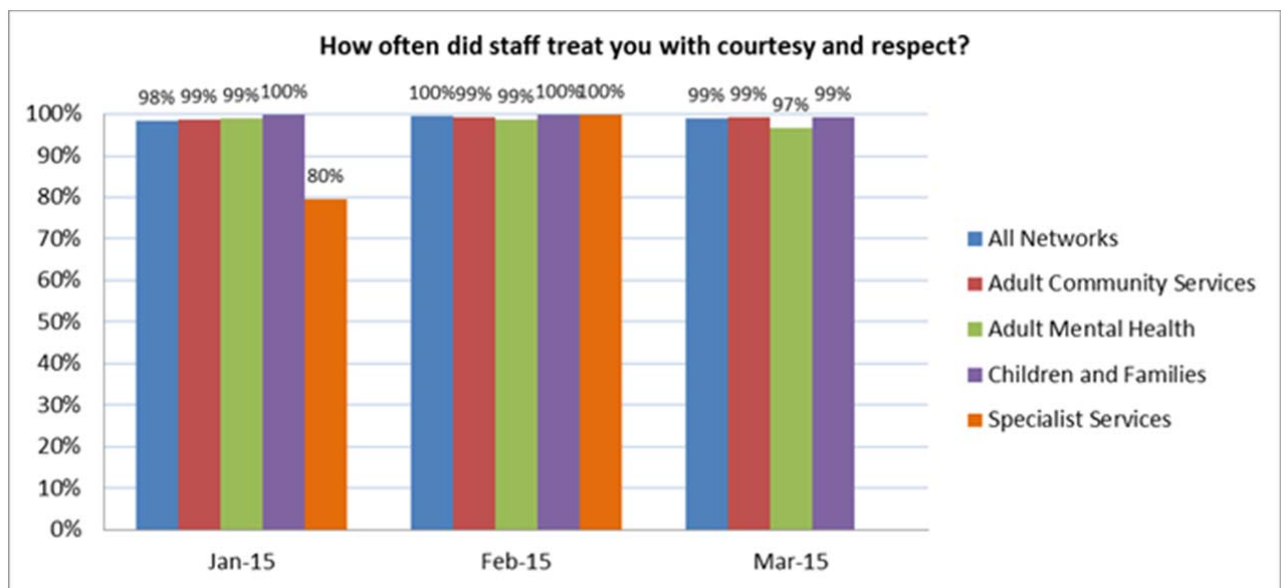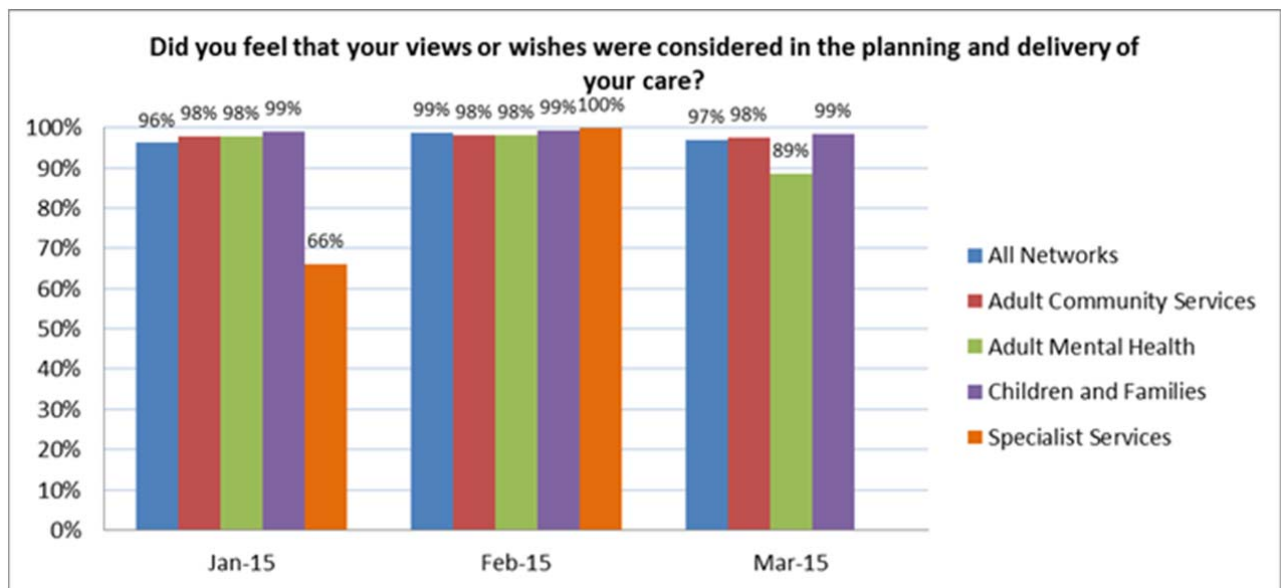| Quality Priority 2 - All teams will seek the views of service users and carers to inform quality improvements	
Target	**Progress**
• **Taking the learning from the local implementation in line with Lancashire Care NHS Foundation Trust project plan implement the NHS Friends and Family test across the organisation in line with National Guidance**	 Submission of the FFT data to the national database January – March 2015, in line with the national requirements

Lancashire Care NHS Foundation Trust responded to the initial consultation relating to the national guidance for community and mental health services. Following the publication of the final guidance in July 2014 Lancashire Care NHS Foundation Trust have implemented the FFT across all applicable services in line with the requirements.
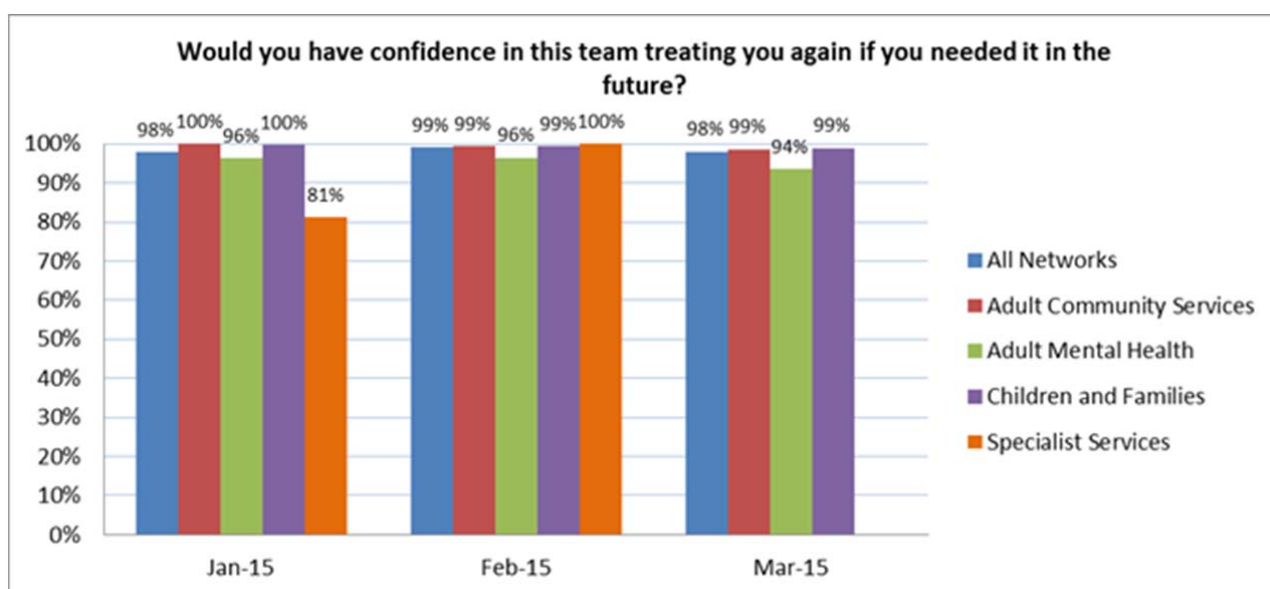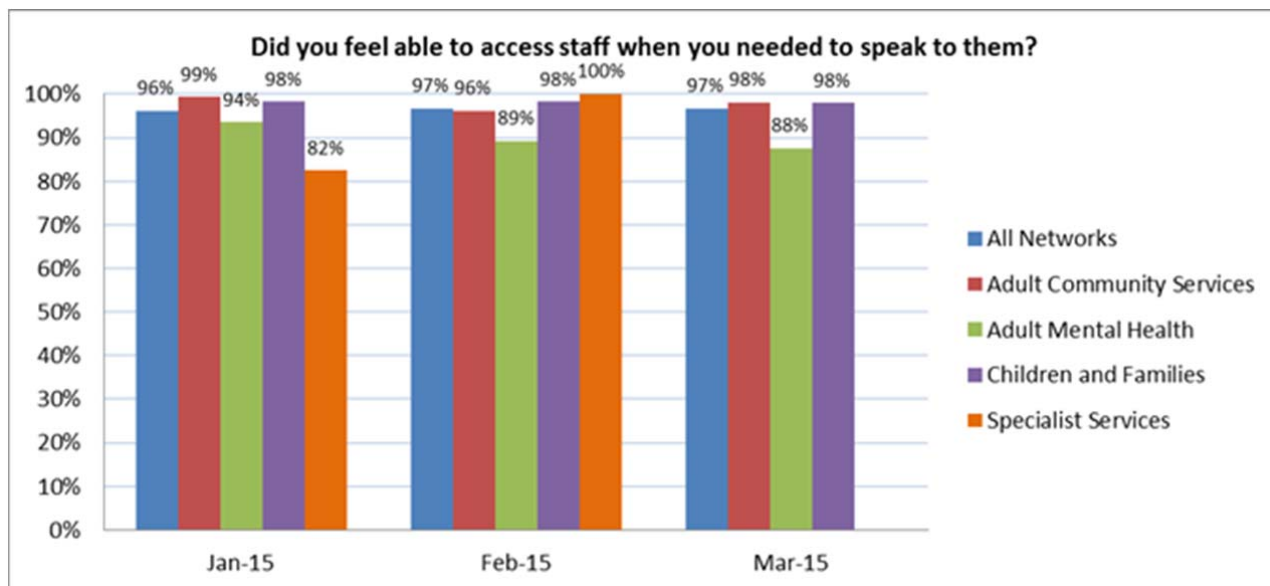
Responses have been collected as per the implementation plan, with services asking the question either at the point of discharge, at a point in the care pathway or quarterly in line with the national guidelines. The narrative comments received are shared with the clinical teams and these are used to both celebrate success as well as to identify any learning opportunities.

Network	No. responses January	No. responses February	No. responses March
Adult Community Services	159	554	427
Adult Mental Health	315	175	200
Children's + Families	678	1020	1083
Specialist Services	130	2*	0*
Total	**1,282**	**1,751**	**1710**

*Please note that in line with the national guidelines Specialist Services collect Friends and Family Test feedback quarterly, hence the low returns in February and March.

Friends and Family Test

How likely are you to recommend our Team / Service to friends and family if they need similar care or treatment?

Did you feel that your views or wishes were considered in the planning and delivery of your care?

Legend: All Networks, Adult Community Services, Adult Mental Health, Children and Families, Specialist Services

Jan-15: 96%, 98%, 98%, 99%, 66%
Feb-15: 99%, 98%, 98%, 99%, 100%
Mar-15: 97%, 98%, 89%, 99%

How often did staff treat you with courtesy and respect?

Legend: All Networks, Adult Community Services, Adult Mental Health, Children and Families, Specialist Services

Jan-15: 98%, 99%, 99%, 100%, 80%
Feb-15: 100%, 99%, 99%, 100%, 100%
Mar-15: 99%, 99%, 97%, 99%

Did you feel able to access staff when you needed to speak to them?

Legend:
- All Networks
- Adult Community Services
- Adult Mental Health
- Children and Families
- Specialist Services

Jan-15: 96%, 99%, 94%, 98%, 82%
Feb-15: 97%, 96%, 89%, 98%, 100%
Mar-15: 97%, 98%, 88%, 98%

Would you have confidence in this team treating you again if you needed it in the future?

Legend:
- All Networks
- Adult Community Services
- Adult Mental Health
- Children and Families
- Specialist Services

Jan-15: 98%, 100%, 96%, 100%, 81%
Feb-15: 99%, 99%, 96%, 99%, 100%
Mar-15: 98%, 99%, 94%, 99%

Friends and Family test question results January, February and March 2015
Data Source LCFT Friends and Family report

The response to the five questions including the friends and family test (FFT) question from people who use our services in January, February and March are an average of 97.7% (Extremely likely/likely, at all times/most of the time).

The Friends and Family test returns are uploaded to the national reporting system in line with requirements and will be displayed on Lancashire Care NHS Foundation Trust's website.

Patient Opinion – valuing feedback

Lancashire Care NHS Foundation Trust welcomes feedback from patients and carers and shares this information with the clinical teams to support quality improvement. LCFT collates this information from various sources via telephone calls, correspondence, e-mails and the Patient Opinion national service.

Patient Opinion is a national independent feedback service that enables service users and carers to share and compare their experiences – either online, by telephone or by written report. All contributors provide

their feedback anonymously but all submissions are moderated prior to publication. To date the data shows that 102 stories have been shared between April 2014 and March 2015.

Since August 2014 feedback has been placed independently by members of the public totalling 16 submissions. 5 are positive statements of feedback and 11 raising concerns. Prior to April 2015 concerns and compliments were responded to as follows: When a concern was raised a personal response was given from the Customer Care Manager inviting direct contact to allow further investigation. When a compliment was received, a thank you for the feedback was given along with assurance that this would be passed on to the relevant team/person.

The lack of feedback via this source has meant that the Trust has decided not to renew the subscription.

For more information about Patient Opinion see: https://www.patientopinion.org.uk/info/about

As part of the refresh of the Quality Strategy for 2015-19 the experience vision is fundamental in clearly placing people at the heart of the organisation. In developing the quality strategy Lancashire Care NHS Foundation Trust is looking at a range of ways to collect patient feedback. Although Lancashire Care NHS Foundation Trust will not continue to use Patient Opinion, patients will continue to have an opportunity to feedback their opinions through a variety of sources including:

- Feedback from patients through 1:1 meetings with their health worker.
- Anonymous feedback through the Friends and Family test, where patients can feedback their experiences of the quality of care received. This data will inform continuous quality improvement.
- Raise patients awareness on how to forward compliments/concerns/complaints to Lancashire Care NHS Foundation Trust, for example through promotional posters across the organisation.
- Establish a user friendly feedback form on Lancashire Care NHS Foundation Trust's website.
- Feedback from patients through NHS choices.

Mixed-sex Accommodation Breaches

There were 0 Mixed Sex Accommodation breaches in 2014/15

Lancashire Care NHS Foundation Trust is compliant with the Government's requirement to eliminate mixed sex accommodation, except when it is in the patient's overall best interest, or reflects their personal choice. If Lancashire Care NHS Foundation Trust should fall short of the required standard it will report it to the Department of Health and Commissioners. Lancashire Care NHS Foundation Trust's declaration of compliance is located on the website: http://www.lancashirecare.nhs.uk/Privacy-Dignity.php.

Adult Community
Learning Disability Team – Service User feedback coffee morning

The Learning Disability Integrated Health Service aim to provide services that are responsive to the needs of services users. To do this they arrange events to elicit the thoughts of their services users to enable them to provide feedback about how they feel the teams are performing.

The Quality SEEL requires staff to gather service user feedback. The Learning Disability Integrated health teams have considered the need to make reasonable adjustments in the way they gather information from their service users. To enable people with a learning disability to make a meaningful contribution to the feedback that teams need to improve, a coffee morning was held by the Blackburn with Darwen team. This ensured that the service is responding to service user feedback and making improvements to the service we provide. To do this all the Quality SEEL questions had been made more accessible either by making the language easier to understand or by adding images to enhance understanding. All service users were offered support from a member of the team to engage in the event.

| People involved in the coffee morning |

Outcomes:

- The coffee morning event was a great success and very well attended.
- The outcomes from this event have informed the Quality SEEL self-assessment and have highlighted areas for improvement.
- This process has been shared with other teams and has become a strategy for service user engagement.

Memory assessment team Lancaster - Research into Service user and carers experiences of attending the one stop shop Memory Assessment Service clinics.

