



**Bolton**

**NHS Foundation Trust**

# Annual Report and Accounts 2017/18

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## **Annual Report and Accounts 2017/18**

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

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# Foreword

## History and Statutory Background

Bolton NHS Foundation Trust is an integrated care organisation providing care and support in the community at over 20 health centres and clinics as well as services such as district nursing and health visiting. We also provide intermediate care in the community and a wide range of services at the Royal Bolton Hospital.

The Trust was authorised as a foundation trust in October 2008 and became an integrated care organisation in July 2011 following the transfer of services from the provider arm of NHS Bolton.

During 2016/17, the Trust developed a wholly owned subsidiary for the provision of estates and facilities services.

Integrated Facilities Management Bolton (iFM Bolton - company number 10278178) was formally established in July 2016 and became operational on 1<sup>st</sup> January 2017 when cleaning and portering services previously provided by a private company were taken over by the Trust's own subsidiary.

On 31<sup>st</sup> March 2017 Estates, catering and procurement services were also transferred into iFM Bolton and contracts signed for the provision of an Operated Healthcare Facility from 1<sup>st</sup> April 2017.

## 2017/18 in Numbers



**115,929** A&E  
attendances  
**32,535** arrived  
by ambulance



**£325million**  
operating  
expenses



**16,354** patients  
had an  
operation



**325,117**  
outpatient  
attendances



**5279**  
staff



**5,831** babies  
born including  
**82** sets of twins  
and **3** sets of  
triplets



**749,214**  
community  
contacts



**86,229**  
inpatient spells

# Foreword

## Preparation of Accounts and adoption of going concern

The annual report and accounts have been prepared in accordance with the direction issued by NHSI under the National Health Service Act 2006.

This report is intended to be self-standing and comprehensive in its scope. However where further information is available, for example in the Trust's five year strategic plan, this will be cross-referenced within the report.

For regular updates on our performance and any matters affecting the Trust please refer to our website [www.boltonft.nhs.uk](http://www.boltonft.nhs.uk)

After making enquiries, the directors have a reasonable expectation that Bolton NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future.

This judgement was based on the following factors:

Fundamentally all NHS bodies are financially backed by the government in the form of the Secretary of State for Health so it is not possible for Foundation Trusts to become insolvent in the way that a private company might. To ensure this the Department of Health (DoH) operates a system to provide cash support funding to Trusts in financial distress. Bolton NHS Foundation Trust received funding under this system in 2012/13 and 2013/14 but has not required any such funding since then.

In addition to the above the Board are assured that the accounts have been prepared on a going concern basis because of the following:

- Successful delivery of the 2017/18 financial plan gives confidence in the organisation's ability to deliver on its financial plans going forward.
- The Trust has the strongest cash position of £8.1m at year end.
- The Board has agreed the Bolton Locality plan which shows a sustainable financial future for the Bolton health economy and the Trust over the next five years.
- A detailed operational financial plan has been prepared to support the delivery of the planned £12.7m surplus for 2018/19.
- The planned £12.7m surplus consists of a £1.6m surplus rewarded by a £11.1m payment from the national provider sustainability fund. Delivering this surplus will further strengthen the Trust's cash position.

In terms of risk management the Trust has considered potential downside risk on the 2018/19 financial plan and the range of outcomes that might occur

The Trust is part of the NHS risk pooling scheme, the contributions for this are already fixed. Any risks as a result of litigation will not impact on the Trust's solvency position in 2018/19.

# Overview of Performance

## Chairman's Review - April 2018

As a Foundation Trust, we have dealt with huge challenges over the last few years and it's fair to say that 2017/18 will remain in memory as one of the most difficult ever faced and one where we again demonstrated our resilience and commitment to great patient care. Everyone will remember the terrible winter we have just emerged from and the impact it had on our services.

Throughout the country A&E departments were inundated and elective operations had to be cancelled to make additional beds available for emergency patients. I am particularly proud of the way we in Bolton responded and our staff deserve credit and the highest praise for the way they coped with the unprecedented and unrelenting pressure. Our thanks go to each and every one of them.

We must also remember the tragic events of the 22nd of May 2017 when a terror attack in the Manchester Arena devastated so many lives. The professionalism, compassion and dedication shown by our staff was remarkable and I know the families and friends of everyone affected truly appreciated the response and care they received in Bolton. Thank you all.

But we were not defined purely by these events. Throughout the year we continued to evolve as a Trust and our reputation continues to grow throughout the UK. Our new wholly owned subsidiary, iFM Bolton, effectively commenced its first full year of trading with the transfer of staff from some of our important support functions at the beginning of April. The aim in the coming year is to build upon their success in improving the quality of service offered to patients and staff alike through improved integration of our procurement, maintenance, cleaning and catering services.

The last financial year was also a year of change in many respects. Work continued to develop the Healthier Together proposals for emergency surgery previously agreed by the Greater Manchester Commissioners and we worked closely with our colleagues across Bolton to map out how to deliver the vision captured in the Bolton Locality Plan. Both of these initiatives are designed to transform the way we manage the ever growing demand on health and social care services and I am delighted with the level of engagement and collaboration achieved with all our partners.

The Trust also underwent an external Well Led Review in 2017 and the findings confirmed yet again that our governance arrangements, management systems, processes and leadership were all effective and gave assurance that the organisation is managed well with a keen understanding of the potential risks facing us.

And of course we faced further budget pressures. It is astonishing to think of the financial maelstrom the NHS nationally finds itself in with the majority of providers operating in financial deficit. Even more astonishing then, to consider that Bolton delivered a financial surplus for the fourth successive year, a feat almost unheard of. We can all be extremely proud of Dr Jackie Bene and her team for the stewardship over this period and the impressive act of balancing our finances with the delivery of great care. In terms of our surplus, we achieved an outturn of £11m. As in previous years, we will be investing this surplus into our capital programme. During the last twelve months we continued the improvements agreed by the board with further investments in A&E, Endoscopy, Maternity, IT, patient records and our restaurant





## Overview of Performance

facilities. Much of this will continue into 2018/19 as we seek to update our aging estate and ensure that our clinicians have the best possible access to patient records.

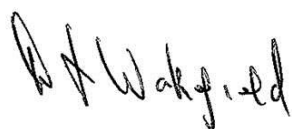
Naturally we were both delighted and proud of our own Chief Executive, Dr Jackie Bene, when she was awarded an OBE in the Queen's Honours List. Jackie has worked tirelessly for many years in ensuring that our Trust is amongst the safest and most patient focused within the UK. She has been ably supported throughout the last year with tremendous contributions from our Nursing Director, Trish Armstrong-Child, our Medical Director, Steve Hodgson, Chief Operating Officer, Andy Ennis, our Finance Director, Annette Walker and our Trust Secretary Esther Steel. It is important that we acknowledge the leadership they offered throughout the year, the challenge and support they offered to the wider workforce and the sheer determination to make Bolton the best Trust in Greater Manchester. Well done and thanks to all of them.

Our Trust also lost a large number of long serving Governors as they came to the end of their terms. It is difficult to exaggerate the contribution our Governors make, through the championing of local patient needs, the challenge to the board on strategy and the insight on what our local population feel about our services. Our Foundation Trust is built upon the strength of the Governing body and the recent retirees can look back with satisfaction on what they have helped to build. Many thanks to all of you. I would also like to publically welcome the new cohort of Governors who are already making a really positive impact.

We saw several changes in the composition of the Board over the last twelve months with two of our Non-Executives coming to the end of their terms. Neal Chamberlain and Mark Harrison were both highly effective Non-Executive members of the board and we all appreciated the huge contributions they made. We welcomed Bilkis Ismail as a new Non-Executive Director and look forward to working with her over her term. Changes to the Executive team included the departure of Simon Worthington, our Finance Director, to a new post in Leeds Teaching Hospital and we welcomed Annette Walker as his replacement. We were also delighted to welcome James Mawrey as our new HR Director.

Finally, this year, the NHS reaches its 70th anniversary this year. Throughout the UK, and in Bolton, events will be held to mark this milestone and to demonstrate the uniqueness of the NHS and the place it holds in people's hearts as a much loved and treasured institution. Perhaps more importantly it is also an opportunity to highlight the very many real heroes we have working with us every single day. So please get involved and enjoy the celebrations.

I am aware that I always say that next year will be even tougher than last year but in this case I don't think that is necessarily true. We will face enormous strains on our resources as the demands upon us continue to grow; we will continue to develop our services in and out of the hospital, we will work with our colleagues across Greater Manchester in developing improved access and better outcomes and, of course, our heroes will continue to dispense great care. The pressures won't ease up but we are capable and ready for them. Thanks to everyone for a remarkable year.



David F Wakefield



# Overview of Performance

## Chief Executive Statement

### A time to reflect

The Annual Report provides an opportunity to look back and reflect on the achievements and challenges we have faced and to consider the opportunities and risks ahead of us.

### Challenges

Like every trust in the UK, we face the pressures of an ageing population, rising demand, staff shortages and limited funds. Despite these challenges, we have maintained and improved patient care and managed our budgets effectively for the fourth year in a row. None of this has been easy and it is testament to our hard working and committed staff that we have been able to achieve this.

There is no doubt that the unrelenting demand for urgent care has had a huge knock-on impact throughout the Trust. There are no quiet times in any of wards, clinical areas or community services anymore; we now face the reality that the rising demand is here to stay.

Bolton's A&E department remains the busiest in Great Manchester and we recognize the very real distress caused when patients cannot be treated within the four- hour target. However, we have always been one of the busiest departments and so we have always needed to be thinking ahead, innovating and developing alternative pathways for patients. As such we became one of the first Trusts in Greater Manchester last year to implement GP streaming in A&E and we are already developing other alternative pathways to hospital attendance or admission.

### Future plans

We will build on the great work done by our community teams who work hard to support people at home or support alternatives to admission to hospital where safe to do so. We will also build on our collaborative links with our Commissioners, GPs and Local Authority in order to find further sustainable solutions to the pressures we all now face. We all recognize in Bolton that together we are stronger and it is strong partnership working that will be a major priority for us in 2018/19 as we progress the development of Bolton's Integrated Care Alliance.

Despite the pressure of demand for urgent care we have continued to provide overall excellent and timely access to planned care be that operations, diagnostics or out-patient appointments with only a temporary dip in performance in the very early part of this year from which we are recovering well.



## Overview of Performance

Our commitment to patients with suspected or diagnosed cancer has remained very strong and we have been one of the best performing Trusts in the country for both patient experience and timeliness of interventions.

We have also seen a number of other significant successes over the last year including the continuation of our ambitious capital programme. This included an expansion of our A&E department, an ongoing programme to relocate and increase the capacity of our Endoscopy unit, a refresh of our IT systems and the opening of our new restaurant facilities. Our plans for next year are even more ambitious with further improvements to A&E, a refurbishment programme for our maternity wards and the introduction of an Electronic Patient Record.

### Recognition

None of this would be possible without the continued work and support of our amazing staff, and while we were able to recognise individuals and teams in our annual and monthly staff awards I would like to take this opportunity to thank all staff for their valued contribution to the work of our Trust. Our most recent staff and patient feedback scores place us above the norm when measured against other trusts; a huge testimony to the resilience and determination of everyone involved.



Jackie Bene

Chief Executive Bolton NHS FT May 2018



# Performance Analysis

## Purpose and activities

Bolton NHS Foundation Trust is an integrated care organisation providing care and support in health centres and clinics, including the prestigious Bolton One complex in the town centre, as well as domiciliary and ill-health prevention services. We also provide intermediate care in the community and a wide range of services at the Royal Bolton Hospital.

Our vision is to be an excellent integrated care provider within Bolton and beyond delivering patient centred, efficient and safe service.

We believe in:

High quality care centred on individual needs rather than the needs of professionals and organisations.

- Integration across health and social care.
- Accessible, convenient and responsive services 24/7.
- Local wherever possible, centralised where necessary.
- Empowering clients and patients to manage their own care and self-care with information.

## Values

The Bolton VOICE is the values that we expect each of our staff to demonstrate. As an organisation we aim to live these values and provide “better care together” to our local population.

VISION	OPENNESS	INTEGRITY	COMPASSION	EXCELLENCE
We have a plan that will deliver excellent health and care for future generations, working with partners to ensure our services are sustainable	We communicate clearly to our patients, families and our staff, with transparency and honesty	We demonstrate fairness, respect and empathy in our interactions with people	We take a person-centred approach in all our interactions with patients, families and our staff	We put quality and safety at the heart of all our services and processes
We make decisions that are best for long-term health and social care outcomes for our communities	We encourage feedback from everyone to help drive innovation and improvements	We take responsibility for our actions, speaking out and learning from any mistakes	We provide compassionate care and demonstrate understanding to everyone	We continuously improve our standards of healthcare with the patient in mind

# Performance Analysis

## Principal Risks

The Board has ultimate responsibility for the effective risk management of the Trust's strategic objectives. We have an established risk management process to identify the principal risks that we face. This process relies on our judgement of the risk likelihood and impact and also developing and monitoring appropriate controls. The Board Assurance Framework is used to monitor the key risks to the achievement of our strategic objectives, and ensure appropriate mitigating actions are implemented.

The Board has considered and approved the risk management strategy. The Audit Committee receives regular reports from management and internal and external auditors, detailing the risks that are relevant to our activity, the effectiveness of our internal controls in dealing with these risks and any required remedial actions along with an update on their implementation.

The Audit Committee reports to the Board on the effectiveness of the risk management process, ensuring any issues raised in internal audit reports are escalated for action and if necessary further assurance. The day-to-day risk management is the responsibility of senior management as part of their everyday business processes.

Further detail on the governance processes supporting our risk management can be found in our Annual Governance Statement on page 65 of this report.

The following table sets out our key risks, and examples of relevant controls and mitigating factors. The Board considers these to be the most significant risks that may impact the achievement of our objectives. They do not comprise all of the risks associated with the Trust and are not set out in priority order.

# Performance Analysis

## Principal Risks 2017/18

Risk	Controls and mitigation
A failure to provide a timely and appropriate response to the deteriorating patient may lead to an adverse impact on mortality and length of stay	<ul style="list-style-type: none"> <li>• Root cause analysis and incident reporting.</li> <li>• Year on year reduction in avoidable cardiac arrests</li> <li>• Educational initiatives for all staff on first responder rota</li> <li>• PatientTrack electronic call system implemented and will be used to audit response</li> </ul>
Failure to reduce the number of hospital acquired infections as a result of poor compliance with policies and/or poor operational control.	<ul style="list-style-type: none"> <li>• Infection Prevention and Control policies</li> <li>• Oversight through the infection control committee</li> <li>• Audit of key practices such as hand hygiene</li> </ul> <p>Further information in our quality section – page 76</p>
Failure to meet minimum staffing levels because of vacancies and sickness could compromise patient safety and experience	<ul style="list-style-type: none"> <li>• Continued programme of recruitment, including international recruitment</li> <li>• Recruitment of additional health care assistants to provide support.</li> <li>• Actions to reduce staff sickness absence</li> <li>• Temporary staffing solutions used to ensure safe staffing levels in clinical areas.</li> </ul> <p>Further information in the staffing section– page 40</p>
Failure to implement our policies and to embed appropriate training could result in our patient’s experiencing harm such as falls and pressure ulcers	<ul style="list-style-type: none"> <li>• Falls and Pressure ulcer panels.</li> <li>• Ward based champions</li> <li>• BOSCA accreditation for wards</li> <li>• Incident reporting and root cause analysis</li> </ul>
Failure to meet the A&E target as a result of increased attendance, failure to deflect patients and insufficient operational control may lead to poor patient experience and potential regulatory intervention	<ul style="list-style-type: none"> <li>• Urgent care programme plan overseen by the Urgent Care Programme Board</li> <li>• Investment in the physical A&amp;E department to provide increased assessment capacity</li> </ul>
Failure to improve system resilience and to enable timely and appropriate flow could lead to an increased length of stay and impact on our A&E performance	<ul style="list-style-type: none"> <li>• Continued engagement with the CCG and the local authority to develop a shared solution through the Bolton Locality Plan</li> </ul>
Failure to deliver the financial plan could reduce the funds available for investment in the Trust and could ultimately result in regulatory intervention	<ul style="list-style-type: none"> <li>• Financial performance overseen by the Finance and Investment Committee with regular reports to the Board.</li> </ul>
There is a risk that commissioner and local authority led reconfiguration may reduce control of the Trust’s future scope of services	<ul style="list-style-type: none"> <li>• Development of the Trust’s Clinical Service Strategy and engagement with local and GM partners through Greater Manchester Health and Social Care.</li> </ul>



# Performance Analysis

## Performance analysis

Last year was a particularly challenging one for the NHS with all Trusts expected to provide the highest standards of care while achieving demanding efficiency savings. Despite a significant rise in demand for our services, the continued tough financial climate and one of the worst winters in terms of pressure on the NHS, we are very pleased to report that Bolton NHS Foundation Trust has continued to perform well.

### Measurement of performance

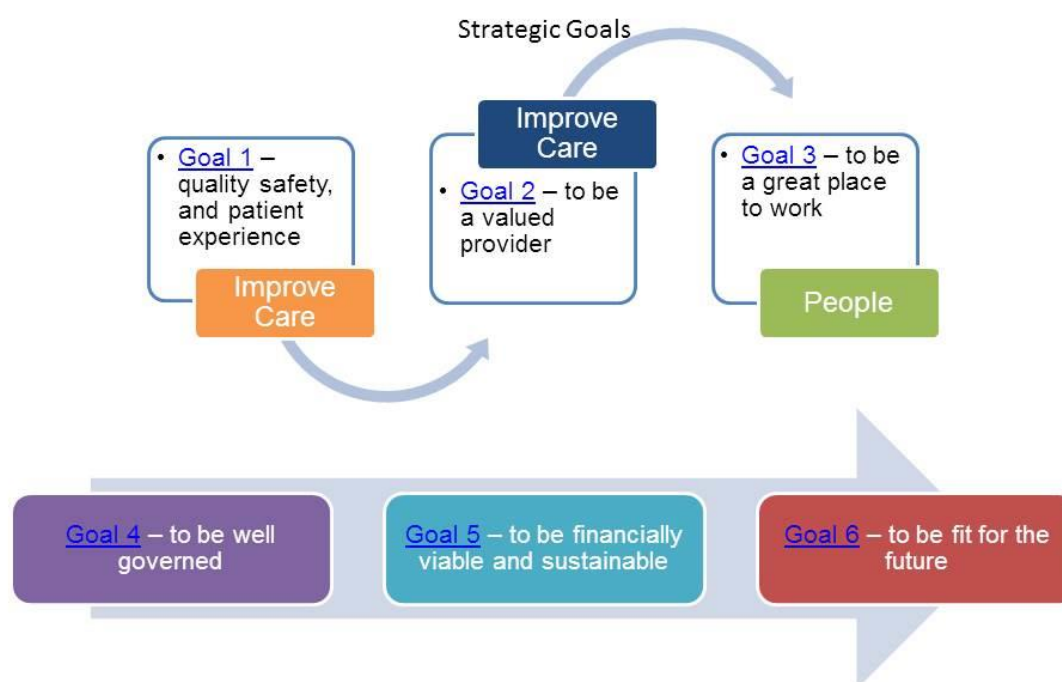
The Trust has introduced an integrated performance dash board which the Board uses to monitor the performance of the organisation. The dash board contains contextual information and promotes a service line view of the organisation with equal visibility of key services.

There is a monthly integrated performance meeting (IPM) between the Executive and the Division, chaired by the Deputy Chief Executive. At the meeting the Division present for each performance dimension

- Progress against any previously agreed actions
- Proposed mitigations against any newly identified performance risks or issues
- Other assurances as required by the Executive

Information from the IPM informs the assurance the Executive team provide to the Board.

In 2017/18, the Trust continued to work towards the goals agreed in the 2013 – 2018 strategy



# Performance Analysis

## Goal 1 – Quality of Care

A detailed review of performance against our quality priorities is included with our quality report starting on page 76 of this document.

## Goal 2 – Operational Performance

For the first time in three years the Trust failed the 18 week referral to treatment time. The standard states that 92% of patients are seen and treated within 18 weeks. The Trust performance was ... % for the year. This was due to a combination of factors including urgent care pressures which culminated in guidance from the Department of Health to cancel all routine elective activity in January. The Trust also saw a surge in referrals in the third quarter of the year which saw some capacity issues exposed. The CCG are supportive of the plans and the Trust expects to achieve this standard by Quarter Three of 2018/19. Although we did not achieve our 18 week target we have continued to achieve our 62 day cancer target and in 2018/19 92.4% of patients referred for cancer treatment began their treatment within 62 days of GP referral (target 85%)

The biggest challenge for the Trust remains urgent care. In 2017/18 81.92% of patients were treated within four hours. This compares to 82.6% the year before against a target of 95%.

Nationally, the expectation has been set that 90% of patients will be treated in four hours by September 2018, returning to 95% by March 2019.

The Trust continues to work with the Emergency Care Improvement Programme, the CCG and Local Authority partners to improve performance against the standard. In addition the Trust is investing in the Accident & Emergency Department estate to improve the environment for patients and staff. This will address one factor in that the Department is too small to cope with the volume of patients who attend, which has increased significantly over the years.

## Goal 3 –Leadership and Improvement

The aims for 2017/18 related to maximising capacity and capability through a workforce that feel fully engaged in their work, are well recognised and fairly rewarded.

Our positive staff engagement levels have been sustained with all key finding scores greater than the average for our comparator Trusts. Appraisal and mandatory training compliance has been good and work is taking place to further improve appraisal rates and strengthen the link to development, for all staff groups, both patient facing and in support roles.

Managing sickness absence levels and supporting staff health and well- being remains a key priority.

Recruitment timescales have been consistently achieved and we continue to attract newly qualified nurses both locally, nationally and internationally including 22 registered nurses from the Philippines. The development of new and extended roles including Nursing Associates, Advanced Clinical Practitioners and the Physicians Associate are increasingly being identified through workforce planning to support role redesign and maximise available clinical capacity.

Further detail on our staffing metrics are included from page 40 of this report.



# Performance Analysis

## Goal 4 - to be financially viable and sustainable

### Income and expenditure overview

The Trust planned to maintain strong performance by delivering a surplus of £10.1m in 2017/18. As can be seen from the summary statement of comprehensive income below this target has been achieved with the Trust delivering a surplus of £11.9m after excluding impairments.

This fourth year of surplus since the Trust's significant deficits in the period 2010/11 to 2013/14 maintains the sustained financial recovery seen in previous years.

The Trust Board agreed the 2018/19 financial plan at its March 2017 meeting. This plan identifies how the Trust can deliver a surplus of £12.7m in 2018/19.

<b>Statement of Comprehensive Income</b>	<b>Actual 2014/15 £,000</b>	<b>Actual 2015/16 £,000</b>	<b>Actual 2016/17 £,000</b>	<b>Actual 2017/18 £,000</b>	<b>Plan 2018/19 £,000</b>
<b>Revenue</b>					
Operating revenue from continuing operations (patient care)	266,791	271,537	285,485	300,302	298,905
Other operating revenue	24,771	21,004	34,474	34,425	32,309
Operating expenses	-309,474	-287,918	-318,192	-326,266	-314,370
<b>Operating surplus (deficit)</b>	<b>-17,912</b>	<b>4,623</b>	<b>1,767</b>	<b>8,461</b>	<b>16,844</b>
<b>Finance costs:</b>					
Finance Income	41	35	28	34	30
Finance costs	-849	-642	-702	-797	-1,175
Finance expense - unwinding of discount on provisions	-122	-12	-6	-6	0
Public dividend capital dividends payable	-2,535	-2,152	-2,059	-2,065	-2,739
Corporation Tax					-243
<b>Net Finance Costs</b>	<b>-3,465</b>	<b>-2,771</b>	<b>-2,739</b>	<b>-2,834</b>	<b>-4,127</b>
Gains / Losses on disposal of assets			-16	-3	
<b>Surplus/(Deficit)</b>	<b>-21,377</b>	<b>1,852</b>	<b>-988</b>	<b>5,624</b>	<b>12,717</b>
Impairment of fixed assets	-21,937	0	-16,565	-6,259	0
<b>Underlying Trading Surplus/(Deficit)</b>	<b>560</b>	<b>1,852</b>	<b>15,577</b>	<b>11,883</b>	<b>12,717</b>

### Income analysis

The table below sets out the income trend in the period:

<b>Income</b>	<b>Actual 2014/15 £,000</b>	<b>Actual 2015/16 £,000</b>	<b>Actual 2016/17 £,000</b>	<b>Actual 2017/18 £,000</b>	<b>Plan 2018/19 £,000</b>
CCG's and NHS England	255,611	254,672	271,040	286,424	285,479
Local Authorities	8,538	10,450	12,082	11,311	9,979
Other	2,642	6,415	2,363	2,567	3,447
<b>Sub total Total Income from activities</b>	<b>266,791</b>	<b>271,537</b>	<b>285,485</b>	<b>300,302</b>	<b>298,905</b>
Other operating revenue	24,771	21,004	34,474	34,425	32,309
<b>Total Revenue</b>	<b>291,562</b>	<b>292,541</b>	<b>319,959</b>	<b>334,727</b>	<b>331,214</b>

There has been an increase of income between 2016/17 and 2017/18 of £14.8m. This can be explained by the following factors:

- NHS Tariff inflation
- Quality and performance investments funded by Bolton CCG
- Income improvements as part of the Trust's income and cost improvement programme
- Transformation funding £4.7m

## Performance Analysis

- Wigan HIV Service £2m

The planned reduction in income in 2018/19 of £3.5m is mainly due to:

A reduction of £1.5m for Wigan Sexual Health Service

A reduction of £2m for CAMHS Service

### Expenditure analysis

The table below sets out the expenditure trend in the period:

Expenditure Trend	Actual 2014/15 £,000	Actual 2015/16 £,000	Actual 2016/17 £,000	Actual 2017/18 £,000	Plan 2018/19 £,000
Employee expenses	203,002	205,073	214,365	227,560	219,520
Drugs	18,823	20,556	21,435	23,997	23,532
Clinical Supplies	19,975	20,588	20,920	20,544	25,655
Non Clinical Supplies	33,248	32,258	36,889	38,828	35,055
Depreciation and amortisation	5,536	5,539	3,610	4,638	6,108
Impairments of property, plant and equipment	25,255	0	16,565	6,259	0
Redundancy	97	0	28	0	0
Misc other operating Expenses	3,538	3,904	4,380	4,440	4,500
<b>Total</b>	<b>309,474</b>	<b>287,918</b>	<b>318,192</b>	<b>326,266</b>	<b>314,370</b>
Less impairments	(25,255)	0	(16,565)	(6,259)	0
<b>Underlying expenditure trend</b>	<b>284,219</b>	<b>287,918</b>	<b>301,627</b>	<b>320,007</b>	<b>314,370</b>

Impairments are excluded from this analysis as they do not count against the Use of Resources risk rating that is used by NHS Improvement to assess NHS Foundation Trusts financial performance.

There has been an increase in expenditure of £18.4m between 2016/17 and 2017/18. There is a planned reduction in expenditure of £5.6m in 2018/19.

The net increase of £18.4m in expenditure between 2016/17 and 2017/18 can be explained by the following factors:

Pay awards, increments, apprentice levy and non-pay inflation

Increase charges for Clinical Negligence Scheme

Savings delivered as part of the Trust's income and cost improvement programme

Investments in staffing to ensure quality and safety

Service developments with Salford

Quality and performance investments funded by Bolton CCG

Revenue consequences of capital investments in Estates and IT

The planned reduction in expenditure in 2018/19 can be explained by similar factors, although there is the cessation of the Child and Adolescent Mental Health Service and Sexual Health Services in Wigan and planned to be a greater level of cost improvement relative to investments and other cost pressures.

# Performance Analysis

## Income and cost improvements

	Actual 2014/15 £,000	Actual 2015/16 £,000	Actual 2016/17 £,000	Actual 2017/18 £,000	Plan 2018/19 £,000
Income and cost improvement	21,200	14,400	15,600	20,645	15,506
As % of income	7.3%	5.0%	5.4%	6.2%	4.7%

Over the last four years the Trust has delivered £71.8m of income and cost improvements, much higher than the national average.

Delivery in 2017/18 was slightly above the plan of £20.60m.

It should be noted that due to continuing investments that the Trust is planning to make in order to deliver the IT Strategy and Estates Strategy in addition to higher than average forecast cost pressures, is why the Trust is planning for a 4.7% income and cost improvement programme in 2018/19 when the national efficiency assumption is 2%.

## Capital spending

As part of its financial recovery the Trust was able to secure funding of £30m (£7.8m in public dividend capital, £22.2m in long term non-commercial loans) to make necessary improvements in its Estate and IT infrastructure. This funding was formally agreed in quarter three of the 2015/16 year.

The Trust has secured funding of £13.1m (non-commercial loan) to implement Electronic Patient Records (EPR). The funding was agreed in quarter 2 of 2017/18.

Capital	Actual 2013/14 £'000	Actual 2014/15 £'000	Actual 2015/16 £'000	Actual 2016/17 £'000	Actual 2017/18 £'000	Plan 2018/19 £'000
Ongoing replacements	6,216	6,473	6,815	7,421	11,559	14,153
Estates Strategy	-	-	108	7,909	5,227	5,500
IT Strategy	-	-	2,390	819	2,173	1,047
<b>Total</b>	<b>6,216</b>	<b>6,473</b>	<b>9,313</b>	<b>16,149</b>	<b>18,959</b>	<b>20,700</b>

## Cash

Due to its deficit position in previous years the Trust relied on cash support from the Department of Health in order to continue to operate in 2012/13 and 2013/14. Due to the Trust's financial recovery no such support has been required since then. The cash balance increased in 2017/18 due to the large surplus and as a result of the national sustainability and transformation fund.

Cash	Actual 2013/14 £,000	Actual 2014/15 £,000	Actual 2015/16 £,000	Actual 2016/17 £,000	Actual 2017/18 £,000	Plan 2018/19 £,000
<b>Total</b>	<b>408</b>	<b>5,265</b>	<b>1,470</b>	<b>7,025</b>	<b>8,070</b>	<b>10,040</b>

# Performance Analysis

## **Goal 5 - to be fit for the future**

Our objective to be fit for the future set out the things we would do, many in collaboration with stakeholders and partners to ensure the future provision of health and care services to the people of Bolton and the surrounding area. We have made good progress in developing relationships with other organisations and set out our shared view of the future for Bolton in the Bolton Locality Plan – this is available online at:

[www.boltonccg.nhs.uk/media/3027/bolton-locality-plan.pdf](http://www.boltonccg.nhs.uk/media/3027/bolton-locality-plan.pdf)

Our relationship with the Local Authority and CCG in Bolton has matured and we are making good progress towards an Integrated Care Organisation within in which we will play a significant part.

We also continued our work with other Trusts in the North West Sector of Manchester and in particular with Wrightington, Wigan and Leigh NHSFT with whom we are starting to develop close collaborative links in order to improve the resilience of the workforce and therefore sustain services for local people.

The Trust also plays a full and important part in the wider Greater Manchester Health and Social Care partnership to develop the best possible services for the populations we serve.

# Performance Analysis

## Environmental impact

### Sustainability

As an NHS organisation, and as a spender of public funds, we have an obligation to work in a way that has a positive effect on the communities we serve. Sustainability means spending public money well, the smart and efficient use of natural resources and building healthy, resilient communities. By making the most of our social, environmental and economic assets we can improve health both in the immediate and long term even in the context of rising cost of natural resources

As a part of the NHS, public health and social care system, it is our duty to contribute towards the level of ambition set in 2014 of reducing the carbon footprint of the NHS, public health and social care system by 34% (from a 1990 baseline) equivalent to a 28% reduction from a 2013 baseline by 2020. It is our aim to meet this target by reducing our carbon emissions.

A vast amount of carbon management and reduction work is already underway at Bolton NHS Foundation Trust.

The Trust partnered with Breathe Energy Ltd for a 15 year guaranteed carbon and energy reduction contract to implement various carbon and energy saving measures within Bolton Hospital. The construction of these measures began in 2016 and was completed during 2017/18.

The measures include:

- New Bore Hole water supply and treatment
- Installation of a new gas steam boiler to replace two coal boilers
- Installation of a 1.2MW Combined Heat & Power Plant
- Replacement of failed Steam Traps
- Conversion of Calorifiers to Plate Heat Exchangers
- New LED street lighting

Bolton Hospital has a complex energy infrastructure and utilises steam as its main heat medium for hot water and building heating systems. Steam is also provided to the Hospitals steam infrastructure from a waste heat boiler owned and operated by SRCL who convert clinical waste incineration to steam energy.