The memory assessment service provides assessment to people who have memory loss and cognitive impairment which may indicate a diagnosis of dementia. The service diagnoses and delivers the diagnosis to the patient and carer.

A Specialist Nurse, in association with Lancaster University, undertook a piece of research into service user and carers experiences of attending the one stop shop memory assessment service (MAS) clinics. The following poster was presented at a research event and has received recognition in both dementia care and academic institutions.

Outcomes: The poster on the next page describes fully the quality improvements.

Exploring Service-Users' Experiences of a New "One-Stop Clinic" for Memory Assessment

A. Lord[a,b], F. Eccles[a], & E. Kenworthy[b]

[a]Lancaster University, [b]Lancashire Care NHS Foundation Trust

Background

- Approximately 800,000 people have dementia in the UK[1,2]. This figure is likely to exceed 1million by 2021[2]. Dementia costs the UK £23 billion per year[2.]
- Dementia has become a priority in UK health and social care policy[1–6].
- A focus of these policies is to **increase earlier diagnosis of dementia** so as to empower the individual to access information about the condition and make important decisions about the future of their care[7, 8].
- Memory Assessment Services (MASs) were commissioned to **promote early and sensitively-delivered diagnoses of dementia**[5], in a cost-efficient way[9].

In 2012, Blackpool MAS developed a **"one-stop clinic"** for memory assessment to streamline service delivery across LCFT and to meet the increasing number of people being referred for a memory assessment.

Research Aim

- In line with suggestions in the MAS commissioning guide[10], this research aimed to **explore service-users' experiences of the one-stop clinic for memory assessment** at Blackpool MAS.
- As a relatively new service, it was anticipated that the findings may inform service development.

Methods

- Any service-user attending the one-stop clinic could take part, regardless of whether they were diagnosed with dementia.
- "Sheila" and "Eric" (pseudonyms) were interviewed and their data were analysed using thematic analysis.
- Four themes were developed.

Findings

Theme One: Dementia is a "Dirty Word"

Sheila and Eric viewed dementia as an irreversible and disabling condition which limits your independence and leaves you unable to function. To them, dementia was a "dirty word" associated with great stigma. This impacted on their apprehension about attending the one-stop clinic.

Theme Two: I am Changing so Take Me Seriously

Despite the perceived stigma, Sheila and Eric recognised that they were having memory difficulties and wanted to be properly understood. Eric seemed to cope with these difficulties by identifying with people with dementia – he used words such as "us", "we", "our". However both participants distanced themselves from dementia by communicating the things they were capable of.

Theme Three: They Were Interested in *Me*

Contrary to their expectations, Sheila and Eric actually enjoyed their experience at the clinic. Their anxiety was alleviated by the warm, friendly yet professional staff who they felt showed a genuine interest in them. Staff's approach was person-centred and adapted to their needs.

Theme Four: "I Know My Head's Still Not Quite Right, But I'm Me"

Despite on-going memory difficulties, Sheila and Eric's belief (shaped by stigma) that these would limit their future independence was challenged by their clinic experiences. They left with a better understanding of dementia and felt empowered to act on the outcome of their assessments. Eric's belief that he "had a team behind him" following the assessment was unrealistic, as he did not have a diagnosis so would be discharged.

Clinical Implications

The pre-assessment phase:

- Findings highlighted the importance of taking measures to put service-users at ease before attending the one-stop clinic.
- The service could make a pre-assessment telephone call, or design letters to include photographs, important information and quotes from previous service-users.

The post-assessment phase:

- Service-users diagnosed with dementia may benefit from after-care focused on adjustment to their diagnosis, including issues of identity, loss and acceptance.
- For those not given a diagnosis, clarity on the procedure following assessment is essential, as well as appropriate signposting to services which may help them with their individual circumstances; this may involve the provision of a range of literature and leaflets on local services.

Ideas for Future Research

- An exploration of service-users' experiences **after** attending the one-stop clinic (diagnosis/no diagnosis).
- The experiences of carers/relatives who contribute to the memory assessment at the one-stop clinic.
- The experiences of staff working at the one-stop clinic.

For more information, please contact a.lord@lancaster.ac.uk

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Guild Lodge - Implementation of Smoke Free Site

Lancashire Care NHS Foundation Trust is committed to improving the health and wellbeing of the people who use their services and the staff who provide those services. The National Institute for Health and Care Excellence (NICE) issued guidance recommending smoke free healthcare settings. From 5th January 2015, Lancashire Care NHS Foundation Trust became completely smoke free.

The Guild Lodge service users were instrumental in the process of developing both the Nicotine Management Policy and the materials used for the implementation. Service users were involved as follows:

- The planned implementation process was discussed at the service user forum 6 months prior to the implementation date
- Service users produced posters to support implementation
- Service users supported development of the policy
- Service users who had stopped smoking shared their stories
- The development of a service user led support group

Posters developed by Service Users

Outcomes:

- Involvement enabled service users to openly discuss any queries and raise questions about the implementation.
- Some service users chose to stop smoking immediately without support and some attended the in-house clinics with the stop smoking team.
- Prior to the implementation date seven service users had become totally smoke free all achieving their quit week and target.
- These successes encouraged more than 40 additional service users to attend the stop smoking clinic in the month of December 2014 in preparation for the implementation date.
- Some service users then reported that they felt more comfortable when being assessed/reviewed in the ward environment so the stop smoking team then offered both clinic based and ward based assessments and reviews.
- The service user led support group has been instrumental in offering support to those who have been struggling to remain smoke free.
- Service users are reporting the benefits of no longer smoking including improved taste, breathing and generally feeling healthier.

Service User Champions - Soapy Suds

Service users at Guild Lodge have researched and designed a car washing service called Soapy Suds as part of their recovery to improve the prospect of employment once they leave Guild Lodge. Soapy Suds was launched at Guild Lodge's Hope Health and Happiness Recovery Conference on 1st October 2014 to provide a car washing service for staff vehicles, pool cars and service vehicles of all sizes.

Any profits generated are used to support other projects. Soapy Suds, donates 50p of each sale to a Soapy Suds Welcome Pack for service users who are admitted to Guild Lodge without toiletries.

Soapy Suds philosophy is to engage service users in meaningful activity and to support people to learn new skills that will give them hope and opportunity for the future. Soapy Suds encourages people to get involved however small. This is a real life work experience to support people in their recovery.

Soapy Suds equipment trolley

Customer Feedback

Just thought I would send you a review for "soapy suds" following having a full wash last week.

My car was cleaned to a very high standard – my car looked like it had just come off the forecourt!

It was evident that those involved in the venture worked very hard and should be proud of the work they are doing.

Those involved demonstrated great team work; communicating, directing and praising each other whilst they worked which was great to see – given our busy work lives I feel that a little praise goes a long way and those involved certainly made me reflect on my working practice and question if I offer praise or thanks during my working week or if I have come to take for granted the great work people do.

I will most certainly be using the service again and telling others about it

Just a note to let you know that I had my car cleaned yesterday at the Guild and am delighted with the job they have done.

Just a quick email to say that as I was driving in to Guild this morning it was great to see the guys walking down to the car wash; they looked relaxed and content because they had a purpose to the day.

Well done – I have also heard great things and the team are planning to use the service next time we have an away day at Guild.

I am extremely pleased with the service and the guys who carried out the cleaning. They were very polite and my car looks really good .I will certainly be using the service again.

Reflection

| Positives	Areas for development
• The support from Property Services and Guild Lodge has been outstanding. • The complements that Soapy Suds have received. • Two service users are now working in the community. • Service users are motivated to work and get involved. • An excellent volunteer is part of the team. • The Soapy Suds Manager is a service user and presents updates as a member of the Business Unit Governance Group and Senior Management Operational Group. • The opportunity to learn new skills for everyone involved. • Service users have been involved in setting up a new business. • Soapy Suds is independent and profitable • Increased confidence in dealing with the public. • Service users been involved in developing and delivering training. • Fundraising • Networking with other companies and professionals. • Soapy Suds has delivered a quality and professional service. • Soapy Suds has been invited by other services and Trusts to look at setting up similar enterprises. • Soapy Suds has been invited to deliver a service at Trust Headquarters. • Soapy Suds has given people hope for the future.	• Develop publicity /promotion for Soapy Suds. • Review paper work to eliminate duplication. • Consider additional locations. • Improve stock ordering process. • Weather!

Outcomes:

- Soapy Suds has achieved its goal by providing a high quality car washing service at Guild Lodge.
- The new initiative has been designed and developed by a service user at Guild Lodge developing their skills in business planning.
- The involvement has improved the prospect of employment for service users.
- Four other service users have been trained and now work as a two-man team.
- The service is available across 2 days a week at Guild Lodge.
- All service users who have taken part in the project have reported being fully supported by their care teams and staff
- The Soapy Suds Manager is a service user and presents updates as a member of the Business Unit Governance Group and Senior Management Operational Group.

Adult Mental Health

Crisis Resolution and Home Treatment Team Blackpool Wyre and Fylde: Optimising Home Treatment

The Crisis Resolution and Home Treatment Team provide a safe and effective alternative to in-patient care by helping people through times of mental health crisis in their own home environment. They respond and provide immediate triage and an assessment within 4 hours. The team work to prevent avoidable admissions to hospital of people experiencing mental health crises. They facilitate admission to hospital, crisis accommodation or day treatment service when needed. In addition the team support timely discharge and access to intensive home treatment.

The Optimising Home Treatment Project was developed to ensure resources and therapeutic interventions were available when a person needed an alternative to a hospital admission. The project team includes a service user to ensure that their views are at the heart of service redesign and the development of interventions. The team has developed over recent months and this has included increasing staffing levels, increasing training, supporting families/carers and ensuring that interventions are tailored to meet the individual needs of the service user and their families.   The work around the intervention toolkit has focused on evidence based research to support people to remain at home when they are acutely unwell. This has significantly reduced the 'Did Not Attend' and 'No Access Visits' rates by 41% which has improved peoples experience of the service.

Percentage of No access visits / Did not attend occurences
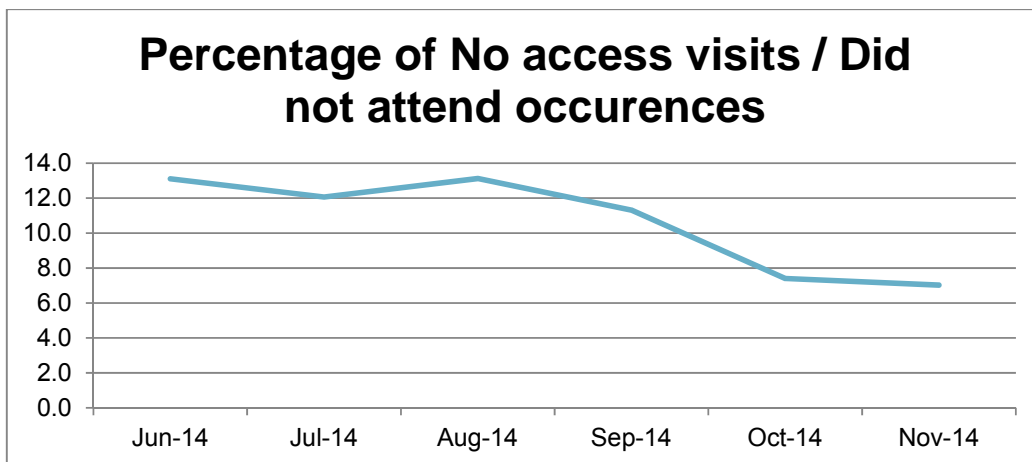
A post on Patient Opinion said:

These people changed my life; they gave me the wish to live again. These people don't just do their jobs, these people care for people!'

Outcomes:

- The introduction of an improved assessment framework has supported the team to work effectively with Service Users in Home Treatment.
- The team have reduced the number of their no access visits and non-attendance rates by 41%.
- Positive feedback received

Clinical Treatment Team: electro-convulsive therapy (ECT) success

The Clinical Treatment Team is a network wide team that delivers medical interventions required by mental health service users. Part of the function is to deliver clinics where electro-convulsive therapy (ECT) takes place. ECT is a procedure where a very small electric current is passed through the brain. It is used for severe and moderate depression, catatonia and prolonged or severe mania. It is delivered under NICE guidance. Our clinic has received an award of continuing excellence by ECTAS (the Royal College of Psychiatrist ECT Accreditation Service).

There are three ECT suites (Parkwood, Blackpool; Avondale, Preston and Pendle View, Blackburn). In participating in ECTAS reviews the Trust is assured that the quality of the service we provide meets a nationally measured high standard in the administration of electroconvulsive therapy. The process engages staff and service users in a comprehensive review, through which good practice and high quality care are recognised and services are supported to identify and address areas for improvement. Accreditation assures staff, service users, referrers, commissioners and regulators of the quality of the service being provided.

Outcomes:

- The ECT service provided by the Clinical Treatment Team is audited by ECT accreditation service (ECTAS) run by the Royal College of Psychiatry.
- Each of our suites has been awarded the criterion of excellence on more than one occasion and we aim to continue this standard indefinitely.
- The team continuously monitor standards and strive to improve.
- Feedback from service users and carers attending ECT on a regular basis are used to inform quality improvements.
- The service are proud to deliver a safe, patient centred and comprehensive service to our service users.
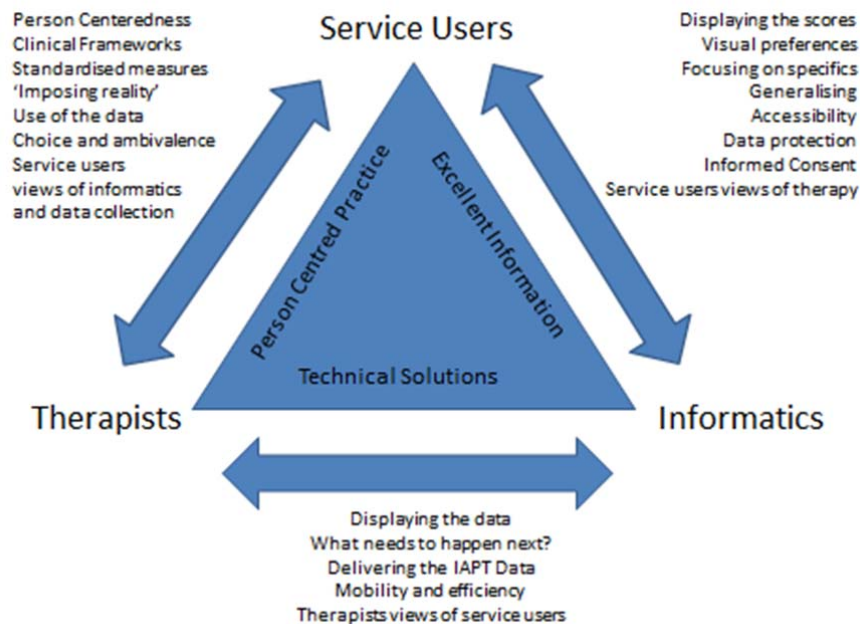
Children and Families

Early Intervention Service – Improving Access to Psychological Therapies (IAPT)

The key function of Lancashire Early Intervention Service is to intervene promptly to prevent transition to psychosis or reduce the duration of untreated psychosis. This is because the first few years of psychosis, when untreated, carry the highest risk of subsequent use of mental health services along with physical, social and legal harm to the individual. All staff receive an in-house training package to facilitate the delivery of psychosocial interventions. The aim is to support service users as well as their families/carers, towards recovery, to prevent relapse and to facilitate social inclusion.

Lancashire Care Early Intervention was named as one of only 6 national Improving Access to Psychological Therapies Demonstration Sites by the Department of Health, in October 2012. The Trust is one of only 2 psychosis sites. In being recognised as a demonstration site, Lancashire Care Foundation Trust's service model was acknowledged as an excellent example of an innovative service structure that could be transferable to other services. It provides people with the level of psychosocial intervention appropriate to their need and improves access to psychological therapies. Feedback is taken after every session to inform future national reporting for psychological therapy. Other indicators include inpatient bed days. In order to facilitate data collection, a mobile solution has been developed to enable therapists to use a tablet to collect questionnaire data that writes directly to the clients' health care record and provide additional sessional feedback.