### Utility Cost and Consumption

	2017/18		2016/17	
Utility	Cost £	Consumption	Cost £	Consumption
Gas	499K	20,743,567 KWh	367k	11,643,278 KWh
Electricity from CHP	50k	1,845,441 KWh	N/A	N/A
Electricity	1,070k	11,750,518 KWh	1,392k	15,655,386 KWh
Water	599k	229,754 m <sup>3</sup>	362K	157,562 m <sup>3</sup>
Coal	0	0	52K	485 tonnes

The Trust started to benefit from carbon and energy savings from some of these measures in 2016/17. Approximately 125 tCO<sub>2</sub>e were saved from being produced from the replacement of steam traps in November 2016. Further carbon savings were made in the replacement of fuel to generate steam by the change from coal to gas boilers.

# Performance Analysis

## Social, community and human rights issues

We recognise the need to forge strong links with the communities we serve so that we are responsive to feedback and can develop our services to meet current healthcare needs.

We are committed to meeting our obligations in respect of the human rights of our staff and patients, which is closely aligned both to the NHS constitution and our values. NHS trusts are public bodies, and so it is unlawful to act in any way incompatible with the European Convention on Human Rights unless required by primary legislation.

All Trust policies include a monitoring section detailing how and where the application and effectiveness of each policy is overseen. For example, the Audit Committee have oversight of policies relating to anti bribery and corruption and the Workforce Assurance and Workforce Operational Committees play a key role in ensuring the Trust act as a fair and equitable employer. Trust policies are reviewed on a regular basis and all are subject to an equality impact assessment.

### **Modern Slavery Act 2015 – Statutory Statement**

The Trust is fully aware of the responsibilities it bears towards patients, employees and the local community and as such, we have a strict set of ethical values that we use as guidance with regard to our commercial activities. We therefore expect that all suppliers to the Trust adhere to the same ethical principles.

The Trust does not have any overseas operations

This performance report was approved by the Board of Directors on 24<sup>th</sup> May 2018

Signed on behalf of the Board

Jackie Bene  
24<sup>th</sup> May 2018

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The Following Accountability Report of this annual report comprising the following sections:

- Director's Report
- Remuneration Report
- Staff Report
- Code of Governance Disclosures
- NHSI Single Oversight Framework
- Statement of Accounting Officer's Responsibilities
- Annual Governance Statement

Was approved by the Board on 24<sup>th</sup> May 2018

Dr Jackie Bene  
Chief Executive Bolton NHS foundation Trust  
24<sup>th</sup> May 2018

# Directors' Report

## Our Board of Directors

### Our Directors

**David Wakefield** – Chairman appointed 8th August 2012 (by Monitor) Reappointed in July 2015 for a second three year term.

David is a qualified accountant and, in addition to his finance roles, has held senior posts in sales, operations and project management. He worked in the furniture trade for 12 years and with Royal Mail for 27 years. He joined the NHS as a non-executive director in Milton Keynes and later became non-executive Chairman of Milton Keynes Community Health Services and, subsequently, Chairman of Milton Keynes Hospital NHS Foundation Trust.

David is a Non-Executive Director of Crown Commercial Services; he also acts as a member of the Board of Ofqual and is the Chair of Leverhulme Academy Trust in Bolton. These appointments were undertaken with the approval of the Council of Governors.



### Executive Directors

#### **Dr Jackie Bene** - Chief Executive

Jackie was appointed to the Board as Medical Director in 2008 having worked at the Trust as a Consultant Physician as well as holding a number of clinical lead roles since 1998. She took up the role of Acting CEO in June 2013 and was appointed substantively to the role in January 2014. Her priorities throughout her career have been quality improvement and patient safety but she has recently led on the governance and strategic agendas for the Trust. Jackie still undertakes clinical practice for one session per week in Acute Medicine which she values enormously in keeping her close to our patient and staff experience.



#### **Trish Armstrong-Child** - Director of Nursing/Deputy Chief Executive appointed May 2013

Trish is a Registered General Nurse who has worked within the NHS since 1989. She has a vast wealth of experience within both nursing and operational management roles and has Executive leadership and professional responsibility for quality and patient safety. Her focus and primary aim is to ensure that excellent standards of care are received by patients and their carers and that they have a positive experience of care both within hospital and community settings, including care at home.

Trish became the Deputy Chief Executive in June 2017.





# Directors' Report



## **Andy Ennis** - Chief Operating Officer

Andy started his working life as a nurse, specialising in paediatrics and specifically intensive care. After various roles in nursing including Charge Nurse of B1 Children's Ward at Bolton Royal he moved into operational management of services gaining experience in several other North West Trusts before returning to Bolton as Chief Operating Officer.

Andy's primary role on the Board is to ensure the Trust delivers operational targets such as waiting times and that the infrastructure (Estates and IT) is fit for purpose.

## **Steve Hodgson** - Medical Director

Steve was appointed Medical Director in March 2014. He has been a consultant orthopaedic surgeon with an upper limb interest in Bolton since 1993. He has previously held a number of leadership roles in the trust including clinical lead, associate medical director and Head of Elective Care Division. He was acting Medical Director for seven months before being appointed to the substantive post. He is a member of the British Society for Surgery of the Hand Council, for whom he leads their overseas aid project. Steve's priorities are the delivery of high quality care for our population and leading the medical workforce



## **Annette Walker** – Director of Finance

Annette was appointed as Director of Finance in 2017.

Annette has worked in the NHS since 1993 after graduating from Liverpool University with a degree in economics. She started her NHS career as a finance trainee and qualified as a chartered public finance accountant in 1997. She has held various NHS finance roles within Greater Manchester and Lancashire and has worked in Bolton since 2008, having been the Director of Finance of Bolton PCT and latterly the Chief Finance officer of Bolton Clinical Commissioning Group

## **James Mawrey** – Director of Workforce

James has worked in the NHS since 2000 after graduating from Strathclyde Business School with a Master's degree in Business & Management. James is a qualified member of the Chartered Institute of Personnel & Development and has held Senior HR roles in North Wales, Cheshire & Merseyside and on the Greater Manchester footprint. James has a passion for developing people and teams and provides Executive leadership for Workforce & Organisational Development.





# Directors' Report

## **Simon Worthington** (ACCA) – Director of Finance and Deputy CEO (Feb 2013 – June 2017)

Simon worked in financial management in the NHS since 1988. Simon was appointed in February 2013. Prior to this, from June 2011, he was Deputy Director of Finance at South London Healthcare NHS Trust, a post he had taken up in order to gain experience of working in extremely financially challenged organisations. From July 2006 Simon was Finance Director and Deputy Chief Executive of the Yorkshire Ambulance Service. During his time at the Yorkshire Ambulance Service, Simon was Acting Chief Executive for eight months. Preceding this Simon was Finance Director of the Tees East and North Yorkshire Ambulance Service for two years and was Acting Finance Director at South Huddersfield Primary Care Trust for a year.

## **Mark Wilkinson** - Director of Strategic and Organisational Development (on secondment to NHSI since July 2017)

Mark joined the Trust in July 2014 from Barnsley CCG where he was Chief Officer. He joined the NHS in 1985, starting out in the finance profession before moving into general management as a PCT Chief Executive in East Lancashire. He has been a member of several provider and commissioner boards and has also worked at a national level promoting innovation, and in the pharmaceutical industry. His focus is on the strategic and organisational development of the Trust including responsibility for workforce, communications and engagement. He is passionate about the contribution motivated and well led teams can make to the delivery of high quality and seamless care.

# Directors' Report

## Non-Executive Directors



**Dr Mark Harrison** – Senior Independent Director initially appointed 1<sup>st</sup> April 2012 for three years and reappointed in 2015 for a second three year term. Also Chair of the Trust's subsidiary company iFM Bolton.

Mark was appointed as a Non-Executive Director in April 2012. He has extensive board level experience and has delivered large scale change, technology and efficiency programmes, negotiated and managed major contracts and partnerships, overseen strategic planning and delivery, and shaped and delivered output services to the public.

Mark is a member of the Finance Committee and is the nominated NED for whistle blowing.

### Andrew Thornton

Andrew joined the Board as an interim Non-Executive in August 2014 and was reappointed in August 2017. Andrew Initially started his career in the health service as a podiatrist and has remained within health and social care serving in a variety of senior leadership posts within both the public and private sector.

Andrew has a strong ethos of quality in all aspects of service delivery and brings his experience of developing clinical and operational improvements to the Trust. Andrew uses this experience and ethos to Chair the Trust's Quality Assurance Committee.

Andrew will take on the role of Vice Chair with effect from 1st April 2018



**Jackie Njoroge** – Chair of Audit Committee appointed September 1<sup>st</sup> 2016.

Jackie describes herself as a data geek and is therefore ideally suited to her role with us as Chair of our Audit Committee. She will be managing this alongside her full time role as Director of Strategy at Salford University and an additional part time role as Chair of Audit at Greater Manchester Waste Authority. Jackie started her career in finance on a national graduate traineeship with British Steel; she spent seven years working in finance in the steel industry before moving to the education sector, initially in the North East and more recently in Manchester and Salford.

**Allan Duckworth** - appointed January 2013, re-appointed in January 2016

A Chartered Management Accountant, Allan brings 24 years board level experience in high profile, consumer facing businesses, including fourteen years as Chief Executive of Burnden Leisure PLC, the parent company of Bolton Wanderers FC and De Vere Whites Hotel. Prior to this role he spent ten years as a finance director at Umbro International Ltd, Lo-Cost Stores Ltd (Safeway Group PLC) and Vernons Organisation Ltd (Ladbroke Group PLC).

Alan is Chair of the Finance and Investment Committee and a member of the Charitable Funds Committee.



# Directors' Report

## **Ann Gavin Daley**

Ann joined the Board in 2015. She has a clinical background in nursing and quality and a passion for high quality patient focused care gained over 30 years nursing in acute and integrated community and mental health trusts in the North West.

Her previous experience includes significant strategic management as an NHS Executive Director and Trust Board member with involvement in developing and managing innovative acute and community services at operational and strategic level in teaching and non-teaching NHS organisations.

Ann has valuable Governor and public and private sector consultancy experience providing a broad, objective perspective and understanding of the NHS and the role of the Non-Executive Director.



## **Bilkis Ismail**

Bilkis is dual qualified as a barrister and chartered tax adviser with experience of working in the private sector (both nationally and internationally), central government and local government.



Bilkis has experience of advising clients on the constitution of their boards, corporate governance issues and remuneration arrangements. Bilkis is keen to use her professional legal and tax experience combined with her commercial awareness and strategic business planning for the benefit of the Trust.

Bilkis is a Councillor for the Crompton ward of Bolton and sits on a number of panels, committees and working groups including as a non-executive director of Bolton at Home and Chair of the Corporate and External Scrutiny Committee. She is also a community governor at Valley Community School and joined the Corporation of Bolton Sixth Form College as a governor in March 2017.

## **Neal Chamberlain** (term of office ended September 2017)

Neal Chamberlain was appointed a Non-Executive Director in October 2014. Neal has 28 years' experience as an HR professional, having held senior roles in companies including ICI, AstraZeneca, Unilever, Tata and Costain. Neal is a Fellow of the Chartered Institute of Personnel and Development (CIPD), a Member of its Manchester Branch Committee, and a Member of the International Coaching Federation. In addition to his Trust activities, Neal is also a Non-Executive Director for the Manchester Camerata chamber orchestra, and has recently established his own HR consulting business, A1 Performance Consulting Ltd.

# Directors' Report

## Disclosures

### Statement of register of interests

The Trust Secretary maintains a register of other significant interests held by Directors and Governors which may conflict with their responsibilities. The register is available on our website within the declarations section (updated every six months); access to the register can also be obtained on request from the Trust Secretary.

### Political donations

The Trust does not make any political donations and has no political allegiance

### Overseas Operations

The Trust does not have any overseas operations

### Pension disclosure

The accounting policies for pensions and other retirement benefits are set out in note 1.9 to the accounts and details of senior employees' remuneration can be found in the remuneration report on page 33.

### Income disclosure required by section 43 (2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012)

The Trust meets the requirement for income from the provision of goods and services for the purposes of the Health Service in England to be greater than its income from the provision of goods and services for any other purposes.

The small amount of other income received by the Trust helps support the provision of NHS care. The Trust will continue to meet the requirement for its prime business to be the provision of goods and services for the purpose of the health service in England

The income from car parking is £1,445k and the costs associated with this income is £1,317k

### Better payment practice code

The Trust is expected to pay 95% of all creditor invoices within 30 days of goods being received or a valid invoice (whichever is the later) unless other payment terms have been agreed with the supplier. The table below shows performance against this target in 2016/17 and 2017/18. The Trust has shown an improvement from 2016/17 in regard to % paid within terms however performance is still below the target.

	Year ended 31 March 2018		Year ended 31 March 2017	
	Number	£'000	Number	£'000
<b>Total non-NHS trade invoices paid within the target</b>	36,340	101,159	24,362	82,828
<b>Total non-NHS trade invoices paid in the period</b>	63,776	144,028	64,178	132,756
<b>Percentage of non-NHS trade invoices paid within the target</b>	57%	70.2%	38%	62.4%
<b>Total NHS trade invoices paid within the target</b>	998	12,177	589	9,079
<b>Total NHS trade invoices paid in the period</b>	2,715	30,095	2,528	30,803
<b>Percentage of NHS trade invoices paid within the target</b>	36.8%	40.5%	23.3%	29.5%

# Directors' Report

## **Statement of Emergency Preparedness Resilience and Response (EPRR) Performance:**

The trust continues to provide assurance to governing bodies and meet its statutory commitment to emergency preparedness resilience and response. (EPRR)

- Achieved SUBSTANTIAL compliance level in the annual NHS England Core Standards.
- Overall EPRR risk rated as LOW following internal Audit by PwC

As well as continued multi-agency liaison and co-operation across Greater Manchester the trust maintains an annual work plan of testing, exercising and review to continually improve its emergency response. This is achieved by the delivery of training that ranges from individual and local departmental sessions to larger multi-agency events such as:

- Counter-terrorism exercise SHERMAN March 2017
- Outbreak exercise OVIDIOUS March 2017
- Regional major incident exercise SOCRATES March 2017.
- Business continuity exercise FERRANTI April 2017
- Communications exercise STARLIGHT August 2017
- Trust live major incident Exercise THORN September 2017

The Trust major incident response was activated and tested in real time following the Manchester Arena incident on 22nd May 2017. Prior testing and exercising of the major incident plan helped staff to ensure patient care was delivered professionally and with a high level of quality and compassion to those patients in most need on that evening. The excellent response by Bolton NHS Foundation Trust staff has been recognised at local and national level including a civic reception for responders hosted by the Lord Mayor of Manchester, letters of commendation from the Prime Minister and NHS England. Trust staff were also presented with a Pride of Britain award collected as a multi-disciplinary team on behalf of all Manchester medical and EPRR staff.

Learning from this event and all other exercises and incidents is reviewed and used to inform, update and improve future trust response.

## **Statement as to disclosure to Auditors**

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

So far as the Director is aware, there is no relevant audit information of which the NHS Foundation Trust's Auditor is unaware; and

The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the NHS Foundation Trust's auditor is aware of that information.

## **Statement of accounts preparation**

The accounts have been prepared under direction issued by Monitor, the independent regulator for Foundation Trusts, as required by paragraphs 24 and 25 of Schedule 7 to the National Health Service Act and in accordance with the NHS Foundation Trust Annual Reporting Manual 2014/15.

The Trust has complied with the cost allocation and charging guidance issued by HM Treasury.



# Directors' Report

## Quality Governance

The Quality Governance Framework was developed by Monitor as an assessment tool for Trusts to use to benchmark their arrangements for effective quality governance in four categories:

In January 2017, the Board commissioned an external review using the “Well Led” Framework; this assessment covers the categories identified in the Quality Governance Framework. Deloitte LLP conducted the review – a summary of their findings is provided below.



### Strategy

Board Members are consistent as to what the key strategic priorities are for the organisation and have refreshed the priorities for the organisation in partnership with key local stakeholders through the Locality Plan. Effective monitoring and challenge of strategic delivery takes place at the Board and Committees. The BAF in use at the Trust incorporates many aspects of good practice, including use of risk appetite. We observed the Board to make effective use of this tool, through challenge of areas where risks have remained unchanged or deteriorated.

There are clear processes for risk identification and escalation, of particular note are the annual risk clinics and the Executive led Risk Management Committee, both of which we consider to be features of good practice. We found robust arrangements in place for the identification and risk assessment of cost improvement schemes. This includes oversight through the Directors of Medicine and Nursing, and routine tracking of quality impact of schemes through meetings with divisions.

Many supporting strategies have been refreshed over the past year, however, it is widely felt that more work is required to develop implementation plans to support delivery of the People Strategy.

Engagement with commissioners, governors and other key stakeholders on strategy and the operational plan has been thorough, as was the work to engage over 1000 staff in the refresh of the Trust's values.

### Capabilities and Culture

The nature of challenge and debate taking place at the Board, is robust, value adding and strategic in nature.

The Board is also a notably stable and cohesive entity, with little turnover in key positions over recent years. This is widely considered to have enabled the fostering of a consistent leadership culture within the Trust, and is felt to be a key factor in the organisations success.

Whilst we consider the Board to be made up from a broad and highly skilled group of individuals, with experience from across a range of sectors, there remains scope to seek to increase the diversity of the Board to more closely align its make up to that of the local population.

We found high levels of clinical engagement at the Trust, fostered by effective clinical leadership from the Director of Nursing, Medical Director and CEO.

There is a positive culture in relation to encouraging the raising of concerns and reporting of incidents. This is accompanied by clear reporting and escalation in relation to quality and safety through the Clinical Governance and Quality Committee, the QAC and ultimately the Board.

# Directors' Report

There are numerous examples at Board and committee level of reporting and analysis being used to identify areas for quality improvement and the effective tracking of actions to address these.

## **Process and Structure**

We found Board committees to be consistently well chaired and effective, particularly in relation to escalation reporting from committee chairs to the Board.

Committee structures are clearly articulated, with very little duplication evident in current arrangements.

There is, however, scope to strengthen the assurance structures and reporting arrangements in place in relation to the workforce agenda, as it does not receive sufficient focus through current structures.

The Trust's performance management framework, known as IPM, is considered as a key factor in the Trust's success. We found it to be consistently applied and to work effectively in setting clear accountabilities, whilst also enabling delegation of autonomy to divisional teams.

Patient stories are used effectively at Board, committee and divisional level, not only to provide and set context, but also to identify and drive areas for improvement.

Engagement with staff is felt to be highly effective; this is reflected by positive staff survey results and the high degree of visibility of the Executive Team when compared with other Trusts.

Governors were overwhelmingly positive about the engagement they receive from the Board and the support they are provided with, through invitation to a number of key Trust fora to enable them to discharge their roles.

## **Measurement –**

The Board receives clear performance reporting information via a monthly Integrated Performance Report. This includes many aspects of good practice, including good use of graphical and trend analysis and use of benchmarking where available.

The Board also use more innovative information such as ward heat maps across a range of quality metrics. We observed these to be used effectively in practice to inform Board service visits and to drive discussion and debate.

Data quality is an acknowledged area for improvement at the Trust and the Board are taking a number of steps to address this, for example through provision of support to the Business Intelligence Team.

The main recommendations arising from the Well Led review were with regard to ensuring a robust process for Workforce Assurance. The Trust responded to the review by establishing a new Workforce Assurance Committee.

For further details on Quality Governance please refer to the Quality Report and to the Annual Governance Statement.

There are no material inconsistencies between the Annual governance Statement, the Corporate Governance Statement, the Quality Report and the Annual Report.

## **Patient Care**

Further information on the quality of services provided by the Trust can be found in our quality report which is included in this report from page 76.

# Directors' Report

## Stakeholder Relations

### Significant partnerships and alliances

#### Devolution – Taking Charge in Greater Manchester

In February 2015 the 37 NHS organisations and local authorities in Greater Manchester signed a landmark devolution agreement with the Government to take charge of health and social care spending and decisions in our region.

We will continue to work in collaboration with our partner Foundation Trusts to deliver best care for our most sick patients, and with commissioners and providers within Bolton to deliver place based care tailored to the needs of the Bolton population

#### Acute Services Collaboration

As part of the North West Sector of Greater Manchester our organisation is working in collaboration with Wigan, Wrightington and Leigh Foundation Trust and Salford Royal NHS Foundation Trust to develop single shared services for the benefit of the sector population.

Pre-implementation plans for a single service provision of high risk emergency general surgery, urgent, acute and emergency medicine and radiology are well underway.

#### Involvement in local initiatives

In addition to working with other hospitals in the North West sector of Greater Manchester, we are also working with colleagues in primary care, the CCG and social care to ensure we deliver the best possible services for the future health of the people of Bolton.

The Bolton Locality Plan sets out our shared vision to transform local health and care services. This plan formed the basis of Bolton's bid to Greater Manchester Health and Care Transition Fund to help transform such things as healthy lifestyles activity, primary care services, IT infrastructure and public engagement.

Partners in Bolton's Health and Social Care system have been awarded £28.8m transformation funding over the next three years to help improve health and wellbeing in local communities. It is a very significant investment in health and social care across Bolton, and is welcomed as it should help to address many of the pressures which the system is currently facing. The investment will be used to help make the changes which we need to support more people to stay well and be supported within their communities.

#### Consultation with local groups and organisations

We attend regular meetings with the Health and Wellbeing Board, our local HealthWatch and the Overview and Scrutiny Committee to share our plans for future services and to provide updates on challenges facing the Trust and the wider health economy.

#### Public and patient involvement activities

As a Foundation Trust with public members, the majority of our public and patient involvement is through our membership. We recognise the importance of involving our patients and the wider public in the development of services. During the course of the year we used our membership newsletter to provide updates on developments at the Trust and to invite members to participate in events and activities. These events included our Medicine for Members talks, participation in PLACE inspections and the Cancer Peer review process.



# Remuneration Report

## Remuneration Report

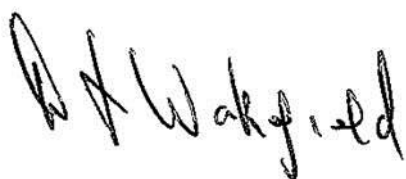
The remuneration report has been prepared in compliance with the relevant elements of sections 420 to 422 of the Companies Act 2006, Regulation 11 and Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2001, parts 2 and 4 of Schedule 8 of the Regulations as adopted by Monitor for the purposes of the Annual Report Manual and elements of the NHS Foundation Trust Code of Governance.

### **Annual Statement on Remuneration**

I am pleased to present the remuneration report for 2017/18. As Chair of the Trust, I chair the two Committees charged with responsibility for Nomination and Remuneration:

- a Board Nomination and Remuneration Committee with formal delegated responsibility for the nomination and remuneration of Executive Directors and
- a Governor Nomination and Remuneration Committee - this second committee acts in an advisory and supporting capacity for the full Council of Governors but does not have formally delegated powers.

The exception to this arrangement is when my own performance or remuneration is being discussed. In these circumstances the Vice-Chair of the Trust will chair the Governor Nomination and Remuneration Committee.



David Wakefield

Trust Chairman

April 2018

# Remuneration Report

## Board Nomination and Remuneration committee

The Board Nomination and Remuneration Committee met six times during the reporting period to consider the appointment, performance and remuneration of the Executive Directors. The Chief Executive and the Trust Secretary attended meetings other than when matters being discussed would have meant a conflict of interest. Minutes of meetings were recorded by the Trust Secretary. Attendance is shown in the table below.

Nomination and Remuneration Committee Attendance	
David Wakefield	5/5
Neal Chamberlain	2/3
Allan Duckworth	4/5
Ann Gavin Daley	5/5
Mark Harrison	3/5
Jackie Njoroge	4/5
Andrew Thornton	4/5
Bilkis Ismail	2/2
Dr Jackie Bene	5/5
Esther Steel	5/5

### Executive Remuneration

In 2017/18 the Committee were acutely aware of the financial context of both the local and national health economy and all decisions on remuneration reflected the current financial climate.

Two new executive directors were appointed during 2017/18, Annette Walker was appointed to replace Simon Worthington as Director of Finance and James Mawrey was appointed as Director of Workforce. The Nomination and Remuneration Committee also approved the appointments to the Board of iFM Bolton. The Trust used the services of Odgers and Berndtson to support the appointment of the Director of Workforce.

Benchmarking has been used to agree and establish salary scales for executive directors and very senior managers; these scales are described within the remuneration policy section of this report.

In all debates and discussions pertaining to salaries for senior managers the Nomination and Remuneration Committee have ensured that the policies applied reflect those applicable to our staff on Agenda for Change contracts.

The Committee has a duty to ensure the Trust can recruit and retain and motivate the senior managers with the appropriate skills and values to lead the organisation. At the same time, the Committee recognises that this must be within the confines of public acceptability and affordability.

The Chief Executive is paid more than £150,000 per annum, the Committee reflected on benchmark salary information for comparative jobs within the NHS and concluded that the remuneration agreed was appropriate and reasonable for the current post holder.

At the time of reporting the Committee are overseeing the appointment of a new Director of Strategic Transformation and a new Medical Director.

# Remuneration Report

## Governor Nomination and Remuneration Committee

The Governor Nomination and Remuneration Committee met three times during 2017/18:

- To receive the outcomes of NED appraisals.
- To appoint a new Non-Executive Director to replace Mr N Chamberlain
- To discuss succession planning and agree the process for Non-Executive appointments in 2018/19.
- To extend the appointment of Mr D Wakefield for one additional year – the Governors were aware that this would take Mr Wakefield to a total of seven years but felt this would ensure a robust succession plan.

### Non-Executive Director Appointment

In 2017, Neal Chamberlain decided to step down at the end of his three year tenure to focus on a new substantive role, the Governor Nomination and Remuneration Committee oversaw the process to appoint his successor. Following an open advertisement including NHS jobs and social media and culminating with interviews with a panel of governors, Bilkis Ismail was formally appointed by the full Council of Governors in August 2017 and started with the Trust on 1st September 2017.

### Performance Evaluation

During 2017/18, the performance of the Board as a whole and the Board committees was reviewed by Deloitte LLP as part of the Well Led Review.

The Chairman reviewed the performance of the Chief Executive and each of the Non-Executives through the Trust appraisal process, the Chief Executive reviewed the performance of the Executive Directors and the Senior Independent Director reviewed the performance of the Chairman

# Remuneration Report

## Future policy table

Element	Link to strategy	Operation	Maximum	Changes
Base salary	To set a level of reward for performing the core role	The aim is to offer benchmarked salary which the committee consider appropriate for experience and performance.	For each role there is an agreed salary scale.  When reviewing salaries, the Committee take account of personal and organisational performance and any national award offered to the wider employee population	No
Taxable benefits	The current remuneration policy of the Trust does not make provision for taxable benefits or performance related bonuses			
Annual performance related bonuses				
Long term performance bonuses				
Pension related benefits	To provide pensions in line with NHS policy	Directors are automatically enrolled in the NHS final salary pension scheme on the same basis as all other colleagues within the NHS	Pension arrangements for the Chief Executive and all Executive Directors are in accordance with the NHS Pension Scheme. The accounting policies for pensions and other relevant benefits are set out in Note 1.9 to the accounts.	No

For the purpose of the accounts and remuneration report the Chief Executive has agreed the definition of a “senior manager” to be Directors only.

## Senior manager pay progression

At appointment, a Director is placed at the appropriate point on the salary scale as determined by the Remuneration Committee having considered previous experience.

The Remuneration Committee is firm in the view that progression through the salary ranges should not be automatic or linked to length of service but should be a true reflection of performance in the role as assessed through an effective appraisal system.

For Directors other than the Chief Executive, the Chief Executive provides the Remuneration Committee with a report on each Director summarising the achievement of specific objectives within the wider frame of the performance for the whole organisation. The award may also be constrained by affordability.

# Remuneration Report

The senior pay policy makes provision for sums paid to be withheld or recovered if required.

## NED remuneration policy

The fees payable to the Chair and Non-Executives are determined by the Council of Governors. These fees were reviewed in 2017/18 and Governors approved a 1% uplift in line with the offer to Agenda for Change staff. Governors also approved the award of an additional payment to the Chairs of the Finance and Investment and Quality Assurance Committees to recognise the additional time requirements to fulfil these key roles.

Non-Executive Directors are appointed for a three year term of office. They must be considered independent at the time of appointment. A Non-Executive Director's term of office may be terminated by the Council of Governors if the NED no longer meets the criteria for appointment as a NED.

## Service Contract obligations

Senior managers' service contracts do not include obligations on the Foundation Trust which could give rise to or impact on remuneration payments or payments for loss of office.

## Policy on payment for loss of office

Senior managers' service contracts include a six month notice period. In the event of a contract being terminated the payment for loss of office will be determined by the Nomination and Remuneration Committee. Payment will be based on contractual obligations. Payment for loss of office will not be made in cases where the dismissal was for one of the five "fair" reasons for dismissal.

## Statement of consideration of employment conditions elsewhere in the Trust

In setting the remuneration policy for senior managers, consideration was given to the pay and conditions of employees on Agenda for Change. The 2017/18 salary scales for Executive Directors were agreed following a review of salary data provided by the NHS Providers.

## Expenses paid to governors and directors

The majority of the expenses claimed by Directors and Governors were for travel costs

	Directors		Governors	
	17/18	16/17	17/18	16/17
Total number of Directors/Governors in office	20	14	37	38
Number of Directors/Governors receiving expenses	14	11	0	6
Aggregate sum of expenses	£10,012.48	£5,702.8	£0	£408

## Remuneration

The following tables provide information which is subject to audit review about the salaries, allowances and pension and pension entitlements of employees and appointees.

Jackie Bene

Chief Executive, 24<sup>th</sup> May 2018.



# Remuneration Report

		2017/18						2016/17					
Name	Tenure	A	B	C	D	E	Total - bands of £5,000	A	B	C	D	E	Total - bands of £5,000
Mr D Wakefield Chairman	From 08/08/12	60 - 65	-	-	-	-	60 - 65	60 - 65	-	-	-	-	60 - 65
Dr J Bene* Chief Executive	From 22/06/13	205 - 210	-	-	-	140.0 - 142.5	345 - 350	195 - 200	-	-	-	85.0 - 87.5	280 - 285
Mrs T Armstrong-Child Director of Nursing	From 13/05/13	135 - 140	-	-	-	172.5 - 175.0	310 - 315	115 - 120	-	-	-	87.5 - 90.0	205 - 210
Mr A Ennis Chief Operating Officer	From 01/01/14	115 - 120	-	-	-	145 - 147.5	260 - 265	115 - 120	-	-	-	92.5 - 95	210 - 215
Mr S Hodgson* Medical Director	From 01/09/13	175 - 180	-	-	-	35.0 - 37.5	215 - 220	175 - 180	-	-	-	37.5 - 40.0	215 - 220
Mr J Mawrey Workforce Director	From 05/02/18	15 - 20	-	-	-	20.0 - 22.5	35 - 40						
Mrs A Walker Director of Finance	From 17/07/17	90 - 95	-	-	-	140.0 - 142.5	230 - 235						
Mr S Worthington Director of Finance	18/02/13 - 30/06/17	40 - 45	-	-	-	65.0 - 67.5	105 - 110	160 - 165	-	-	-	72.5 - 75.0	230 - 235
Mr M Wilkinson Dir Strategic & Org Development	4/8/14 - 02/07/17	30 - 35	-	-	-	47.5 - 50.0	75 - 80	120 - 125	-	-	-	52.5 - 55.0	170 - 175
Non Executive Directors													
Mr N Chamberlain	1/10/14 - 30/09/17	5 - 10	-	-	-	-	5 - 10	10 - 15	-	-	-	-	10 - 15
Mrs C A Davis	01/09/11 - 31/08/16							5 - 10	-	-	-	-	5 - 10
Mr A Duckworth	From 01/01/13	10 - 15	-	-	-	-	10 - 15	10 - 15	-	-	-	-	10 - 15
Mrs A Gavin Daley	From 01/08/15	10 - 15	-	-	-	-	10 - 15	10 - 15	-	-	-	-	10 - 15
Dr M Harrison	01/04/12 - 31/03/18	10 - 15	-	-	-	-	10 - 15	10 - 15	-	-	-	-	10 - 15
Ms B Ismail	From 01/09/17	5 - 10					5 - 10						
Mrs J Njoroge	From 01/09/17	10 - 15	-	-	-	-	10 - 15	5 - 10	-	-	-	-	5 - 10
Mr A Thornton	From 1/10/14	10 - 15	-	-	-	-	10 - 15	10 - 15	-	-	-	-	10 - 15

A	Salary and Fees	D	Long term performance bonuses
B	Taxable benefits	E	Pension related benefits
C	Annual performance related bonuses		

# Remuneration Report

## Total Pension Entitlement

Name	Real increase in pension sum at pension age	Real increase in lump sum at pension age at 31 March 2018	Total accrued pension at pension age at 31 March 2018	Lump sum at age 60 related to accrued pension at 31 March 2018	Cash Equivalent Transfer Value at 1 April 2018	Real Increase in Cash Equivalent Transfer Value funded by Employer	Cash Equivalent Transfer Value at 31 March 2018	Employers Contribution to Stakeholder Pension
	(bands of £2500) £000	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	
Jacqueline Bene	5.0 - 7.5	7.5 - 10.0	75 - 80	210 - 215	1,325	134	1,472	
Stephen Hodgson	0 - 2.5	2.5 - 5.0	55 - 60	165 - 170	1,204	94	1,311	
Simon Worthington	0 - 2.5	minus	60 - 65	160 - 165	1,014	24	1,118	
Patricia Armstrong-Child	7.5 - 10.0	15.0 - 17.5	50 - 55	135 - 140	644	161	811	
Andrew Ennis	5.0 - 7.5	17.5 - 20.0	50 - 55	160 - 165	903	182	1,093	
Mark Wilkinson	0 - 2.5	0 - 2.5	50 - 55	130 - 135	819	76	903	
Annette Walker	2.5 - 5.0	7.5 - 10.0	35 - 40	95 - 100	481	83	608	
James Mawrey	0 - 2.5	0 - 2.5	20 - 25	50 - 55	247	5	281	

Figures for 2017 have been restated

Pension arrangements for the Chief Executive and all Executive Directors are in accordance with the NHS Pension Scheme. The accounting policies for pensions and other relevant benefits are set out in note 1.8 to the accounts.

## Introduction

An organisation can only ever be as good as the people who work in it. Our goal for Bolton people therefore remains simple: the team should feel fully engaged in their work, well recognised and fairly rewarded. Only as we achieve this can the Trust achieve its goals.

The People Strategy will be refreshed during 2018 with a Workforce & Organisational Development Strategy. This will articulate the Trust's vision for a healthy organisational culture and a sustainable and capable workforce working in an integrated manner with partners.

The Human Resources & Organisational Development department continue to monitor the key characteristics of the workforce to inform the workforce strategy and departmental planning. The department continues to ensure alignment of the Trust clinical workforce with the delivery of care, based on both demand/flow and demographics/acuity.

Optimising leadership skills and potential remains essential and as such we continue to develop and improve our Leadership and Management offering. The Trust's values continue to be embedded in HR processes including recruitment, appraisal, remuneration and training.

We recognise that a stronger focus on enhancing the wellbeing of our workforce is required as the level of staff sickness has been increasing. In line with the Health & Wellbeing plan the Trust's flu vaccination rate for front line staff continued to improve and over 75% of our frontline staff received the vaccination in 2017/18. The Trust's vacancy rate is reported to the Board Committees and our rates remain low when compared to peer NHS organisations.

The main anticipated changes to the shape of the Workforce are as follows:

1. Medical staffing levels have increased over recent years, specifically within the consultant level positions. Whilst this increase has slowed, it is anticipated that consultant numbers will be maintained. Generally the Trust does not have significant problems in recruiting into senior positions although for a few 'hard to fill' areas bespoke plans are in place. The Trust has a range of measures in place in order to mitigate the anticipated reduction in Junior Doctors in this time period
2. The nurse vacancy rate remains low when compared to peer organisations. Recruitment of nurses has not traditionally been a problem for the Trust and a comprehensive recruitment and retention plan is in place.
3. Non-medical staffing is projected to reduce with reductions in administrative staff as systems and efficiencies become leaner and more streamlined, taking advantage of enabling technologies

A sharper focus on delivering the Health and Wellbeing Plan is required as staff sickness remains high at 5.15%, against a tolerance level of 4.2%. The chart below shows the percentage of FTE days lost to sickness during 2017/18.

The Trust remains committed to ensuring staff are regularly appraised and receive all of the required training to ensure they continue to be safe and effective in their roles. The Trust sets a stretch appraisal target of 85% and for the majority of 2017/18 rates have been within 2-3% of this stretch target. Mandatory training compliance levels are high at over 90%.



# Staff Report

## Staff costs

	Total £000
Salaries and wages	180,931
Social security costs	16,912
Apprenticeship Levy	835
Pension costs	20,126
Termination benefits	35
Temporary staff - agency/contract staff	10,274
<b>TOTAL GROSS STAFF COSTS</b>	<b>229,114</b>
Less Costs capitalised as part of assets	1,689
<b>TOTAL STAFF COSTS</b>	<b>227,425</b>

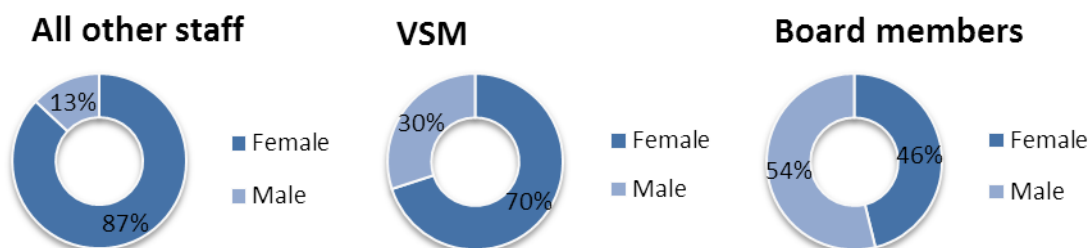
## Staff numbers – by professional group (average full time equivalent)

	2017/18			2016/17		
	Total	Permanent	Other	Total	Permanent	Other
Medical and dental	520	491	29	501	471	30
Ambulance staff	0			0		
Administration and estates	1,253	1,182	71	1,109	940	169
Healthcare assistants and other support staff	1,065	933	132	905	902	3
Nursing, midwifery and health visiting staff	1,784	1,687	97	1,726	1,643	83
Scientific, therapeutic and technical staff	811	787	24	820	791	29
<b>Total average numbers</b>	<b>5,433</b>	<b>5,080</b>	<b>353</b>	<b>5,061</b>	<b>4,747</b>	<b>314</b>

Number of employees (WTE) engaged on capital projects		54			20	
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## Staff groups by gender 2017/18



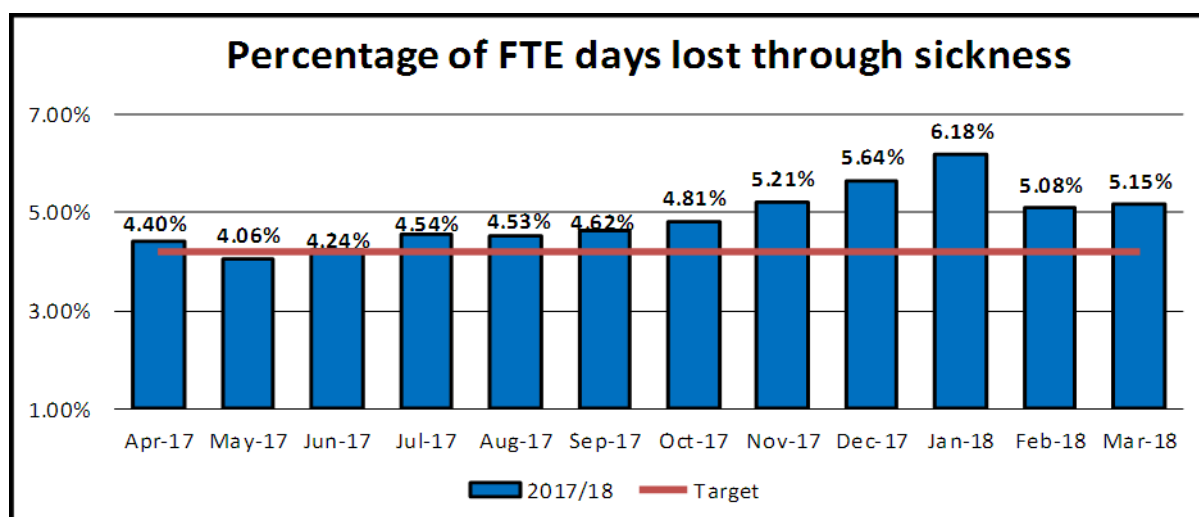
## Staff Report

### Sickness absence data

We work hard to ensure our staff are healthy and enjoy work and to see a year-on-year improvement in attendance. We have a comprehensive attendance management policy and encourage staff to seek professional medical support through our extensive occupational health and well-being services if needed.

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).

The chart below shows the percentage of days lost to sickness during 2017/18.



### Staff policies and actions

#### **Policies applied during the financial year for giving full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities:**

We actively encourage applications from disabled individuals in accordance with the Equality Act 2010. As an organisation we are committed to employ, keep and develop the abilities of disabled staff and this is reflected in our Recruitment and Selection policy. During the recruitment process, we are committed to making adjustments where necessary. Candidates who have declared a disability need only to meet the essential criteria to be guaranteed an interview. The Resourcing Team ensure that any direct or indirect reference to discrimination is removed from all application forms and that equality and diversity information is removed from the shortlisting process.

#### **Policies applied during the financial year for continuing the employment of, and for arranging appropriate training for, employees who have become disabled persons during the period**

The Trust is committed to supporting staff to remain in work and have a Supporting Staff with Disabilities policy which is used for both newly recruited employees with a disability who make their needs known at the recruitment stage and those staff who are currently employed by the Trust who become disabled whilst in employment. The policy ensures that NHS guidance, advice and necessary training is provided to managers.

## Staff Report

### **Policies applied during the financial year for the training, career development and promotion of disabled employees**

All policies are subject to an Equality Impact Assessment. In relation to disabled employees the HR team give expert advice on the need for reasonable adjustments to be made to ensure that there is equal access to training and development and promotion opportunities.

### **Actions taken in the financial year to provide employees systematically with information on matters of concern to them as employees**

Communication with our staff continues to take many forms: we have a weekly bulletin, a monthly staff newsletter ('Our VOICE') and a monthly face to face team brief, alongside team meetings that cover a variety of practice-based topics. The Trust has implemented a range of innovative programmes as part of the Board's commitment to 'listen and act', including the Chief Executive's 'Listening lunches', divisional road shows and engagement meetings with staff. These meetings have proved extremely popular with staff as a means of both raising issues and keeping up to date with relevant information. To complement this Executive Directors undertake regular visits to different wards and departments across hospital and community teams to gain feedback from staff working at the front line.

### **Actions taken in the financial year to consult employees or their representatives on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests**

During periods of transition, communication with staff is seen as a priority to ensure that all staff are fully informed at each step of the development, as well as being part of the on-going consultation process. The Trust will continue to engage, consult and work positively with staff side to foster true partnership working and ensure that the Trust and its employees are able to move forward and meet the challenges ahead.

The Trust has a number of formal vehicles where management and staff side meet to deal with employee relations issues, namely:

- The Joint Negotiation and Consultative Committee (JNCC), which meets monthly.
- The divisions have collaborative meetings which meet monthly and deal with pressing local issues within the divisions that can be dealt with quickly to enable good working relationships.
- The Local Negotiating Committee (LNC), which meets quarterly with local and regional medical representatives to discuss the strategic overview for the medical workforce, policies, workloads, clinical excellence awards, rotas, recruitment and junior doctors.

### **Facility Time**

Facility time is time off from an individual's job, granted by the employer, to enable a rep to carry out their trade union role. In some cases, this can mean that the rep is fully seconded from their regular job, enabling them to work full time on trade union tasks.

Facility time covers duties carried out for the trade union or as a union learning representative, for example, accompanying an employee to disciplinary or grievance hearing. It also covers training received and duties carried out under the Health and Safety at Work Act 1974

In accordance with The Trade Union (Facility Time Publication Requirements) Regulations 2017 which took effect on 1 April 2017 the tables below which have been approved by our chair of Staffside provide information on facility time within the Trust.

## Number of employees who were relevant union officials during 2017/18

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
8	8

## Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1-50%	6
51%-99%	1
100%	1

## Percentage of pay bill spent on facility time

Provide the figures requested in the first column of the table below to determine the percentage of your total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period.

<i>First Column</i>	<i>Figures</i>
Provide the total cost of facility time	161,147.58
Provide the total pay bill	227,425,000
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.07%

## Paid trade union activities

As a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on paid trade union activities?

*Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:*  
*(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100*

The Trust supports funded seconded release for staff representatives and therefore trade union activities are included in the facility time above and not differentiated.

## **Actions taken in the financial year to encourage the involvement of employees in the NHS foundation trust's performance**

As a Trust, we actively encourage the involvement of our employees at all levels in all aspects of performance. Activities during 2017/18 include:

- Involvement of clinical & non-clinical staff in 'Perfect Week' events in acute and community settings
- Involvement of clinical staff and partners from Bolton Council and Bolton CCG in a one day accelerated discharge event in March 2018
- Use of our Staff friends and family survey data in local sessions with teams to strengthen engagement and improve the staff experience

## **Occupational Health**

We are part of joint venture commercial collaborative Occupational Health service, set up in 2014. The service is hosted by Wrightington, Wigan and Leigh NHS Foundation Trust (WWL) and is managed jointly between WWL, Bolton and Lancashire Teaching Hospitals NHS Foundation Trust (LTH). The service is called Wellbeing Partners and provides Occupational Health services to a number of public and private sector organisations across Lancashire, including large service provision contracts with Edge Hill University, Bridgewater Community NHS Foundation Trust and Lancashire Care NHS Foundation Trust.

The service vision is to develop a sustainable, clinician-led occupational health service for both public sector and private sector organisations in North Manchester and Lancashire that delivers excellent results and value for money for NHS organisations and for a broad client base.

The service provided by Wellbeing Partners provides all our occupational health requirements, including, support on pre-employment health checks, health referrals, flu inoculations and proactive health interventions such as fast track physiotherapy referrals and mental health drop in sessions.

## **Health and Safety Performance**

There has been had one enforcement notice issued to the Trust by the Health and Safety Executive (HSE) during the reporting period (Microbiology). With the measures being taken this enforcement action was closed by HSE in August. Information on policies and procedures with respect to countering fraud and corruption

## **Measures to avoid fraud and corruption**

The Trust has a Counter Fraud and Corruption Policy in place. A counter fraud work plan is agreed with the Director of Finance and approved by the Audit Committee. The local counter fraud specialist is a regular attendee at Audit Committee meetings to report on any investigatory work into reported and suspected incidents of fraud and to provide an update on the on-going programme of proactive work to prevent potential fraud.

# Staff Report

## Staff Survey

### Summary of Performance –2017 NHS Staff Survey

Our response rate in the most recent Staff Survey is shown below:

	2016/17	2017/18		Improvement/ Deterioration
Response Rate	Trust	Trust	National Average	
	36.6%	42.8%	40.4%	Improvement

Overall, the results of the 2017 Staff Survey show a positive picture at Bolton NHS Foundation Trust. Many of the Trust's scores are significantly better than that of the sector, at question level and for four of the Key Findings. In addition, the Trust scores within the top 20% range of Acute and Community Trusts on many of the questions.

Our main changes from 2016 to 2017 have been as follows:

- Our overall Staff Engagement score has dipped slightly from 3.87 (2016) to 3.85 (2017). This is slightly higher than the sector score of 3.82.
- 2 key finding scores have shown **significant improvement** since 2016
  - **KF15** % of staff satisfied with the opportunities for flexible working patterns
  - **KF28** % of staff witnessing potentially harmful errors, near misses or incidents in last month
- 1 key finding score has shown significant decline since 2016
  - **KF3** % of staff agreeing that their role makes a difference to patients/service users

	2016/17	2017/18		Improvement/ Deterioration
Top 5 ranking Key Findings	Trust	Trust	National Average	
<b>KF26.</b> Percentage of staff experiencing harassment, bullying or abuse from staff in last 12 months	24%	20%	24%	Improvement
<b>KF30.</b> Fairness and effectiveness of procedures for reporting errors, near misses and incidents	3.95	3.90	3.73	Deterioration
<b>KF7.</b> Percentage of staff able to contribute towards improvements at work	73%	75%	70%	Improvement
<b>KF18.</b> Percentage of staff attending work in the last 3 months despite feeling unwell because they felt pressure from their manager, colleagues or themselves	63%	49%	53%	Improvement
<b>KF8.</b> Staff satisfaction with level of responsibility and involvement	4.02	4.01	3.89	Deterioration

## Staff Report

	2016/17	2017/18		Improvement/ Deterioration
Bottom 5 ranking Key Findings	Trust	Trust	National Average	
<b>KF23.</b> Percentage of staff experiencing physical violence from staff in last 12 months	3%	<b>3%</b>	<b>2%</b>	No change
<b>KF22.</b> Percentage of staff experiencing physical violence from patients, relatives or the public in last 12 months	16%	<b>15%</b>	<b>14%</b>	Improvement
<b>KF24.</b> Percentage of staff / colleagues reporting most recent experience of violence	74%	<b>66%</b>	<b>67%</b>	Deterioration
<b>KF3.</b> Percentage of staff agreeing that their role makes a difference to patients / service users	94%	<b>90%</b>	<b>90%</b>	Deterioration
<b>KF16.</b> Percentage of staff working extra hours	68%	<b>70%</b>	<b>71%</b>	Deterioration

### Future Priorities and targets

- Our focus on strengthening Staff Engagement will continue during 2017-18, prioritised around embedding our new Trust Values model and using appropriate metrics to support improving the staff & patient experience
- We are again confident that our comprehensive Trust Action Plan will address the priority areas where our Survey scores have decreased; we will be developing specific engagement plans for 4 areas of the Trust that need particular support
- Our People Strategy now contains a 'Developing our Culture' theme; we have a range of initiatives planned that will reflect our continued journey towards a high-performance values-based healthcare organisation,



# Staff Report

## Expenditure on consultancy

Expenditure on Consultancy related spend was £0.2m in 2017/18

## Off payroll engagements

### Statement on off payroll arrangements

Our policy for off payroll arrangements is in line with the guidance provided by Monitor and based on HM Treasury guidance that:

- board members and senior officials with significant financial responsibility should be on the organisation's payroll, unless there are exceptional circumstances – in which case the Accounting Officer should approve the arrangements – and such exceptions should exist for no longer than six months;
- engagements of more than six months in duration, for more than a daily rate of £220, should include contractual provisions that allow the department to seek assurance regarding the income tax and NICS obligations of the engagee – and to terminate the contract if that assurance is not provided;

We have established processes in place by which the need for employees can be assessed and the appropriate individuals recruited. While our preference is to employ our own staff,

The need may arise from time to time to cover areas of work which are specialist and outside our current areas of expertise and/or; particular circumstances dictate that someone outside the Trust should be engaged (e.g. certain investigations).

In such cases a determination is made as to which method of resourcing is most appropriate

Our preferred order of consideration would generally be

- Employment
- Agency
- Self-Employed Contractor (off-payroll)

The tables below provide detail of off-payroll engagements of more than £245 per day lasting for longer than six months

Existing off-payroll engagements as of 31 March 2018

No. of existing engagements as of 31 March 2018.	0
No. that have existed for less than one year at time of reporting.	0
No. that have existed for between one and two years at time of reporting.	0
No. that have existed for between two and three years at time of reporting.	0
No. that have existed for between three and four years at time of reporting.	0
No. that have existed for four or more years at time of reporting.	0

## Staff Report

**New off-payroll engagements and those that reached six months in duration between 1 April 2017 and 31 March 2018, for more than £245 per day and that last for longer than six months**

No. of new engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018	
Of which...	
Number assessed as within the scope of IR35	
Number assessed as not within the scope of IR35	
Number engaged directly (via PSC contracted to trust and are on the Trust's payroll)	
Number of engagements reassessed for consistency/assurance purposes during the year	
Number of engagements that saw a change to IR35 status following the consistency review	

**Off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2017 and 31 March 2018**

No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
No. 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

# Staff Report

## Fair Pay multiple

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

	2016/17	2017/18
Highest paid director salary - (J Bene – includes consultant post and CEA	196,950	206,928
Median Salary	28,462	28,746
Median Salary Ratio	6.92	7.20
Employees receiving remuneration in excess of the highest paid director.	0	0
Remuneration range	6-197	8 - 207

The median salary ratio increased following an incremental pay award to the CEO.

Total remuneration does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions."

## Exit Packages

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages		Total cost £000	
	17/18	16/17	17/18	16/17	17/18	16/17	17/18	16/17
<£10,000			15	16	15	16	35	61
£10,001 - £25,000				3		3		40
£25,001 - 50,000		1				1		28
£50,001 - £100,000								
£100,001 - £150,000								
£150,001 - £200,000								
>£200,000								
Total	0	1	15	19	15	20	30	129

# Staff Report

## Exit packages: non-compulsory departure payments

Exit packages: other (non-compulsory) departure payments - 2015/16	Number of Payments agreed		Total value of agreements £000	
	17/18	16/17	17/18	16/17
Voluntary redundancies including early retirement contractual costs	3	7	9	28
Mutually agreed resignations (MARS) contractual costs		2		26
Early retirements in the efficiency of the service contractual costs				
Contractual payments in lieu of notice	12	10	26	46
Exit payments following employment tribunals or court orders				
Non-contractual payments requiring HMT approval				
<b>Total</b>	<b>15</b>	<b>19</b>	<b>35</b>	<b>101</b>
of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary				

## Payments for loss of office and to past senior managers

No payments have been made for loss of office or to past senior managers during the reporting year 2017/18.

# Code of Governance Disclosures

## Statement of Compliance with the Code

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

The Trust Secretary reviews our compliance with the NHS Foundation Trust Code of Governance and prepares a report for the Audit Committee. The Audit Committee considered this report at its meeting on February 15<sup>th</sup> 2018 and agreed that Bolton NHS Foundation Trust complied with the main and supporting principles of the Code of Governance.

The Code is implemented through key governance documents, policies and procedures of the Trust, including but not limited to:

- The Constitution
- Standing Orders
- Standing Financial Instructions
- Scheme of Delegation
- Schedule of Matters Reserved for the Board
- Code of Conduct (for Directors, for Governors and for Senior Managers)
- Staff Handbook
- Governor Handbook.

## Summary Schedule of Matters Reserved for the Board

The Schedule of Matters reserved for the Board details the decisions and responsibilities reserved to the Council of Governors, the Board of Directors and those delegated to the agreed committees of the Board of Directors.

In the event of any unresolved dispute between the Council of Governors and the Board of Directors, the Chair or the Secretary may arrange for independent professional advice to be obtained for the Foundation Trust. The Chair may also initiate an independent review to investigate and make recommendations in respect of how the dispute may be resolved.

The overall responsibility for running an NHS foundation trust lies with the board of directors. The Council of Governors is the collective body through which the directors explain and justify their actions; the council should not seek to become involved in the running of the trust.

Directors are responsible and accountable for the performance of the foundation trust; governors do not take on this responsibility or accountability. This is reflected in the fact that directors are paid while governors are volunteers.

## The Council of Governors

As set out in the constitution, the Council of Governors consists of 23 publicly elected Governors, six staff Governors and nine appointed partner Governors.

The Council of Governors meets formally in public every two months

The role of the governor is to:

## Code of Governance Disclosures

- hold the Non-Executive Directors individually and collectively to account for the performance of the board of directors
- to represent the interests of NHS foundation trust members and of the public
- Set the terms and conditions of Non-Executive Directors
- Approve the appointment of future Chief Executives
- Appoint or remove the Trust's external auditor
- Consider the annual accounts, annual report and auditor's report
- Be consulted by the Board of Directors on the forward plans for the Trust.
- Approve changes to the constitution of the Trust
- Take decisions on significant transactions
- Take decisions on non NHS income.

The Board of Directors and the Council of Governors enjoy a strong working relationship. The Trust Chairman chairs both and acts as a link between the two. Each is kept advised of the other's progress through a number of systems, including informal updates via the Chairman, ad hoc briefings, exchange of meeting minutes and attendance of the Board of Directors at the Council of Governors and by individual Directors at Council of Governors sub-committees.

The Governors have not had cause to exercise their power to require one or more of the directors to attend a governors' meeting. The Executive and Non-Executive Directors attend the majority of Governor meetings to provide information about the performance of the Trust and to develop the relationship between the two bodies. A rolling bi-monthly programme is in place for Governors to meet with each Executive Director for informal discussions on areas relevant to individual portfolios.

Governors have a responsibility to canvass the opinions of the Trust's members and the wider public with regard to their views on the forward plans of the Trust. Governors are able to attend local area forums to meet with members within their own areas of the public constituency. Governors also took the opportunity to network informally with members prior to the Annual Members' Meeting and prior to Medicine for Members events.

The Membership and Member Communication subgroup agreed to focus on member engagement during 2017/18 and looked at engagement with members through the Newsletter and membership events. The Committee also discussed wider public engagement particularly around the topic of ensuring appropriate attendance at the Trust's Accident and Emergency Department.

# Code of Governance Disclosures

## Public Governors

Name	Area	Date Elected	End of period of office	Meeting attendance
Anne Bain	Bolton North East	October 2013	September 2019	3/5
Barbara Ronson	Horwich NE	October 2014	September 2017	2/2
Bhagvati Parmar	Bolton South East	October 2016	September 2019	3/5
Carol Burrows	Bolton South East	October 2016	September 2019	2/5
Champak Mistry	Bolton South East	October 2013	September 2019	2/5
Christopher Mealing	Westhoughton	October 2016	May 2017	0/1
Geoffrey Minshull	Bromley Cross	October 2014	September 2017	1/2
Grace Hopps	Bolton West	October 2017	September 2020	2/3
Jack Ramsay ★	Bradshaw	October 2014	September 2017	1/2
Janet Whitehouse	Bolton West	October 2014	September 2020	4/5
Janice Drake	Bolton West	October 2017	September 2020	3/3
Jim Sherrington ★	Tonge with the Haulgh	October 2013	September 2017	2/2
Kantilal Khimani	Bolton South East	October 2016	September 2019	4/5
Kate Cowpe ★	Rest of England	October 2014	September 2017	1/2
Keith McManus	Farnworth	October 2016	January 2018	0/4
Ken Hahlo	Bolton West	October 2015	September 2018	5/5
Leela Joseph	Bolton West	October 2017	September 2020	1/3
Margaret Parrish	Bolton North East	October 2016	September 2019	4/5
Mohammed Iqbal Essa	Bolton North East	October 2017	September 2020	2/3
Naveed Riaz	Rest of England	October 2017	September 2020	1/3
Oboh Achioyamen	Bolton North East	October 2017	September 2020	2/3
Pat Grocock	Bolton North East	October 2017	September 2020	2/3
Pauline Lee	Bolton West	October 2015	September 2017	1/2
Rosie Adamson-Clark	Bolton North East	October 2017	September 2020	1/3
Sorie Sesay	Bolton South East	October 2013	September 2019	3/5

## Staff Governors

Name	Area	Date Elected	End of Period of Office	Meeting Attendance
Dipak Fatania	All other staff	October 2013	September 2019	3/5
Tracey Holliday	Nurses and Midwives	October 2014	September 2020	2/5
Sarah Hulme	All other staff	October 2015	September 2018	3/5
Janet Roberts ★	Nurses and Midwives	October 2013	September 2019	1/5
Martin Anderson	AHPs and Scientists	October 2017	September 2020	3/3
Dan Hindley	Doctors and Dentists	October 2014	September 2017	0/2

★ Chair of a sub-committee and one of the three lead governors.



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## Appointed Governors

Name	Representing	Date Appointed	Meeting Attendance
Shashkiant Merchant	Bolton Healthwatch	July 2016	1/2
Jim Sherrington ★	Bolton Healthwatch	October 2017	3/3
Jane Howarth	Bolton University	July 2014	0/5
Dawn Hennefer	Salford University	September 2014	1/5
Susan Howarth	Bolton Metropolitan Borough Council	April 2014	1/5
Debbie Newall	Bolton Metropolitan Borough Council	July 2016	2/5
Samir Naseef	Bolton Local Medical Committee	November 2012	0/5
Darren Knight	Bolton Local Council for Voluntary Services	May 2016	5/5
Leigh Vallance	Bolton Local Council for Voluntary Services	July 2014	4/5

Elections to the Council of Governors were held according to the constitution in September 2017. Results were as reported below.

Seat	Turnout	Governor Elected
Bolton North East	23.1%	Rosie Adamson-Clark Mohammed Iqbal Essa Pat Grocock Obob Achioyamen
Bolton West	26.1%	Grace Hopps Janice Drake Leela Joseph Janet Whitehouse

The following seats were uncontested in the 2017/18 elections:

- AHPs and Scientists
- Rest of England

# Code of Governance Disclosures

## Lead Governor

In consultation with the Chairman and the Trust Secretary, the Council of Governors decided to nominate the three chairs of the sub-committees to jointly act as lead governor. The lead governor role is undertaken in accordance with Monitor guidance as the point of contact between Monitor and the Council of Governors with no additional responsibilities. In 2017/18, the three Governors fulfilling these roles were Janet Roberts, Jack Ramsay and Jim Sherrington.

## Directors' and Governors' Register of Interests

A register is kept of Directors' and Governors' interests. Access to the register can be gained either by contacting the Trust Secretary or from the Trust website.

In accordance with the disclosure requirements the Chairman advised the Council of Governors of his appointments with Ofqual, Crown commercial Services and the Leverhulme Academy.

## Developing understanding

The Board of Directors has taken steps to ensure that members of the Board, and in particular the Non-Executive Directors, develop an understanding of the views of Governors and members about their NHS Foundation Trust.

David Wakefield chairs both the Board of Directors and the Council of Governors and with the assistance of the Trust Secretary is the link between the two bodies. The full Council of Governors meets a minimum of six times a year and these meetings are attended by representatives of the Executive Directors, the Senior Independent Director and the Non-Executive Directors. The Governors' meetings provide the opportunity for the Governors to express their views and raise any issues so that the Executive Directors can respond. Minutes of the meeting are shared with the Board of Directors so they can pick up and respond to any issues raised. In 2014 at the request of the Governors, the part two section of the Board of Directors was opened up for Governors to attend and observe. Governors have provided feedback in support of this change which has allowed them to gain a greater degree of the understanding of the work of the Board.

The Governors have two formal sub-committees dealing with Auditor appointment, and nomination and remuneration. These are attended by the Chair of Audit and Director of Finance (Auditor appointment) and by the Senior Independent Director (nomination and remuneration).

The Governors also have three sub-groups, each chaired by a Governor nominated by the group. The chairs of the sub-groups meet with the Chairman on a regular basis, these groups are also attended by the Trust Secretary and other members of Trust staff as required.

Regular training sessions are provided for Governors to ensure they gain a full understanding of the role. In February 2018, the Trust also arranged a training session for 100 Governors from across the North West to provide an opportunity for networking and shared development.

The Trust recognises the importance of being accessible to members. Council of Governors meetings are held in public and publicised on the Trust website, member newsletters and notices around the Trust. The Governors representing the electoral wards of Bolton are able to attend the local area forums run by Bolton Council to meet individual FT members and members of the public and hear their views.

# Code of Governance Disclosures

## Board of Directors

The Board of Directors comprises the Chairman, Chief Executive, Senior Independent Director, five other independent Non-Executive Directors and five Executive Directors. The Board meet monthly in public. Papers for the meeting including the minutes of the previous meeting are available on the Trust website.

The Directors have collective responsibility for setting strategic direction and providing leadership and governance.

The Scheme of Delegation which is included in the Trust's standing orders, sets out the decisions which are the responsibility of the Board of Directors and those which have been delegated to a sub-committee of the Board.

The Executive Directors of the Trust meet weekly to consider the operational management and the day to day business of the Trust. These meetings are supported by monthly integrated performance meetings with the divisions and bi-monthly Divisional Executive meetings attended by Executive Directors and the senior management team. The primary purpose of these meetings is to contribute to the forward strategy and review performance against the annual objectives agreed in accordance with the strategy.

<b>Attendance at Board of Director meetings</b>	
David Wakefield	12/12
Trish Armstrong Child	9/12
Jackie Bene	12/12
Neal Chamberlain	4/5
Allan Duckworth	10/12
Andy Ennis	12/12
Ann Gavin Daley	12/12
Mark Harrison	7/12
Steve Hodgson	11/12
Jackie Njoroge	10/12
Andrew Thornton	10/12
Mark Wilkinson	3/3
Simon Worthington	3/3
Esther Steel	12/12
Bilkis Ismail	7/7

## Balance, Completeness and Appropriateness

There is a clear separation of the roles of the Chairman and the Chief Executive, which has been set out in writing and agreed by the Board. The Chairman has responsibility for the running of the Board, setting the agenda for the Trust and for ensuring that all Directors are fully informed of matters relevant to their roles. The Chief Executive has responsibility for implementing the strategies agreed by the Board and for managing the day to day business of the Trust.