Person Centeredness
Clinical Frameworks
Standardised measures
'Imposing reality'
Use of the data
Choice and ambivalence
Service users
views of informatics
and data collection

Service Users

Displaying the scores
Visual preferences
Focusing on specifics
Generalising
Accessibility
Data protection
Informed Consent
Service users views of therapy

Person Centred Practice

Excellent Information

Technical Solutions

Therapists

Informatics

Displaying the data
What needs to happen next?
Delivering the IAPT Data
Mobility and efficiency
Therapists views of service users

A diagrammatic representation of the collaboration between therapists, service users and informatics in order to establish systems to support the collection of outcome measures that, are accessible, usable and reportable.

Outcomes:

This project is ongoing but we can present data up to the end of July 2014 here. We have found that:

- Of 83 people beginning and ending therapy between November 2012 and July 2014, 56 people provided data on the CHOICE short form which is a measure based on recovery.
- Of these 56 people; 40 people showed some improvement, 35 people improved by more than 20%, 10 of which improved by more than 80%.
- Additional measures at the start, middle and end of therapy, such as a measure of symptoms (i.e.; voice hearing and distressing beliefs) as well as a measure of wellbeing, indicators of cost effectiveness and meaningful activity are being collated and early indications are that it is feasible to use these measures but it is too early to present data on outcome on these measures.

Specialist Child and Adolescent Mental Health Services (CAMHS) - Engaging with young people to support service improvement

Specialist Child and Adolescent Mental Health Services (CAMHS) provide high quality, multidisciplinary mental health services for all children and young people with mental health problems and disorders to ensure effective assessment, treatment and support, for them and their families.

CAMHS took part in Preston Youth Conference in November 2014. The conference was aimed at young people from high schools in Preston aged 11-16 years old. The Crew (Service user group) ran a very thought provoking workshop about their experience of mental health, asking young people what they knew about mental health, mental health services and signs and symptoms. At the end of the workshop young people were asked to consider two questions:

- If you had emotional health and wellbeing problems where would you want to find information, what would you want to know and what sort of format should it be in?

- We are considering training a range of staff in schools, voluntary sector and other services about mental health issues and how to identify early when someone has mental and emotional health concerns.
  Is this a good idea and if so, who should we target training at?
  Should it include young people and not just staff?

During the lunchtime the service ran a market place stall which asked young people about how they would want to access services (including self-referral) and the type of support they would want.

All this work is aimed at improving how young people access mental health services and will also inform the work of the Children's Partnership Board in Preston.

The results of the feedback are shown below:

Where do you most want to access information about mental health?
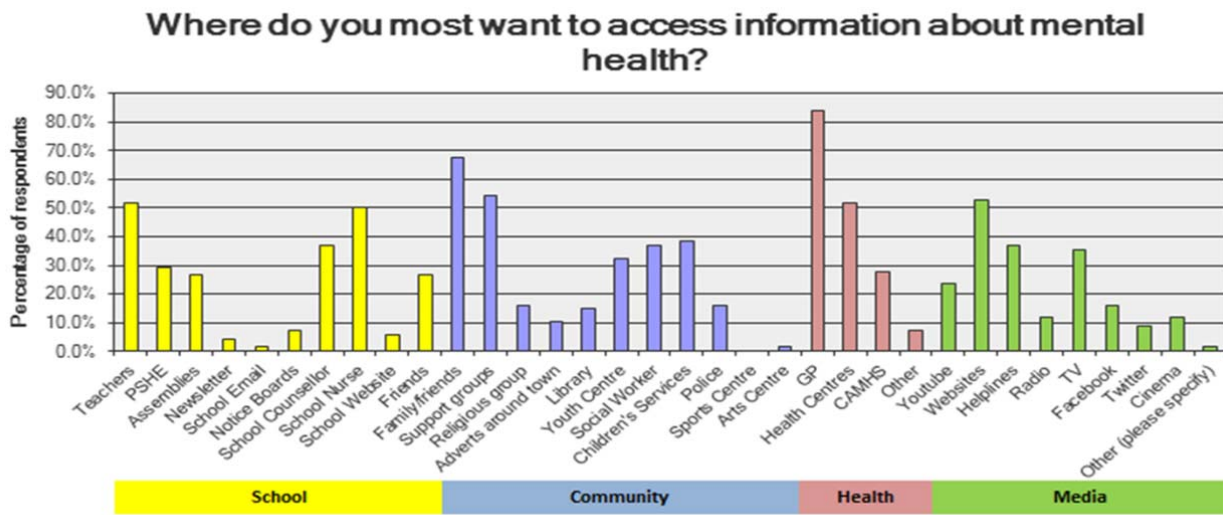
Feedback from the market stall:

**What information do you want to know?**

How to Spot Treatment Symptoms Support

Types of Disorders Deal

What format would be best?

Talking Leaflets Advert Groups

Individual one to one Internet School Drop in

Which staff need training about young people's mental health?

Parents *Head of Year* Nurse *Youth Workers*

Staff *GPs* School *PSHE* Teachers

Would you just train the staff?

Yes
No

Do staff and young people need training?

Yes ■ No
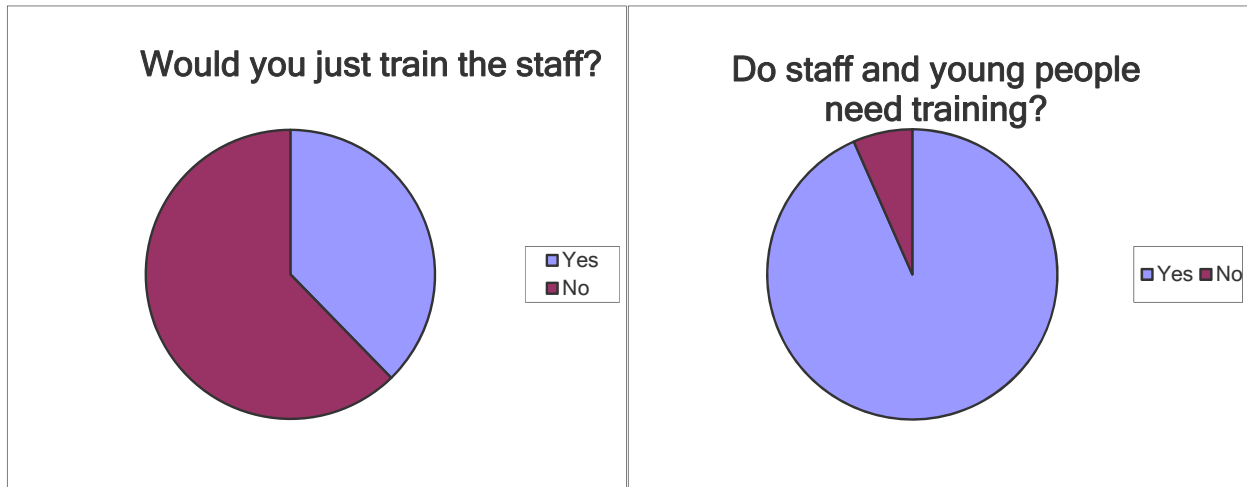
Outcomes:

- CAMHS have started to update their website to reflect some of the key messages from the young people in terms of information to make access easier, including self-help materials and links to useful sites.
- CAMHS are considering the best ways to support self-referral for young people and families so that they can have direct access to the service when needed
- CAMHS are developing a service wide participation strategy that will support young people, families and staff to work collaboratively to ensure that ongoing service development is everyone's business.

Support Services

Nursing and Quality directorate - Volunteer Services

Becoming a volunteer is a great way to meet new people, as well as learning, or building on, existing knowledge and skills. Roles within the Trust can vary, whether it is volunteering in an office, as a dining companion, an interpreter or a meeting facilitator. The time spent as a volunteer is flexible and roles can work around the commitments of each individual.

The Volunteer Service Manager said:

"Volunteers provide our teams with the opportunity to enhance the services they provide. The volunteers work alongside members of staff to provide high quality, compassionate care and help to ensure our service users have a positive experience whilst in our care. Volunteers give a lot of support within the local community and this can make a real impact on the lives of both our patients and their families. We currently have over 200 volunteers of all ages and from different walks of life. Volunteers are an integral part of our services and we really value their input and support."

A member of the maintenance services team at Guild Lodge decided to volunteer after being employed at the site for a few months, he wanted a way to provide support to the service users in addition to his work. He contacted the volunteering service and commenced on the wards in the evenings as a Healthcare Support Volunteer and he is now registered with the Trust's bank staff.

He explains:

"I really enjoy volunteering at Guild Lodge and being able to help the service users. I go home after every shift with an enormous sense of achievement knowing I have helped someone during a difficult time of their life. After working at Guild Lodge for a few months, I decided I wanted to pursue a career as a Healthcare Support Worker. As I had no previous experience working with service users, volunteering was a great way to gain the necessary skills required for the role whilst maintaining my full time employment. I am now able to work as a Healthcare Support Worker at the site, and I couldn't be more grateful for the opportunities volunteering has provided for me.

Personally, my experience has helped change the way I see my own life and I have found I have a much more positive outlook as a result of the feel-good factor I get from helping others. I can't thank the volunteering team enough"

Outcomes:

- Lancashire Care NHS Foundation Trust has 250 volunteers currently
- If you are interested in volunteering please e-mail at: volunteering @lancashirecare.nhs.uk or look at the website:
  www.lancashirecare.nhs.uk/be-involved/Volunteering-Services.php

Nursing and Quality Directorate Quality Improvement and Experience Team – an example of Experience Based Co-design to inform quality improvement

The Finding the pathway to recovery study explores how the post-discharge pathway can be improved, through engaging with staff and patient experiences. The aim of the study was to identify how the post-discharge pathway can be improved from the patient's perspective by exploring experiences of the pathway from inpatient discharge to 'recovery' in the community. This looked at how the specialist and primary care providers work together to support the patient's recovery and prevent relapse into crisis and being readmitted into hospital. The study sought to identify the key points along the patient's pathway as well as how resources are deployed at these strategic junctures. Staff and patient narratives were used to explore how the pathway between primary and specialist providers is experienced by the patient. Particular attention was given to points of potential crisis and relapse identifying where resources and interventions can be targeted. Interviews were conducted with 6 patients and their carers. The results were analysed for

key themes and the results fed back to the participants at a service improvement workshop. The outputs were used to improve ways of working and identify measures for evaluating the improvements to health outcomes.

The following illustration reflects the emotional hotspots clustered along the pathway. The Trust has considerable expertise in how to defuse these points of potential crisis. It also has many areas of excellence and models for high quality care, with good outcomes for patients and carers and areas for improvement were also identified.

Outcomes:

- The transitions are the points where the stress for patients and carers is at its highest.
- Discharge starts at point of admission.
- Crisis admission via A&E or the police can be traumatic.
- Carers demonstrated their awareness of early warning signs of crisis which could prevent admission.
- Being in the Mental Health system is often identified as a great source of relief.
- Experiences of care were found to be variable
- Family and friends are critical to the successful transition back to community.
- Explanations are very important.
- Community teams need to be part of pre-discharge planning.
- Accommodation and employment are reported to be as critical as medication and therapy to moving on.

Safety

This section of the document shows the measures Lancashire Care NHS Foundation Trust is taking to reduce harm to patients and staff.

Other quality indicators relating to the domain of safety have been reported in section 2.3 and include:
- Rate of patient safety incidents
- Percentage resulting in severe harm
- Percentage resulting in death

Quality Priority 3 - Compliance with harm free care national priority:	
• **Reduction in the number of pressure ulcers developed in our care** • **Reduction in the number of falls** • **Reduction in the number of catheter acquired infections** • **Reduction in the number of venous thromboembolisms** • **To participate in a pilot of the mental health harm free care programme**	
Target	**Progress**
• **Monthly submissions of the physical health safety thermometer for all applicable services to the Information Centre** • **To achieve the improvement target in relation to pressure ulcers** • **Implementation of the mental health harm free care programme in accordance with the Trust project plan**	 Monthly submissions from all applicable services have been made. Quality Improvement target achieved – pressure ulcer prevalence maintained below 5% for five consecutive months Mental health harm free care programme rolled out to all five PICU's as per the project plan

The table below demonstrates the number of patients surveyed as part of the physical health safety thermometer during 2014/15 across Lancashire Care NHS Foundation Trust and the percentage of patients who are measured as harm free.

Monthly Harm Free Care Data for 2014/15												
Month	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15
Number of teams submitting	52	50	49	56	55	54	54	51	53	44	44	45

Number of patients surveyed	1212	1196	1161	1231	1040	1210	1158	1086	1128	1073	1077	1131
% Harm Free	93%	94%	94%	94%	94%	95%	95%	94%	94%	94%	94%	93%

Data Source: LCFT Master Safety Thermometer Dashboard Report

The Harm Free Care[2] initiative focuses on thinking about complications for patients aiming as far as is possible for the absence of all four harms for each and every patient. The initiative supports best practice and quality improvement across physical health care focused community services, Longridge community hospitals, physical and mental healthcare services in secure settings, mental health inpatient and community services for people over 65 and learning disability community services for people over 65. The Harm Free Care programme relates to all applicable clinical teams whether these harm factors are a key part of the teams role or form part of an increased awareness / holistic assessment of factors which may be impacting on a person's health and well-being and as such their clinical presentation. To support the quality improvement approach a sub group structure has been developed across the areas of Pressure ulcers, Falls, Catheter care and venous thromboembolisms. The subgroups continue to provide a spring board for engagement creating an opportunity for clinical experts, clinical leads and frontline clinicians from across the organisation to share current good practice and to build upon this, to discuss and resolve challenges and to bring together all sources of data relating to each of the harms to combine with the safety thermometer information to provide a rich picture of harms and to understand the progress towards harm free care.

Fluctuations in the number of teams submitting data reflects the closure and opening of some wards, amalgamations of teams and that some teams provide nil returns some months. As can be seen from the data the 95% harm free care national target has been achieved on two months, with 93% achieved for two months and 94% being achieved on a further eight months.