The Board of Directors has continued to assess the independence of its Non-Executive Directors further to the requirements of the Code of Governance, and considers that each Non-Executive Director is independent in character and judgement.

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The Board considers that the Non-Executive Directors bring a wide range of business, commercial, financial and other knowledge required for the successful direction of the Trust.

All Directors are subject to an annual review of their performance and contribution to the management and leadership of the Trust.

As referred to elsewhere in this report, Deloitte LLP undertook a “Well Led” review of the Trust in 2017.

The external advisors used during 2017/18 have no other connections to the Trust.

### Audit Committee

The Audit Committee met on five occasions during the period April 1st 2017 and March 31st 2018.

Audit Committee Attendance	
Members	
Jackie Njoroge	5/5
Ann Gavin Daley	5/5
Neal Chamberlain	3/3
Bilkis Ismail	1/1
Attendee	
Simon Worthington	2/2
Annette Walker	3/3
Esther Steel	5/5

The purpose of the Audit Committee is to provide independent assurance to the Board that there are effective systems of governance, risk management and internal control for all matters relating to corporate and financial governance and risk management.

A key aspect of the Audit Committee's work is to consider significant issues in relation to financial statements and compliance. As part of the preparation for the audit of financial statements, our external auditor KPMG undertook a risk assessment and identified risks as laid out in the table below:

Issues	Mitigation
Valuation of land and buildings	Review of revaluation basis  Work to understand the basis upon which impairments to land and buildings have been calculated  Assessment of the independence and objectivity of the surveyors and their terms of engagement
Recognition of NHS and Non NHS income and associated fraud risk	Testing of the completeness, existence and accuracy of the balances recorded within the

## Code of Governance Disclosures

	<p>financial statements</p> <p>Investigation of a sample of contract variations</p> <p>Participation in the Agreement of Balances exercise with other NHS organisations</p>
Fraud risk from management override of controls	<p>Testing of entries that are outside the Trust's normal course of business or are otherwise unusual</p> <p>Audit testing of controls</p> <p>External Audit review of register of interests and disclosure of any related party transactions</p> <p>Local Counter Fraud support</p>

In addition to the review of financial statements, other key activities during the period April 1st 2017 and March 31st 2018 were:

- Consideration of the Going Concern report prior to approval by the Board of Directors.
- Providing oversight of the financial governance improvement plan - the Audit Committee provided regular oversight of the financial governance improvement plan developed to address weaknesses identified in external and internal reviews of financial governance.
- Reviewing the Board Assurance Framework and Risk Register - in addition to receiving the Board Assurance Framework the committee workplan scheduled a detailed focus on specific areas of the BAF, with the lead director required to attend the meeting to provide additional assurance that the risks to the Trust's strategic objectives are managed with mitigations in place.
- Receiving reports from the internal and external auditors and providing oversight to ensure agreed recommendations are addressed.
- Receiving regular reports from the local counter fraud specialist to provide assurance of the on-going development of an anti-fraud culture and specific actions taken in relation to concerns raised both internally and through national fraud awareness initiatives.
- Reviewing compliance with the Code of Governance.
- Receiving and providing oversight of regular reports on losses, waivers and variations.

### Chair of the Audit Committee

In September 2016, the Council of Governors appointed Jackie Njoroge to chair the Audit Committee.

The Chair of the Audit Committee presented the Annual Report of the Audit Committee to the Board of Directors in November 2017.

# Code of Governance Disclosures

## **Auditor Appointment**

### **External Auditor**

The appointment of KPMG as auditors was made by the Council of Governors in accordance with Monitor guidance. The value of external audit services (excluding the review of the charitable funds accounts) is £59,504 excluding VAT.

On occasion the Trust may decide to request additional services from the external auditor. The Council of Governors delegated specific authority for commissioning additional services to the Trust's Audit Committee, subject to an overall policy cap on directly attributable fees which should not exceed 50% in aggregate of the approved annual statutory audit fee in any twelve month period. This would be on the understanding that the Audit Committee takes responsibility for agreeing any specific areas of additional work to be undertaken and, in doing so, considers whether the external auditor or any other organisation is best placed to provide the service i.e. based on relevant experience, expertise in that particular area and value for money.

The Trust did not commission any non-audit services from its external auditor during 2017/18.

### **Internal Audit**

Internal Audit services are provided by Price Waterhouse Cooper (PwC)

The Audit committee receive and approve the internal audit plan and through the course of the financial year receive regular reports on progress against the plan, accompanied by detailed reports providing the findings, recommendations and actions agreed following the audits agreed in the plan. The plan provides evidence to support the Head of Internal Audit's opinion which in turn informs the Annual Governance Statement (page 65)

# Code of Governance Disclosures

## Membership

### Membership strategy

We are committed to building a membership that is representative of and reflects the local communities we serve in terms of disability, age, gender, socio-economics, sexuality, ethnic background and faith. Through our members, we can really get to know what the public wants and, more importantly, act on that as our services evolve.

### Public members

Membership of the Trust is open to anyone who resides in England although we would expect the majority of our members to reside in Bolton and the surrounding areas of Salford, Wigan, Bury and South Lancashire. There is a lower age limit of 14 but no upper age limit. There are no limits on the number of people who can register as members.

Public members are placed in constituencies based on where they live. There are 20 constituencies representing the electoral wards of Bolton and one to represent “out of area” members.

### Staff members

We have an opt out arrangement in respect of staff membership. Under this arrangement, staff will automatically be registered as a member of the Trust unless they have completed the opt out form which was circulated with payslips prior to authorisation as a Foundation Trust. New members of eligible staff are provided with information and a form at induction.

Staff membership is open to everyone who is employed by the Trust full or part time. Staff working for the Trust’s subsidiary company iFM Bolton are also eligible for staff membership. Staff membership ceases at the point that the member leaves the service of the Trust, but individuals can then choose to become a public member.

### Benefits of membership

Although there are no financial benefits to FT membership, there are also no costs. There is, however, much satisfaction in being in a position which can help local people and local services. There are no benefits to members in terms of access to services.

We will use our members as a valuable resource calling on those who have expressed a willingness to participate in surveys and focus groups to gain a snapshot view of the user’s perspective.

### Membership recruitment

We aim to continue recruiting new members and are using a variety of methods to ensure we reach as many people as possible. People wishing to join can do so by registering online at [www.boltonft.nhs.uk](http://www.boltonft.nhs.uk) or by calling 01204 390654. Alternatively application forms are available throughout the hospital.

### Contact procedures for members that wish to communicate with Governors and/or Directors

Members who wish to communicate with Governors may do so by email to [Governor@boltonft.nhs.uk](mailto:Governor@boltonft.nhs.uk) or by post c/o the Trust Secretary. To communicate with Directors contact [angela.barber@boltonft.nhs.uk](mailto:angela.barber@boltonft.nhs.uk)



# Code of Governance Disclosures

## Membership Statistics

<b>Public Constituency</b>	
At year start (1 April 2017)	4392
At year end (31 March 2018)	4535
<b>Staff Constituency</b>	
At year start (1 April 2017)	5189
At year end (31 March 2018)	5299

## Analysis of current public membership

<b>Public Constituency</b>	<b>Number of members</b>	<b>Eligible membership</b>
<b>Age</b>		
0 - 16	4	4,721
17- 22	108	17,122
22+	4174	203,533
Not known	249	
<b>Ethnicity</b>		
White	3193	226,645
Mixed	34	4,892
Asian or Asian British	600	38,749
Black or Black British	89	4,652
Other	86	1,848
Not known	533	
<b>Socio-economic group</b>		
ABC1	1079	15,166
C2	1258	25,822
D	987	18,471
E	1186	27,966
Not known	25	
<b>Gender</b>		
Male	1673	140,997
Female	2793	143,076
Not known	69	

# NHS Improvement's Single Oversight Framework

NHS Improvement's Single Oversight Framework provides the framework for overseeing providers and identifying potential support needs. The framework looks at five themes:

- Quality of care
- Finance and use of resources
- Operational performance
- Strategic change
- Leadership and improvement capability (well-led)

Based on information from these themes, providers are segmented from 1 to 4, where '4' reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. A foundation trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its licence.

The Single Oversight Framework applied from Quarter 3 of 2016/17. Prior to this, Monitor's Risk Assessment Framework (RAF) was in place.

## Segmentation

Bolton NHS Foundation has been assessed as **segment 2**

This segmentation information is the trust's position as at 13<sup>th</sup> April 2018. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

## Finance and use of resources

The finance and use of resources theme is based on the scoring of five measures from '1' to '4', where '1' reflects the strongest performance. These scores are then weighted to give an overall score. Given that finance and use of resources is only one of the five themes feeding into the Single Oversight Framework, the segmentation of the trust disclosed above might not be the same as the overall finance score here.

Area	Metric	2017/18				2016/17	
		Q4	Q3	Q2	Q1	Q4	Q3
Financial sustainability	Capital service capacity	2	3	4	4	1	1
	Liquidity	2	4	3	3	3	4
Financial efficiency	I & E Margin	1	2	3	3	1	1
Financial controls	Distance from financial plan	2	2	2	1	1	1
	Agency spend	4	4	4	2	3	3
Overall score		3	3	3	4	3	2

## Statement of Accounting Officer's Responsibilities

### Statement of the Chief Executive's responsibilities as the Accounting Officer of Bolton NHS Foundation Trust

The National Health Service Act 2006 (NHS Act 2006) states that the chief executive is the accounting officer of the NHS Foundation Trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS Improvement.

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Bolton NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Bolton NHS Foundation Trust and of its income and expenditure, items of other comprehensive income and cash flows for the financial year.

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

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements;
- assess the Group and parent Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Group and parent Trust without the transfer of its services to another public sector entity.

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 such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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. The accounting officer is also responsible for ensuring that the use of public funds complies with the relevant legislation, delegated authorities and guidance.

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

Signed

Jackie Bene

Chief Executive, Date...24<sup>th</sup> May 2018

# 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 on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Bolton 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 Bolton NHS Foundation Trust for the year ended 31 March 2018 and up to the date of approval of the annual report and accounts.

## Capacity to handle risk

### Leadership

As Accounting Officer I Chair the Risk Management Committee and have overall accountability for internal control. To support this role there are clear systems of accountability within the organisation with each Executive Director having specific areas of responsibility

The **Risk Management Policy** sets out details of the risk management structure and key risk manager roles. The role of the Board and Standing Committees is detailed, together with the individual responsibilities of the Chief Executive, Executive Directors and all staff in managing risk. In particular, the Risk Management Committee, the Quality Assurance Committee, the IT and Informatics Committee, the Finance and Investment Committee, the Clinical Governance Committee and the Divisional Governance Boards provide the mechanisms for managing and monitoring clinical, operational, financial and information governance risks throughout the Trust. The Audit Committee oversees the systems of internal control and overall assurance process associated with managing risk.

The Board of Directors routinely receives reports from its Standing Committees and also receives reports on all serious incidents. The Clinical Governance Committee receives detailed reports on the management of actions agreed following investigations into serious incidents (SIs). If following an SI the Board feel further assurance is required an external review is commissioned – an external review has recently been commissioned by the Family Care Division to provide assurance following a number of Serious Incidents within the division. Whilst there incidents were not thought to be linked it was agreed that a proactive review would provide assurance that there are no underlying governance or quality issues which require further action.

The executive team is supported by a divisional management structure consisting of four clinical divisions. Each division is led by a triumvirate team consisting of a Divisional Director of Operations, a Divisional Medical Director and a Divisional Director of Nursing. Each of the Clinical Divisions provides a detailed quarterly report to the Quality Assurance Committee.

### Performance monitoring

The integrated performance report provides comprehensive information to the Board and its sub-committees and to the divisions. The report includes a ward to board heat map to provide ward level information. Operational focus on the performance report is conducted through the monthly integrated performance meetings between the Divisions and the Executive team. The structure and content of the

# Annual Governance Statement

Board performance report was reviewed and after extensive consultation with users of the report including Board members and operational manager a new format report will be introduced for 2018/19.

The Quality Assurance Committee monitors the performance dashboard to provide assurance to the Board. Where concerns are identified using the heat map the QA Committee may seek further assurance that the issues are being managed and may at the discretion of the Chair escalate any concerns to the Board to ensure that the Board as a whole are appraised of and have the opportunity to challenge the planned actions.

## Training

To ensure the successful implementation of the Risk Management Policy, all staff are provided with appropriate training opportunities in carrying out risk assessments and the reporting of incidents. The on-going programme of training within the Trust includes: managing safely, risk register training, fire safety training, manual handling, safeguarding training, major incident training and conflict resolution training.

Medicine management training is delivered at doctors' induction programmes and during educational and developmental sessions. Support and advice on medicine management is also provided at ward and departmental level by the Chief Pharmacist and link pharmacists.

Risks and safety in respect of clinical equipment and devices are discussed and disseminated by the Medical Devices and Equipment Management Committee. All divisions are represented on this committee which also has a training sub group and each ward has a link nurse.

General awareness raising on risk management issues is achieved through staff briefings, team brief, safety bulletins, induction and the intranet.

The Executive Team and the Board of Directors monitors management capability, (leadership, knowledgeable and skilled staff, adequate financial and physical resources), to ensure the processes and internal controls work effectively.

## The risk and control framework

### Principal Risks

The significant risks in relation to the Trust's strategic objectives are described in the Board Assurance Framework. During 2017/18, the most significant risks included:

- Maintaining workforce capacity and capability and supporting the processes to deliver safe and effective care to our patients
- Delivery of the financial plan, including compliance with the agency cap
- Supporting the Urgent Care System

These risks will carry forward as significant risks into 2018/19. The Trust has put in place controls and action plans to mitigate these risks and these are described in the Board Assurance Framework

### Risk management in the trust

Risk management is recognised as a fundamental part of the Trust's culture, and an integral part of good practice. It is integrated into the Trust's philosophy, practices and business plans. Risk management is the business of everyone in the organisation.

The Trust's **Risk Assessment** process, investigating incidents, complaints and claims procedures are the principal sources of risk identification. The Risk Assessment process identifies the criteria for risk scoring both likelihood and consequence on a scale of 1 to 5, with the highest risk being accorded a score of 25 (5x5). The risk assessment process also requires an appropriate risk management plan.

The Risk Assessment process clearly states the escalation of management seniority to monitor management and mitigation of the risk according to its overall likelihood and consequence. The Risk Assessment process is applied to all types of risk, clinical, financial, operational, capital, and strategic.

# Annual Governance Statement

The Trust **Risk Register** procedure requires Divisions to maintain and monitor their own Risk Registers. All risks with a score rating of 15 or above are reviewed by the Risk Management Committee. Risk Register “clinics” are available to support managers in the development and management of risk registers.

All business cases have to be supported with a risk assessment. The scored risk rating strongly influences priorities within the Trust Capital Programme.

The **Board Assurance Framework** helps provide assurance to internal and external stakeholders in relation to meeting the Trust objectives. Assurance of the system is also supported by independent assurance processes – internal and external, and achievement of satisfactory outcomes or results.

The Assurance Framework identifies Bolton NHS Foundation Trust’s principal objectives and their associated principal risks and is developed in consultation with the Executive Team. The control systems which are used to manage these risks are identified together with the evidence for assurance that these are effective. Lead Directors are identified to deal with gaps in control and assurance and are responsible for developing action plans to address the gaps.

The Board ensures effective communication and consultation at all levels within the organisation and with external stakeholders. We engage with our main commissioner (Bolton CCG) in contract review meetings and through Joint Leadership meetings. A representative of Bolton CCG Group also has a seat on our Quality Assurance Committee. We engage with other key stakeholders at various forums including but not limited to, Council of Governor Meetings, Overview and Scrutiny Committee and Healthwatch. These meetings provide an opportunity for risk related issues to be raised and discussed.

A Board assurance framework (BAF) was in place for the period 1<sup>st</sup> April 2017 – 31<sup>st</sup> March 2018

The BAF includes a description of risk appetite for each risk to the achievement of operational objectives and additional background information including links to associated risks on the risk register and tracking the score of the risk over time.

The Board receive a monthly update on the BAF within the Chief Executive’s report. This update highlights any changes to risks and ensures a continued focus on the risks to the achievement of the overall strategy.

## Risk Appetite

When approving the Board Assurance Framework the Board agree their risk appetite for each of the strategic goals of the organisation

- Risk averse to risks that affect the quality of care and the experience of every person accessing our services
- We will not knowingly take decisions to reduce safety or ignore safety issues
- We will not tolerate failure in basic standards of compliance which could compromise licence conditions
- We have an appetite for developing partnerships but will not enter into partnerships that convene our statutory duty as an NHS Foundation Trust.

## Well Led Framework

The Well Led Framework was developed as an assessment tool for Trusts to use to benchmark their arrangements for effective leadership and quality governance in four categories:

- Strategy and planning
- Capabilities and culture
- Structure and processes
- Measurement

# Annual Governance Statement

In 2017, we commissioned an external review using the Well Led Framework, this provided assurance that a strong framework is in place. (Further detail can be found within the Annual Report)

**Strategy and planning** - Quality is embedded in the Trust's overall strategy, the safety and effectiveness of care and the experience of patients are at the heart of all that we do. In 2016, the Trust approved and adopted a new four year Quality Strategy.

**Capabilities and Culture** - The Board is assured that quality governance is subject to rigorous challenge with full NED engagement in the Audit Committee and NED involvement in the assurance providing committees.

**Structure and process**- The Corporate Governance Structure is in place to ensure clarity of reporting between wards and departments and the Board and between the Board and its supporting committees. Integrated Performance Meetings ensure clear routes of escalation to the Executive team.

The Trust has clear processes in place for:

- Clinical incident and accident policy
- Raising concerns (Whistle blowing)
- Complaints
- Management of SIs

Action plans are put in place to address issues arising from these processes.

**Performance information** – The Integrated Performance report provides a clear dashboard and high level apex report for the Board of Directors and Council of Governors with full reports reviewed in the Board sub committees and at the Integrated Performance Meeting. We recognise the importance of regularly reviewing the information provided to the Board and during quarter four we reviewed and revised the report to enhance the information and assurance provided.

In their review of our Quality Report, although there are still issues with regard to the recording of 18 week RTT, our Auditors identified a clear improvement trajectory compared to their review of this metric for the 2016/17 Quality Report

We will continue to take action in 2018/19 to address these issues and will report on our progress to the Audit Committee. Human error in data entry is often a factor in the discrepancies in reporting, the implementation of a full EPR will be a key factor and a robust solution to data quality

The foundation trust is fully compliant with the registration requirements of the **Care Quality Commission**. Assurance is obtained on compliance with CQC registration requirements and the fundamental standards to provide care that is safe, effective, caring, responsive and well led through the following mechanisms:

- The CQC conducted a full inspection in March 2016 and gave the Trust an overall rating of Good.
- Divisional reports to the Quality Assurance Committee have been framed around the domains and standards set by the CQC. We recently established a new programme of inspections with the ambition of moving from good to outstanding. In addition to this in 2016 we established an internal accreditation scheme for wards and departments. The Bolton System of Care Accreditation (BOSCA) review is now well embedded and provides an evidence based framework for quality improvement.
- A "Better Care Together" group was established to coordinate the organisational journey from "Good to Outstanding". This group is leading the actions around our Quality Improvement Strategy. The Better Care Together group also receives update on BOSCA accreditations and outcomes from our "Good to Outstanding" inspections



# Annual Governance Statement

## Compliance with the NHS foundation trust condition 4 (FT governance)

To assure itself of the validity of its annual governance statement required under NHS FT Condition 4 (8) b the Board of Directors receives an annual assurance statement and associated evidence. As outlined elsewhere in this statement and within the annual report, a review using the Well Led Framework was undertaken in January 2016. The feedback provided further assurance with regard to our governance arrangements and identified good practice in risk management stating that the Board were well sighted in risks and committees operate well with good debate and clear escalation, accountability and delegation.

The Well Led Review provided assurance that previous potential risks to compliance with condition four of the NHS provider licence have been effectively mitigated through the processes described within this statement.

### Compliance with NHS Pension Scheme

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.

In 2016, the Trust received assurance from its internal auditors that effective processes and procedures for the NHS Pension scheme process are well established and operate in a consistent manner.

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

The foundation trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

The Trust regularly reviews the economic, efficient and effective use of resources with robust arrangements in place for setting objectives and targets on a strategic and annual basis. These arrangements include:

- Ensuring the financial strategy is affordable
- Scrutiny of cost savings plans
- Co-ordination of individual and departmental objectives with corporate objectives.

In addition to the above, in 2015/16, the Trust was an early adopter of recommendations from the Carter review and was one of the 32 trusts that worked with Lord Carter of Cole to inform his report on operational productivity.

Performance against objectives is monitored and actions identified through a number of channels:

- Approval of the annual budgets by the Board of Directors
- At Executive Director meetings
- Bi-monthly reporting to the council of Governors
- Monthly reporting to the Board of Directors and the Executive team on key performance indicators
- Integrated Performance Monitoring meetings to hold divisions to account for performance against quality, operational and financial objectives.
- Monthly review of financial targets by the Finance and Investment Committee

# Annual Governance Statement

Procurement of goods and services is undertaken thorough professional procurement staff and through working with neighbouring organisations within a procurement hub.

In year cost pressures are rigorously reviewed and challenged, and alternatives for avoiding cost pressures are always considered

## Finance

Successful delivery of the 2017/18 financial plan gives confidence in the organisation's ability to deliver on its financial plans. A detailed operational financial plan has been prepared to support the delivery of the planned £12.7m surplus for 2018/19.

### Assurance is provided by:

Internal audit - PwC were appointed as the internal auditor in June 2013, this appointment was renewed for one further year in June 2017. The audit plan has been formulated based on PwC's risk assessment of the inherent risk and the control environment. The Head of Internal Audit meets regularly with the Director of Finance and the Chair of the Audit Committee to review progress against the plan and to ensure the plan remains tailored to the needs of the Trust.

The Head of Internal Audit opinion is that the Trust has "generally satisfactory systems and controls in relation to business critical areas however there are some areas of weakness and non-compliance which potentially put the achievement of objectives at risk.

The following table summarises the internal audit reports received during 2017/18, actions have been agreed to address the recommendations identified within these reports with the higher risk findings treated as a priority.

Report	Risk rated
Assurance Framework and risk management	Low Risk
Quality Governance (blood test process	Medium
Key financial controls	Low
Finance Transformation	Low
Information Governance GDPR	High
IT Strategy	Medium
NatSSIPs	High
Agency Staffing (Cost Improvement Plans)	
iFM Business case	Low
HR Sickness absence	High
HR MAST	Medium
Business Intelligence Function	Advisory report
Inpatient Discharging	High
Capital Projects – End to End	High
iFM Assurance Framework	Medium
Reactive Planned Maintenance	High
Waste Management	High

# Annual Governance Statement

All internal audit reports are shared with the Audit Committee and where a report is high risk the lead executive is required to attend the meeting to explain the findings and planned actions.

## Information governance and Data Security

During 2017/18, there were no serious incidents relating to information governance including data loss or confidentiality breach.

The Trust recognises the importance of data security and has robust measures in place to reduce the risks from cyber-attacks including ransomware and computer viruses.

The Trust has encrypted all laptops and desktop PCs. Centralised storage has been rolled out across the Trust to ensure that all critical and sensitive data is held securely, not on local equipment. All portable devices such as memory sticks that are plugged into PCs and laptops have enforced encryption.

Email encryption software has been procured which allows the encryption of emails containing sensitive information. An Email and Internet Access Policy has been approved to reflect the capabilities that new security applications now give the Trust. Staff have been reminded that email must not be used to send personally identifiable data, unless it is encrypted or NHSmail is used and messages remain within the NHS.

The Trust recognises the information governance risks relating to the use of tablet devices and “cloud sharing” and has purchased the software to support and protect information processed on these devices.

The above measures provided effective protection from the “Wannacry ransomware attack that spread rapidly through a number of computer networks in May 2017.

In 2017/18 preparations were made to ensure compliance with the new General Data Protection Regulation (GDPR) which will come into force in May 2018.

## 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. NHS Improvement (in exercise of the powers conferred on 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*.

## Governance and Leadership

In producing the Quality Account 2017/18, the Trust identified key areas for improvement of patient safety, clinical effectiveness and experience. To ensure a balanced view, the Board worked with Governors and other internal and external stakeholders to select the priorities on which the Trust would be reporting in 2018/19.

In developing the report, consideration has been given to the comments made by internal and external stakeholders including our partner organisations and the External Auditors on previous reports.

## Policies and plans

In 2016 the Board approved a new overarching quality strategy with supporting strategies for the reduction of harm from falls and pressure ulcers. The launch of these policies provided an opportunity to re-engage with staff across the organisation on the importance of zero tolerance of harm. Results reported in our quality account provide evidence that these strategies have been effective with significant reductions in patient harm reported.

## Data use and reporting

We have used existing performance management arrangements to track progress throughout the year on the targets selected and have reported at year end on these to the Board. The external audit report on our 2016/17 Quality Account and a review of data accuracy have provided some assurance that the Trust has arrangements to ensure the accuracy of data. Data accuracy is however still a key priority for

# Annual Governance Statement

the Trust, until the Trust is in a position to implement a full electronic patient record this will remain a risk.

## **Assurance of 18 week Elective waiting time data**

The operational teams and Business Intelligence work collaboratively to ensure 18 week data is accurate and of a high quality. The external audit review of 18 week data undertaken for our Quality Account in 2017 identified issues with recording, with some cases incorrectly coded as 18 week pathways and others where the case continued to be included in the submitted data after the pathway had ended.

The following actions were taken in response to these findings:

- Specific data quality suite of reports are run by Business Intelligence and circulated to specialties to review on a weekly basis.
- Patient Tracking List (PTL) data on Info Flow is updated daily and this is used by the teams to review the patients within their specialties
- PTL meeting takes place on a weekly basis chaired by Elective Care Division where all departments report back on patients on their PTL, discrepancies that have been corrected and action that is being taken where delays have been identified within the pathway
- Validation of patients is carried out on a weekly basis by teams
- At the end of the month further validation is carried out by all departments
- Business Intelligence circulate month end report which is reviewed by departments and where appropriate corrections are made prior to signoff and upload

## **Assurance of cancer data**

Teams in Cancer Services and Business Intelligence work collaboratively to ensure cancer data is accurate and of a high quality.

In order to do this the following is in place:

- Discrepancy reports are generated by the staff in Business intelligence and shared across the trust to highlight any issues. These are actioned in a timely manner by both the centralised and devolved booking teams. LE2.2 / Somerset are corrected as appropriate, or justification provided for any genuine date anomalies.
- In April 2015, a cancer workshop was created to focus on the five most challenging pathways. This included clinical and managerial teams working in collaboration to improve pathways.
- All Cancer treatments are validated by Business Intelligence and signed off prior to uploading
- All data uploaded for the various national cancer audits is validated by Business Intelligence staff prior to upload
- A monthly Somerset report highlighting clock re-starts is produced and patients cross checked to ensure clocks are only restarted following DNAs.
- All patient breaches for 2 week wait and breast symptomatic 14 day standard are validated
- All 62 day, 31 day, screening, subsequent and upgrade breaches are validated
- The Trust is part of the Greater Manchester Cancer Network and actively collaborates with the network to drive improvement work.

## **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

# Annual Governance Statement

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 and the audit committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

## Maintaining and reviewing the system of internal control

### The Board

The Chief Executive and Board of Directors have overall responsibility for the system of internal control. In 2017/18 we established two new committees, a Workforce Assurance Committee and a Strategic Estates Board to provide increased assurance and control on key areas.

### The Audit Committee

This Committee acts independently from the Executive, to provide assurance to the Board, based on a challenge of evidence and assurance obtained, that the interests of the Trust are properly protected in relation to financial reporting and internal control. It keeps under review the effectiveness of the system of internal control; that is the systems established to identify, assess, manage and monitor risks both financial and otherwise, and to ensure the Trust complies with all aspects of the law, relevant regulation and good practice.

This Committee reports to the Board any matters in respect of which the Committee considers that action or improvement is needed, and makes recommendations as to the steps to be taken.

### The Quality Assurance Committee

This Committee provides the Board with an independent and objective review in relation to:

- All aspects of quality, specifically: clinical effectiveness, patient experience and patient safety; monitoring compliance against the essential standards of quality and safety set out in the registration requirements of the Care Quality Commission
- Governance processes for driving and monitoring the delivery of high quality, clinically safe, patient-centred care
- Performance against internal and external quality and clinical improvement targets, and directing management on actions to be taken on sub-standard performance
- The overarching Quality Strategy
- Assurance on safeguarding quality and to provide appropriate scrutiny to clinical effectiveness, patient safety and patient experience
- Assurance (positive and negative) derived from clinical audits is reported through the Clinical Governance committee to the Quality Assurance Committee.

### The Finance and Investment Committee

This Committee provides the Board with an objective review of, and assurances, in relation to:

- Finance, contracting and commissioning issues; presenting reports and recommendations in relation to ensuring we maintain cash liquidity and are an effective going concern
- Financial governance processes
- Business cases referred to it by the Capital and Revenue Investment Group requiring major capital investment
- Reviewing and challenging budgets
- Compliance with legislative, mandatory and regulatory requirements in terms of the Committee's scope

# Annual Governance Statement

The Executive Team has responsibility for the development and maintenance of the system of internal control and the outputs from its work provide me with assurance.

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

## **Workforce Assurance Committee**

In October 2017, we established a new Workforce Assurance Committee to improve the Board line of sight on workforce related issues. Key duties of the Committee include:

- Developing and overseeing implementation of the Trust's People Strategy and providing assurance to the Board of Directors that this is being delivered in line with the annual planning process
- Approving, monitoring and reviewing policies, procedures and guidance documents relating to the management of the Trust's workforce
- Monitoring and reviewing workforce key performance indicators to ensure achievement of the Trust's strategic aims and escalate any issues to the Board of Directors
- Oversight of staff engagement levels as evidenced by the results of the national and any other staff surveys
- Seeking assurance to ensure that the Trust fulfils all legislative and regulatory requirements pertaining to workforce and organisational development issues, including but not limited to equality and diversity

## **Strategic Estates Board**

The Strategic Estates Board was established in January 2018 to oversee the management and delivery of the Estates Strategy. The Strategic Estates Board has adopted RIBA methodology to provide assurance that robust controls are in place for the management of the Trust estate.

## **The Risk Management Committee**

This Committee provides the Board with an objective review of, in relation to: -

- Risk governance, the risk management frameworks and the promotion of behaviours and cultures that drive approaches to risk management.
- The systems of internal control in relation to governance and risk management, in that these are fit for purpose, adequately resourced and underpin the Trusts performance and reputation
- The overall risk governance process in that it gives clear, explicit and dedicated focus to current and forward-looking aspects of risk exposure

## **Health and Safety Committee**

The Trust and iFM Bolton (iFM) currently share responsibility for and work collaboratively to ensure that that staff, visitors, patients and contractors are kept safe whilst on Trust premises. The Trust and iFM share a monthly Group Health & Safety Committee which has dual reporting responsibilities to the Trust (Risk Management Committee) and iFM (Risk Management Committee). The Trust and iFM are committed to driving H&S quality improvement through the Group Health & Safety Committee by reviewing H&S audit intelligence and ensuring that notable H&S risks are duly escalated to the Risk Management Committee. As the iFM/Trust relationship is relatively new the Trust and iFM are fully committed to continuously understanding the fine detail of collaborative relationship in respect of H&S and increasing the appreciation of the H&S challenges the organisation faces mindful of relevant legislation and regulation.'

# Annual Governance Statement

## Significant Internal Control Issues

The Trust identified the following internal control issues during 2017/18. These have been or are being addressed through the mechanisms described in this statement.

### Formation of iFM Bolton

In January 2017 The Trust established iFM Bolton as a wholly owned subsidiary responsible for the provision of estates and facilities services to the Trust. In setting up iFM Bolton a number of control issues have been identified, including the end to end process of capital investment and the management of reactive and planned maintenance. The Trust will work with iFM Bolton to ensure sound controls are established and embedded to support the Trust's capital investment programme and ongoing management of both hard and soft facilities.

Actions taken include the formation of a new Strategic Estates Board and a review of the structure of the iFM Board.

### A & E Performance

The biggest challenge for the Trust remains urgent care. In 2017/18 81.92% of patients were treated within four hours. This compares to 82.6% the year before against a target of 95%.