Between April–September 2013 baseline data for pressure ulcers has been established and an improvement target has been agreed with commissioners. This relates to the median position of 5% and the maintenance of this position across five consecutive months. Lancashire Care Foundation Trust have achieved this. Examples of changes in practice to support this quality improvement are:
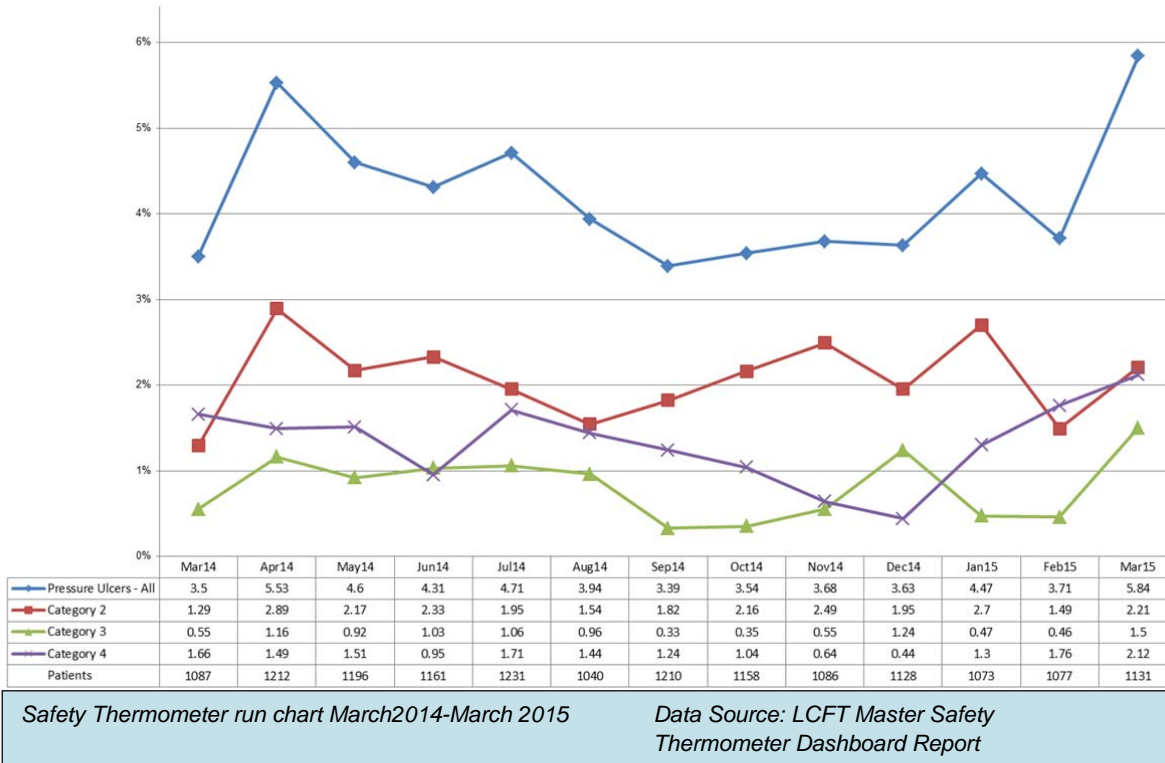
- Implementation of Support Surface; Keep moving; Incontinence and Nutrition and hydration skin assessment (SSKIN) in all education, documentation, guidelines and patient information
- Production of pressure ulcer policy and guidelines for prevention and management of pressure ulceration in Lancashire Care Foundation NHS Trust
- Patient information leaflets on self-management and self-care for patients identified at risk
- Implementation of care plans using the SSKIN approach to prevention which can be personalised to each individual
- Implementation of rolling programme of education and training sessions for staff in prevention and management of pressure ulcers

  The chart on the next page reflects the reduction in point prevalence of all pressure ulceration as monitored by the Safety Thermometer

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[2] http://harmfreecare.org/

Pressure Ulcers - All: patients with an old or new pressure ulcer

LANCASHIRE CARE NHS FOUNDATION TRUST, All Wards, All Settings, All Services, All Ages, All Sexes

	Mar14	Apr14	May14	Jun14	Jul14	Aug14	Sep14	Oct14	Nov14	Dec14	Jan15	Feb15	Mar15
Pressure Ulcers - All	3.5	5.53	4.6	4.31	4.71	3.94	3.39	3.54	3.68	3.63	4.47	3.71	5.84
Category 2	1.29	2.89	2.17	2.33	1.95	1.54	1.82	2.16	2.49	1.95	2.7	1.49	2.21
Category 3	0.55	1.16	0.92	1.03	1.06	0.96	0.33	0.35	0.55	1.24	0.47	0.46	1.5
Category 4	1.66	1.49	1.51	0.95	1.71	1.44	1.24	1.04	0.64	0.44	1.3	1.76	2.12
Patients	1087	1212	1196	1161	1231	1040	1210	1158	1086	1128	1073	1077	1131

Safety Thermometer run chart March2014-March 2015 *Data Source: LCFT Master Safety Thermometer Dashboard Report*

The Pressure Ulcer Harm Report which is collated from the Safety Thermometer Data started the year in April 2014 with a "proportion point prevalence" of 5.53%. The remainder of the year the prevalence has remained between 3.3% and 4.7% which is encouraging, but in March 2015 this has unfortunately peaked again at 5.84%. Lancashire Care NHS Foundation Trust continues to investigate all incidents where pressure ulcers are acquired by patients in our care and lessons learnt are shared widely within the organisation. Work is currently ongoing to identify trends around the location of pressure ulcer (sacrum, heel, buttocks etc), consistency in pressure ulcer classification (Grade 2, 3 & 4) and any key areas for further learning and action.

Mental health harm free care programme

The Mental Health Safety Thermometer is a national tool that has been designed to measure commonly occurring harms in people that engage with mental health services. It is a point of care survey that is carried out on one day per month which supports improvements in patient care and patient experience, prompts immediate actions by healthcare staff and integrates measurement for improvement into daily routines.

It enables teams to measure harm and the proportion of patients that are 'harm free' from self-harm, psychological safety, violence and aggression, omissions of medication and restraint. The programme has been implemented in the five Psychiatric Intensive Care Units (PICUS). In March 2015 following the opening of the Harbour and the amalgamation of some units, there are now 4 PICUs. Point prevalence data was collected over a 13 week period (7 data collections) to establish a Harm Free Care baseline. The PICU ward managers and leads attended an event in November 2014 to review the findings and determine an aim. The overall Harm Free Care on the PICU's was on average 56%. Following the establishment of the

baseline and the commencement of improvement actions the Harm Free Care aspirational target of 70% has been achieved for three months. In March 38% of the 26 patient's seen on the information collection day were free from all of the harms reflected in the Harm Free Care mental health programme. The point prevalence information reflects an increase in the use of restraint across all PICU's in March with this being reflected in people's perception of feeling safe. The Senior Nurse leading the reducing restrictive practices programme is currently investigating this.

It should be noted that the Harm Free Care percentage across PICU's was 82% in January, not 73% as previously reported internally. This was due to a miscalculation of the number of people seen in January which was 28, not 33.

The percentage of patients in each unit experiencing Harm Free care is shown below.

Dec 2014	January 2015	February 2015	March 2015
72%	82%	82%	38%

Data Source: LCFT Master Safety Thermometer Dashboard Report

Reporting of Incidents

The chart below shows the number of patient safety incidents throughout 2013/14 and 2014/15:

*Data Source: LCFT Internal Reporting System, Datix*
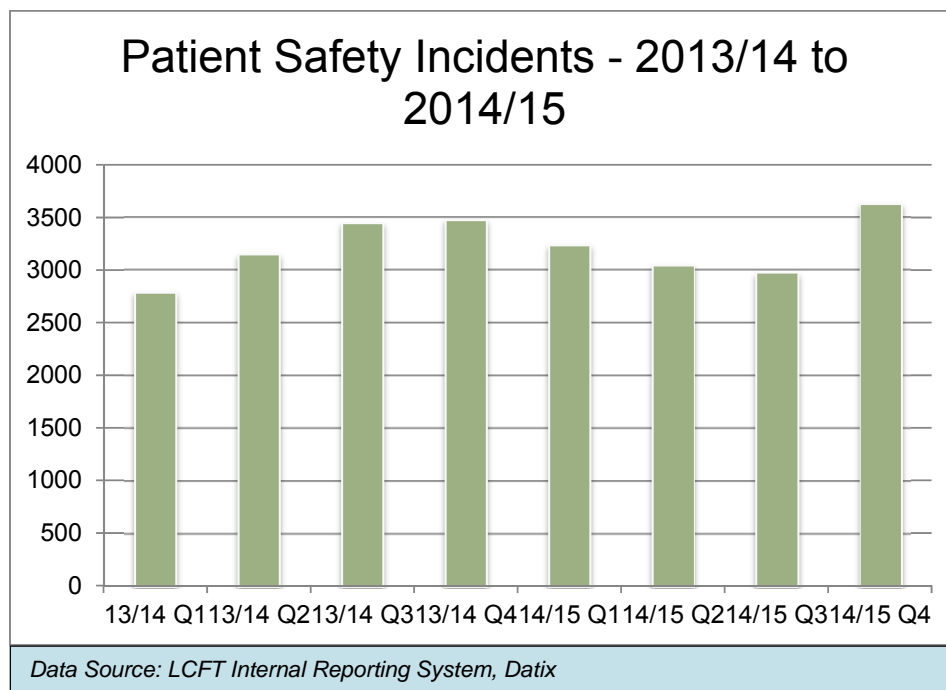
The chart above shows a broadly similar distribution of patient safety incidents. In the final quarter of 2014/15 an increase of patient safety incidents has been reported which is due, in part, to the addition of new services to the organisation, in particular new offender health services. Additional work is underway to explore this data further.

The following chart shows a breakdown of these patient safety incidents by level of severity and it is reassuring to note the increase in quarter 4 of 2014/15 is focused in low and moderate level incidents.

Definitions of Severity:

- None - no injury or adverse/outcome. No treatment/intervention required
- Low - short term injury/first aid given
- Moderate - semi-permanent injury/damage. Moderate increase in treatment. Medical treatment required e.g. x-ray/broken bones
- Severe - permanent injury. Loss of body part. Mis-diagnosis, poor progress. Injury to individual not life threatening but actually jeopardise the wellbeing of the patient.
- Catastrophic - death or serious harm that may place individuals life in jeopardy i.e. suicide or homicide

Patient Safety Incidents by Level of Severity - 2013/14 to 2014/15
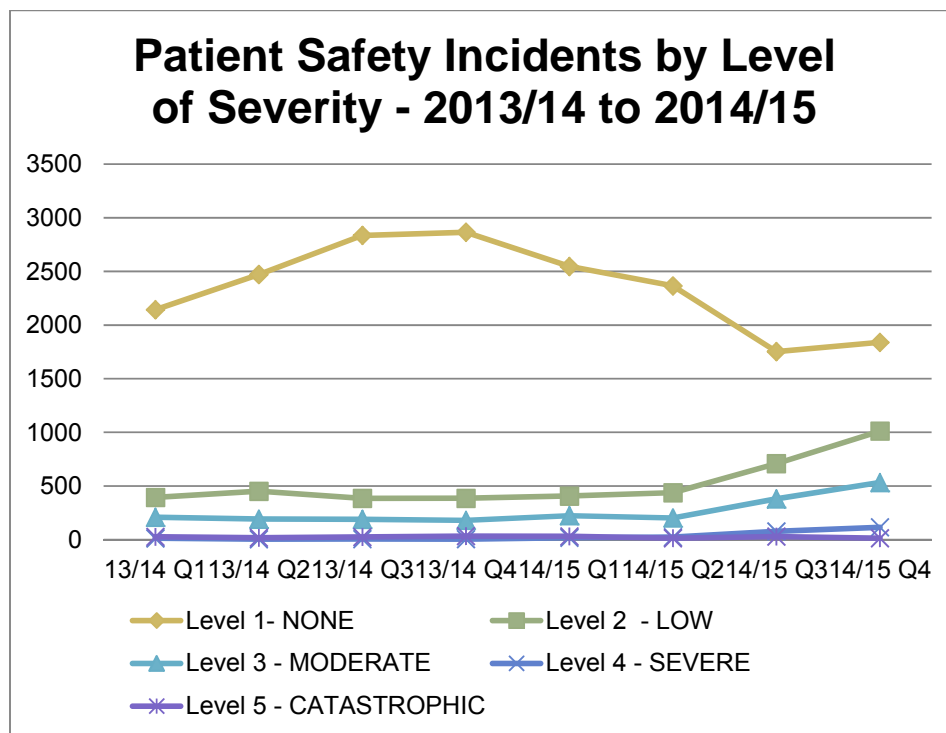
Top 5 Reported Patient Safety Incidents

The top 5 reported patient safety incidents are shown in the table below (excluding the categories of *service deficit* and *health records)*:

Category	Total (Apr 14- Mar 15) n= 12,875	% (Apr 14- Mar 15) Total
Self-harm	1,945	15%
Medication Incident	1,747	14%
Safeguarding	725	5%
Slips, trips and falls	681	5%
Pressure ulcers	518	4%
Data Source: LCFT Internal Reporting System, Datix		

70

The categories of incident above are actively monitored through various thematic analysis and reports. The Serious Incident Advisory Group receives and reviews these reports, identifies any risks and makes recommendations to the Quality and Safety Sub-committee on any actions required.

Reporting of Serious Incidents

Serious Incidents describe incidents which relate to NHS services or care provided resulting in serious harm or unexpected death of patients, staff, visitors or members of the public; situations which prevent the organisations ability to deliver a service; allegations of abuse; adverse media coverage or public concern. All Serious Incidents are subject to a post incident review investigation which includes the development of recommendations and action plans.

Data Source: LCFT Internal Reporting System, Datix
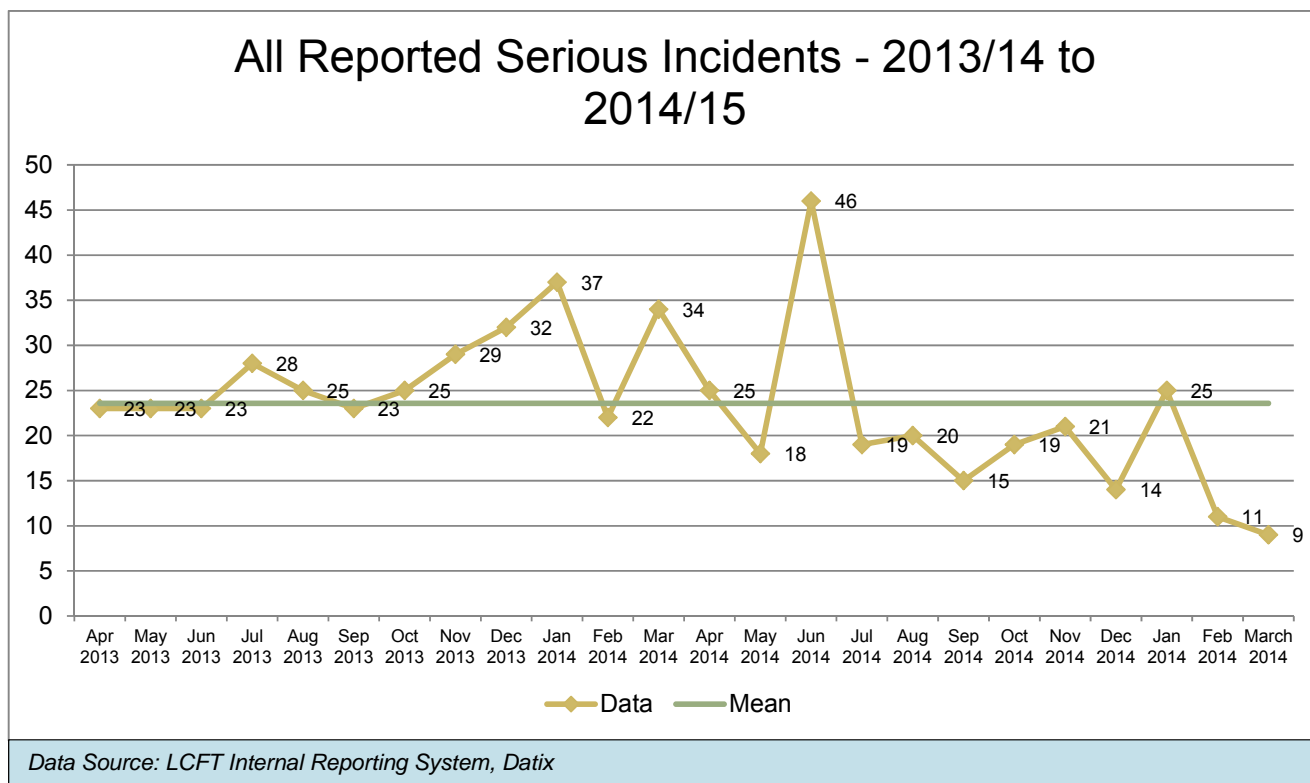
The management of Serious Incidents was reviewed and reinforced with a new policy and system being implemented in October 2014. Lancashire Care NHS Foundation Trust has amended the reporting system to be reflective of the grade of incident and introduced a 3 day review investigation for all serious incidents, which is reviewed by a weekly panel consisting of the Executive Medical Director, Executive Director of Nursing and Quality and the Associate Director of Patient Safety and Quality Governance. This panel commissions further, more detailed investigations using root cause analysis principles. There has been investment in root cause analysis training for investigators and the organisation has supported several staff in working towards a Post Graduate Certificate in Serious Incident Investigation from the University of Central Lancashire. A project was initiated in quarter 4 of 2014/15 to develop a centralised safety investigations team consisting of expert clinical investigators, and this project will be fully implemented during 2015/16.

Throughout the year Lancashire Care NHS Foundation Trust has seen a noticeable decrease in the number of serious incidents and did not experience any "never events" during the year.

Through governance structures, any lessons learnt from serious incident investigations are cascaded through the Networks. The model of *Dare to Share, Time to Shine* events has continued throughout the

year to support sharing the learning. Work was also carried out with our commissioners to enhance the sign-off process for serious incident investigations. In particular, a robust review and sign-off process was developed with our lead commissioner for mental health services, Blackburn with Darwen CCG. Serious incident performance reports are reviewed at the monthly quality and performance meetings for both our mental health and community health services.

Mandatory Training

Mandatory Training						
Indicator	2013/14 Target	2013/14 Outcome	2013/14 Target Achievement	2014/15 Target	2014/15 Outcome	2014/15 Target Achievement
Staff Mandatory Training	80%	80%	✔	85%	76.16%	✖
Data Source: LCFT Internal System (Training Department)						

The mandatory training target was increased from 80% to 85% in 2014/2015. The target was not achieved as at end of year, with current compliance noted at 76.16%.

Lancashire Care NHS Foundation Trust intends to take the following actions to improve this percentage, and so the quality of its services, by;

- Developing Business intelligence reporting systems for mandatory training compliance reporting that will enable accurate and intelligent reporting. This will ensure transparency of compliance and enable actions to be taken as necessary to resolve non-compliance.
- Currently Lancashire care NHS Foundation Trust is undertaking a radical review of mandatory training , ensuring training is aligned to identified and potential risks, and innovative methods of engaging with staff to provide core skill assurance in line with national and legal requirements
- Developing more flexible delivery of some mandatory training to enable greater flexibility for attendance.
- The opening of the quality academy in a new facility utilising latest technology supported by pop up classrooms will support staff to engage in a variety of training opportunities
- Continue to ensure that enough training is made available to staff, with a greater variation on times and dates including bespoke delivery.
- Review and support network action plans to drive compliance eradicating barriers to training.
- Monitor and manage attendance working to reduce the number of wasted places.
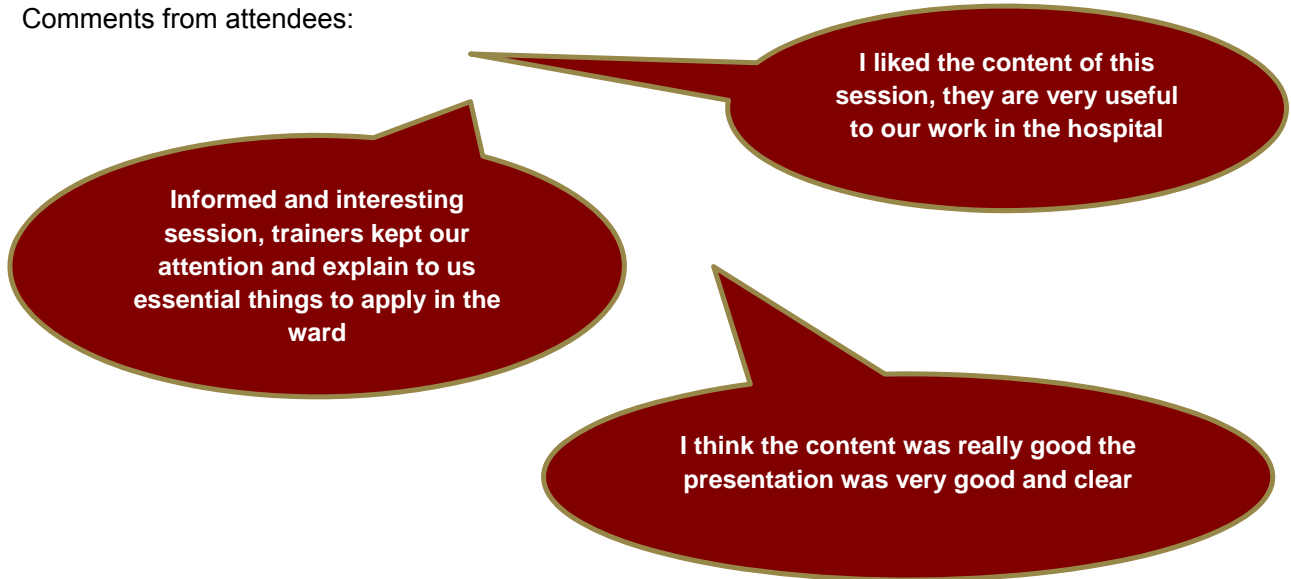
Safety

Adult Community

Receiving the Award

Learning Disability Team – Safeguarding Vulnerable Adults in Hospital

The learning Disability Integrated Health Service utilise their skills to provide specific and responsive care in all settings for people with learning disabilities and their families/carers. This project aims to ensure staff in the acute trust gain a greater understanding of the needs of people with learning disabilities and how to make reasonable adjustments to the care they provide to ensure all vulnerable people have access to services.

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The West Lancashire Learning Disability Team along with colleagues in the acute trust have won an award for Patient Safety in relation to training provided to hospital nursing staff about vulnerable patients. The West Lancashire Learning Disability Team provides the content in relation to learning disabled patients. This has highlighted excellent multi profession working relationships between Lancashire Care Foundation NHS trust, Ormskirk and Southport Hospital NHS Trust and Merseycare in the development and delivery of the training package. The training is ongoing and responsive to the needs of the learner and updated in changes to practice.

Comments from attendees:

I liked the content of this session, they are very useful to our work in the hospital

Informed and interesting session, trainers kept our attention and explain to us essential things to apply in the ward

I think the content was really good the presentation was very good and clear

Outcomes:
- During 2014 a total of 102 people attended the training session, which has been developed to highlight the issues experienced by vulnerable adults and how reasonable adjustments can be made to ensure high quality health outcomes.
- Of the 102 that attended only 1 did not complete an evaluation. 58% of participants reported the training sessions to be excellent, 38% very good and 6% good.

Adult Community Clinical Leadership Team: Sharing the Learning

The Adult Community Clinical Leadership Team work directly with clinicians, patients and carers to ensure that they are safe, effective and well led. They work to ensure that the culture of the network is open, transparent and faithful to learning when things go well and when they do not. Their leadership and direction creates opportunities and environments for learning and development of the clinical workforce.

The project has evolved as the patient safety and integrated governance for the Adult Community Network has developed. It became clear to the clinical leaders that there needed to be a focus on learning and change. As a result different methods of sharing learning were tested and a learning template developed.

ADULT COMMUNITY NETWORK
SHARING THE LEARNING

Lancashire Care **NHS**
NHS Foundation Trust

From a Complaint ☐
From a Serious Incident ☐
From other learning event ☐
Date approved:

Datix ID Number:

Completed by:

Nature of incident

Description of the Lessons Learned:

Description of any good practice identified:

Conclusion and recommendations::

For Circulation via:

All staff - Clinical Business Unit	☐
All staff - Adult Community Network	☐
Network Best Practice Groups	☐
Dare to Share event	☐
Other Clinical Networks	☐

Please display on your Team Information board

Learning Template

Outcomes:

- The sharing the learning templates are now an integral part of the network patient safety and integrated governance systems - learning from every opportunity including serious incidents, complaints, compliments and experiences in coroner's court.
- The templates are completed by the clinical leadership team whenever learning is required
- Learning has been effectively shared outside of the organisation to partners when necessary.
- The template is shared widely and then consider through patient safety groups to identify any changes required in practice and action plans developed to support this.

Specialist Services
Guild Lodge – Physical Health Provision Guild Lodge

Prior to 2013 the physical health provision provided at Guild Lodge had relied on the ward based nurses and consultants with support from one session per week by a visiting GP and Practice Nurse. A Clinical Nurse Specialist in Physical Health and an in-house Practice Nurse were appointed in 2013 to support physical health provision.

Following an initial review of the service users' physical health records and existing physical health services a plan was developed to address the main priorities;

- All existing physical health records were reviewed and brought up to date

- All new admissions had a standardised physical health assessment on arrival
- Ward based registers were produced recording service users physical health requirements including dates for reassessment
- Service wide registers were produced identifying those service users with long term conditions and when their relevant assessments and or screening was required
- Visiting GP's attended training to access electronic service user records
- Practice nurse triages all Primary Care referrals to ensure service users are seen by appropriate clinician and/or GP.
- In-house Stop Smoking service was commenced February 2013
- Weekly weight assessment clinics were commenced

Outcomes:

- All service users now have annual health checks which are recorded using the RETHINK tool on their electronic record.
- All service users with long term conditions are now reviewed appropriately and condition specific screening is completed
- All GP and Practice Nurse consultations are now recorded electronically onto service user's record including actions required
- Blood results are now reviewed on the service user's electronic record by the consultants which then populates the electronic cardio metabolic risk table
- Individual service users have had significant weight loss attending the weight assessment sessions
- Ward staff now consult the physical health registers to gain a greater understanding of their service users physical health conditions and needs
- Both ward staff and consultants have a point of contact to discuss physical health issues
- All service users have physical health care plans within their electronic records

Guild Lodge Personal Safety Coordinator - Violence and Restraint Reduction

The introduction of the safety assurance tool has allowed a monthly break down of violent incidents and incidents that have led to the use of restraint. This has enabled a greater governance structure around the use of restraint which also adheres to recent government guidance around restrictive practices. Further to this there has been a review of training that has been supported by the data provided. This has resulted in changes to training to ensure that the programme staff now receive is focused on violence prevention and utilising the 'least restrictive' option. The project also includes the development of in house security training focused around the three strands of security. The overall aim of the project is to improve the safety of staff and service users.

Comments from staff following the training:

'The new theory is much better as I now have a better understanding of other areas'.

'The techniques are easier to learn and better for service users'.

Adult Mental Health

Sir Robert Francis (Francis 2 – Mid Staffordshire NHS Foundation Trust Public Inquiry, recommendation 208) recommended that organisations strengthen the identification of health care support workers and nurses. As part of Lancashire Care NHS Foundation Trust's commitment to having the right staff in the right place at the right time, to provide the care that people need, and supporting the organisations open and honest approach, staff at the Harbour wear different uniforms so that people can be clear about the position of each person and the role they have in their care. The different types of uniform worn are:

Uniforms at the Harbour

Matrons	grey with red piping
Ward Sister/Charge Nurse	navy blue with red piping
Deputy Ward Sister/Deputy Charge Nurse	navy blue with white piping
Staff Nurse	mid blue with white piping
Nursing Assistant	pale blue with navy piping
Administrative staff	TBC
Housekeeper	burgundy with white piping
Occupational therapist	white with green piping
Therapy assistant	green with white piping

Medics and psychologists do not wear uniform but will be clearly identifiable through the trust identity badges.

Harbour Staff in their new uniforms

Outcomes:

- Staff are clearly identifiable by their uniforms

Lathom Suite Quality Improvement framework (QIF)

The Lathom suites QIF aimed to improve the quality of care received by service users based on a reduction in "harm". Harms are considered to be restraint, seclusion, self-harm, service user perception of safety, medication omission & service user being a victim of violence.

The quality improvement framework encompassed a number of quality initiatives including the Mental Health Safety Thermometer, Reducing Restrictive Practices Project and Safewards.

The Mental Health Safety Thermometer

As described on page 64 the national tool has been used to support improvements in patient care and patient experience, prompt immediate actions by healthcare staff and integrate measurement for improvement into daily routines.

This has enabled teams to measure harm and the proportion of patients that are 'harm free' from self-harm, psychological safety, violence and aggression, omissions of medication and restraint.

The Lathom suite met or exceeded the Trust target of 70% harm free care 78% of the time.
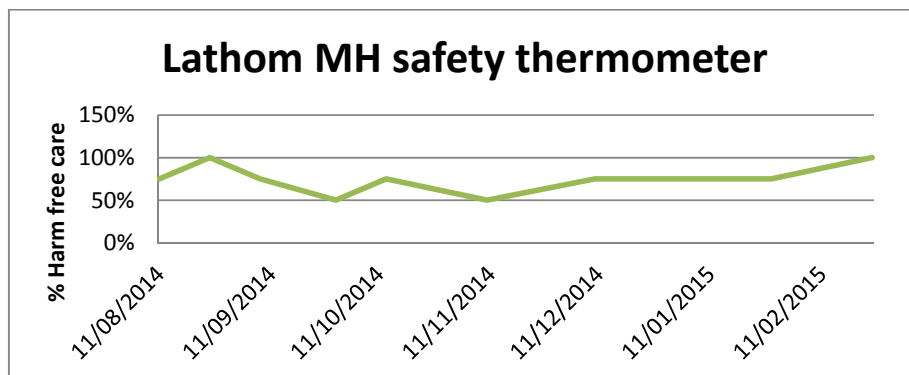
Data Source: LCFT Master Safety Thermometer Dashboard Report

<u>Reducing restrictive practices</u>

Restrictive interventions are often a major contribution to delaying recovery, and have been linked with causing trauma, both physical and psychological, to people who use services and staff. Restrictive interventions' are defined in the Department of Health Guidance: Positive and Proactive Care and A Positive and Proactive workforce as: 'deliberate acts on the part of other person(s) that restrict an individual's movement, liberty and/or freedom to act independently in order to:

- Take immediate control of a dangerous situation where there is a real possibility of harm to the person or others if no action is undertaken

- End or reduce significantly the danger to the person or others; and contain or limit the person's freedom for no longer than is necessary.

The Lathom suite's QIF set out to reduce these restrictive practices to a minimum and to build upon the existing culture of engagement and respect. The QIF action plan included a range of measures to promote this aim including:

- A debriefing & coaching process for all incidents which aims to constructively examine how restrictive practices have been used and enable for learning to occur and be shared.

- Individualised action plans for all members of qualified staff

- The introduction of Safewards interventions to promote engagement with service users and carers.

Data Source: LCFT Internal Reporting System, Datix
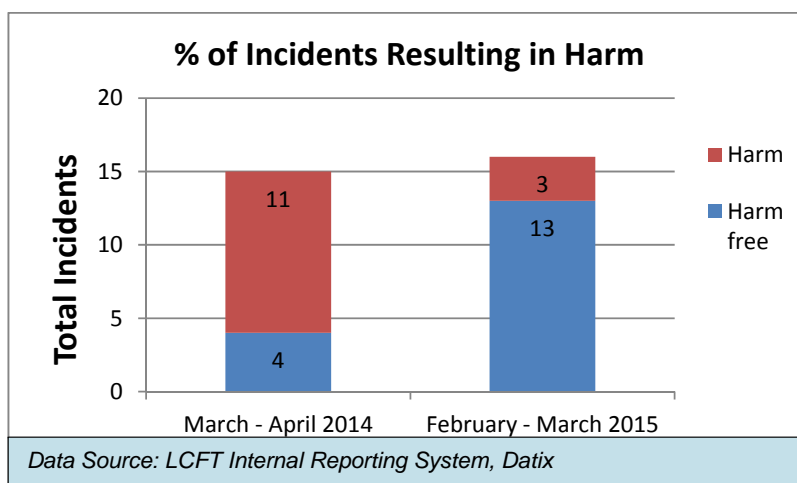
Harm free any Patient safety incident that had the potential to cause harm but was prevented, resulting in no harm to people receiving NHS-funded care. Impact not prevented

Harm Any Patient safety incident that appears to have resulted in harm to one or more persons receiving NHS-funded care.
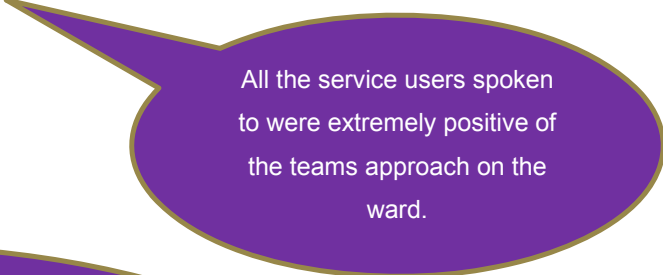
The Lathom suite has used the Plan–Do–Study-Act (PDSA) quality improvement methodology   to test the impact of debriefs and other implemented changes to determine whether any learning has impacted on staff or service user behaviour e.g. whether restraint was used in relation to restrictive practices; or whether the use of restraint was avoidable / avoided.