The Trust continues to work with the Emergency Care Improvement Programme, the CCG and Local Authority partners to improve performance against the standard. In addition the Trust is investing in the Accident & Emergency Department estate to improve the environment for patients and staff. This will address one factor in that the Department is too small to cope with the volume of patients who attend, which has increased significantly over the years

### Never Events

A total of 3 Never events were reported over the financial period of 2017/18

A vaginal swab was retained following the delivery of a baby (retained foreign object)

During surgery to remove the right ovary of a patient both ovaries were removed. (Wrong site surgery)

A tissue retrieval bag was briefly retained following surgery) retained foreign object)

For each of these events the Trust undertake an investigation followed by a report to the Board of Directors and an action plan which is overseen through the Quality Assurance Committee

### Conclusion

The Trust has continued to make significant improvements to the system of internal control; the CQC rating of good provides assurance of the progress made to embed quality and good governance. There are however some areas where further improvement is required. Actions are in place to address the issues leading to the control issues described and the Board are confident that there is a robust system in place to oversee the implementation of these actions.



Jackie Bene

Chief Executive Date: 24th May 2018



# Bolton NHS Foundation Trust

## Quality Report

### 2017/18





# Quality Report – Section One

## Statement on Quality from the Chief Executive

Over the course of 2017/18 the Trust delivered a great number of achievements all of which are down to the hard work of our staff, governors and volunteers. It is worth reflecting on some of these in this introduction as it gives an opportunity for us to consider, in these challenging times, that we have much to celebrate:

The diversity of our work never ceases to amaze me, for example, during the year 17/18:

- Health visitors saw nearly 22,000 patients.
- District nurses treated over 6,000 patients.
- A&E staff cared for over 100,000 patients.
- Therapists helped nearly 47,000 patients.
- Theatre teams performed over 17,000 operations.
- Midwives and obstetricians helped over 5,300 mums give birth.
- Porters escorted over 50,000 patients to clinical settings across the Trust.

Numerous other staff not only care directly for patients and their families, but also provide a wide range of support services.

I am particularly pleased with the way in which our community and hospital staff are working ever more closely together, and the way that our organisation is working collaboratively with partners.

To pick just a few examples:

- Our hospital based haematology nurses work with our community based IV team to provide chemotherapy in patients' own homes.
- Our staff work with those from social services, for instance providing intermediate care at Darley Court.
- We play an active role with primary care and social services in multi-disciplinary neighbourhood teams in the community.
- We work in clinical networks with other trusts in Greater Manchester and Lancashire and provide some services for neighbours such as midwifery in Salford and Bury.

The quality of the work our staff carry out for local people has been recognised this year at numerous awards, events and accreditations:

Our Paediatric Audiology Team became one of the few in the country to be accredited by UKAS for meeting the standards set by Improving Quality in Physiological Services.

- D4 ward was shortlisted for a Student Nursing Times Award, for work on the Synergy project supporting students.
- Midwife Martine Bayliss was shortlisted for a Royal College of Midwives Award.
- Six members of staff/teams were shortlisted in the Unsung Hero Awards.
- The STOPPIT-2 trial team won Research Team of the Year at the Greater Manchester Clinical Research Awards for work helping to prevent premature birth of twins.
- Andrea Bennett, the Trust's Deputy Finance Director, made the finals of the Healthcare Financial Management Association Awards, for Deputy Finance Director of the Year.
- Two of our medical photographers received bronze awards at the Institute of Medical Illustrators (IMI) annual conference.

## Quality Report – Section One

- Several staff represented the Trust at national awards and events recognising our contribution to helping patients and families in the aftermath of the Manchester Arena bomb.
- The Trust's dementia specialist nurse made it to the finals of the National Dementia Care Awards for Best Dementia Lead.
- Of two tinnitus booklets developed by one of our consultants, one won the Children's Special Award and the other was commended at the British Medical Association's Patient Information Awards.
- The Acute Pain Team won Acute Pain Team of the Year at the National Acute Pain Symposium.
- Bethany Egerton won Informatics Apprentice of the Year at the North West Skills Development Network Informatics Apprentice of the Year Awards.
- Royal Bolton Hospital's paediatric department was named best training hospital by representatives of Health Education England's North West branch. The PAFTA (Paediatric Awards for Training Achievements) was awarded by trainee doctors who had worked on the department. The Trust was shortlisted for two Business Culture Awards, for the work done around values and culture. The Trust was one of only two NHS organisations to be shortlisted.
- We were shortlisted for two prestigious Nursing Times Awards. Our pain management nurses were shortlisted in the Surgical Nursing category for their work prioritising pain management after caesarean sections. Our Homeless and Vulnerable Adults Team was shortlisted for a HRH The Prince of Wales Award for Integrated Approaches to Care, for a project helping single homeless people.
- The Royal College of Anaesthetists accredited us under their Anaesthesia Clinical Services Accreditation Scheme – at the time one of only 17 trusts in the country to receive this accolade.
- We were selected as one of the CHKS Top Hospitals for performance for the third year running.
- We were Named Digital Hospital of the Month in Digital Health Age.

I am proud to be the Chief Executive and proud to be a doctor working with my colleagues throughout the Trust, determined that whatever our roles are we never stray from trying to get it right for each and every patient. We recognise that we can always improve and through a combination of a Quality Improvement approach and commitment to learning when we get it wrong that we will learn.

The years ahead will be challenging and exciting, collaborative working with partner organisations equally committed to doing the very best for patients will form the basis of our strategic approach.

To the best of my knowledge, the information we have provided in this Quality Report is accurate. We hope that this report provides you with a clear picture of how important quality improvement, patient safety and experience are to us at Bolton Foundation NHS Trust



Dr Jackie Bene, Chief Executive

24<sup>th</sup> May 2018

## Quality Report – Section Two

### 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. NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

- the content of the Quality Report meets the requirements set out in the NHS foundation trust annual reporting manual 2017/18 and supporting guidance
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
  - board minutes and papers for the period April 2017 to (the date of this statement)
  - papers relating to quality reported to the board over the period April 2017 to (the date of this statement)
  - feedback from commissioners dated 21/05/2018
  - the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009
  - the 2017 national patient survey
  - the 2017 national staff survey
  - the Head of Internal Audit's annual opinion of the trust's control environment dated May 2018
  - CQC inspection report dated 10/08/2016
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered
- the performance information reported in the Quality Report is reliable and accurate
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and
- the Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.

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

By order of the Board

Dr Jackie Bene

Chief Executive

24<sup>th</sup> May 2018



## Quality Report – Section Two

### How Quality Initiatives are Prioritised in the Trust

This Quality Report identifies the progress made against the quality and safety agendas in 2017/18 and identifies the quality improvement priorities for 2018/19. Following extensive consultation with our stakeholders including commissioners and Foundation Trust members and Council of Governors, the following key improvement priorities for 2018/2019 have been chosen:

#### **Key Improvement Priorities for 2018/2019:**

1. Reduction of medication errors
2. Improving timely recognition and treatment of sepsis
3. Acute kidney Injury

Continuous improvement of clinical quality is further incentivised through the contracting mechanisms that include quality schedules, penalties and commissioning for quality and innovation (CQUIN) payments. The Trust held a comprehensive workshop with our commissioners and our clinicians to setup our CQUINs for 2017/2018 and agree a workplan for the delivery of these.

#### **Quality Performance in 2017/18:**

In our Quality Report for 2016/17 we set ourselves a series of key priorities for improvement, these were:

1. Pressure ulcers
2. Increasing Do Not Attempt Cardiopulmonary Resuscitation (DNACPR) decisions
3. Improving timely recognition and treatment of sepsis

Progress against each priority is summarised on the following pages:

## Quality Report – Section Two

### Priority one: Pressure Ulcers

A pressure ulcer is an injury that breaks down the skin and underlying tissue and is caused when an area of skin is placed under pressure. Pressure ulcers tend to affect people with health conditions that make it difficult to move, especially those confined to lying in a bed or sitting for prolonged periods of time. It is estimated that just under half a million people in the UK will develop at least one pressure ulcer in any given year. (*Information taken from the NHS Choices website*)

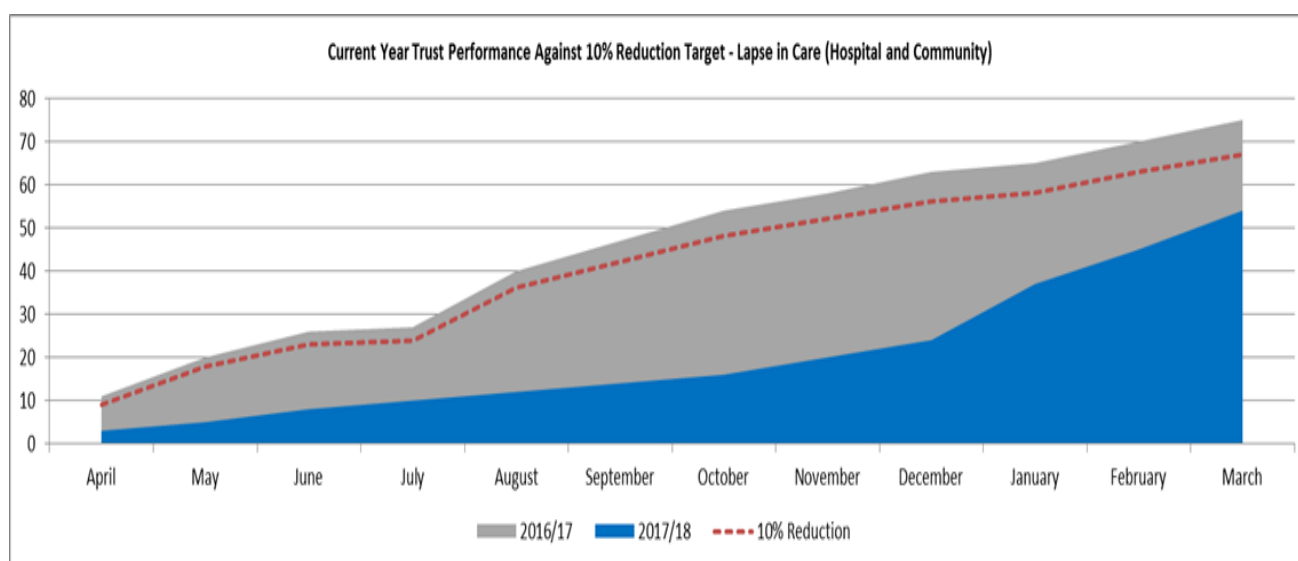
#### Our aim 2017/18:

**AIM:** 10% reduction by 31/03/18 in lapses in care that result in a pressure ulcer

**OUTCOME:** 28% reduction in lapses in care that result in a pressure ulcer (17/18 compared to 16/17)



**ACHIEVED**



YTD	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
2016/17 (baseline)	11	20	26	27	40	47	54	58	63	65	70	75
10% reduction (target)	9	18	23	24	36	42	48	52	56	58	63	67
2017/18 (actual)	3	5	8	10	12	14	16	20	24	37	45	54

#### Other measures include:

##### Category 4 Pressure Ulcers:

- In 2017/18 there were zero Category 4 pressure ulcers acquired in the hospital setting.
- In the community setting, there were 17 Category 4 pressure ulcers, one of which was attributed to lapses in care.

# Quality Report – Section Two

## Outcomes:

Throughout 2017/18 we had a comprehensive pressure ulcer improvement work plan; the key drivers and interventions are summarised below:

### 1. **Education and Training**

- Education and training in pressure ulcer prevention and management undertaken in formal and informal manner e.g. classroom based learning, ad hoc training on wards and departments, team meeting attendance as the need arises.
- Our second annual “Stop the Pressure” Conference was held in November 2017 to raise awareness of pressure ulcer prevention and management, with attendance of over 100 delegates from Bolton FT, Bolton locality nursing homes and local authority care homes
- University of Bolton student nurse training continues, along with training on the preceptorship programme, Trainee Nurse Associate training and HCA Clinical skills days.

### 2. **Equipment and devices:**

- Monthly audit of pressure relieving/reducing devices available within hospital settings.
- Tender for new pressure relieving equipment contract (acute) - review of available equipment and trial of hybrid mattresses.
- Emergency Department (ED) trolley mattresses – review of planned trolleys and scope suitable mattresses.
- Improve the use and availability of Repose heel protectors and wedges - monthly audits in hospital setting regarding availability of products.
- Use of cameras in the community to improve clinical discussions at Harm Free Care panel - all community teams have cameras available, with a standard operating procedure to ensure appropriate use.

### 3. **Documentation:**

- Review of Pressure Ulcer Prevention and Management Policy – link to NHS Improvement workstream to review national pressure ulcer classification and reporting methodology.
- Embed and sustainment of SSKIN bundle (a resource pack to aid in the assessment and care planning for people at risk of pressure ulcers) trust wide – Pressure ulcer prevention and management feature on clinical induction, with supporting materials and ongoing monitoring of standards and support to ensure sustainment.
- Documentation rolled out to Emergency Department.

### 4. **Pressure ulcer prevalence:**

- Quarterly thematic analysis of pressure ulcers and subsequent actions presented to Quality Assurance Committee.

### 5. **Timely review of harm:**

- Harm free care panels for all pressure ulcers - a learning event for all staff attending with the sharing of minutes from these panels allowing for wider learning.

### 6. **Collaborative working:**

## Quality Report – Section Two

- Joint Pressure Ulcer Collaborative with Bolton NHS Foundation Trust, Bolton Clinical Commissioning Group (CCG) , Local Authority and Hospice to provide a whole system collaborative approach to reducing pressure ulcers within the Bolton Health and Social Care Economy, including:
  - Health economy wide pressure ulcer prevention and management education.
  - Scoping of a Harm Free Care Nurse Educator post.
- Work with NHS England Greater Manchester Pressure Ulcer Collaborative Group – scoping co-ordinated work across Greater Manchester.
- Establishment of monthly Pressure Ulcer Working Group - to share good information and good practice to drive further changes and improvements in pressure ulcer prevention and management.

### **Further improvements for 2018/19:**

- Continuation with Pressure Ulcer Forward Plan.
- Continue with pressure ulcer prevention and management training.
- Improve attendance at Pressure Ulcer Working Group.
- Divisions to develop a training needs analysis to support staff who require training and agree training objectives.
- Work with Procurement to secure new pressure relieving equipment contract.
- Pressure Ulcer Prevention and Management Policy review in line with NHS Improvement's work around a nationally recognised pressure ulcer classification and reporting methodology.
- Pressure ulcer prevention and management care plan reviews in line with Electronic Patient Record.

## Quality Report – Section Two

### Priority two: Increasing Do not Attempt Cardiopulmonary Resuscitation (DNACPR) decisions

The aim of this improvement priority is to improve early and open discussions with our patients to enable them to make informed and appropriate DNACPR decisions in line with their wishes and ensure this is appropriately documented in patient records.

#### Our aim 2017/18:

**AIM:** 25% reduction by 31/03/18 of patient resuscitated that should have been DNACPR (upon review at cardiac arrest root cause analysis clinic)

**OUTCOME:** 25% reduction in patients resuscitated that should have been DNACPR



**ACHIEVED**

	2017/18	2016/17 Outturn	2017/18 Target (equating to 25% reduction)
Number of arrests	117*	121	
Should have been DNACPR (lower is better)	19**	27	20 or less than
Proportion of Cardiac arrest Root cause Analysis (RCA) reviewed that should have been DNACPR (lower is better)	18.4%	24.5%	18.4%

\* Out Hospital/ Paediatric Arrest NOT included in figures, therefor RCA is N/A

\*\*Data taken from RCA validation clinic – in cases where this is not available (i.e. pre-validation) the initial outcome RCA data is used.

#### Outcomes:

##### 1. Strengthened cardiac arrest root cause analysis (RCA)

- Revised Cardiac Arrest Root Cause Analysis standard operating procedure.
- Escalation process established in event of delayed return of cardiac arrest RCA.
- Scoping meetings chaired by Medical Director, where potentially avoidable cardiac arrest identified.
- Ongoing work to co-ordinate learning from cardiac arrest RCA with that of mortality review process.
- Review of coding of patients who have had a cardiac arrest.



## Quality Report – Section Two

### **2. Documentation and process to include**

- Consultant DNACPR leads/advisors recruited in Acute Adult and Elective Care Divisions to support doctors in training to enable and engage in timely discussions with patients and relatives regarding DNACPR.
- Implementation of ward round checklist in all acute adult wards.
- Trial of ward round checklist in surgical and orthopaedic wards.

### **3. Audit of DNACPR**

- Annual audit of DNACPR decisions took place in September 2017, below is a summary of areas performing well from 2017 audit:
  - Number of GP forms that were completed and brought in with the patient, demonstrating that not only are these conversations taking place outside of the hospital but also that the patient is transferring this information with them.
  - 92% of forms had a recorded discussion with patient and/or family.
  - 96% of forms had reasons for DNACPR decision documented.
  - Approximately 50% of DNACPR forms were found to be completed by the lead clinicians
- DNACPR audit feedback, with education package for foundation year doctors.

### **Further improvements for 2018/19:**

- Consultant verification/countersignature of DNACPR when completed by junior doctor.
- Focus on revision of DNACPR after the hospital episode.

## Quality Report – Section Two

### Priority three: Sepsis

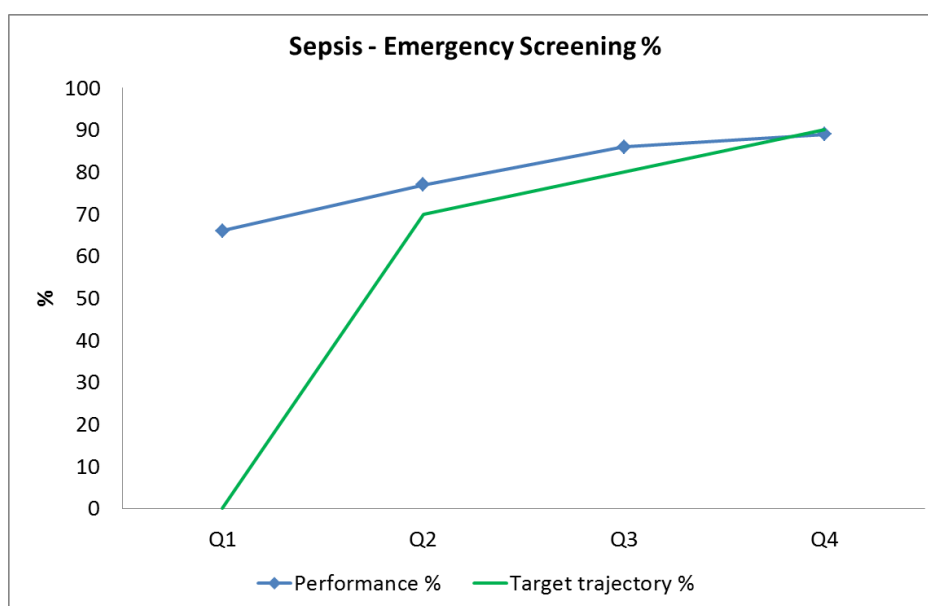
Every year in the UK there are 250,000 cases of sepsis, resulting in approximately 44,000 deaths – more than bowel, breast and prostate cancer combined. Sepsis is a life threatening condition that arises when the body's response to an infection injures its own tissues and organs. Sepsis can be caused by a huge variety of different bugs, most cases being caused by common bacteria which we all come into contact with every day without them making us ill. Sometimes, though, the body responds abnormally to these infections, and causes sepsis. However, timely recognition and treatment is key to improving chances of survival and recovery. (Information from UK Sepsis Trust Website).

#### Our aim 2017/18:

**AIM:** By 31/03/18 90% of applicable patients admitted as an emergency are screened for sepsis

**OUTCOME:** 89% of applicable patients admitted as an emergency were screened for sepsis – by quarter four 2017/18 (within the Sepsis CQUIN

**PARTIALLY  
ACHIEVED**



#### Other measures include:

- **Time to antibiotic delivery in red flag sepsis**
  - 83% of patients admitted as an emergency **and diagnosed with Red Flag Sepsis** received treatment within 60 minutes of diagnosis (within the Sepsis CQUIN sample)\*
- **Screening and antibiotic delivery for inpatients meeting the criteria of sepsis and red flag sepsis.**
  - 38% of inpatients scoring above three on the National Early Warning Score (NEWS) were screened for sepsis (within the Sepsis CQUIN sample)
  - 100% of inpatients diagnosed with Red Flag Sepsis received treatment with 60 minutes of diagnosis (within the Sepsis CQUIN sample)\*

*\*Data must be interpreted in light of NHSE methodology resulting in a low denominator.*

- **Sepsis mortality and number of unexpected deaths**

## Quality Report – Section Two

- Hospital mortality rates for sepsis have continued to decline year on year, for example in 2005/6 mortality rates were 50.2%, 2016/17 16.1%, 2017/18 14.3% (to latest available data on Comparative Health Knowledge System (CHKS) capturing all patients with a primary and secondary code for sepsis).
- Number of unexpected deaths has also reduced year on year. In 2014 39.2, 2015 34.1, 2016 24.8, 2017 22.3 (to latest available data).
- **Critical Care Admissions with High Risk Sepsis**
  - For Intensive Care Unit and High Dependency Unit admissions with sepsis are high but at a low risk, which suggests patients are being escalated, seen and admitted in a responsive manner\*\*. *Data source - Intensive Care National Audit and Research Centre, \*\*this data looks at all sepsis admissions and risk stratifies them. It is generally seen as worse to have a high number of high risk admissions as this would suggest an issue with escalation of care, availability of outreach or critical care response time.*

### Outcomes:

Throughout 2017/18 we had a comprehensive sepsis improvement work plan; the key drivers and interventions are summarised below:

#### 1. Policies, guidance and documentation

- Revision and ratification of sepsis policy, pathway and screening tools aligned with NICE guidance.
- Introduction of new inpatient screening tool and pathway, in line with NICE guidance to ensure Trust standard is to screen any patients scoring Early Warning Score 3+.
- Benchmarked Trust compliance with NICE Quality Standards QS161: Sepsis. On RAG rating we are red against one out of the six standards: People with suspected sepsis who have been stratified as at low risk of severe illness or death are given information about symptoms to monitor and how to access medical care.
- Revisions of Trust KPI observations standards.
- Review and understand requirements of NEWS 2 (December 2017) - scope requirements and establish trust response to local implementation – action plan to be developed to take forward in 18/19.

#### 2. Education and training

- Revision of materials for Sepsis Study Day and reference materials in line with policy and pathway changes
- Awareness raising with wards regarding changes to sepsis policy, pathway and tools
- Scoping of sepsis e-learning package to supplement face to face learning
- Recognising and responding to patient deterioration – pilot training programme commenced September 2017.
- Acute Illness Management training delivered on a monthly basis.
- Sepsis Study Day delivered quarterly.
- Junior doctor sepsis teaching.
- Primary Care Education Day.
- Awareness week with ED nursing staff looking at observations standards, NEWS, escalation and triggers re-enforcing standards

## Quality Report – Section Two

### 3. *Monitoring, governance and quality improvement*

- Delivery against national sepsis CQUIN.
- Establishment of Deteriorating Patient Operational Working Group.
- Initial data analysis of Patienttrack system (hospital at night task management system).
- Escalating cause for concern staff questionnaire to identify areas for improvement
- Ongoing work to ensure temporary staff have the required knowledge and skills regarding NEWS observation standards and competencies.
- **Sepsis Virtual Clinic** - Quarterly case note review by the multi-disciplinary Sepsis Forum review to benchmark care provided to patients, who had sepsis coded at any stage in their hospital stay or on their death certificate, against trust and national standards. The first clinic targeted deaths in November 2017 when a spike in mortality was noted through live CHKS tracking. Findings from first clinic are below:
- All patients were emergency patients going through the ED. Average time to antibiotics for the sickest patients from observations being recorded was under an hour and from time seen by clinician less than 20 minutes.
- Of those patients that did not get screened none had red flag sepsis and all went on to have senior reviews and appropriate therapy commenced.
- KPI Improvement Project – Focus on fluid balance KPI standard due to the potential changes in NEWS (2). Ten wards identified with measurement for improvement methodology supporting improvement work.
- Review of Sepsis CQUIN data collection to include outcome if patient did not have treatment within 60 minutes of Red Flag Sepsis diagnosis.
- Research: enrol into EPIC-III (the extended study on prevalence of infection in intensive care) and ADAPT-SEPSIS Clinical Trial.
- NEWS score on Extramed (patient flow system) in ED to act as a visual trigger for rapid assessment and treatment.
- Test of new ambulance handover to rapid assessment model (testing since December 2017).

#### **Further improvements for 2018/19:**

- Improvement in detection and management of patients diagnosed with sepsis continues to be a key priority for Bolton NHS Foundation Trust and so will remain a quality account priority. Please refer to page 18 for key areas of focus for 2018/19.

# Quality Report – Section Two

## Key Quality Priorities for 2018/19

2017 saw the launch of our second Quality Improvement Strategy (2017-2020), which outlines a number of key themes and ambitions that we believe, will lead to demonstrable improvements in safety and patient experience. We would, however, like to highlight the following areas as Bolton Foundation NHS Trust's key improvement priorities for 2018/19:

### Priority one: Reduction of Medication Errors

#### Background:

It is recognised that when patients come into hospital they are at risk of omitted doses of medicines. This is where the medicines they are prescribed are either significantly delayed or not administered to them by staff. This can be for a variety of reasons such as prescribing errors or availability of the medicines; however in certain situations it may be reasonable to withhold medicines due to the nature of a patient's illness.

The National Patient Safety Agency (NPSA 2010) identified that the majority of medicines omissions cause no harm, but when certain medicines are omitted the risk can increase significantly, causing severe harm or death. These are defined as critical medicines, such as anticoagulants and insulin, which should be given as close to the prescribed time and must be within two hours of the prescribed time.

Reducing the omission of critical medicines for non-clinical reasons continues to be a key improvement priority for the Trust, and features as a key deliverable of the Trust's Quality Improvement Strategy.

#### Aims and measurement:

The overarching outcome aim is to achieve a 10% reduction in omission of critical medicines for non-clinical reasons by 31/03/19.

Other measures we will monitor include:

- Omission of non-critical medicines.

#### What we will do

We have a comprehensive improvement workplan. The key drivers and interventions for 2018/19 are summarised below:

##### a) Education and Training

- Strengthening of e-learning medicines management package to provide a greater emphasis on omitted medicines and critical medicines.
- Annual Medicines Safety Week with focus on medicines omissions.
- Strengthen induction and in-service training for all professional groups involved with medicines.
- Raise awareness of critical medicines omissions incident reporting.
- Develop medicines link nurse scheme with focus on critical medicines omissions.
- Continue to encourage patients to bring their medicines into hospital with them.

##### b) Equipment and Devices

- Review and assess storage facilities for storage of patients own medicines
- Evaluate the re-introduction of a medicines trolley to wards and departments

##### c) Documentation

## Quality Report – Section Two

- Review the medicines policy related to omitted medicines and critical medicines list, with a focus on how to obtain critical medicines in a timely manner.
- Review and update the omitted medicines audit paperwork.
- Develop patient information to encourage patients to challenge delayed or omitted medicines

### **d) Critical medicines omission prevalence**

- Monthly audit of medicines omissions and analysis of omissions.

### **e) Timely review**

- Medicines Safety Group review of audit data and analysis.

### **Reporting our progress:**

- All our improvement projects and workstreams follow an established governance structure which monitors and measures performance and progress.
- The forums and governance committees which will provide progress, oversight and accountability for critical medicines omission reduction are summarised below:
  - Pharmacy Governance
  - Medicines Link Nurse Group
  - Medicines Safety Group
  - Clinical Governance and Quality
  - Quality Assurance Committee.

# Quality Report – Section Two

## Priority two: Sepsis

### Background:

At Bolton, sepsis remains our second leading cause of death although mortality rates have dropped year on year through the work of the Sepsis Forum and engagement with the national CQUIN. The latest 2017/18 data shows the trust admitted 1365 cases of sepsis with 201 deaths. The Sepsis Forum has always viewed the management of sepsis as part of a larger and interconnected strategy involving the recognition and response to the deteriorating patient. To this end Bolton has been lauded for its early adoption of the original National Early Warning Score (NEWS) and being one of the leading trusts providing dedicated sepsis teaching, as recognised by Dr Ron Daniels, CEO of the UK Sepsis Trust.

### Aims and measurement:

Outcome aim: Implementation of National Early Warning Score 2 (as recommended by NHS Improvement) by 31.03.19.

Other measures we will monitor include:

- Update of e-learning package
- Mortality and unexpected death rates
- Adherence to national sepsis CQUIN measures (screening and treatment within 60 minutes of diagnosis of Red Flag Sepsis)
- Trust monthly KPI observation standards relating to Sepsis

### What we will do

We have a comprehensive improvement workplan. The key drivers and interventions for 2018/19 are summarised below:

#### a) Policies, guidance and documentation

- Introduce the new National Early Warning Score (NEWS2) along with revised criteria for sepsis screening.
- Align policy, pathways and documentation to NEWS 2.
- NICE QS161: ensure compliance with all standards – specifically the provision of patient information.
- Electronic observations: work with the steering group to implement a specific sepsis track and trigger pathway and measure its impact clinically and for data collection.

#### b) Education and Training

- Targeted education in support of NEWS 2 and revised sepsis documentation.
- Sepsis Study Days and reference material.
- E-learning package.
- Sepsis patient information leaflets.
- Trust Deteriorating Patient Awareness Week.
- Comprehensive guide to the management of sepsis at Bolton.

#### c) Monitoring, governance and quality improvement

- National Sepsis CQUIN: detail to be reviewed and agreed with CCG.
- Review of audit beyond sepsis CQUIN in ED.
- Continue to embed rapid assessment ambulance handover model in ED.

## Quality Report – Section Two

- Scope Patient Group Directive (PGD) for administration of antibiotics in ED.
- Review of ED roles regarding initial assessment and antibiotics administration.
- Quarterly sepsis virtual note clinics with thematic analysis to inform areas for improvement.
- Further changes to sepsis coding by NHS Digital.
- Introduction of pro-calcitonin blood test: allows for more specific identification of bacterial causes of infection.
- Use of CHKS and other national data to measure sepsis mortality and unexpected deaths.
- Use of e-observations and patient track data to understand and focus sepsis management.
- Quality improvement project:
- Focus on a single inpatient ward.
- Establish needs for the recognition, management and escalation of patients with sepsis.
- Development local solutions including ideas such as the “Sepsis Drawers” (a dedicated resource drawer which contains everything required in event of suspected sepsis)
- Roll out completed programme to neighbouring wards.

### Reporting our progress:

- All our improvement projects and workstreams follow an established governance structure which monitors and measures performance and progress.
- The forums and governance committees which will provide progress, oversight and accountability for improved recognition and response of sepsis are summarised below:
  - Sepsis Forum.
  - Mortality Reduction Group.
  - Better Care Together.
  - Clinical Governance and Quality.
  - Quality Assurance Committee.



## Priority three: Acute Kidney Injury

### Background:

Acute kidney injury (AKI) is sudden damage to the kidneys that causes them to not work properly. It can range from minor loss of kidney function to complete kidney failure. One in five people admitted to hospital in the UK each year as an emergency have AKI (Wang et al 2012). In the UK up to 100,000 deaths in hospitals are associated with AKI and it is estimated that up to 20% could be prevented with the right care and treatment (NCEPOD 2009). The cost to the healthcare economy is £434-620m per annum.

AKI normally happens as a complication of another serious illness and can happen for a variety of reasons including infection, severe dehydration, some medications and other medical conditions. It is essential that AKI is detected early and treated promptly, without which abnormal levels of salts and chemicals can build up in the body, which affects the ability of other organs to work properly. (NHS Choices).

### Aims and measurement:

The overarching outcome aim is to ensure 85% of patients with AKI are treated following the guidelines produced by 31/03/19.

### What we will do

The AKI Steering Group has a comprehensive improvement workplan; the key drivers and interventions for 2018/19 are summarised below:

#### a) Nursing

- Review of nursing infrastructure supporting the deteriorating patient and consideration of further appointments if considered necessary.

#### b) Education and Training

- 85% of junior doctors to be trained in the management of AKI by six months of commencement of employment.
- Increase nursing staff awareness and appreciation of the key points to ensure multi-disciplinary adherence to AKI guidelines and treatment via regular communication over 2018/19.
- Practice educators and outreach team to enhance knowledge amongst key ward staff with dedicated education sessions and standardised slide pack.
- Education of patients through the distribution of patient information leaflet via wards.

#### c) Documentation

- Clear documentation of process of guidelines – evidence by employment of AKI stickers.
- Review of patient's AKI status on ward rounds on ward round proformas by September 2018.
- Patient information leaflets given out documented in the medical records.