To measure the impact of the changes made there was an examination of the qualifying incidents on datix. The data for a 2 month period was examined to determine the number of qualifying incidents and then the
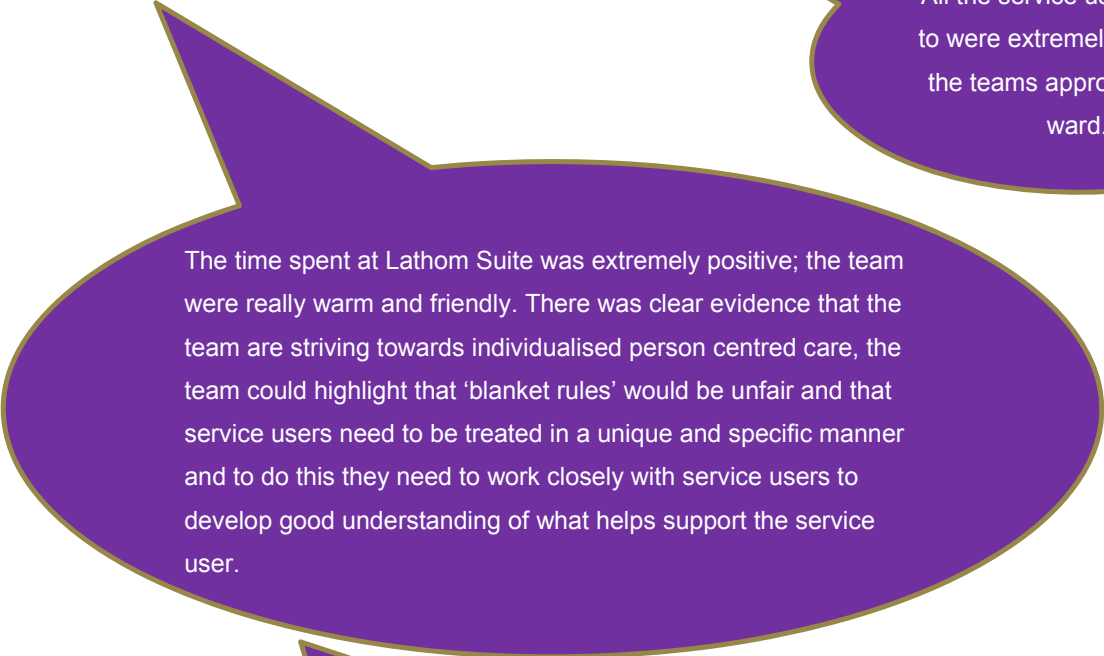
proportion of those incidents that led to the use of restrictive practices (or Harms).This was then compared with a 2 month period before the introduction of the QIF. The data demonstrated that the number of qualifying incidents had not reduced. However the way in which these incidents were managed demonstrated a significant decrease in the use of restrictive practices.

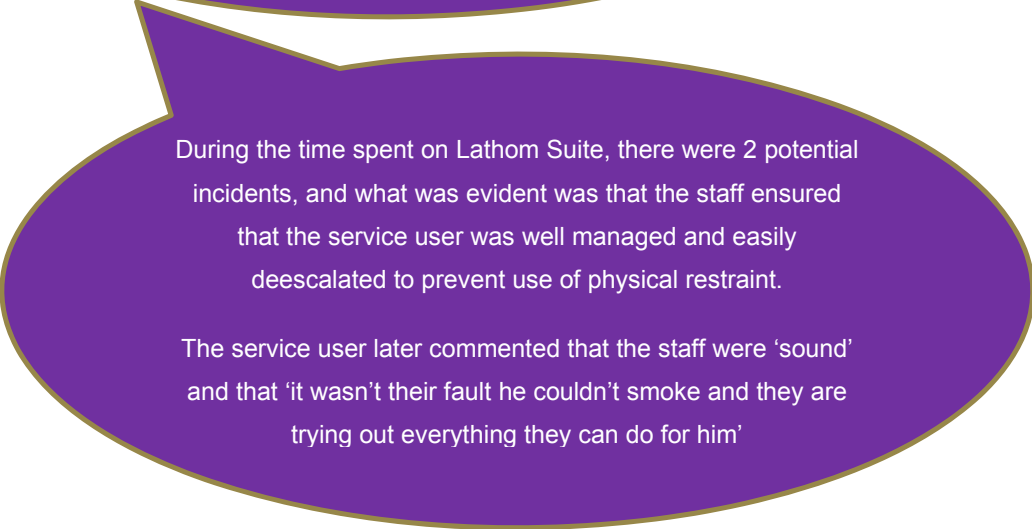**Reducing Restrictive Practices - Project Work feedback**

The Lathom suite was visited by the Trust project lead for reducing restrictive practices. Here are some of the feedback comments from the visit which give an indication of Lathom suite's success and direction of travel:

All the service users spoken to were extremely positive of the teams approach on the ward.

The time spent at Lathom Suite was extremely positive; the team were really warm and friendly. There was clear evidence that the team are striving towards individualised person centred care, the team could highlight that 'blanket rules' would be unfair and that service users need to be treated in a unique and specific manner and to do this they need to work closely with service users to develop good understanding of what helps support the service user.

During the time spent on Lathom Suite, there were 2 potential incidents, and what was evident was that the staff ensured that the service user was well managed and easily deescalated to prevent use of physical restraint.

The service user later commented that the staff were 'sound' and that 'it wasn't their fault he couldn't smoke and they are trying out everything they can do for him'
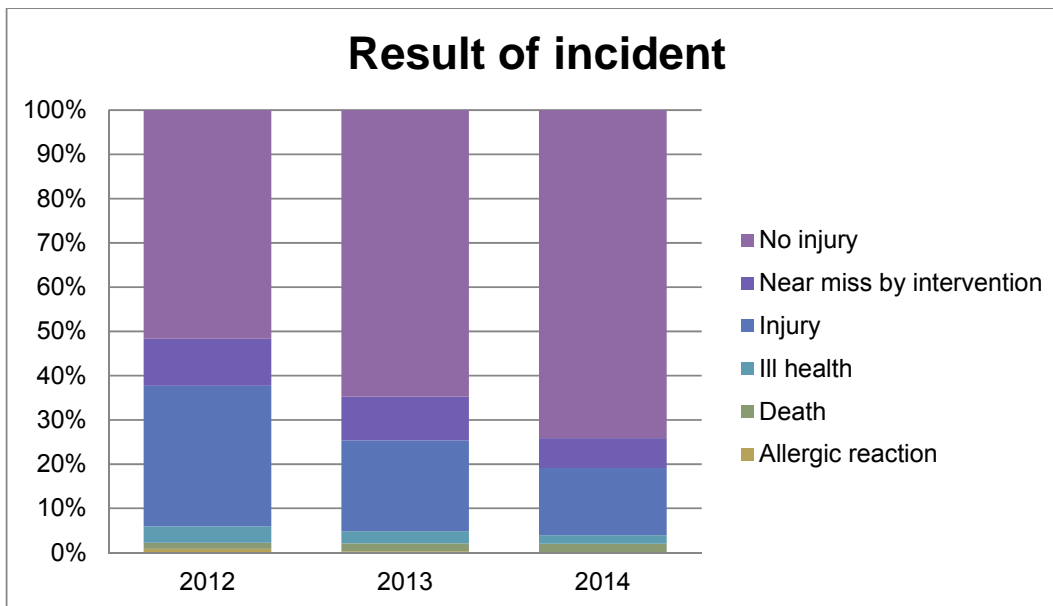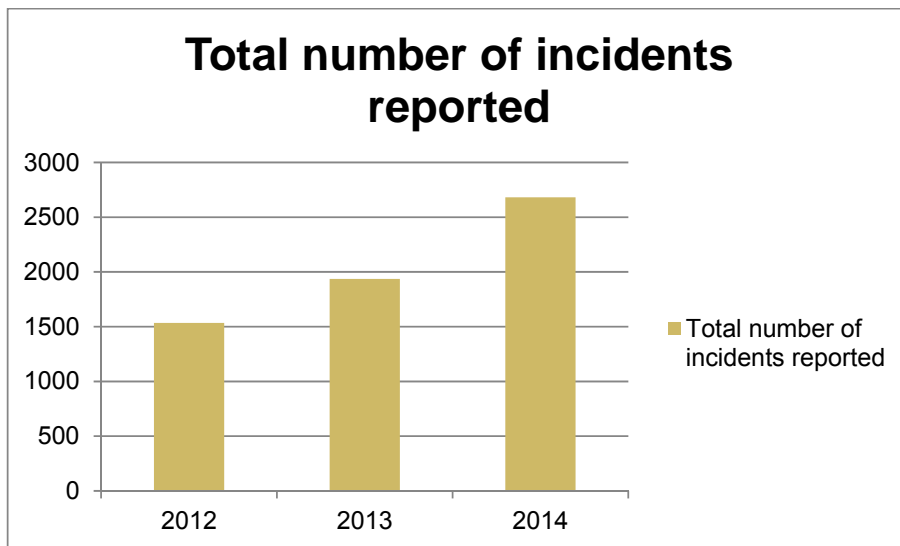
Outcomes:

- A focus by the ward on harm reduction
- The ward have successfully utilised the QIF to support and align key workstreams e.g. Harm Free Care, Safewards, reducing restrictive practices
- Early indications highlight positive improvements which will be continue to monitored as part of the QIF programme

Children and Families

Transformational Hub – improving patient safety culture and associated improvements in reporting

The Children and Families Network has worked hard to improve its safety culture, particularly focussing on encouraging staff to report incidents including near misses. The Network with support from the Risk team trained managers to use Datix and to support incident reporting in their teams. The Network also took part in the AQuA Patient Safety Champions programme and its project for the programme was also to increase the level of incident reporting.

Team leads and managers were trained to use Datix and were asked to encourage their team to report incidents on Datix including near misses. As part of the AQuA Patient Safety Champions programme the Manchester Patient Safety Tool was used with specific teams to explore their safety culture and teams developed their own action plans. We have also used the Team Climate Assessment Measure to target areas and teams where other data has indicated issues with risk reporting or safety incidents

Outcome:
The overall level of incident reporting has increased during the last 3 years with the proportion of near miss/no injury incidents also increasing.

Universal Services: Sharing the service user's perspective of a serious incident – learning lessons

Universal Services provide a range of community based services for children and families including Child and Family health Service which incorporates Health Visiting and School Nursing Services, Health Improvement Service, Immunisation and Vaccination teams and Children's Psychology Services.

Following an information governance incident, the service users involved were visited at home and informed of the incident. They were asked if we could share how this incident had made them feel and their perspective of the incident with staff. The idea was to help staff understand the impact of the incident on service users to help prevent further incidents. The service user agreed to this. An interactive presentation was developed that told the story of the incident and the service user's journey following the incident and the subsequent changes in practice. This was shared with teams across the Universal service line. This was also shared as part of three Dare to Share events held in the network. Attendees were asked to consider this incident in particular from the service user's perspective. The events used an appreciative inquiry approach.

The findings of the serious incident investigation were also shared with the service user.

Outcomes:

- Attendees said that they found the events useful particularly in encouraging them to think about the incident from the service user's perspective.
- The recommendations from the discussion with attendees have been developed into an action plan for the network.
- The Network has more Dare to Share events planned for the future.

Support Services

Pharmacy – Improving standards in community clinics medicines management.

There are many community clinics within   Lancashire Care NHS Foundation Trust Care that store medicines that are administered or issued to patients. It is important that any area that stores medicines is storing them in a safe and secure way. They must be securely locked away to avoid any misuse or tampering, and their storage must be regulated to ensure that patients receive their medicines in the optimum condition. For all of this to happen there must be medicines management procedures in place for staff to follow. These standards are monitored and maintained through a visiting programme and audit process.

Ensuring that patients receive their medicines in a safe and effective way is of great importance within the community clinics. It is a requirement of Trust procedure that storage audits are undertaken every three months. When the audit system was established areas for improvement were identified in the medicines management processes within some of the community clinics including:

- Vaccine fridge temperatures were not being recorded correctly and malfunction problems were not uncommon. As a result there was a risk that vaccines were being stored outside of their recommended temperature. This could result in the wastage of vaccine or at worst, that a child could potentially receive a vaccine that was sub-optimal.
- Not all areas were monitoring the clinic room temperature. Many medicines have a requirement to be stored under 25 degrees – in the middle of summer how would clinics know if they were abiding by this?

- Medicines should be stored in cupboards that meet British Standards. This means they are resistant to attack and offer the maximum security. A number of clinics were non-compliant.
- There was no collection system in place to remove pharmaceutical waste bins.

The audit system worked to improve these standards by closely working with the community teams and by offering extra support through additional training.

Preston audit results Nov/Dec 2013

This spreadsheet shows the red/amber/green (RAG) results for the Preston clinics in 2013. As you can see there are a lot of red boxes which shows that the community clinics were not compliant with their medicine management processes in those areas. The clinics received an audit report after each visit detailing the areas of concern and comments for improvement. This was also supported with follow up visits if required. Action plans were put into place to improve standards.

Preston audit results Nov/Dec 2014

This is the same spreadsheet but 12 months later. It is clear to see that the majority of the issues that were previously red are now green. This is achieved through a good relationship with the community clinic staff and a willingness to improve standards for the patients.

Outcomes:

- All vaccine fridges that were assessed and deemed to be ineffective were condemned to ensure vaccine safety.
- New temperature monitoring sheets were established and a second independent thermometer was placed in every fridge to ensure accuracy.
- Any area purchasing a new fridge received a detailed training presentation to ensure the safe storage of all vaccines.
- All fridges now comply with Trust standards.
- All areas now have a room thermometer and a monitoring sheet.
- Following high temperatures in the summer months there is now hot weather guidance available to instruct the community teams how to reduce the expiry dates of their medicines where necessary.
- All areas that require British standard cupboards now have one, or it is on order. This will ensure the safe storage of medicines within clinic areas.
- There is now a collection system in place to collect pharmacy waste. All clinic areas have been issued with memos on what action to take when they need a delivery and there is no longer a build-up of waste bins.
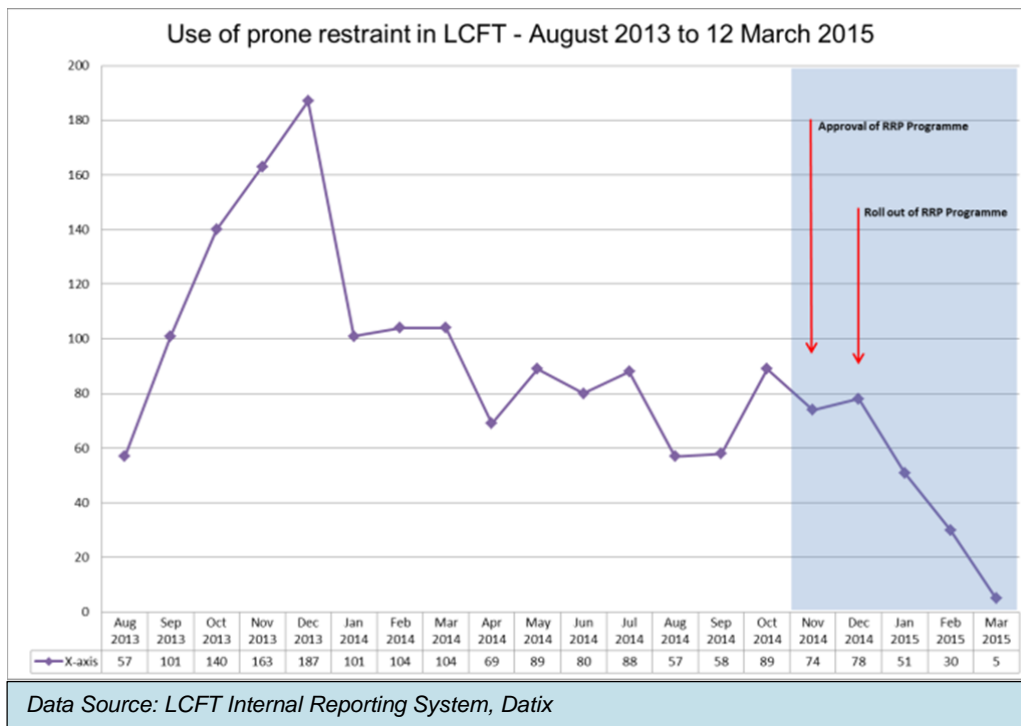- There have been massive improvements within medicines management.

Nursing and Quality Directorate. The Violence Reduction Advisory Team: providing support to clinical teams and service users in relation to the prevention, reduction and management of violence, aggression and challenging behaviours.

The Violence Reduction Advisory Team provides an education and clinical advisory service within 4 geographical neighbourhoods of Lancashire Care NHS Foundation Trust, ensuring full service coverage to all Networks. The primary focus of the team is the reduction of restrictive practices through the promotion of a public health approach with a particular focus on services that provide in-patient mental health care.