#### d) Use of checklist prevalence

- Monthly audit of performance against checklist to measure improvement and identify areas for improvement.

## Quality Report – Section Two

### e) Timely review

- AKI Steering Group review of audit data and analysis.
- Regular meeting of AKI Steering Group with robust attendance and engagement.

### Reporting our progress:

- All our improvement projects and workstreams follow an established governance structure which monitors and measures performance and progress.
- The forums and governance committees which will provide progress, oversight and accountability for acute kidney injury are summarised below:
  - Acute Kidney Injury Steering Group.
  - Mortality Reduction Group.
  - Clinical Governance and Quality.
  - Quality Assurance Committee.

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### Statement of assurance from the board

#### Review of services

During 2017/18 Bolton NHS Foundation Trust provided and/or sub-contracted 11 relevant health services (as defined by the CQC) across 38 specialties

Bolton NHS Foundation Trust has reviewed all the data available to them on the quality of care in these relevant health services.

The income generated by the relevant services reviewed in 2017/18 represents 100% of the total income generated from the provision of NHS services by Bolton NHS Foundation Trust for 2017/18.

#### Participation in Clinical Audits and Research Activity

The NHS published a list of 59 Quality Accounts

During 2017/18, **44** national clinical audits (including Clinical Outcome Review Programme) covered relevant health services that Bolton NHS Foundation Trust provides.

During that period Bolton NHS Foundation Trust participated in **42** national clinical audits.

The table below indicates which national clinical audits and national confidential enquiries Bolton NHS Foundation Trust was eligible to participate in.

**Table 1: National Clinical Audits projects participant – 2017/18**

Project Name and Work Stream	% cases submitted (no of cases submitted as a % of cases required)
BAUS Urology Audits - Female Stress Urinary Incontinence Audit	100%
BAUS Urology Audits PCNL	100%
Cardiac Rhythm Management (CRM)	Figure not available
Case Mix Programme (CMP)	100%
(Endocrine and) Thyroid National Audit	100%
Elective Surgery (National PROMs Programme)	
Groin Hernia	40%
Hip Replacement	91%
Knee Replacement	93%
Varicose Vein	39%
(FFFAP) Inpatient Falls	100%
(FFFAP) National Hip Fracture Database	>100%
Fractured Neck of Femur: Care in emergency departments	100 %
Head and Neck Cancer Audit	NA
<i>Trust not due to submit any audit data for 2017/18 period until the Autumn</i>	
Inflammatory Bowel Disease (IBD) Registry, Biological Therapies Audit	150

## Quality Report – Section Two

Project Name and Work Stream	% cases submitted (no of cases submitted as a % of cases required)
Learning Disability Mortality Review Programme (LeDeR)	14 %
Major Trauma Audit	48%
Myocardial Ischaemia National Audit Project (MINAP)	100%
National Audit of Breast Cancer in Older People (NABCOP)	
National Audit of Care at the End of Life (NACEL) <i>Start in March 2018</i>	NA
National Audit of Dementia (in General Hospitals)	100%
National Audit of Intermediate Care (NAIC)	100%
National Bowel Cancer (NBOCA) <i>Trust not due to submit any audit data for 2017/18 period until the Autumn</i>	100%
National Cardiac Arrest Audit (NCAA)	100%
COPD Audit programme : Pulmonary rehabilitation	Did Not Participate
COPD Audit programme : Secondary Care	16%
NHSBT: Re-audit of the 2016 audit of red cell and platelet transfusion in adult haematology patients	100%
NHSBT: 2017 National Comparative Audit of Transfusion Associated Circulatory Overload (TACO)	1005
NHSBT: Audit of Patient Blood Management in Scheduled Surgery - Re-audit September 2016	100%
Adults National Diabetes Foot Care Audit	100%
Adults National Diabetes Inpatient Audit (NaDia)	100%
Adults National Core Diabetes Audit	Did Not Participate
Adults National Pregnancy in Diabetes Audit	100%
National Emergency Laparotomy Audit (NELA)	76%
National Heart Failure Audit	100%
National Joint Registry (NJR)	Figure not available
National Lung Cancer Audit (NLCA)	100%
National Neonatal Intensive and Special Care (NNAP)	97%
National Oesophago-gastric Cancer (NAOGC) <i>Trust not due to submit any audit data for 2017/18 period until the Autumn</i>	NA

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Project Name and Work Stream	% cases submitted (no of cases submitted as a % of cases required)
National Ophthalmology Audit	100%
National Paediatric Diabetes Audit (NPDA)	Figure not available
National Prostate Cancer Audit <i>Trust not due to submit any audit data for 2017/18 period until the Autumn</i>	NA
National Vascular Registry	N=25 Angioplasty Procedures April 2017 – October 2017
Pain in Children (care in ED)	100%
Procedural Sedation in Adults (care in emergency departments)	100%
Sentinel Stroke National Audit programme (SSNAP)	100%
Serious Hazards of Transfusion (SHOT): UK National haemovigilance scheme	100%
UK Parkinson's Audit	
Physiotherapy	100%
occupational therapy	100%
speech & language therapy	0%
Elderly care & Neurology	0%

### Clinical Outcome Review Programme

#### 1. National Confidential Enquiry into Patient Outcome and Death (NCEPOD)

NCEPOD covers the Medical and Surgical Programme and the Child Health Programme. Below are the topics which took place in 2017-2018

**Table 2: National Confidential Enquiry into Patient Outcome and Death (NCEPOD)**

Study Title		Required	Submitted	%
Chronic Neurodisability	Admission Questionnaires	5	5	100%
	Lead Clinician Questionnaires	4	3	75%
	Copy of Case notes	5	5	100%
Young People Mental Health	Admission Questionnaires	6	3	50%
	Copy of Case notes	6	5	83%
Cancer In Children, Teens and Young Adults	<i>*Please note this study is not applicable to the Trust</i>			
Acute Heart Failure**	Organisational Proforma	1	1	100%
	Admission Questionnaires	-	-	

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Study Title		Required	Submitted	%
	Copy of Case notes	-	-	
Perioperative Diabetes **	Surgical Questionnaires	4	2	50%
	Anaesth. Questionnaires	4	1	25%
	Copy of Case notes	4	4	100%

*\*\* Please note study is still open and the figures have not been finalised*

### 2. Maternal, New born and Infant Programme (managed by MBRRACE UK)

- Perinatal Mortality & Morbidity confidential enquiries
- Maternal Mortality surveillance & mortality confidential enquiries

All Neonatal deaths, stillbirths, late miscarriages and maternal deaths are entered onto the MMBRACE database. **56 cases** were submitted to MMBRACE between since 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018. All cases are reviewed locally on a monthly basis through the perinatal group meeting.

### 3. Learning Disabilities Mortality Review Programme (LeDeR)

Since participation in March 2017, there have been **14 cases** reported. There have been significant delays in starting the reviewing of the cases due to issues and concerns with the documentation. These issues have been resolved and we have currently reviewed the first two cases and plan to review the remaining 12 over the next four months.

At present there are five trained members of the team working on the reviews and additional training is scheduled to ensure the review process is sustainable moving forward. Applications to NHS England for additional funds have been sought to support the process.

To support the process the Trust will devise an action plan to ensure learning and good practice is shared. Workshops are also planned in April 2018 to review the process and consider how we facilitate this role alongside competing priorities once the backlog reviews are cleared.

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**Table 3: National Clinical Audits: Actions to Improve**

The reports of **21** national clinical audits were reviewed by the provider in 2017/18 and Bolton NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided.

Project Name and Work Stream	Progress				
Case Mix Programme (CMP)	✓ Fully engaged  Many processes by which BHFT directly link it to audit as many of the metrics and outcomes are composites i.e. mortality rate has multifactorial inputs				
Elective Surgery (National PROMs Programme)	✓ Good Participation rates				
	Monthly PROMs Returns	Groin Hernia Q	Hip Replacement Q	Knee Replacement Q	Varicose Vein Q
	Apr-17	7	19	20	3
	May-17	9	9	16	1
	Jun-17	8	18	18	1
	Jul-17	9	7	15	3
	Aug-17	12	15	17	3
	Sep-17	9	13	24	3
	Oct-17	11	18	16	3
	Nov-17	7	14	15	3
	Dec-17	8	10	13	0
	Jan-18	7	21	26	4
	Feb-18	13	14	22	5
	n	100	158	202	29
	The Trust is now registered to now receive Patient Level Data via SEFT (NHS Digital)				
National Hip Fracture Database					
				RBH 2017	National Standard
	Case Ascertainment			109%	100%
	Crude proportion of patients having surgery on the day or day after admission			62.6%	85%
	Crude perioperative medical assessment rate			100%	100%
	Crude proportion of patients documented as not developing PU			100%	100%
Action for Crude proportion of patients having surgery on the day or day after admission					

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Project Name and Work Stream	Progress
	<p><b>1. Anticoagulants</b> - Review current process for checking when patients last took their anticoagulant medication. It may be that it was 12 hours prior to admission, allowing them to go to surgery 12 hours earlier, potentially within the 36 hour window – Leads: Alun Wall/James Mace/Samuel Carney</p> <p><b>Current Progress:</b> Discussion taken place at Hip Fracture meeting. It has been agreed that questions regarding when they last taken their medication does need to be asked. To be discussed at governance and a plan put in place.</p> <p><b>2. Radiology/Delayed scans</b> - Reduce the time to scan and reporting time - leads: Gemma King/Samuel Carney <b>Current Progress:</b> Gemma to monitor and escalate any delays to OBM of the day and/or OBM for T&amp;O</p> <p><b>3. Awaiting plan/decision regarding treatment</b> - Number of breaches with reason 'awaiting plan' could the department improve speed of decision making? – No further action – delays caused due to pre-optimisation and/or clinical reasons to watch and wait prior to surgery</p> <p><b>4. Evening trauma lists</b> - Evening trauma lists are not always well utilised – arrange meeting with Anaesthetics and Theatres to discuss ongoing issues – Lead: Rayaz Chel – <b>Current Progress</b> - Meeting in process of being arranged.</p>
(FFFAP) Inpatient Falls	<p>✓ Fully engaged</p> <p>Since this report the Trust has initiated multiple work streams generated from the Gap Analysis (2015) and themes from incidents and Root Cause Analysis presented at falls harm free care panel to improve patient safety. Much of the work has been initiated within the falls and dementia steering group 2016/2017 and 2017/2018 Action plans and Quality improvement measures including an inpatient falls collaborative and Red2Green campaign to name but two.</p> <p>2018/2019 ongoing work includes:</p> <ul style="list-style-type: none"> <li>✓ Royal College of Physicians guidance for lying/standing BP has been embedded as part of the individualised falls assessment and rolled out throughout the Trust.</li> <li>✓ A Delirium Training needs Analysis has been completed and the “Pinch me” mnemonic included in the new Cognitive Impairment Care Plan.</li> <li>✓ Fear of Falling question to be embedded into Nursing Assessment.</li> <li>✓ Pharmacy and medical staff to consider falls risk during medicine review (Dec 2017). New Guideline being trialed on D1/D2.</li> <li>✓ Pharmacy Sticker to be introduced to help highlight patients who require medication review.</li> <li>✓ Education to all medical staff to be rolled out on lying and standing blood pressure and</li> <li>✓ The Royal College of physicians “care fall” online certified training to be encouraged.</li> <li>✓ Provision of ‘Information to prevent falls’ to be available in various languages (Dec 2018).</li> </ul>



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Project Name and Work Stream	Progress
	<ul style="list-style-type: none"> <li>✓ Evidence of Health promotion and Education to Patients, Families and staff via establishment of a task and Finish Group (March 2018).</li> <li>✓ Record Keeping Audits, Training, Good Practice and gold Standards to be introduced.</li> <li>✓ Minimum of one hour falls awareness training to be completed by all staff either face to face or online.</li> <li>✓ 'Teach-back' technique to be embedded into practice for use of call bells.</li> <li>✓ Falls sensor daily check recording to be embedded into daily practice.</li> <li>✓ Continued quality improvement initiatives including Trust wide Learning week on Falls</li> </ul>
IBD Registry Biological Therapies Audit.	<p>Involvement with the IBD registry, this has enabled the Trust too:</p> <ul style="list-style-type: none"> <li>• Effectively search for patients who receive Biologic Therapy</li> <li>• Easily review patients in the virtual clinic as clinical activity scores and PROMS are entered by our clinical admin</li> <li>• Allows us feed into and be involved in the National Audit so that we can bench mark our practice</li> <li>• Future Plan are to promote the use of the registry to other clinicians (<i>currently only used by IBD specialist nurses</i>)</li> <li>• Using the Registry is time consuming and requires admin support to enter data</li> </ul>
Major Trauma Audit	Continuous Data Submission. N=221 cases submitted
Myocardial Ischaemia National Audit Project (MINAP)	<p><b>Compliant with all 6 standards</b> need emphasis the importance of Standard 3 relating to sufficient resources allocated to clinical audit activity - it is vital that MINAP Coordinator is protected to ensure good quality complete data. Feedback of reports via Cardiology Governance group enables us to ensure that we maintain performance. A target for us has been to ensure that patients with NSTEMI are moved to a cardiology ward within 24 hours of admission. Audit data have enabled us to see that we need to change the process of admission to a cardiology bed by prioritising and "pulling" patients through to a cardiac bed using the consultant cardiologist on call and the ward staff.</p>
National Audit of Dementia	<ul style="list-style-type: none"> <li>✓ Work is ongoing to improve and monitor assessing delirium in people with dementia and is being embedded in to training</li> <li>✓ Delirium Policy in place and training of Nurses and Doctors includes delirium advice and awareness, with plans to increase this incrementally</li> <li>✓ Cognitive tests are administered on admission but not on discharge as patients are referred to their GP for follow up as per the national CQUIN and not re-screened. Trust to discuss whether we plan to do this on discharge also.</li> <li>✓ There is an identified need to create a delirium screening pro-forma to sit alongside our current practice of recording and recognizing Delirium based on clinical need. This should aim to mirror our existing Delirium Care Plan.</li> </ul>
National Audit of Intermediate Care (NAIC)	<ul style="list-style-type: none"> <li>✓ After participation the initial benefits for patients are that the Trust is to benchmark against other services across the country in relation staffing mix and outcomes. Alongside this the audit also provides patient feedback and</li> </ul>

## Quality Report – Section Two

Project Name and Work Stream	Progress
	<p>outcomes of our intervention so provides the Trust with some patient experience and information if we are making a difference to patient's quality of life. Intermediate Care are currently working with AQUA completing a flow redesign project, so they have a complete diagnostic period - this includes reviewing services, processes and systems, looking at patient and staff feedback. Participating in the National Audit of Intermediate Care allows the Trust to look at other care services and their staffing models/ outcomes and financial spend.</p>
National Cardiac Arrest Audit (NCAA)	<p>The National Cardiac Arrest Audit (NCAA) is the national clinical audit of in-hospital cardiac arrests in the UK and Ireland, commissioned by HQIP in 2012.</p> <p>Locally, we piloted this audit on our Medical Assessment Units and rolled this out gradually. Overtime this audit has grown into a successful example of how National Audit can influence Local practices.</p> <p>Every in-hospital cardiac arrest is captured and submitted to the National Database within 24 hours. This National output then generates the beginning of our local process. A Root Cause Analysis is completed by every parent team. This has led to noticeable improvement in completion of DNAR. To facilitate further improvement the process of evaluation has changed by implementation of a review panel, meeting monthly combining of mandate reviews and potential Critical incident for those applicable.</p> <p>The Trust, in comparison with other similar sized hospitals has a robust system where parent teams complete own RCAs. Bolton adapted RCA proforma has been further developed by RCA group and has been shared with other organisations following a presentation at the National Conference in London.</p> <p>Between 2016-2017 the Return Rate of completed Root Cause Analysis for Cardiac Arrest Patients was 93%, compared to previous year of 86% (2015-2016). The projection for 2017-2018 is looking to excel previous years.</p> <p>In 2014-2015, admissions 82,675 the total number of arrests attended were 96 of these there were <b>33 Avoidable Arrests</b>.</p> <p>In 2015-2016, admissions 82,867 the total number of arrest attended were 102 of these there were <b>27 Avoidable Arrests</b>.</p> <p>In 2016-2017, admissions 84, 651 the total number of arrest attended were 124 of these there were <b>8 Avoidable Arrests</b>.</p>
COPD Audit programme : Secondary Care	<p>Six metrics are measured through the audit will be used by the Care Quality Commission (CQC) as part of the <a href="#">National Clinical Audit Benchmarking (NCAB) project</a> to measure trust performance. The following hospital level data will be provided to the CQC on a six monthly basis regarding the percentage of patients receiving:</p> <p>Metric 1. Specialist review within 24 hours <b>Yes 78% No 22%</b></p> <p>Metric 2. Prescription of oxygen to stipulated target oxygen saturation <b>Oxygen 88% -92% n=76% , Oxygen 94% -98% n=15% , Oxygen other range n=5% , Target not stipulated n=4%</b></p> <p>Metric 3. Was NIV within 3 hours of arrival</p>

## Quality Report – Section Two

Project Name and Work Stream	Progress
	<p><b>Yes 9% No 91%</b></p> <p>Metric 4. Prescribed smoking-cessation pharmacotherapy (for documented current smokers)</p> <p><b>No n=31.5, Offered but declined n=25, Yes n=21, Not recorded n = 14</b></p> <p>Metric 5. BTS, or equivalent, discharge bundle for admission</p> <p><b>No n=72%, Not clear n=11%, Other n=0.5%, Pt self-discharged n=2.5% Yes n=14%</b></p> <p>Metric 6. Spirometry confirming FEV1/FVC ratio &lt;0.7 recorded in case file</p> <p><b>&lt;0.7 n=28%</b></p>
National Diabetes Audit - Adults National Diabetes Foot Care Audit	<ol style="list-style-type: none"> <li>1. Minimise the time from foot ulcer development to first expert assessment</li> <li>2. Review and develop current foot care pathways, in particular for inpatients</li> </ol>
National Diabetes Audit - Adults National Diabetes Inpatient Audit	<ol style="list-style-type: none"> <li>1. In-patient pathway has been designed and approved. It is in the process of being implemented.</li> <li>2. Regular ward Nurse Training.</li> <li>3. Development of in-house training on Moodle which will be accessible to all staff.</li> <li>4. Development of training grid for Moodle training after Training needs analysis was done for each staff group.</li> <li>5. Continued participation in In-patient audit to evaluate these changes.</li> <li>6. The Trust welcomes incident reporting and has a higher than average number of reported hypoglycaemic events. As a result the Trust looked at local hospital data to validate time, frequency of hypos, by ward area and if there was a correlation with mis-match of meal time. This has been presented via poster presentation at NMP and annual nursing / allied health conference. As a result of this the Trust has developed hypo stickers to replace hypo books and a new CBG chart.</li> <li>7. Continuing work on appropriate meals project by working with dietetics and catering to get carb volumes listed on the menu.</li> </ol>
National Emergency Laparotomy Audit (NELA)	<p>In 2016, an Action Plan was developed to be reviewed at General surgery governance, which outlined that what was previously retrospective data collection would now move to 'real-time' data collection. It was agreed that all consultant surgeons and anaesthetists are responsible for completing online forms. There are minimal datasets that need collecting retrospectively, which the Clinical Effectiveness Department facilitates, such as Outcome at Discharge.</p> <p>These changed have dramatically improved the way in which we manage this National Audit and current reports reflect that</p> <p>Year 4 Data (2017-2018) was closed IN February 2018, with results published later in the year.</p>

## Quality Report – Section Two

Project Name and Work Stream	Progress		
	Bolton Hospital NHS Foundation Trust	Proportion of patients for which each process of care was met (%)	
		2015	2017
	Final Case Ascertainment	0-49%	80-100%
	Consultant Surgeon Review within 12hrs Emergency Admission	0-49%	
	CT Reported before surgery	50-79%	50-79%
	Risk Documented preoperatively	80-100%	80-100%
	Arrival in Theatre timescale appropriate to operative surgery	50-79%	80-100%
	Pre-operative review by Consultant Surgeon and Consultant Anaesthetist *	50-79%	50-79%
	Both consultant surgeon and Anaesthetist present in Theatre*	80-100%	80-100%
	Consultant Surgeon present in Theatre*	80-100%	80-100%
	Consultant Anaesthetist present in Theatre*	80-100%	80-100%
	Direct postoperative admissions to Critical Care*	50-79%	80-100%
	Post-operative assessment by MYCOP specialist in patients 70years>	0-49%	0-49%
National Heart Failure Audit	<p>Changes from April 2017 mean that data for the audit will need to be submitted &lt; 3 months of discharge instead of having 12 months. This is progress as will enable us to use the data to improve local practice in a timely fashion but will be a challenge for the audit staff and will need to ensure that we can achieve this.</p> <p>Historical data from the audit demonstrated that we lacked capacity to provide follow up within 2 weeks of discharge by a heart failure specialist nurse and we did not provide a rehabilitation programme for heart failure which influences mortality and rate of re-admission.</p> <p>In the light of this transformation fund money has enabled a business plan for a rehabilitation programme to be set up: we have appointed a physiotherapist, a clinical psychologist and a second heart failure nurse post is to be interviewed and appointed on 16.3.18 with a view to starting the programme in May 2018.</p>		
National Neonatal Intensive and Special Care (NNAP)	NNAP is an ongoing real-time benchmarking audit where the results are monitored at division level every month. The NNAP measures are on unit's departmental dashboard and are kept under constant review.		
National Paediatric Diabetes Audit (NPDA)	Currently compliant with the relevant recommendations from NPDA as per our operational procedures and working practices		
Sentinel Stroke National Audit programme (SSNAP)	<p>The overall standards required for a Stroke multi-disciplinary team as identified within the RCP clinical guidelines are prospectively audited via SSNAP with the latest results demonstrating that Bolton is a 'B' rated service – an additional 2.7% for audit compliance would have meant an 'A' score:</p> <p>Results from SSNAP are monitored by the service through the Governance programme over a continuum in order to detect emerging themes and trends as well as areas for improvement. All areas in the following table are described within the team's action plan and RAG rated accordingly. The current areas that are denoted in red are:</p> <p>All applicable Stroke patients receive access to Speech and Language therapy for 45 mins 5 days per week. – As a service we currently have access to 0.3WTE speech and language therapist for the Stroke service. In order to mitigate</p>		

## Quality Report – Section Two

Project Name and Work Stream	Progress
	<p>shortfalls in the current service:</p> <ul style="list-style-type: none"> <li>• All nursing staff on H3 are trained to undertake the Stroke Water Swallow Assessment – this is part of the induction package for new staff and competency of existing staff is assessed regularly.</li> <li>• The ASLT team is in the process of developing a training plan for the current therapy assistants on the unit in order to provide additional support for the service. We have chosen this plan as typically ASLT are very hard to recruit to and train it is felt that this is the most effective use of current resources.</li> </ul>
Cardiac Rhythm Management (CRM)	<p>Data from the CRM audit provides information regarding the numbers of implants and compliance with best practice guidelines published by NICE. Data released in 2017 for the 2015-16 annual report have confirmed that 100% of Secondary prevention ICD implants in Bolton comply with NICE standards but have highlighted a lack of compliance with best practice in the primary prevention implants. All of these case notes are being reviewed to determine if this a data entry issue with missing information relating to ejection fraction. These data may be resubmitted if needed. As of 1.4.18 data entry will be via web portal which will enable data input at time of implant to ensure completeness and we are in process of redesigning listing forms for complex devices to ensure that NICE criteria are fulfilled or a clear rationale for implant outside guidelines documented to provide assurance for commissioners. Submission to the audit enables to be assured that our center is meeting minimum numbers for competence as defined by BHRS and allows tracking of complication rates.</p> <p>For 2015-16: 124 New Pacemaker implants, 148 New complex implants/Upgrades (&gt;110% minimum standard). % Physiological pacing for Sick Sinus syndrome 96% (UK National average 91.7%)</p>
Medical & Surgical Clinical Outcome Review Programme NCEPOD	<p><b>NIV- Inspiring Change</b></p> <p>Gap analysis completed and presented at specialty and divisional meetings. Areas of improvements required are:</p> <ul style="list-style-type: none"> <li>• Staffing ratios</li> <li>• Standardised proformas</li> <li>• Governance Arrangements for NIV</li> </ul> <p>Actions Implemented cover:</p> <ul style="list-style-type: none"> <li>• Yearly audit now started</li> <li>• Reported to divisions and MRG</li> <li>• NIV MDT Group Formed</li> <li>• NIV Prescription Chart</li> <li>• NIV Continuity of care</li> </ul>
National Lung Cancer Audit (NLCA)	<p>Proportion of patients seen by lung cancer nurse specialist shown as 46% in this audit – this is not a true statistic we see all patients referred to the cancer clinics on a 2 week rule and endeavor to see patients on the wards with new diagnosis, however acknowledge that some of the ward patients may not be seen e.g. Stage IV at presentation with symptoms are more appropriate for the palliative care team to see &amp; some patients actually die within a short timeframe post admission. Certainly we see more than 46%. The national data is from the Somerset system</p>

## Quality Report – Section Two

Project Name and Work Stream	Progress
	<p>where we need to tick a box in the diagnosis page of each patient we see in 2016 this wasn't done due to lack of awareness hence the statistic.</p> <p>Action: the LCNS now ensures the appropriate box is ticked so we anticipate when the 2017 patients are audited an improvement will be seen – it has been an administrative error</p> <p>One year survival statistics are poor &amp; usually are similar to other areas with the same population e.g. Wigan. Various projects like faster diagnosis all aim to diagnose patients earlier, One of Manchester Lung Cancer Pathway Board is to push to co-ordinate resources &amp; provide resources to help diagnosing patients faster &amp; are helping to streamline services to achieve a quicker diagnostic pathway. Other 'drives' in the community happen to raise awareness for people to get checked out earlier &amp; not ignore symptoms. Unfortunately with lung cancer many symptoms are not there I have seen a significant number of patients in clinic with extensive disease who look &amp; feel well so this is difficult. Screening pilots have been done within the Manchester area with low dose CT scans but currently there is no viable screening process.</p> <p>Surgery at 24.8% is better than it used to be. A lot of work has been done by Wythenshawe by the surgical team there to get patients treated as quickly as possible &amp; they also operate on people with N2 node disease now whereas not long ago they were not considered.</p> <p>Low proportion of patients receiving chemotherapy with advanced disease – the key to this is for diagnosing at an earlier stage for which work is ongoing. A lower percentage of patients not receiving chemo with advanced disease is not necessarily a bad thing for non-small cell lung cancer; effective chemotherapy may only extend life by weeks/months. Chemo has potential side effects that have significant risks so is not taken lightly. Essentially it is the oncologist/patient decision.</p> <p>Low proportion of small cell lung cancer patients receiving chemotherapy – small cell lung cancer is a fast growing cancer the earlier it is diagnosed the better chance of a longer survival as previously stated work is being undertaken to diagnose earlier. Again patients need to be at a safe fitness level for chemotherapy. We discuss borderline fitness patients with the oncologists as sometimes they can admit patients to Christie to try single agent chemo initially &amp; if they respond increase regime to standard chemo</p> <p>All these issues are discussed at the North West Sector lung cancer AGM looking at any actions we need to take forward as a sector</p>

## Quality Report – Section Two

### Local Audits:

205 local audits were registered between April 2017 and March 2018.

The reports of 65 local clinical audits were reviewed by the provider in 2017/18. Below is a selection of those action plans with a brief narrative of what action Bolton NHS Foundation Trust intends to take to improve the quality of healthcare provided to our patients.

**Table 4: National Clinical Audits: Actions to Improve**

Audit Title	Learning
Compliance with Paediatric Antibiotic Guidelines in RBH	<p>We have improved compliance with antibiotic prescribing from this guideline since previous the previous audit achieving 82% adherence. However there are still some paediatric conditions / infections which are not specified within the guideline (16% patients audited) and it would be useful to include these conditions.</p> <p>The current guideline is under review and due for updating very soon. Additional conditions (including for example infected eczema, Pertussis and sickle cell disease amongst others) have been included within the new edition.</p> <p>The clinical staff managing and treating children on the paediatric wards and outpatients will be able to continue to prescribe according to local guidance, providing the best evidence based and locally consistent treatments for children.</p>
Neonatal Jaundice Guidelines (NICE QS57)	<p>Achieved 100% compliance with the NICE Quality Standard 3 (treating infants appropriately for neonatal jaundice). We did identify some areas for improvement including improved documentation around blood group results and documenting giving out information leaflets to families.</p> <p>The need to complete all areas of our local phototherapy charts (including blood group results) has been cascaded to junior staff and will continue to be included within junior doctor induction. It will also be included in a new Paediatric Handbook for junior staff within the next few months. The need for nursing staff to document when they give out information leaflets has been cascaded by senior nursing staff.</p> <p>We continue to deliver a high standard of care to infants with neonatal jaundice and are compliant with NICE guidance and Quality Standards. We are addressing some issues around documentation to improve standards further still.</p>
Ovarian Cysts Re-Audit	<p>Risk of Malignancy (RMI) calculated for all patients presenting with ovarian cysts.</p> <p>Appropriate follow up according to RMI including discussion at MDT if moderate or high RMI.</p> <p>RMI aid &amp; Ovarian cysts flowchart available.</p> <p>Appropriate management &amp; follow up of moderate &amp; high risk (RMI) Ovarian Cyst patients.</p>
Low Risk Induction of Labour	<p>Update of local guidelines.</p> <p>Improved patient &amp; staff awareness.</p> <p>Patient's suitability assessed &amp; where appropriate risk level patient offered Induction of Labour at home.</p>



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Audit Title	Learning
Obstetric Cholestasis	Documentation of counselling, tests & management plan. Postnatal at 6/52 LFT by GP.  Development of checklist.  Documentation in postnatal notes. Patient management & follow up improved.
Handover of Obstetric and Gynaecology patients in RBH	Staff education & Training around requirements for handover. Full documentation at handover. Improved safety.
Breech and ECV management	New RCOG guideline 2017 followed.  Rescheduling with assigned days and operators for ECV. Appropriately experienced clinicians available for ECV.
Surgical site infection audit - breast surgery	Increase patient awareness to hygiene. Staff Awareness for wound cleaning and dressing Teaching on 'wound care, signs of infection and management'  Risk of surgical site infection following surgery reduced.
Management of Severe Pre-eclampsia	Ensure criteria for starting on Severe PET regime are achieved. Adherence to local guideline. Documentation, monitoring & escalation as appropriate.
Decision to delivery interval for cat 1 LSCS	Adherence to local guideline. Decision for LSCS after a failed /abandoned instrumental delivery to reflect the time decision was made to deliver. Transfer of patients to theatre no more than 10 minutes after decision time.
Gynaecological surgery readmissions - Audit of readmissions < 30 days of Gynaecological surgery	Reinforce good practice (ANTT/ IV Abs prior to incision/chloroprep) Consultant review <12hrs Documentation AB prior to incision, EBL Prophylaxis for constipation post major surgery. PGD for nurse led prescribing of analgesia and laxatives as TTO.
Gynaecological surgery returns to theatre - Audit of returns to theatre within 30 days of Gynaecological surgery	Monitor trends by annual re-audit.  Monitoring of higher BP when checking haemostasis – details on theatre board
Melatonin use in ABR testing	Information for parents around methods of calming their child to allow behavioural tests to be performed. All children given milk prior to melatonin as a natural sleep aid. Patient management improved with potential of calmer patient at behavioural tests.
Blood Culture Reporting - The impact of non-24 hour Blood Culture Reporting	Delay in blood culture samples being incubated minimised. Blood cultures available promptly. Antibiotics stopped if the blood cultures are negative. Duration of antibiotic treatment appropriate.
Warfarin and administration time	No evidence based medical reason for prescribing warfarin only between 4 and 6 pm  Delay in prescribing warfarin  Delay in patients receiving warfarin.  Warfarin being prescribed predominantly by the on call team.  Change in timing of patients receiving warfarin to around 12 noon



## Quality Report – Section Two

Audit Title	Learning
	<p>Pilot change in practice on cardiology ward before rolling it across the trust.</p> <p>Warfarin audit discussed at hospital thrombosis committee meeting.</p> <p>Consistent practice of patients receiving warfarin in a timely manner during normal working hours.</p> <p>Responsibility of prescribing warfarin with the parent team rather than on call team</p> <p>Safe prescribing of warfarin</p>
Unified do not attempt cardiopulmonary resuscitation (uDNA CPR) with a focus on communication	<p>Ensure uDNACPR forms verified by consultants at earliest possible opportunity. Extra Med icon for all patients with a DNA CPR in situ. Effective communication between secondary and primary care.</p> <p>Introduction of a ward round 'prompt' to ensure uDNACPR forms are verified by consultants at earliest possible opportunity. Development of an Extra Med icon for all patients with a DNA CPR in situ. Introduction of a DNA CPR 'tick box' prompt on Ascribe to facilitate effective communication between secondary and primary care.</p> <p>DNACPR at earliest opportunity. Icon to alert clinicians. Effective communication between secondary and primary care.</p>
Barratt's Surveillance	<p>Appropriate management according to NICE guidance. LGD patients repeat endoscopy in 6 month.</p> <p>If LGD is found in any of the follow -up OGDs and is confirmed by an expert GI pathologist, the patients offered Endoscopic Ablation Therapy and review by the specialist MDT. If ablation is not undertaken, 6 monthly surveillance is recommended.</p>
Sunlight Exposure 2017 Re-Audit of documented advice on sun protection	<p>Appropriate sunlight exposure advice provided to patients with history of skin cancer (Melanoma)</p>
Visual Impairment in patients with falls	<p>Post fall assessment document to include visual assessment.</p> <p>Education of complex care staff. Potential to reduce falls in patients with visual impairment.</p>
Diabetic referrals audit	<p>Not all staff aware of the procedure for triaging diabetic referrals.</p> <p>Biomechanics staff educated on correct process for triaging diabetic referrals.</p> <p>Diabetic patients with foot and ankle pain are seen in a timely manner, with the equipment and staff skill set needed to deal with any diabetic foot complications that may arise.</p>
LIFT procedures at RBH	<p>The fistula workload remains sizeable. The Audit has demonstrated outcomes (fistula healing) in-line with other published series. It is hoped that results will improve slightly with increased experience.</p> <p>Continue the Audit process and continue to offer LIFT operation to appropriate patients.</p> <p>LIFT operation remains the gold standard of care for certain fistula patients.</p>
Slide sheet usage in CT Re-Audit	<p>Correct moving and handling is reliant on provision of slide sheets from wards.</p>

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Audit Title	Learning
	<p>Supply of slide sheets provided by ED and completion of slide sheet check to ensure that we do not run out.</p> <p>Better experience for patients when correct procedure is used for moving them; faster imaging when we do not have to look for slide sheets.</p>
Immediate/delayed check list for breast reconstruction	<p>Education of Breast Care Nursing team to be able to use the document electronically. Standardisation of how to use the document. To ensure that document is used as a form communication between Breast Care Nurse and oncoplastic surgeon.</p> <p>Offering support to the team and guidance on how to use the check list. Breast Care Nurses to email document to oncoplastic surgeon and paper copy to be filed in clinical notes</p> <p>Improvement in documentation of written evidence on breast reconstruction consultation between patient and Breast Care Nurse. Improvement in communication between Breast Care Nurse and oncoplastic surgeon.</p>
Oculoplastic Surgical Outcomes - Auditing the unauditable - what to do about unmeasurable Oculoplastic Surgical Outcomes?	<p>A tool has been developed and is user friendly and provides auditable information on surgical outcomes.</p> <p>Now undergoing full implementation to enable auditing of oculoplastic surgical outcomes. This will allow us to identify trends.</p> <p>Ensuring surgical outcomes are monitored and early trends identified to identify areas which require improvement. Also provides scrutiny for patients and commissioners.</p>
Strabismus - Use of the Adult Strabismus 20 (AS-20) Questionnaire as a measurement of Quality of Life in Adults with Strabismus Pre and Post-Operatively	<p>The AS-20 questionnaire provides useful information that adult strabismus surgery is valued by patients and leads to direct improvement in quality of life.</p> <p>Continue to offer adult strabismus surgery in Bolton.</p> <p>Provides evidence for commissioners that squint surgery results in significant improvements in quality of life.</p>
ENT Re-Admissions	<p>Need for O2 sats monitoring &amp; repeat bloods prior to discharge.</p> <p>O2 sats monitoring for all patients who are being treated for OSA, repeat bloods prior to discharge.</p> <p>Avoid early discharge and make sure clinical improvement before discharge.</p>
Assessing the image quality of portable adult chest x-rays	<p>Application of pre- exposure markers needs to improve and artefacts need to be removed.</p> <p>CPD session to staff to remind them of importance of these actions.</p> <p>Better quality imaging.</p>
Compliance with IR (ME) R Regulation : Procedure for carrying out and recording an evaluation of a medical exposure	<p>NICU Imaging is not compliant with delegation of evaluation of image.</p> <p>Lead clinician in NICU informed; re-audit to take place.</p> <p>Compliance with IRMER.</p>
Assessment of the requirement/necessity of Entonox gas during	<p>Pain scores need to be documented pre and post procedure.</p> <p>Staff in this area informed to document pain scores.</p>

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Audit Title	Learning
Hydro Dilation of the shoulder examination in Radiology	Better pain management.
Impact on patient throughput of using old styles ED trolleys v's new trolley	New trolleys are needed to image patients from ED. Business case submitted for trolleys by ED. Lower radiation dose, better quality image and faster examination.
Red Cell Dosage calculator app	Use of the web app is an effective method of predicting the volume of red cells required by a non-bleeding patient to reach a target haemoglobin level, and reduces the amount of red cells used by the Trust. Evaluating possibility of making the app 'open-access' for NHS organisations as shared good practice. Reduction in the level of over and under-transfusion in non-bleeding patient compared to pre-implementation level. Improved patient safety through reduced donor exposure and reducing the risk of transfusion-associated circulatory overload by avoiding over-transfusion. Better use of donor red cells which are a limited resource.
Ionising Radiation Regulations 2000 for Orthopaedic theatre use of mini c-arm. Audit of post procedural request cards	Request cards are not being completed appropriately. Discussion at orthopaedic audit meeting; reminder to individual consultants. Compliance with IRMER.
Cataract Referral audit	Referral patterns from optometrists show that a significant proportion of patients are not being listed for surgery. Plan to undertake further teaching with community optometrists to best utilise the direct referral pathway. Will result in fewer unnecessary appointments for patients and more efficient use of staff time in eye unit.
ARC and ward attender Audit	Large numbers of referrals, although no increase on previous audit undertaken for a week. An acute referral working group to be set up to look at improved referral process. E-referrals in place for some providers, with an aim to eliminate the faxed referral in time. More robust system of accepting referrals improving efficiency, safety (no unnecessary delays for patients with sight-threatening emergencies) and patient experience.
Temporal artery biopsy outcomes	Educational session to general surgeons undertaking this procedure to raise awareness of biopsy length recommendations and technical/anatomical aspects of the procedure.
Day 0 mobilisation following elective orthopaedic surgery for hip and knee replacements	Ward based training to increase awareness of early mobilisation of patients. Earlier mobilization of patients with improved outcomes.
Physiotherapy home	Written instructions in sheet & diagrams of the exercises. Patients feel

## Quality Report – Section Two

Audit Title	Learning
exercise programme	more confident in completing exercises at home & are more compliant with exercise programme.
Ankylosing Spondylitis 2017	Audit indicates 100% compliance with guidance. Continue to endeavour to provide the best care to the patients by following the latest evidence, NICE guidelines and the GMMMMG guidelines.

### Participation in Clinical Research

The number of patients receiving health services that were provided or sub-contracted by Bolton NHS Foundation Trust were in 2017/18 that were recruited during that period to participate in research approved by a research ethics committee **1123**.

**55** National Institute for Health Research (NIHR) Portfolio Research studies with Health Research Authority (HRA) / Research Ethics approval, were open to recruitment at Bolton NHS Foundation Trust in 2017/18

### Goals agreed with Commissioners: use of the CQUIN payment framework

A proportion of Bolton NHS Foundation Trust's income in 2017/18 was conditional on achieving quality improvement and innovation goals agreed between Bolton NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework.

In 2017/18 Bolton NHS Foundation Trust received £5.674m of its CQUIN target agreed with commissioners

In 2016/17 Bolton NHS Foundation Trust received £5.642m of its CQUIN target agreed with commissioners

Further details of the agreed goals for 2017/18 and for the following 12 month period are available on request via [Rachel.hurst@boltonft.nhs.uk](mailto:Rachel.hurst@boltonft.nhs.uk)

### Care Quality Commission Registration







Bolton NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is "registered without conditions". The Care Quality Commission has not taken enforcement action against the Bolton NHS Foundation Trust during 2017/18.

Bolton NHS Foundation Trust has not participated in any special reviews or investigations by the CQC during the reporting period.

Bolton NHS Foundation Trust was inspected by CQC in March 2016 and reported in August 2016 and achieved an overall rating of "good". Please see below CQC ratings grid:

## Quality Report – Section Two

### Ratings

Overall rating for this trust		Good	
Are services at this trust safe?	Requires improvement		
Are services at this trust effective?	Good		
Are services at this trust caring?	Good		
Are services at this trust responsive?	Good		
Are services at this trust well-led?	Good		

The report included 21 recommendations to further improve the services provided by the Trust. The Trust's internal auditors provided assurance that 18 of these have now been fully implemented with evidence that the remaining three are in continual review via the quarterly integrated governance report process.

#### Data Quality

Bolton Foundation NHS Trust submitted records during 2017/18 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data: (as at March 2018)

- **which included the patient's valid NHS number was:**
  - 99.9% for admitted patient care;
  - 100% for outpatient care; and
  - 99.4% for accident and emergency care.
- **which included the patient's valid General Medical Practice Code was:**
  - 94.6% for admitted patient care;
  - 99.9% for outpatient care; and
  - 99% for accident and emergency

#### Action to Improve Data Quality

Bolton Foundation NHS Trust will be taking the following actions to improve data quality:

- The Data Quality team continues to validate data and highlight issues as they arise. Error reports have been designed to highlight issues and errors in a timely manner. When necessary staff are spoken to individually to make them aware of errors and prevent further errors occurring.
- Users are encouraged to contact the Data Quality team for advice and guidance. This has resulted in departments being more proactive at contacting the department for advice when setting up and or making changes to services.
- A new Data Quality strategy is being written which will enable the team to drive forward the importance of good quality data.
- Much of the data the trust holds is benchmarked nationally using CHKS Methodology. In addition to this we receive assurance on the accuracy of our data quality through an annual report on non-financial data from our internal auditors, a review of metrics included in this report performed as part of the audit conducted by our external auditors and other external audit reports as appropriate.

# Quality Report – Section Two

## Information Governance

Bolton Foundation NHS Trust Information Governance Assessment Report overall score for 2017/18 was 85% and was graded “**Green**”.

## Clinical Coding Audit

Bolton Foundation NHS Trust was not subject to the Payment by Results clinical coding audit during 2017/18.

## Learning from Deaths

During 2017/18 1266 of Bolton NHS Foundation Trust patients died.

This comprised the following number of deaths which occurred in each quarter of that reporting period:

- 273 in the first quarter;
- 263 in the second quarter;
- 330 in the third quarter;
- 400 in the fourth quarter.

By 31/03/18, 514 case record reviews and 8 investigations have been carried out in relation to 1266 of the deaths included above. In 8 cases a death was subjected to both a case record review and an investigation.

The number of deaths in each quarter for which a case record review or an investigation was carried out was:

- 91 Case record reviews in the first quarter; Investigations = 0
- 128 Case record reviews in the second quarter; - Investigations = 2 (cardiac arrest root cause analysis)
- 126 Case record reviews in the third quarter; Investigations = 2 (cardiac arrest root cause analysis)
- 170 Case records reviews in the fourth quarter; Investigations = 4 (2 cardiac arrest root cause analysis and 2 Serious Incident investigations)

0.63% ( $8/1266 \times 100$ ) – of the patient deaths during the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient.

In relation to each quarter, this consisted of:

- 0 representing 0% for the first quarter;
- 2 representing 0.16% ( $2/1266 \times 100$ ) for the second quarter;
- 2 representing 0.16% ( $2/1266 \times 100$ ) for the third quarter;
- 4 representing 0.32% ( $4/1266 \times 100$ ) for the fourth quarter.

These numbers have been estimated using the data provided within the cardiac arrest root cause analysis reports and mortality review process

The following learning has been disseminated as a result of case record reviews and investigations:

- Take into account the patient’s condition when transferring to a different ward
- The importance of target oxygen saturations on admission

## Quality Report – Section Two

- Importance of communication and handover following a patient deteriorating
- Appropriate escalation of raised lactate

The following actions have taken place as a result of the learning described above:

- Sepsis Policy and Screening Tool updated to remove out of date documents
- Ward Managers instructed to ensure Sepsis Screening Tool is available in all areas.
- The impact of any actions will be assessed via the audit cycle during 2018/2019.

Zero case record reviews and zero investigations completed after 31/03/17 which related to deaths which took place before the start of the reporting period.

0 % of the patient deaths before the reporting period (April 2017) are judged to be more likely than not to have been due to problems in the care provided to the patient. This number has been estimated using the review methodology of the mortality review forms, cardiac arrest root cause analysis and secondary review forms.

0 % of the patient deaths during 2016/17 are judged to be more likely than not to have been due to problems in the care provided to the patient.

### **Seven day services.**

Bolton NHS Foundation Trust takes an active part in the biannual national seven day hospital services audit with demonstrable progress being made against the following priority clinical standards:

- Standard two – “Time to first consultant review within 14 hours of admission to hospital” has improved from 54% (March 17) to 71% (September 17) for weekday and weekends 73%. Improved performance has been helped by redesign of Medical Assessment Unit ward rounds. Ongoing actions include redesign of the consultant physician on call rota to increase weekend presence and generation of a business case for an additional Consultant General Surgeon to enable twice daily ward rounds.
- Actions to improve adherence to standard five –“access to diagnostic tests” and standard six “access to consultant directed interventions” consist of the redesign of Consultant Radiologist job plans towards seven day working and increased collaboration with neighbouring trusts.

Seven day service action plans are monitored quarterly at the Joint Leadership Group with Bolton CCG and will be driven internally at our Medical Workforce Improvement Group. We feel that we are currently on track to meet our target of 100% compliance with the seven day services priority standards by 2020.

## Quality Report – Section Two

### Reporting against core indicators

Since 2012/13 NHS foundation trusts have been required to report performance against a core set of indicators using data made available to the trust by NHS Digital. An overview of the indicators is provided in the table. It is important to note that whilst these indicators must be included in the Quality Report the most recent national data available for the reporting period is not always for the most recent financial year. Where this is the case the time period used is noted underneath the indicator description. It is also not always possible to provide the national average and best and worst performers for some indicators due to the way the data is provided.

Indicator	2017/2018	National Average	Where Applicable – Best Performer	Where Applicable – Worst Performer	Trust Statement -	2016/17	2015/16
<b>Mortality:</b> The value and banding of the summary hospital-level mortality indicator (SHMI) for the Trust for 10/16 – 09/17 latest published data available	SHMI value = 1.060  Band 2	SHMI value = 1.00  Band 2	SHMI Value = 0.72  Band 3	SHMI Value = 1.22  Band 1	Bolton Foundation NHS Trust considers that this data is as described for the following reasons:  The data has been obtained from the Health & Social Care Information Centre (HSCIC)  Bolton Foundation NHS Trust has taken the following actions to improve this indicator and so the quality of its services by: <ul style="list-style-type: none"> <li>• Monthly mortality meeting chaired by the Medical Director</li> <li>• Recognising and responding to deteriorating patient workstream</li> <li>• Mortality review process</li> <li>• Cardiac Arrest Root Cause Analysis</li> </ul>	SHMI value = 1.045  Band 2 as expected	SHMI value = 1.004  Band 2 as expected



## Quality Report – Section Two

Indicator	2017/2018	National Average	Where Applicable – Best Performer	Where Applicable – Worst Performer	Trust Statement -	2016/17	2015/16
% patients deaths with palliative care coded at either diagnosis or specialty level for the period 04/16- 03/17  Latest published data	31%	31.1%	11.2%  The Queen Elizabeth Hospital, King's Lynn	58%  Royal Surrey County Hospital	Bolton Foundation NHS Trust considers that this data is as described for the following reasons: The data has been obtained from the Health & Social Care Information Centre (HSCIC)  Bolton Foundation NHS Trust has taken the following actions to improve this indicator and so the quality of its services by:  <ul style="list-style-type: none"> <li>Auditing the quality of our clinically coded data for deceased patients as part of our mortality reviews to ensure it is an accurate reflection of the patient's diagnoses and procedures</li> <li>The Clinical Coding team receive weekly information on any patients who have had a palliative care or contact with the palliative care team, so that this can be reflected in the clinical coding</li> <li>Quality of clinical coding in relation to deceased patients is discussed, with action being taken to address any queries</li> </ul>	28.5%  (10/15 – 09/16)	20.28%  (13/14)
Patient reported outcome scores for groin hernia surgery  Apr17 – Sept17 latest data available	83.3%	82.6%	96.6% Surrey and Sussex Healthcare	40.2% Barts Healthcare NHS Trust	Bolton Foundation NHS Trust considers that this data is as described for the following reasons: The data has been obtained from the Health & Social Care Information Centre (HSCIC)	77.7%  (04/16 – 03/17)	31.4%
Patient reported outcome scores for varicose vein surgery  Apr17 – Sept17 latest data available	70.9%	78%	94.9% Emerson's Green NHS Treatment Centre	39.5% Oxford University Hospital	Bolton Foundation NHS Trust has taken the following actions to improve this indicator and so the quality of its services by:  <ul style="list-style-type: none"> <li>Centralisation of pre-operative services to standardise information received.</li> </ul>	77.0%  (04/16- 03/17)	53.0%

## Quality Report – Section Two

Indicator	2017/2018	National Average	Where Applicable – Best Performer	Where Applicable – Worst Performer	Trust Statement -	2016/17	2015/16
Patient reported outcome scores for hip replacement surgery  Apr17 – Sept17 latest data available	33.7%	56.2%	90.7% Springfield Hospital	11.1% East Sussex	Bolton Foundation NHS Trust considers that this data is as described for the following reasons: The data has been obtained from the Health & Social Care Information Centre (HSCIC)  Bolton Foundation NHS Trust has taken the following actions to improve this indicator and so the quality of its services by: <ul style="list-style-type: none"><li>• Work has commenced with the CCG in relation to thresholds for surgery</li><li>• Continue to adhere to implant best practice</li></ul>	51.6%  (04/16-03/17)	85.6%
Patient reported outcome scores for knee replacement surgery  Apr17 – Sept17 latest data available	65.5%	57.2%	88% BMI the Ridgeway	5.5% North Lincolnshire and Goole NHS Trust	<ul style="list-style-type: none"><li>• Work has commenced with the CCG in relation to thresholds for surgery</li><li>• Continue to adhere to implant best practice</li></ul>	56.1%  (04/06-03/17)	81.8%
28 day readmission rate for patients aged 0 – 15			0.0% Aintree University Hospitals NHS Foundation Trust	13.6% North Cheshire Hospitals NHS Trust	Bolton Foundation NHS Trust considers that this data is as described for the following reasons: The data has been obtained from the Health & Social Care Information Centre (HSCIC)	12.82%*  (11/12)	13.78%  (10/11)
28 day readmission rate for patients aged 16 or over			0.0% Barts Health NHS Trust	13.5% The Lewisham Hospital NHS Trust	Bolton Foundation NHS Trust has taken the following actions to improve this indicator and so the quality of its services by: <ul style="list-style-type: none"><li>• Establishing a clinically led readmission group</li><li>• Working collaboratively with the CCG to carry out a follow up audit to determine causes</li><li>• Further work is on-going around risk stratification of high risk patients with long term conditions</li></ul>	10.04%*  (11/12)	10.17%  (10/11)
*The latest published national data for 28 day readmission rate provided above is for 2011/12.  Local data for Bolton NHS Foundation Trust readmission rate for 2017/18 is 12.8% (based on PBR national guidance, exclusions apply)							

## Quality Report – Section Two

Indicator	2017/2018	National Average	Where Applicable – Best Performer	Where Applicable – Worst Performer	Trust Statement -	2016/17	2015/16
Responsiveness to inpatients' personal needs: national inpatient survey score 2017	76.1%	76.7%	88% Queen Victoria Hospital NHS FT	70.7% Lewisham and Greenwich NHS Trust	<p>Bolton Foundation NHS Trust considers that this data is as described for the following reasons:</p> <p>The methodology follows exactly the detailed guidelines determined by the Survey Co-ordination Centre for the overall National Inpatient Survey programme.</p> <p>We triangulate our staff and patient survey data with that from the CQC in-patient survey, which gives a more accurate method of identifying patient concerns. Data from other surveys including the Friends and Family test can also be used to give a clearer picture of patients' concerns.</p> <p>Bolton Foundation NHS Trust has taken the following actions to improve this indicator and so the quality of its services by:</p> <ul style="list-style-type: none"> <li>• The development and implementation of the Patient, Family and Carer integrated experience strategy.</li> <li>• Review and refining of the complaints process</li> <li>• Implementation of the Bedside Booklet</li> <li>• Analysis of patient stories</li> <li>• Procurement of single software provider to capture real time patient feedback</li> <li>• Launch of Always Events in 2018</li> </ul>	76.1%	73.4%

## Quality Report – Section Two

Indicator	2017/2018	National Average	Where Applicable – Best Performer	Where Applicable – Worst Performer	Trust Statement -	2016/17	2015/16
Percentage of staff who would recommend the provider to friends or family needing care – Friends and Family Test	66%	79%	93% The Clatterbridge Cancer Centre NHS Foundation Trust	47% Northern Lincolnshire and Goole NHS Foundation Trust	<p>Bolton Foundation NHS Trust considers that this data is as described for the following reasons:</p> <p>The methodology follows exactly the detailed guidelines determined by the Survey Co- ordination Centre for the overall National Staff Survey programme.</p> <p>Bolton Foundation NHS Trust has taken the following actions to improve this indicator and so the quality of its services by:</p> <ul style="list-style-type: none"> <li>Increased use of Friends and Family Test – available in a variety of formats Use of Staff FFT results as the basis for team development sessions Starting to correlate Staff FFT results to Patient Experience measures</li> <li>Communicating the process to the public Implementation of the ‘you said’ ‘we did’ process for feedback</li> </ul>	73%	

## Quality Report – Section Two

Indicator	2017/2018	National Average	Where Applicable – Best Performer	Where Applicable – Worst Performer	Trust Statement -	2016/17	2015/16
% of admitted patients risk-assessed for Venous Thromboembolism Q3 17/18	97.77%	95.36%	100% Essex Partnership University NHS FT	76.08% Mid Essex Hospital Services NHS Trust	<p>Bolton Foundation NHS Trust considers that this data is as described for the following reasons:</p> <p>The data has been obtained from the Health &amp; Social Care Information Centre (HSCIC)</p> <p>Bolton Foundation NHS Trust has taken the following actions to improve this indicator and so the quality of its services by:</p> <ul style="list-style-type: none"> <li>• Appointment of Nurse Champion</li> <li>• Nurse-led DVT Clinic</li> <li>• VTE database</li> <li>• Staff Awareness campaign</li> <li>• RCA of patients developing clots for continuous learning and improvement</li> </ul>	97.53%  Jan 17 – Mar 17 latest data available	97.20%

## Quality Report – Section Two

Indicator	2017/2018	National Average	Where Applicable – Best Performer	Where Applicable – Worst Performer	Trust Statement -	2016/17	2015/16
Rate of C.Difficile per 100,000 bed days (amongst patients 2 of over)	15.0	N/A	N/A	N/A	<p>Bolton Foundation NHS Trust considers that this data is as described for the following reasons:</p> <p>28 trust assigned cases between April 2017 and February 2018 (11 months). Bed data taken from KH03 return, Quarters 1-3, and using Q4 from 2016/17 (as current quarter not yet available) adjusted for 2/3 months of final quarter.</p> <p>Bolton Foundation NHS Trust has taken the following actions to improve this indicator and so the quality of its services by:</p> <ul style="list-style-type: none"> <li>• Introduction of a deep cleaning programme.</li> <li>• Hand washing basins and gel outside all wards.</li> <li>• Weekly strategic meetings to discuss all cases Improved scrutiny of antibiotic management.</li> <li>• Investment in estate Collaborative working across the health economy</li> <li>• Investment in the infection control and prevention team Clear guidance and policy</li> <li>• IPC link nurse development programme</li> <li>• Recruitment of an IPC audit and surveillance clerk</li> </ul>	18.1***  *** national data available from PHE/HPA	14.1***

## Quality Report – Section Two

Indicator	2017/2018	National Average	Where Applicable – Best Performer	Where Applicable – Worst Performer	Trust Statement -	2016/17	2015/16
Number/Rate of patient safety incidents per 1000 bed days  Oct 16 – Mar 17 latest data available (NRLS)	54.81 per 1,000 bed days  N = 5,717	32.52 per 1,000 bed days	23.13 per 1,000 bed days Maidstone and Tunbridge Wells NHS Trust	68.97% per 1,000 bed days Wye Valley NHS Trust	Bolton Foundation NHS Trust considers that this data is as described for the following reasons:  The data has been obtained from the National Patient Safety Agency (NPSA)  Bolton Foundation NHS Trust has taken the following actions to improve this indicator and so the quality of its services by:	50.81 per 1,000 bed days  Apr16 – Sept16 latest data available (NRLS)	38.91 per 1,000 bed days  (2014/15)
Rate of patient safety incidents per 100 admissions that resulted in severe harm or death 04/16 – 09/16) latest data available	0.15	0.38	0 - Great Ormond Street Hospital for Children NHS Foundation Trust	0.53 - Kettering General Hospital NHS Foundation Trust	<ul style="list-style-type: none"> <li>• Risk management strategy</li> <li>• Risk management training for clinical risk managers</li> <li>• Risk management committee established Introduction of “harms” meeting to review incidents and ensure appropriate actions are taken</li> <li>• External training programme for managers to undertake RCA training</li> <li>• Review of current electronic incident reporting system to ensure investigation conclusion can be logged</li> </ul>	0.15	0.1
Inpatient Friends and Family Test  To January 2018 - latest data available	97%	96%	100% Clatterbridge cancer centre NHS Foundation Trust	80% Sheffield Children’s NHS FT	Bolton Foundation NHS Trust considers that this data is as described for the following reasons:  The data has been obtained from the Health and Social	94.0% March 2017	96%

## Quality Report – Section Two

Indicator	2017/2018	National Average	Where Applicable – Best Performer	Where Applicable – Worst Performer	Trust Statement -	2016/17	2015/16
<p>Accident and Emergency Friends and Family Test</p> <p>To January 2018- latest data available</p>	88%	88%	100% Liverpool Women's NHS FT	45% Mid Essex Hospital Services NHS Trust	<p>Care Information Centre (HSCIC)</p> <p>Bolton Foundation NHS Trust has taken the following actions to improve this indicator and so the quality of its services by:</p> <ul style="list-style-type: none"> <li>Increased use of Friends and Family Test – available in a variety of formats</li> <li>Communicating the process to the public Implementation of the 'you said' 'we did' process for feedback</li> </ul>	82.0% March 2017	85.7%



## Quality Report – Section Three

### Performance against Trust selected metrics

This section of the report is provided to give an overview of the quality of care across a range of indicators covering patient safety, clinical effectiveness and patient experience. We have chosen to use the same indicators as previously used in 2016/17

	Indicator/Measure	2017/18	2016/17	2015/16
<b>Patient Safety Outcomes</b>	Mortality - SHMI	See page 40		
	C.Diff – number of cases	See page 43		
	Pressure ulcers by category:			
	<ul style="list-style-type: none"> <li>Cat 2</li> <li>Cat 3</li> <li>Cat 4</li> </ul> <i>Data source – Bolton NHS Foundation Trust's incident reporting system</i>	164 59 13	176 61 16	142 58 19
<b>Patient Experience</b>	Friends and Family Test inpatients			
	<ul style="list-style-type: none"> <li>response rates</li> <li>Recommendation rates</li> </ul> <i>Data source – captured locally, submitted nationally and published by NHS England</i>	34.0% 96.8%	32.3% 98.0%	18.3% 79.0%
	Lessons Learnt	See below		
	Dementia Training* * HEE Tier 1 Dementia Awareness <i>Data source – captured via local training and development system (Moodle and ESR)</i>	100%	89.8%	82.1%
<b>Effectiveness</b>	Sickness rates			
	<i>Data source – captured via local attendance management system (E-roster and ESR), submitted nationally and published by NHS Digital</i>	4.95%	5.3%	4.58%
	Appraisal rates			
	<i>Data source – captured via local ESR and reported locally for Board report</i>	82.8%	82.1%	83.1%
	Mandatory Training compliance			
	<i>Data source – captured via local training and development system (Moodle and ESR)</i>	89.9%	89.0%	88.7%

The above data is reflective of 2017/18 performance; national comparable benchmarking data for the same period was not available at time of Quality Account publication. Where applicable/available the above indicators are governed by national standard definitions.







## Quality Report – Section Three

### Lessons Learnt:

The Trust strives to continually learn from incidents, complaints and litigation. Learning slides are provided on a monthly basis by the Deputy Director of Governance which includes learning from incidents, complaints, claims and inquests in addition to learning generated as a result of research and development and activity around equality and diversity. Where an issue has been identified through any investigation process that requires urgent dissemination Trust wide, an urgent SBAR (Situation, Background, Assessment, Recommendation) slide is circulated by the Deputy Director of Governance.

The trust recognises the importance of learning from incident investigations and the implementation of change. In 2017/18, the Trust increased the scrutiny in relation to completion of action plans and introduced the audit cycle to measure the effectiveness of any changes in practice which will be further developed in 2018/2019.

### Performance against the relevant indicators and performance thresholds (Risk Assessment Framework and Single Oversight Framework)

Indicator for disclosure (limited to those that were included in both RAF and SOF for 2016/17)	2017/18	Target	Achieved	2016/17	2015/16
Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway (average for the year)	88.3%	92%		92.1%	95.3%
A&E: Maximum waiting time of four from arrival to admission, transfer or discharge (average for the year)	81.9%	95%		82.1%	90.4%
<b>All cancers: 62-day wait for first treatment from:</b>					
Urgent GP referral for suspected cancer (as at March 17)	94.8%	93%		98.8%	97.5%
NHS Cancer Screening Service referral (as at March 17)	87.5%	90%		97.3%	95.7%
Clostridium difficile - meeting the C. difficile objective	30	19		29	28
Summary Hospital-level Mortality Indicator included in “Reporting against core indicators” section					
Maximum 6 week wait for diagnostic procedures <i>Definition – proportion of patients referred for diagnostic tests who have been waiting less than 6 weeks</i>	97.7%	95%		99.6%	99.5%
Venous thromboembolism (VTE) risk assessment included in “Reporting against core indicators section”					

## Quality Report – Section Three

### **Statement from NHS Bolton Clinical Commissioning Group (CCG)**

The CCG has again worked closely with Bolton FT in 2017/18 to gain assurance that the Trust has provided safe, effective and patient focused services. A collaborative and clinically led governance process continues to monitor quality and the content of this account is consistent with the information shared throughout the year.

The CCG is pleased to see the Trust acknowledge the close working relationship between community and hospital staff and expect that this will further extend to colleagues in primary care and the local authority to enable Locality Plan delivery. It is also pleasing to see individual achievements recognised within the Account.

In reference to performance against last year's priorities, the CCG were pleased to see that the aims for pressure ulcer reduction and DNACPR were met and that work is on-going in these areas to build on these positive outcomes. The CCG also note the commitment to the Sepsis priority and that although this was only partially achieved the focus on improvement is continuing both within the 18/19 Quality Account and as a CQUIN.

The CCG were pleased to be consulted on regarding the 18/19 priorities and although our recommendations have not entirely aligned with the areas chosen we acknowledge that AKI, sepsis and medication errors are key priorities and we are confident the FT can achieve the outcomes stated. The CCG note the SMART measures that are in place to aid this.

There have been some challenging performance issues throughout 17/18, namely against the national targets for A&E, mixed sex accommodation, referral to treatment times and cancer screening. The CCG has worked closely with the FT to be assured that there is minimal impact on patient safety, the effectiveness of care or the patients overall experience with regards to these.

The CCG continues to appreciate the open and transparent culture within the FT and the willingness to collaborate with the CCG and the wider community to support quality improvement. Examples of these are the collaborations around pressure ulcers, medicine safety, infection control, mortality reviews and falls. There have been noticeable improvements in data quality within the FT but there is still much work to undertake here and we look forward to supporting the FT with this. This partnership work will enable a population approach to health and social care and the delivery of the Bolton Locality Plan and we further emphasise the need for the FT to support its workforce.