The publication of the Department of Health document 'Positive & Proactive Care' contained a number of recommendations relating to cultural change in mental health care, in particular the need for mental health and social care services to review their use of restrictive practices. One of the recommendations was the removal of prone restraint as a restraint intervention. The Violence Reduction Advisory Team rolled out a project of prone restraint removal across all services, re-training staff in alternative approaches to the use of prone restraint that are considerably less restrictive in nature. The programme is referred to as Reducing Restrictive Practices (RRP) and includes a wide range of areas such as violence and aggression, physical restraint, chemical restraint and mechanical restraint. The programme also covers restrictive practise in the form of restrictive environments and the use of blanket restrictions which have a negative impact on how people behave, their care and recovery. The intention of this programme is to transform Lancashire Care NHS Foundation Trust into an organisation regarded as a leader within the NHS around restrictive practices. This will improve patient safety, staff safety, clinical effectiveness and patient experience. The use of prone restraint as a deliberate intervention to manage challenging behaviour by healthcare staff will be removed by April 2015.

The following graph shows the use of prone restraint across all LCFT services from 01 August 2013 to 12 March 2015:

Use of prone restraint in LCFT - August 2013 to 12 March 2015

	Aug 2013	Sep 2013	Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	Apr 2014	May 2014	Jun 2014	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Dec 2014	Jan 2015	Feb 2015	Mar 2015
X-axis	57	101	140	163	187	101	104	104	69	89	80	88	57	58	89	74	78	51	30	5

Data Source: LCFT Internal Reporting System, Datix

Outcomes

- The main outcome of the project will be the complete phasing out of the use of prone restraint.
- There has been a significant reduction in the use of prone restraint since the roll out of the Reducing Restrictive Practices Programme

Ancillary outcomes include:

- A review of restrictive practices across the mental health in-patient estate with a particular focus on Psychiatric Intensive Care Units which has resulted in a reduction in the use of restraint and a more relaxed, individualised and compassionate approach to the care of service users in these environments.

Awards

Adult Community

A programme set up by a team at Lancashire Care NHS Foundation Trust in partnership with Age Concern and the Alzheimer's Society to provide support for people with a diagnosis of dementia and their carers, was a winner at a glittering awards ceremony celebrating the national Positive Practice in Mental Health Awards held in Sheffield.

The awards are led by Breakthrough, a nationally recognised mental health service user organisation which offers a service user perspective to research service development and training. The Older Adult's Mental Health Team won the Older Adult's Mental Health Award for their Positive Outlook Programme.

Lancashire Care NHS Foundation Trust's Chief Executive said:

"It was an honour to be a part of the awards ceremony and have the chance to celebrate the amazing work that is taking place in the area of mental health. The Positive Practice Initiative provides a great platform for service users to have their voices heard, and the work that takes place to reduce stigma around mental health is remarkable. It is also a great opportunity for NHS and third sector organisations to get together to celebrate the collective work that each organisation participates in to support mental health and positive practice in this area. For the Trust's work to be recognised on the evening was truly the icing on the cake, and highlights the excellent work that takes place by our teams and individuals on a daily basis."

The Associate Clinical Director in Older Adult Mental Health at Lancashire Care NHS Foundation Trust said:

"We were delighted to be a part of the awards evening and recognise the brilliant working that takes place around the country in the field of mental health care. In our category there were some excellent examples of the types of compassionate care that is carried out in relation to older adult mental health and we were thrilled to have won!"

Specialist Services
Design in Mental Health Network Conference, Exhibition

Service User Champions, Guild Lodge, Specialist Services were awarded the Service User Design Champion of the Year 2014 at Design in Mental Health Conference Awards Dinner in Birmingham.

The Service User Champion Business Steering Group Guild Lodge has been involved in a number of design projects to improve the service user and family experience at Guild Lodge. One of the main developments is a picnic area at the front entrance so family and friends can visit their relatives.

The idea came from a service user champion who described having a family visit on his 50th birthday, as not being special. This was due to nowhere to sit with his family, to enjoy the lovely weather and to have a picnic lunch to celebrate his birthday! This was raised at the Champion Business Steering Group meeting as this is where, service users get together to discuss issues of improvement and service development.

The Champion Business Steering Group, discussed the concept and actioned a design for a picnic area to be presented to senior managers. It was agreed that they would support this new design initiative for Guild Lodge.

Over months of design workshops, and service users talking to family and friends, the Health and Safety Team and Property Services, the picnic design project evolved and has become a reality.

As part of the Design in Mental Health Conference a member of the Champion Business Steering Group was asked to speak at the conference about his experience of living in a secure environment. As part of the presentation a service user champion designed a concept with other services users about how a ward should feel and function.

This experience has given me hope for the future and to top it all – the champions won an award!!!!!!!

The Dare to Design SEED project Guild Lodge discussed ways of improving patient care which included a safer and more independent environment. The champions recognised their designs need other expert input but their vision has to be respected. By the end of the process the design might be so far removed from the original design but they have been part of the design process.

Presenting at the awards

Receiving the award

Staff Development and Quality

Lancashire Care NHS Foundation Trust recognises the relationship between positive staff experience and positive service experience. Lancashire Care NHS Foundation Trust works to improve staff experience through:

- Supporting staff including workforce planning
- Leadership including the Appreciative Leadership Programme
- Staff engagement including the staff survey
- Health and wellbeing including the strategy

Lancashire Care NHS Foundation Trust continues to work hard to successfully embed the NHS Constitution and the Trust's own values to ensure delivery of high quality care:

- Teamwork
- Compassion
- Integrity
- Respect

- Excellence
- Accountability

These values are the foundation stones for everything Lancashire Care NHS Foundation Trust does and the behaviours of each and every member of staff.

People Strategy.

The Trust's People Strategy outlines the priorities for the workforce over the next 5 years and has been informed by analysis of external influences affecting the Trust, local and national agendas and feedback from our people about how to make Lancashire Care a better place to work. This strategy will be reviewed annually to ensure it remains aligned with the Trusts Strategic Plan and emerging priorities.

Workforce Planning

Lancashire Care NHS Foundation Trust recognises that its capacity and capability to plan its current and future workforce is pivotal to success. Services within Lancashire Care NHS Foundation Trust must look forward, as well as dealing with the here and now, managing demand and providing care in efficient and effective ways to ensure patients receive the right service in the right place at the right time. Embedding a culture of workforce planning across the organisation, as well as the appropriate workforce planning skills and competence, is a key priority for Lancashire Care NHS Foundation Trust.

In recognising our current operating environment, along with the requirement for new models of care, increased multiagency coordination, new ways of working, and a different mix of skills in healthcare professionals are required. We are working in partnership with Health Education North West to lead the design and build of a bespoke strategic workforce repository and planning tool (WRaPT) on their behalf. This will facilitate advancement in workforce planning at a regional level and enable us to strategically plan our workforce, as part of a local Health economy, and ultimately as part of a regional health and social care system.

Leadership Development

<u>Appreciative Leadership</u>

The internal Leadership Development Programme continues with an extension across levels of staff within the Organisation. The Director of Human Resources in partnership with the Head of Organisational Development are working together to continually improve and extend our internal Leadership Development opportunities.

Collective Leadership offers a huge opportunity for Lancashire Care NHS Foundation Trust in developing its culture to one that promotes continuous improvement, high quality, and compassionate care. Lancashire Care NHS Foundation Trust are currently developing a Collective Leadership Strategy, working in partnership with the King's fund and linking in with our developing Organisational Development Strategy. This work will support the evolution of the Appreciative Leadership programme.

Delivered by The King's Fund, the Collective Leadership Strategy aims to:

- affirm the importance of culture to trust performance
- describe the results of our research on the key dimensions of cultures for high quality care in the NHS
- affirm the key influence of leadership in creating the right culture for high quality patient care
- describe what our research shows about the leaders and leadership necessary for creating these cultures
- demonstrate the steps necessary for ensuring the right leaders and leadership are in place for the coming three to five years

<u>Leadership and Management Development modules</u>

There is a recognised and shared understanding that to have an engaged, motivated, competent workforce, with a clear understanding of what is expected of them and the skills to deliver it requires both strong and visionary leadership and great management.

It is also recognised that leading people can be both very rewarding and challenging, perhaps even more so when organisations are experiencing major change. The very successful Leading and Developing High Performance development pathway was launched during 2013 and continues to be delivered across a number of teams within the organisation

A Lancashire Care NHS Foundation Trust Leadership Competency framework and Leadership Model based on our Values is soon to be launched. Aligned to this is a series of development programmes for managers and staff across the organisation. These programmes support managers to enhance their knowledge and skills in leading their teams for high performance.

In addition a people management programme was launched in 2013 which aims to equip managers with the skills and competencies to effectively manage their teams. This programme has been very popular to date and so the Trust will continue to invest in the programme during 2015/16.

<u>Aspiring Leaders</u>

The Trust is committed to managing and developing talent with the organisation and embedding Service Line Management, for this to be a success strong and empowered leaders are required.

The Aspiring Leaders Programme is a structured 6 month development experience aimed at employees with aspirations to accelerate their learning and development in order to support their leadership and career aspirations. The programme provides the opportunity for aspiring Lancashire Care NHS Foundation Trust leaders to collaborate in teams to deliver challenging projects set by the programme sponsor.

<u>Medical & Clinical Leadership Programmes</u>

Lancashire Care continues its commitment to developing its leadership capacity across its medical workforce. In partnership with Lancaster University a 12 month post graduate level programme has been designed and a number of medical leaders have enrolled. The programme focuses on leadership requirements within the Trust, through facilitated workshops, action learning sets and the participation in innovative work-based projects.

The programme has been designed around a Lancashire Care Medical Leadership Competence Framework and enables participants to develop their leadership knowledge, skills and abilities in line with this organisation's vision, values and strategic agenda.

Staff Engagement

Engage Events

The Chief Executive's Engage events take place each quarter for the Trust's top 300 leaders to provide an update on the Trust's current priorities, progress against them and to enable attendees to feedback their thoughts to the Trust's Executive team. The events are led by the Trust's Chief Executive and time for networking and questions from the floor are built into each event. A similar event is held on a bi annual basis for the Trust's future leaders to support their development and engagement in the Trust's future plans.

Health and Wellbeing

Lancashire Care NHS Foundation Trust recognises that the health and wellbeing of its employees is vital to drive the delivery of business plans and associated improvements in patient care. Lancashire Care NHS Foundation Trust is a Mindful Employer and has a Health and Wellbeing Strategy in place to ensure that wellbeing is at the heart of the employment experience for all staff.

The strategy is underpinned by key strategic documents and supports existing policy documents embedded in the organisation.

Organisational Development Strategy

We have developed an Organisational Development Strategy for the Trust, which aims to set a strategic direction for our internal development and change activities to help us raise the bar on our performance and achieve our vision and priorities set out in the Trust strategic plan 2014-19.

The fundamental purpose of the Organisational Development strategy is to create the conditions and culture across the networks where all staff can, and do, align themselves to the delivery of our strategy. This means equipping all staff with the knowledge, skills, attitude and mind-set to translate the Trust strategy into the day to day operation such that every contact moves us closer to realising our vision to deliver 21st Century Healthcare with wellbeing at its heart.

OD could be described as the internal lens of the corporate strategy; critically examining, what we have to do, how we have to be and what we need to think to achieve our strategic objectives ensuring that the level of change within the organisation needs to be planned, phased and relentlessly focussed upon.

A diagnostic process was completed with key stakeholders and 4 priority areas have emerged. These will form our work-streams and be linked to our Human Resources Transformation Programme which will develop to become a continuous development function.

Appreciative leadership will remain at the heart of what we do:

1. **Transforming Lancashire Care NHS Foundation Trust** – we need to give our people the skills to make transformation and continuous improvement part of everyday life.

2. **Develop Ourselves –** The majority of the organisations future leaders are currently employees and there will be a focus on developing that talent as well as attracting new and fresh talent

3. **Raising the Bar –** recognising the synergies between management and clinical leadership competencies will deliver savings and improve quality. Everyone should have quality as their number one priority.

4. **Innovative Ways of Working –**Creating an Appreciative Lancashire where our philosophy is embedded into all of our systems, structures and processes will make us a national leader.

Annex: Statements from Healthwatch, Overview and Scrutiny Committees and Clinical Commissioning Groups

Healthwatch (Lancashire)

Thank you for giving Healthwatch Lancashire the opportunity to feedback on LCFT's 2014/15 Quality Account.

The report contextualises the large number of diverse services provided by Lancashire Care NHS Foundation Trust by an extensive workforce, operating in a challenged local health and social care economy here in Lancashire, at a taxing time for the NHS.

Progress made with implementing the Trust's quality strategy such as development of an integrated quality report and achievements made in respect of the Trust's quality priorities for 2014-15 are good to see, as is participation in research and clinical audits. However, less so is the clinical coding error rate, issues noted with Increasing Access to Psychological Therapies (IAPT), the staff survey response regarding experiences of care, but it is reassuring to note improvement actions are being implemented in these areas. Also, in respect of patient experience, the poor response rate in February 2015 for specialist services needs further exploration.

Particularly commendable is the reference to the 'Freedom to Speak Up' report and actions the Trust is taking to achieve a culture of openness and transparency. It is also very pleasing to note that the Trust is rated as one of the Health Service Journal's (HSJ) top 100 places to work and the Trust is looking to further improve as a workplace and employer. The Trust's Quality SEEL programme should support this aspiration and it is good to see staff awards being celebrated and noted in this report.

Action the Trust is taking in respect eliminating the use of prone restraint, as a result of the Trust's response to 'Positive And Proactive Care', is of great interest to Healthwatch Lancashire, particularly the Trust's aspiration to be a national leader in this field, and we will watch the Trust's progress with this project with interest.

Overall this report is extremely comprehensive, it gives the reader an informative review of the Trust's strategy in respect of quality, and the Trust is to be commended for the progress it is making to improve the quality of services as detailed in this report.

Thank you for sharing it with our organisation.

Best wishes
Gill Brown
Chief Executive, Healthwatch Lancashire

Overview and Scrutiny Committees

Blackburn with Darwen Borough Council

"Although we are unable to comment on this year's Quality Accounts due to timetabling issues, we are keen to engage and maintain an ongoing dialogue throughout 2015-16."

Councillor Ron O`Keeffe, Chair, Blackburn with Darwen Borough Council Health and Adults Overview and Scrutiny Committee.

Blackpool Council

The Health Scrutiny Committee would like to thank Lancashire Care NHS Foundation Trust for the opportunity to view and comment on V13 of the Trust's draft 2014/15 Quality Account. The Council has now entered a period of 'purdah' leading up to the local and general election on May 7th and as such, the Committee is unable to formally comment in relation to the process this year. However, the Committee has been satisfied with the level of engagement and information it has received from the Trust throughout the year and is pleased with the way that the Trust has dealt with queries, requests for information and attendance at Committee meetings.

With kind regards,

Steve Sienkiewicz

Scrutiny Manager, Blackpool Council

Lancashire County Council

The role of the Lancashire Health Scrutiny Committee is to review and scrutinise any matter relating to the planning, provision and operation of the health service in the area and make reports and recommendations to NHS bodies as appropriate.

The Committee undertake this responsibility through engagement and discussions with the Trust, addressing any areas of concern as they arise. It is the intention of the Committee that this methodology of ensuring that the Trust improve patient safety and deliver the highest quality care to the residents of Lancashire will continue by having an oversight of how the Trust evidence the provision of quality and safe services. In addition the Health Scrutiny Committee will seek reassurance that every effort is being made to ensure; financial stability, reasonable waiting times and the safeguarding of the most vulnerable.

County Councillor Steve Holgate

Chair of the Lancashire Health Scrutiny Committee

Clinical Commissioning Group (CCG)
NHS Blackburn with Darwen Clinical Commissioning Group

LCFT has described the vision for quality and has identified key principles to be applied. The organisation has begun to develop models of quality improvement to facilitate greater ownership by frontline staff. The key focus being on patient outcomes. There has been notable change in the culture of openness within the organisation; however this will take some time to demonstrate tangible outcomes.

There is a real focus on enhancing the patient experience and this can be demonstrated by introduction of the "Experience vision" and the CCG welcomes this approach as it ensure the patient is at the heart of all service provision.

The CCG has been working in partnership with LCFT throughout the year to ensure that quality standards and the data to support this is of a high level. That this will enable the organisations to truly reflect the care provide and give assurance to patients and their families/carers that there is continued improvement, however this will be monitored throughout the coming year to ensure this is sufficient evidence that all systems are sustainable.

Kim Smith

Head of Quality, Blackburn with Darwen CCG

NHS Chorley and South Ribble Clinical Commissioning Group

Chorley & South Ribble Clinical Commissioning Group's (CCG) Quality Team welcomes the opportunity to review the Quality Account 2014-15 for Lancashire Care NHS Foundation Trust as required. We are satisfied that it meets all the requirements set out within the NHS Quality Accounts: Auditor Guidance 2014-15.

The process that we have undertaken has been to forward the account to the Quality and Performance Committee, which is a sub-committee of the CCG's Governing Body, for review and comments.

Over the past 12 months we have observed an open and transparent relationship between Lancashire Care NHS Foundation Trust and the CCG. There has been a willingness to share information and demonstrate high quality standards of care.

The Trust is wholeheartedly supporting staff to anonymously raise concerns which are then reviewed by the Chair of the Trust Board and the Director of Nursing, on the back of report 'Freedom to Speak Up' by Sir Robert Francis. There are many positive actions and innovations taking place such as the Blue Wave of Change Programme which is being led by the Director of Nursing.

There has been a continued focus on understanding quality across all clinical teams against the Essential Standards of Quality and Safety using the Quality SEEL (Safety, Effectiveness, Experience and Leadership). The Integrated Quality Report (IQR) has been further developed to build on the Team Information Board (TIB). There have been twelve Good Practice visits across all of the networks which allows the visiting team to observe how staff are using the TIB. From the 5th January Lancashire Care NHS Foundation Trust commenced an initiative to become a completely smoke free site.

The Quality Strategy came to an end in March 2015, with the new version including a central part on the development of the Experience Vision. This is framed around the five Care Quality Commission (CQC) key lines of enquiry, the eight Quality Commitments and ensures people are at the heart of everything they do.

The Trust has participated in a number of clinical audits and this shows the commitment to share data and shape future care pathways that will hopefully improve the quality of the care provided. The Trust had zero mixed sex accommodation breaches in 2014-15.

Following a review undertaken by external auditors the Trust identified potential issues with the quality of their data. This resulted in a data reporting pause during Quarter 3. Actions were implemented in order to resolve these issues assisted by Ernst & Young. Reporting recommenced in Quarter 4, with assurances given around ongoing improvement in regards to performance management systems and processes. The CCG wishes to work with Lancashire Care NHS Foundation Trust on a joint initiative in the coming year to develop a range of clear metrics for community services.

There was a failure to deliver the Increasing Access to Psychological Therapies (IAPT) target.

There was also a failure to meet the Clinical Coding target, this audit was completed by external auditors approved by the Health and Social Care Information Centre (HSCIC) and reflects Electroconvulsive Therapy (ECT) procedures only. The Trust intends to take actions to improve the percentage and the quality of its services in relation to Clinical Coding.

The staff Friends and Family test response was lower than the national average, however the Trust is going to take actions to improve this percentage and in turn improve the quality of its services by implementing engagement events to hear the views of the Trusts staff.

The Pressure Ulcer Harm report which is collated from the Safety Thermometer Data started with a point prevalence of 5.53%. Throughout the year the prevalence remained between 3.3% and 4.7% but unfortunately in March peaked at 5.84%. The Trust assures the CCG that it continues to investigate all incidents where pressure ulcers are acquired and themes and trends and lessons learnt are shared widely.

There was a failure to meet the mandatory training target in 2014-15. The target was 85% and compliance was noted at 72.84%. The Trust intends to take actions to improve this percentage moving forward.

The CCG has highlighted some areas of good practice that have been evidenced within the Quality Account:
i. Adult Community:
- Cardiac and Respiratory Service – COPD Intensive Home Support
- Learning Disability – Joint Assessment Care Pathway for Diagnosing Dementia in People with Learning Disabilities
- Learning Disability Team – Service User feedback coffee morning
- Memory Assessment Team Lancaster – Research into Service user and carers experiences of attending the one stop shop Memory Assessment Service clinics

ii. Specialist Services:
- Acquired Brain Injury Service – Acquired Brain Injury Training
- Service User Champions – Soapy Suds at Guild Lodge

iii. Adult Mental Health:
- Mindsmatter
- Chorley and South Ribble Complex Care and Treatment Team – MaZon Project

iv. Children and Families:
- Contraception and Sexual Health Team – Single Point of Access telephone booking line
- Transformation Hub Team – Routine Enquiry into Adversity in Childhood (REACh)

v. Support Services:
- Quality Improvement Framework (QIF)

Congratulations to the Older Adult's Mental Health Team who won the Older Adult's Mental Health Award for their Positive Outlook Programme in partnership with Age Concern and the Alzheimer's Society.

Also, congratulations to the Service User Champions at Guild Lodge, who were awarded the Service User Design Champion of the Year 2014.

The CCG look forward to building upon the professional working relationships that currently exist with Lancashire Care NHS Foundation Trust. This will continue to foster an efficient reporting culture which is essential for the CCG to provide robust quality assurance around the services that are commissioned for the local population.

Jan Ledward
Chief Officer, Chorley and South Ribble CCG

Lancashire Care NHS Foundation Trust welcomes the positive feedback we have received on the format and content of the Quality Account this year. All comments received have been acknowledged and will be considered as part of the review process in 2015/16. Lancashire Care NHS Foundation Trust welcomes the invitations to work collaboratively with stakeholders during 2015/2016 to provide feedback on the quality priorities and the development of the 2015/2016 Quality Account.

External Audit Statement

Independent Auditor's Report to the Council of Governors of Lancashire Care NHS Foundation Trust on the Quality Report

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 NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.
In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2014/15 and supporting guidance

- the content of the Quality Report is not inconsistent with internal and external sources of information including:

  o Board minutes and papers for the period April 2014 to 28/05/15
  o papers relating to Quality reported to the board over the period April 2014 to 28/05/2015
  o feedback from commissioners dated 01/05/2015 and 08/05/2015
  o feedback from governors dated 11/3/15
  o feedback from local Healthwatch organisations dated 29/04/2015
  o feedback from Overview and Scrutiny Committee dated 8/4/15, 29/4/15 and 11/05/2015
  o the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, date May 2015
  o the 2014 national community mental health patient survey
  o the 2014 national staff survey
  o the Head of Internal Audit's annual opinion over the trust's control environment dated 28/05/2015
  o CQC Intelligent Monitoring Report dated 20/11/2014

- 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.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the Quality Report (available at www.monitor.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

28 May 2015
Chair

28 May 2015
Chief Executive

Appendix 1: Mandated Indicator Definitions

7 day follow-ups

Aim:	
To reduce the overall rate of death by suicide through effective support arrangements for all those with mental ill health.	
Definition:	
Numerator	The number of people under adult mental illness specialties on CPA who were followed up (either by face-to-face contact or by phone discussion) within seven days of discharge from psychiatric inpatient care
Denominator	The total number of people under adult mental illness specialties on CPA, who were discharged from psychiatric inpatient care.

CPA review within 12 months

Aim:	
To ensure that the CPA review takes place at least once a year.	
Definition:	
Numerator	The number of adults in the denominator who have had at least one formal review in the last 12 months.
Denominator	The total number of adults who have received secondary mental health services and who had been on CPA for at least 12 months at the end of the reporting period.

Mental Health Delayed Transfer of Care

Aim:	
To ensure patients are not delayed when they are medically fit. Delayed discharges are a significant factor with negative consequences for the effectiveness and quality of care received by service users in psychiatric inpatient wards. They also contribute to significant additional direct and indirect costs of inpatient care.	
Definition:	
Numerator	The number of non-acute patients (aged 18 and over on admission) per day under consultant and non-consultant-led care whose transfer of care was delayed during the quarter. For example, one patient delayed for five days counts as five.
Denominator	The total number of occupied bed days (consultant-led and non-consultant-led) during the quarter. Delayed transfers of care attributable to social care services are included.

EIS in place for New Psychosis Cases

Aim:	
Meeting the commitment to support the identification of new psychosis cases in young people by early intervention teams.	
Definition:	
Numerator	At the census date all those who have been diagnosed and been accepted into the Psychosis group since the start of the year.
Denominator	At the census date the number that should have been accepted into the Psychosis group according to the plan.

RTT – Consultant-led (Completed Pathway)

Aim:	
To ensure that people who need it are able to access services quickly reducing clinical risk and improve patient experience.	
Definition:	
Numerator	Number of patients on a consultant-led pathway (admitted and non-admitted) waiting under 18 weeks where the clock has been stopped.
Denominator	Total number of patients on a consultant-led pathway (admitted and non-admitted) waiting where the clock has been stopped.

RTT – Consultant-led (Incomplete Pathway)

Aim:	
To ensure that people who need it are able to access services quickly reducing clinical risk and improve patient experience.	
Definition:	
Numerator	Number of patients (admitted and non-admitted) waiting under 18 weeks where the clock is still ticking.
Denominator	Total number of patients (admitted and non-admitted) waiting where the clock is still ticking.

IP Access to Crisis Resolution Home Treatment

Aim:	
To admit people to hospital only when they need to be.	
Definition:	
Numerator	The number of admissions to the Trust's acute wards that were gate kept by the crisis resolution home treatment teams.
Denominator	The number of admissions to the Trust's acute wards.

MH Data Completeness – Identifiers

Aim:	
To ensure that demographic identification data recorded about a patient within the electronic record system is complete.	
Definition:	
Numerator	Count of valid entries for each data item: •NHS number •Date of birth •Postcode (normal residence) •Current gender •Registered General Medical Practice Org. code •Commissioner Org. code)
Denominator	Total number of (all) entries.

MH Data Completeness – Outcomes

Definition for Employment Status:	
Numerator	The number of adults in the denominator whose employment status is known at the time of their most recent assessment, formal review or other multi-disciplinary care planning meeting, in a financial year.

Definition for Accommodation Status:	
Numerator	The number of adults in the denominator whose accommodation status (i.e., settled or non-settled accommodation) is known at the time of their most recent assessment, formal review or other multi-disciplinary care planning meeting.
Definition for HoNOS Assessment:	
Numerator	The number of adults in the denominator who have had at least one HoNOS assessment in the past 12 months.
Denominator for all:	The total number of adults (aged 18-69) who have received secondary mental health services and who were on the CPA at any point during the reported quarter.

Appendix 2: Glossary

Abbreviations

ABI	Acquired Brain Injury
A.C.E	Adverse Childhood Experiences
ADEPT	Alcohol and Drugs Education, Publication and Training
AQuA	Advancing Quality Alliance
CAMHS	Child and Adolescent Mental Health Services
CBT	Cognitive Behaviour Therapy
CCG	Clinical Commissioning Group
CCTT	Complex Care and Treatment Teams
CDM	Clinical Discussion Meeting
COPD	Chronic Obstructive Pulmonary Disease
CaSH	Contraception and Sexual Health
CQC	Care Quality Commission
CYP IAPT	Children & Young People Increasing Access to Psychological Therapies Programme
ECPA	Electronic Care Programme Approach
ECT	Electroconvulsive Therapy
ECTAS	The Electroconvulsive Therapy Accreditation Service
eTIB	Electronic Team Information Board
FFT	Friends and Family Test
GP	General Practitioner
HES	Hospital Episode Statistics
HMP	Her Majesty's Prison
HoNOS	Health of the Nation Outcome Scales
HSCIC	Health and Social Care Information Centre
IAPT	Increasing access to Psychological Therapies
IAPT SMI	Increasing access to Psychological Therapies in Severe Mental Illness
IAPTus	A psychological therapy patient management system
IPC	Infection Prevention and Control

IQR	Integrated Quality Report
KPMG	Management Consultants
LCFT	Lancashire Care NHS Foundation Trust
MAS	Memory Assessment Service
MIND	Mental Health Charity
NAPT	National Audit of Psychological Therapies
NCISH	National Confidential Inquiry into Suicide and Homicide
NICE	National Institute for Health and Care Excellence
NRLS	National Reporting and Learning System National
PDSA	Plan-Do-Study-Act methodology
PICU	Psychiatric Intensive Care Unit
PSAG	Patient Status at a Glance
QIA	Quality Impact Assessment
Quality SEEL	Quality, Safety, Experience, Effectiveness and Leadership
RAG	Red Amber Green rating
REACh	Routine Enquiry into Adversity in Childhood
RTT	Referral to Treatment
R & D	Research and Development
SPOA	Single Point of Access
SMS	Substance Misuse Specialist Prescribing Service
SOP	Standard Operating Procedure
SSKIN	Nursing Management Tool – Pressure Damage Prevention
SSNAP	Sentinel Stroke National Audit Programme
SUS	Secondary Uses Service
TIB	Team Information Board
UCLAN	University of Central Lancashire
VTE	Venous Thromboembolism
WRaPT	Workforce Repository and Planning Tool

Key Terms

Accreditation	A recognised scheme of approval for services.
Always Events	Are defined as "those aspects of the patient and family experience that should always occur when patients interact with healthcare professionals and the delivery system." Lancashire Care are developing Always Events across all services.
Commissioners	The people who buy or fund our services to meet the needs of patients.
CQUIN	CQUIN means Commissioning for Quality and Innovation. A proportion of the income we receive from commissioners depends on achieving agreed quality improvement and innovation goals.
Dare to Share Event	The Dare to Share is a reflection of lessons learnt and how the service, team or individual have and continue to implement improvements in practice
Datix	Software package used to record incidents, complaints and risks.
Domains	The scope or areas which are included within a subject area.
Engage Events	To provide an update on Trust's current priorities, progress against these priorities and enable attendees to feedback their thoughts.
Experience based co-design	EBCD is an approach that enables staff and patients (or other service users) to co-design services and/or care pathways, together in partnership.
Good Practice Visit	An opportunity for clinical teams to talk with Executives, Non-Executive Directors and Governors about how they utilise their team information board within their clinical setting and to share how the information contained provides a picture of quality, continuous improvement and potential risks.
Harm Free Care	A national programme which measures "harms" to a patient whilst in the care of NHS services. The harms include: pressure ulcers, falls and urinary infections (in patients with a catheter).
"Huddle"	Informal team meeting held around a team information board.
Health and Social Care Information Centre	England's national source of health and social care information. They collect data, analyse it and convert it into useful information. This helps providers improve their services and supports academics, researchers, regulators and policy makers in their work.

Long Term Conditions	A health problem that cannot be cured but can be controlled by medication or other therapies. This could be a mental health or physical health condition.
NHS Family and Friends Test (FFT)	The FFT is one of the ways we collect feedback from people who use our services. The FFT question asks how likely someone is to recommend the team / service / ward. This question is then followed by some follow up questions which will give the clinical team an indication of the reason for someone's response to the FFT question which they can then use to inform quality improvements. From January 2015 data has to be reported nationally.
Quality	Quality is about giving people treatments that work (effectiveness), making sure that they have a good experience of care (patient experience) and protecting them from harm (safety).
Quality Improvement Framework	A systematic approach to capturing and evidencing quality improvements.
Quality SEEL	Lancashire Care NHS Foundation Trust's internal self-assessment framework which enables leaders to review the Essential Standards of Quality and Safety.
Quality Strategy	Is the central strategy for Lancashire Care NHS Foundation Trust which puts the experiences who use services at the heart of everything the organisation does. Ensuring that all care, every day, for every person is of high quality.
Risk Register	A document that records risk to achievement of an objective, service or project and identifies the actions in place to reduce the likelihood of the risk.
SharePoint	Microsoft SharePoint is the web application used to manage the intranet site. This allows staff across the Trust to access documents and information.
Team Information Board	Team information boards support conversations by teams about the quality of care delivered. Teams meet around the board regularly to review quality and performance and agree actions to deliver improvements.
The Mid Staffordshire NHS Foundation Trust Public Inquiry February 2013 (Francis 2)	The report of findings into the examination of the commissioning, supervisory and regulatory organisations in relation to their monitoring role at Mid Staffordshire NHS Foundation Trust between January 2005 and March 2009.