We are pleased with the progress detailed in the Account, acknowledge the challenges that remain but expect our collaborations will be sustained and enable the further delivery of safe, effective and patient focused care throughout the locality.

**Dr Jane Bradford - Clinical Director for Governance and Safety**

**Michael Robinson - Associate Director of Integrated Governance and Policy**

## BOLTON NHS FOUNDATION TRUST - ANNUAL ACCOUNTS 2017/18 FOREWORD TO THE ACCOUNTS

These accounts for the year ended 31 March 2018 have been prepared by Bolton NHS Foundation Trust under Schedule 7, sections 24 and 25, of the National Health Service Act 2006.



Dr Jackie Bene

Chief Executive 24<sup>th</sup> May 2018

**FOREWORD TO THE ACCOUNTS**

**BOLTON NHS FOUNDATION TRUST**

These accounts for the year ended 31 March 2018 have been prepared by Bolton NHS Foundation Trust under Schedule 7, sections 24 and 25, of the National Health Service Act 2006.

Signed .....

J Bene  
Chief Executive

Date 24 May 2018

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018**

		<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
		<b>For the year ended 31 March 2018</b>	For the year ended 31 March 2017	<b>For the year ended 31 March 2018</b>	For the year ended 31 March 2017
	NOTE	<b>£000</b>	£000	<b>£000</b>	£000
Operating income from patient care activities	4	<b>300,302</b>	285,485	<b>300,302</b>	285,485
Other operating income	6	<b>34,425</b>	34,474	<b>34,187</b>	34,558
Operating expenses	8	<b>(326,266)</b>	(318,192)	<b>(325,415)</b>	(318,334)
<b>Operating surplus (deficit)</b>		<b>8,461</b>	1,767	<b>9,074</b>	1,709
<b>Finance costs:</b>					
Finance Income	16	<b>34</b>	28	<b>1,022</b>	28
Finance expense - financial liabilities	17	<b>(803)</b>	(708)	<b>(2,193)</b>	(708)
Public dividend capital dividends payable		<b>(2,065)</b>	(2,059)	<b>(2,065)</b>	(2,059)
<b>NET FINANCE COSTS</b>		<b>(2,834)</b>	(2,739)	<b>(3,236)</b>	(2,739)
 Gains / (Losses) on disposal of assets		<b>(3)</b>	(16)	<b>(3)</b>	(16)
 <b>Surplus/(Deficit) from continuing operations</b>		<b>5,624</b>	(988)	<b>5,835</b>	(988)
 <b>Other comprehensive income</b>					
Impairment		<b>(1,080)</b>	-	<b>(1,080)</b>	(21,836)
Revaluation		<b>4,411</b>	-	<b>4,411</b>	18,211
<b>Total comprehensive income / (expense) for the year</b>		<b>8,955</b>	(988)	<b>9,166</b>	(4,613)

The notes on pages 5 to 47 form part of these accounts.

The Trust's surplus on continuing operations for 2017/18 includes impairments totalling £6,259k. The annual operating expenses figure used by NHSI in its Use of Resources ratio calculation excludes such impairments. Excluding net impairments from the operating position in line with this definition gives an underlying surplus position of £11,883k for the year.

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

		GROUP		FOUNDATION TRUST	
		For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
	NOTE	£000	£000	£000	£000
<b>Non-current assets</b>					
Intangible assets	19	5,882	2,489	5,882	2,489
Property, plant and equipment	20	107,393	99,448	107,353	99,448
Investment in subsidiary	21	-	-	12,229	7
Loans to subsidiary	22	-	-	27,500	-
Trade and other receivables	24	478	486	478	486
<b>Total non-current assets</b>		<b>113,753</b>	<b>102,423</b>	<b>153,442</b>	<b>102,430</b>
<b>Current assets</b>					
Inventories	23	3,059	3,327	2,667	3,327
Trade and other receivables	24	23,351	17,890	23,631	17,880
Cash and cash equivalents	25	8,070	7,025	6,191	6,721
<b>Total current assets</b>		<b>34,480</b>	<b>28,242</b>	<b>32,489</b>	<b>27,928</b>
<b>Current liabilities</b>					
Trade and other payables	26	(28,314)	(28,600)	(26,519)	(28,293)
Borrowings	28	(1,368)	(1,899)	(2,926)	(1,899)
Provisions	30	(1,252)	(1,020)	(1,231)	(1,020)
Other Liabilities	27	(813)	(1,097)	(813)	(1,097)
<b>Total current liabilities</b>		<b>(31,747)</b>	<b>(32,616)</b>	<b>(31,489)</b>	<b>(32,309)</b>
<b>Total assets less current liabilities</b>		<b>116,486</b>	<b>98,049</b>	<b>154,442</b>	<b>98,049</b>
<b>Non-current liabilities</b>					
Borrowings	28	(28,507)	(22,457)	(66,463)	(22,457)
Provisions	30	(474)	(486)	(474)	(486)
<b>Total non-current liabilities</b>		<b>(28,981)</b>	<b>(22,943)</b>	<b>(66,937)</b>	<b>(22,943)</b>
<b>Total assets employed</b>		<b>87,505</b>	<b>75,106</b>	<b>87,505</b>	<b>75,106</b>
<b>Financed by taxpayers' equity:</b>					
Public dividend capital	31	106,736	103,292	106,736	103,292
Revaluation reserve	32	30,933	27,602	30,933	27,602
Income and expenditure reserve		(50,164)	(55,788)	(50,164)	(55,788)
<b>Total Taxpayers' Equity</b>		<b>87,505</b>	<b>75,106</b>	<b>87,505</b>	<b>75,106</b>

The financial statements on pages 1 to 4 were approved by the Board on 24 May 2018 and signed on its behalf by:

Signed: ..... ( Chief Executive)

Date: 24/05/2018

**STATEMENT OF CHANGES IN TAXPAYERS' EQUITY**

	<b>GROUP</b>				<b>FOUNDATION TRUST</b>			
	<b>Public dividend capital (PDC)</b>	<b>Revaluation reserve</b>	<b>Income &amp; Expenditure reserve</b>	<b>Total</b>	<b>Public dividend capital (PDC)</b>	<b>Revaluation reserve</b>	<b>Income &amp; Expenditure reserve</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Taxpayers' and others' equity at 01 April 2017</b>	<b>103,292</b>	<b>27,602</b>	<b>(55,788)</b>	<b>75,106</b>	<b>103,292</b>	<b>27,602</b>	<b>(55,788)</b>	<b>75,106</b>
Surplus/(deficit) for the year	-	-	5,624	5,624	-	-	5,836	5,836
Share of comprehensive income from subsidiary	-	-	-	-	-	-	(212)	(212)
Impairments	-	(1,080)	-	(1,080)	-	(1,080)	-	(1,080)
Revaluations - property, plant and equipment	-	4,411	-	4,411	-	4,411	-	4,411
Public dividend capital received	3,444	-	-	3,444	3,444	-	-	3,444
Transfer to retained earnings on disposal of assets	-	-	-	-	-	-	-	-
<b>Taxpayers' and others' equity at 31 March 2018</b>	<b>106,736</b>	<b>30,933</b>	<b>(50,164)</b>	<b>87,505</b>	<b>106,736</b>	<b>30,933</b>	<b>(50,164)</b>	<b>87,505</b>

	<b>GROUP</b>				<b>FOUNDATION TRUST</b>			
	<b>Public dividend capital (PDC)</b>	<b>Revaluation reserve</b>	<b>Income &amp; Expenditure reserve</b>	<b>Total</b>	<b>Public dividend capital (PDC)</b>	<b>Revaluation reserve</b>	<b>Income &amp; Expenditure reserve</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Taxpayers' and others' equity at 01 April 2016</b>	<b>102,271</b>	<b>31,255</b>	<b>(54,828)</b>	<b>78,698</b>	<b>102,271</b>	<b>31,255</b>	<b>(54,828)</b>	<b>78,698</b>
Surplus/(deficit) for the year	-	-	(988)	(988)	-	-	(988)	(988)
Impairments	-	(21,836)	-	(21,836)	-	(21,836)	-	(21,836)
Revaluations - property, plant and equipment	-	18,211	-	18,211	-	18,211	-	18,211
Public dividend capital received	1,021	-	-	1,021	1,021	-	-	1,021
Transfer to retained earnings on disposal of assets	-	(28)	28	-	-	(28)	28	-
<b>Taxpayers' and others' equity at 31 March 2017</b>	<b>103,292</b>	<b>27,602</b>	<b>(55,788)</b>	<b>75,106</b>	<b>103,292</b>	<b>27,602</b>	<b>(55,788)</b>	<b>75,106</b>



## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	GROUP		FOUNDATION TRUST	
	For the year ended 31 March 2018 £000	For the year ended 31 March 2017 £000	For the year ended 31 March 2018 £000	For the year ended 31 March 2017 £000
<b>Cash flows from operating activities</b>				
Operating surplus/(deficit)	8,461	1,767	9,074	1,767
<b>Non-cash income and expense:</b>				
Depreciation and amortisation	4,638	3,610	4,638	3,610
Net Impairments	6,259	16,565	6,259	16,565
Income recognised in respect of capital donations	(197)	(106)	(197)	(106)
(Increase)/Decrease in trade and other receivables	(5,495)	(9,108)	(5,014)	(9,098)
(Increase)/Decrease in inventories	268	(317)	660	(317)
Increase/(Decrease) in trade and other payables	1,053	1,013	(211)	706
Increase/(Decrease) in other liabilities	(284)	1,097	(284)	1,097
Increase/(Decrease) in provisions	214	358	193	358
Other movements in operating cash flows	-	(7)	(431)	(14)
<b>Net cash generated from / (used in) operations</b>	<b>14,917</b>	<b>14,872</b>	<b>14,687</b>	<b>14,568</b>
<b>Cash flows from investing activities</b>				
Interest received	32	28	1,021	28
Purchase of intangible assets	(2,770)	(1,126)	(2,770)	(1,126)
Purchase of property, plant and equipment	(17,258)	(12,105)	(17,442)	(12,105)
Proceeds from sales of property, plant and	50	-	50	-
<b>Net cash generated from/(used in) investing activities</b>	<b>(19,946)</b>	<b>(13,203)</b>	<b>(19,141)</b>	<b>(13,203)</b>
<b>Cash flows from financing activities</b>				
Public dividend capital received	3,444	1,021	3,444	1,021
Movement in loans from the Department of	6,050	6,590	6,050	6,590
Other capital receipts	-	-	745	-
Capital element of finance lease rental payments	(651)	(661)	(2,157)	(661)
Interest element of finance lease liabilities	(30)	(21)	(1,419)	(21)
Other interest paid	(721)	(610)	(721)	(610)
PDC dividend paid	(2,018)	(2,433)	(2,018)	(2,433)
<b>Net cash generated from/(used in) financing</b>	<b>6,074</b>	<b>3,886</b>	<b>3,924</b>	<b>3,886</b>
<b>Increase/(Decrease) in cash and cash equivalents</b>	<b>1,045</b>	<b>5,555</b>	<b>(530)</b>	<b>5,251</b>
<b>Cash and cash equivalents at 1 April</b>	<b>7,025</b>	<b>1,470</b>	<b>6,721</b>	<b>1,470</b>
<b>Cash and cash equivalents at 31 March</b>	<b>8,070</b>	<b>7,025</b>	<b>6,191</b>	<b>6,721</b>

**NOTES TO THE ACCOUNTS****1 ACCOUNTING POLICIES**

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the Department of Health Group Accounting Manual (GAM) which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the DH Group Accounting Manual 2017/18 issued by the Department of Health. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the DH Group Accounting Manual permits a choice of accounting policy, the accounting policy that is judged to be the most appropriate to the particular circumstances of the NHS Foundation Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

**1.1 Accounting conventions**

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

**1.2 Going concern**

IAS 1 requires management to assess, as part of the accounts preparation process, the foundation trust's ability to continue as a going concern. In the context of non-trading entities in the public sector the anticipated continuation of the provision of a service in the future is normally sufficient evidence of going concern. The financial statements should be prepared on a going concern basis unless there are plans for, or no realistic alternative other than, the dissolution of the (foundation) trust without the transfer of its services to another entity.

The Directors consider the contracts that have been agreed with commissioning bodies as sufficient evidence that the Trust will continue as a going concern for the foreseeable future. These accounts have been prepared on a going concern basis.

**1.3 Acquisitions and discontinued operations**

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

**1.4 Critical accounting judgements and key sources of estimation uncertainty**

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

## **NOTES TO THE ACCOUNTS**

### **1 ACCOUNTING POLICIES (CONTINUED)**

#### **1.5 Critical judgements in applying accounting policies**

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

#### **1.6 Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the Statement of Financial Position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Asset valuation and impairments: the valuation of the Trust's Land and Buildings is subject to significant estimation uncertainty, since it derives from estimates provided by the Trust's external valuers who base their estimates on local market data as well as other calculations to reflect the age and condition of the Trust's estate. In 2014/15, the basis upon which the Modern Equivalent Asset Valuation is assessed by the external valuer was changed from the existing site to an alternate, theoretical site. The impact of the latest valuation is shown in note 20.2.

Incomplete spells (see revenue recognition note at 1.7)

These have been calculated as per previous years. A report is produced to show the number of patients that had been admitted but not discharged by midnight on 31st March 2018. As these patients aren't fully coded at that stage it is not possible to assign the national Healthcare Resource Groups (HRGS) and so an estimate of the anticipated income is made using average costs based on both admitting method (Elective / Non Elective), admitting specialty and the average number of excess bed-days incurred.

#### **Deferred income**

The rules around how the Trust gets paid for delivering maternity changed in 14/15, the Trust now gets paid for each stage of woman's journey in one singular payment at the antenatal, birth and postnatal phase of pregnancy. This means the Trust receives up to 6 months payment in advance and because some of this cost will be borne in the subsequent financial year, the Trust has to defer some of the income received in 17/18 to pay for it. The Trust has used guidance produced by the Department of Health to calculate how much the Trust needs to defer into 18/19. The deferred income at 31 March 2018 for maternity pathway was £1.4m.

#### **1.7 Revenue recognition**

Revenue in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Foundation Trust is contracts with commissioners in respect of healthcare services.

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

## **NOTES TO THE ACCOUNTS**

### **1 ACCOUNTING POLICIES (CONTINUED)**

Under IAS 18, the Foundation Trust is entitled to recognise revenue for partially completed spells of activity at 31 March 2018. As the individual National Tariff price and procedure code is not known for partially completed spells, the Foundation Trust has based its calculation of such income on the average length of stay and the cumulative activity and price of individual specialties.

Revenue 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.

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

#### **1.8 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.

#### **1.9 Pension costs**

##### ***NHS Pension Scheme***

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. 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.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

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 Foundation Trust commits itself to the retirement, regardless of the method of payment.

#### **1.10 Expenditure on other 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.

## NOTES TO THE ACCOUNTS

### 1 ACCOUNTING POLICIES (CONTINUED)

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

Where a large asset, for example a building, includes a number of components with significantly different asset lives 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. The impact of the latest valuation is shown in note 20.2.

Land and buildings are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are undertaken with sufficient regularity to ensure that the carrying amounts are not materially different to those that would be determined at the end of the reporting period.

Equipment assets are carried at fair value, with depreciated historical cost used as a proxy for fair value. The ranges of useful lives used in the Foundation Trust's accounts are set out in note 20.2.

##### **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 economic useful life then the expenditure is charged to operating expenses.

##### **Depreciation**

Freehold land, properties under construction, and assets held for sale are not depreciated. Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

## NOTES TO THE ACCOUNTS

### 1. ACCOUNTING POLICIES (CONTINUED)

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 and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Foundation Trust, respectively.

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

#### Revaluation

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.

#### Impairment

In accordance with the DH GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

#### ***De-recognition***

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

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable i.e.:
- management are committed to a plan to sell the asset;
- an active programme has begun to find a buyer and complete the sale;
- the asset is being actively marketed at a reasonable price;

## NOTES TO THE ACCOUNTS

### 1 ACCOUNTING POLICIES (CONTINUED)

#### *De-recognition continued*

- the sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and
- the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged 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.

#### 1.12 Intangible assets

##### *Recognition*

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Foundation 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 Foundation Trust and where the cost of the asset can be measured reliably.

##### *Internally generated intangible assets*

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Foundation Trust intends to complete the asset and sell or use it;
- the Foundation Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Foundation Trust to complete the development and sell or use the asset; and
- the Foundation Trust can measure reliably the expenses attributable to the asset during development.

##### *Software*

Software which is integral to the operation of hardware, e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, e.g. application software, is capitalised as an intangible asset.

## **NOTES TO THE ACCOUNTS**

### **1 ACCOUNTING POLICIES (CONTINUED)**

#### ***Measurement***

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or 'fair value less costs to sell'.

#### ***Amortisation***

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

#### **1.13 Donated assets**

Donated and grant funded assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

#### **1.14 Leases**

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

#### ***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 commencement of the lease. Thereafter the asset is accounted for as an item of property plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability is de-recognised when the liability is discharged, cancelled or expires.



## NOTES TO THE ACCOUNTS

### 1 ACCOUNTING POLICIES (CONTINUED)

#### ***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.

#### ***The Foundation Trust as lessor***

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

#### **1.15 Inventories**

Inventories are valued at the lower of cost and net realisable value using the weighted average cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

#### **1.16 Cash and cash equivalents**

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

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

#### **1.17 Provisions**

The NHS foundation trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

The HM Treasury discount rate for early retirement and injury benefit provisions is 0.1% for 2017/18 (0.24% 2016/17).

**NOTES TO THE ACCOUNTS****1 ACCOUNTING POLICIES (CONTINUED)****1.18 Clinical negligence costs**

The NHS Litigation Authority (NHS LA) operates a risk pooling scheme under which the NHS Foundation Trust pays an annual contribution to the NHS LA, which in return settles all clinical negligence claims. Although the NHS LA 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 NHS LA on behalf of the NHS Foundation Trust is disclosed at note 30.

**1.19 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 Foundation 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.

**1.20 Contingent liabilities**

Contingent liabilities are not recognised, but are disclosed in Note 33, 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.

**1.21 Financial assets**

Financial assets are recognised on the balance sheet when the Foundation Trust becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are de-recognised when the contractual rights have expired or the asset has been transferred. Financial assets are initially recognised at fair value.

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

***Financial assets at fair value through profit and loss***

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the income statement. The net gain or loss incorporates any interest earned on the financial asset.

## NOTES TO THE ACCOUNTS

### 1 ACCOUNTING POLICIES (CONTINUED)

#### ***Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the balance sheet date, the Foundation Trust assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the statement of comprehensive income and the carrying amount of the asset is reduced directly, or through a provision for impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the income statement to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

The Foundation Trust's loans and receivables comprise: cash and cash equivalents, NHS debtors, accrued income and other debtors. It excludes prepayments, VAT receivable and PDC dividend receivable.

#### **1.22 Financial liabilities**

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

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

Financial liabilities are classified as either financial liabilities 'at fair value through profit and loss' or other financial liabilities.

**NOTES TO THE ACCOUNTS****1 ACCOUNTING POLICIES (CONTINUED)*****Financial liabilities at fair value through profit and loss***

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the income statement. The net gain or loss incorporates any interest earned on the financial asset.

***Other financial liabilities***

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

**1.23 Value Added Tax**

Most of the activities of the 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.

**1.24 Foreign exchange**

The functional and presentational currencies of the Foundation Trust are sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Foundation Trust has assets or liabilities denominated in a foreign currency at the balance sheet date:

- monetary items (other than financial instruments measured at 'fair value through income and expenditure') are translated at the spot exchange rate on 31 March;
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction; and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the balance sheet date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

**1.25 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. Details of third party assets are disclosed in Note 25 to the accounts.

## **NOTES TO THE ACCOUNTS**

### **1 ACCOUNTING POLICIES (CONTINUED)**

#### **1.26 Public dividend capital (PDC) and PDC dividend**

Public dividend capital is a type of public sector equity finance, which represents the Department of Health and Social Care's investment in the trust. HM Treasury has determined that, being issued under statutory authority rather than under contract, PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

An annual charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health and Social Care as PDC dividend. The charge is calculated at the real rate set by the Secretary of State with the consent of HM Treasury (currently 3.5%) on the average relevant net assets of the trust. Relevant net assets are calculated as the value of all assets less all liabilities, except for:

- donated assets (including lottery funded assets)
- average daily cash balances held with the Government Banking Service (GBS) and National Loans Fund (NLF) deposits (excluding cash balances held in GBS accounts that relate to a short term working capital facility)
- any PDC dividend balance receivable or payable

The average relevant net assets is calculated as a simple average of opening and closing relevant net assets.

In accordance with the requirements laid down by the Department of Health and Social Care, 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. The PDC dividend calculation is based upon the trust's group accounts (i.e. including subsidiaries), but excluding consolidated charitable funds.

#### **1.27 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 each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the Income and Expenditure Account on an accruals basis, including losses which would have been made good through insurance cover had NHS Foundation Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

**NOTES TO THE ACCOUNTS**

**1 ACCOUNTING POLICIES (CONTINUED)**

**1.28 Accounting standards**

No new accounting standards or revisions to existing standards have been adopted early in 2017/18

**1.29 Corporation tax**

iFM Bolton Limited is a wholly owned subsidiary of Bolton NHS Foundation Trust and is subject to corporation tax on its profits.

**1.30 Transfers of functions from other NHS bodies**

For functions that have been transferred to the trust from another NHS/local government body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain corresponding to the net assets transferred is recognised within income, but not within operating activities.

For property, plant and equipment assets and intangible assets, the Cost and Accumulated Depreciation / Amortisation balances from the transferring entity's accounts are preserved on recognition in the trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

**1.31 Accounting standards that have been issued but have not yet been adopted**

The DH GAM does not require the following Standards and Interpretations to be applied in 2017/18. These standards are still subject to HM Treasury FReM adoption, with IFRS 9 and IFRS 15 being for implementation in 2018/19, and the government implementation date for IFRS 16 still subject to HM Treasury consideration

IFRS 9 Financial Instruments – Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted

IFRS 15 Revenue from Contracts with Customers — Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted

IFRS 16 Leases – Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted.

IFRS 17 Insurance Contracts – Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted

IFRIC 22 Foreign Currency Transactions and Advance Consideration – Application required for accounting periods beginning on or after 1 January 2018.

IFRIC 23 Uncertainty over Income Tax Treatments – Application required for accounting periods beginning on or after 1 January 2019.

**NOTES TO THE ACCOUNTS**

**1 ACCOUNTING POLICIES (CONTINUED)**

**1.32 Consolidation**

iFM Bolton Limited is a wholly owned subsidiary of the NHS Foundation Trust. Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines.

IFM Bolton's year end is the 31 March 2018 but the latest accounts are for a 16 month period, so in order to derive the group results for the 12 months to 31 March 2018 the management accounts of IFM Bolton have been used for the consolidation. The accounting periods will not be aligned until the 2018/19 accounting period.

Where subsidiaries' accounting policies are not aligned with those of the Trust (including where they report under UK GAAP) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

**1.33 Subsidiaries**

Entities over which the Foundation Trust has the power to exercise control are classified as subsidiaries and are consolidated. The Foundation Trust has control when it has the ability to affect the variable returns from the other entity through its power to direct relevant activities. The income, expenses, assets, liabilities, equity and reserves of the subsidiary are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to non-controlling interests are included as a separate item in the Statement of Financial Position. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the Foundation Trust or where the subsidiary's accounting date is not coterminous.

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

On the 30th March 2017 Bolton NHS Foundation Trust Board approved the transfer of Estates, Facilities and Procurement to iFM Bolton Ltd to provide an operating healthcare facility from 1 April 2017.

On the 31st March 2017 the Trust and iFM Bolton signed the following documents:

- Estates Management Agreement
- Asset Transfer Agreement for the transfer of assets relating to the Operated Healthcare Facility of Bolton NHS Foundation Trust

The above transactions occurred on 1 April 2017.

The value of the transfer was £41.4m and has been financed by the Trust with a loan for £29.0m and share capital of £12.4m.

These transactions have been reflected in the 2017/18 accounts and have had no impact on the net asset or net liabilities of the group.

## NOTES TO THE ACCOUNTS

## 2 OPERATING SEGMENTS

All activity for Bolton NHS Foundation Trust is healthcare related. As the operating segments have similar characteristics there is no requirement to report segmentally.

Whilst the Foundation Trust has a divisional structure in place the services that are provided are essentially all the same (patient care) and the majority of risks faced by each division are fundamentally the same.

## 3 INCOME GENERATION ACTIVITIES

The Trust undertakes income generation activities with an aim of achieving profit. The total income generation for the year ended 31 March 2018 was £62k. (£68k for the year ended 31 March 2017) This is included within other income.

## 4 OPERATING INCOME FROM PATIENT CARE ACTIVITIES

## 4.1 Revenue from patient care activities - by nature

	GROUP		FOUNDATION TRUST	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
<b>Acute services</b>				
Elective income	32,489	32,449	32,489	32,449
Non elective income	80,576	77,232	80,576	77,232
First outpatient income	17,558	16,478	17,558	16,478
Follow up outpatient income	16,684	16,213	16,684	16,213
A&E income	13,473	13,012	13,473	13,012
High cost drugs income from commissioners (excluding pass-through costs)	11,810	14,647	11,810	14,647
Other NHS clinical income*	82,083	70,652	82,083	70,652
<b>Community services</b>				
Income from CCGs and NHS England	31,208	31,558	31,208	31,558
Income from other sources (e.g. local authorities)	10,757	11,610	10,757	11,610
<b>All Trusts</b>				
Private patient income	33	84	33	84
Other clinical income	3,631	1,550	3,631	1,550
<b>Total income from activities</b>	<b>300,302</b>	<b>285,485</b>	<b>300,302</b>	<b>285,485</b>

\* the increase in other NHS clinical income is due to additional transformation funds received in 2017/18 and a reclassification of drugs income. Other NHS clinical income includes adult & neonatal critical care, maternity ante & postnatal pathways, acute therapy services, NHS sexual health services, pass-through devices, integration funding, cancer services and transformation funding



**NOTES TO THE ACCOUNTS**

**4.2 Revenue from patient care activities - by source**

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Income from patient care activities received from:				
NHS England	<b>24,507</b>	27,756	<b>24,507</b>	27,756
Clinical commissioning groups	<b>261,917</b>	243,284	<b>261,917</b>	243,284
NHS Foundation Trusts	<b>554</b>	216	<b>554</b>	216
NHS Trusts	<b>66</b>	117	<b>66</b>	117
Local Authorities	<b>11,311</b>	12,082	<b>11,311</b>	12,082
NHS Other	<b>220</b>	397	<b>220</b>	397
Non NHS: private patients	<b>33</b>	84	<b>33</b>	84
Non NHS: overseas patients (chargeable to patient)				
	<b>167</b>	140	<b>167</b>	140
Injury cost recovery scheme	<b>1,088</b>	1,220	<b>1,088</b>	1,220
Non NHS: other	<b>439</b>	189	<b>439</b>	189
	<b>300,302</b>	<b>285,485</b>	<b>300,302</b>	<b>285,485</b>

\*\* Injury cost recovery income is subject to a provision for impairment of receivables of 18.9% to reflect expected rates of collection. The impairment % has been calculated by the Trust based on previous experience.

**4.3 COMMISSIONER AND NON COMMISSIONER REQUESTED INCOME**

Under the terms of its provider license, the trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider license and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>
Commissioner requested income	<b>286,424</b>	271,040
Non -commissioner requested income	<b>13,878</b>	14,445
<b>Total income from activities</b>	<b>300,302</b>	<b>285,485</b>

**NOTES TO THE ACCOUNTS**

**5 OVERSEAS VISITOR INCOME - GROUP AND FOUNDATION TRUST**

	<b>2017/18</b>	2016/17
	<b>£000</b>	£000
Income recognised this year	<b>167</b>	140
Cash payments received in-year	<b>77</b>	63
Amounts added to provision for impairment of receivables	<b>17</b>	67
Amounts written off in-year	<b>150</b>	37

**6 OTHER OPERATING REVENUE**

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	2016/17	<b>2017/18</b>	2016/17
	<b>£000</b>	£000	<b>£000</b>	£000
Research and development	<b>510</b>	491	<b>513</b>	491
Education and training	<b>10,054</b>	10,065	<b>10,053</b>	10,065
Received of capital donations	<b>197</b>	106	<b>197</b>	106
Non-patient care services to other bodies	<b>4,047</b>	4,478	<b>4,830</b>	4,478
Sustainability and Transformation Fund income	<b>9,525</b>	11,732	<b>9,525</b>	11,732
Rental revenue from operating leases	<b>193</b>	186	<b>180</b>	186
Income in respect of staff costs where accounted on gross basis	<b>2,867</b>	2,865	<b>2,966</b>	2,865
Investment income	-	-	-	7
Other revenue	<b>7,032</b>	4,551	<b>5,923</b>	4,628
	<b>34,425</b>	34,474	<b>34,187</b>	34,558

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	2016/17	<b>2017/18</b>	2016/17
	<b>£000</b>	£000	<b>£000</b>	£000
<b>Other within "Other Operating Revenue"</b>				
Car parking	<b>1,445</b>	1,482	<b>1,445</b>	1,482
Catering	<b>616</b>	916	<b>2</b>	916
Pharmacy sales	<b>147</b>	176	<b>147</b>	176
Property rentals	<b>171</b>	14	<b>65</b>	14
Staff accommodation rentals	<b>32</b>	46	<b>32</b>	46
Estates recharges	<b>116</b>	687	<b>10</b>	687
IT recharges	-	33	<b>0</b>	33
Staff contributions to employee benefit schemes	<b>24</b>	23	<b>24</b>	23
Clinical tests	<b>219</b>	-	<b>219</b>	-
Clinical excellence awards	<b>444</b>	421	<b>444</b>	421
Other income generation schemes	<b>20</b>	-	<b>14</b>	-
Other income not already covered	<b>3,798</b>	753	<b>3,521</b>	830
Total	<b>7,032</b>	<b>4,551</b>	<b>5,923</b>	<b>4,628</b>

**7 REVENUE**

Revenue is almost totally from the supply of services. Revenue from the sale of goods is immaterial.

## NOTES TO THE ACCOUNTS

## 8 OPERATING EXPENDITURE

	GROUP		FOUNDATION TRUST	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
Purchase of healthcare from NHS and DHSC bodies	3,524	3,126	3,524	3,126
Purchase of healthcare from non-NHS and non-DHSC bodies	614	694	614	694
Staff and executive directors costs	227,390	214,215	216,716	213,332
Remuneration of non-executive directors	170	150	153	147
Supplies and services - clinical (excluding drug costs)	20,544	20,920	19,654	20,920
Supplies and services - general	4,676	7,335	1,423	7,213
Drugs costs (drugs inventory consumed and purchase of non-inventory drugs)	23,997	21,435	23,997	21,435
Inventories written down	115	39	115	39
Consultancy costs	196	458	155	458
Establishment	2,140	2,082	1,289	2,081
Premises - business rates payable to local authorities	1,234	1,149	1,234	1,149
Premises - other	15,808	13,578	31,502	14,756
Transport (business travel only)	895	858	1,001	836
Transport - other (including patient travel)	271	219	29	237
Depreciation on property, plant and equipment	3,979	3,236	3,979	3,236
Amortisation on intangible assets	659	374	659	374
Net impairments of property, plant and equipment	6,259	16,565	6,259	16,565
Increase/(decrease) in provision for impairment of receivables	-	251	0	251
Change in provisions discount rate	7	57	7	57
Audit fees	-	-	-	-
audit services - statutory audit	71	98	60	98
other auditor remuneration (external auditor only)	11	83	11	83
Internal audit costs - (not included in employee expenses)	135	172	125	172
Clinical negligence premium	11,094	7,998	11,094	7,998
Legal fees	124	99	76	99
Insurance	221	140	136	119
Education and training - non-staff	838	595	797	595
Rentals under operating leases	302	292	146	292
Redundancy	-	28	0	28
Other losses and special payments - staff costs	35	-	35	-
Other losses and special payments - non-staff	312	173	306	173
Other	645	1,773	319	1,771
	<b>326,266</b>	<b>318,192</b>	<b>325,415</b>	<b>318,334</b>

**NOTES TO THE ACCOUNTS**

**9 OTHER AUDITOR REMUNERATION**

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	2016/17	<b>2017/18</b>	2016/17
	<b>£000</b>	£000	<b>£000</b>	£000
The auditing of accounts of any associate of the Trust		-		-
Audit-related assurance services	<b>11</b>	11	<b>11</b>	11
Taxation compliance services		56		56
All other taxation advisory services		9		9
All other non-audit services		7		7
<b>Total other auditor remuneration</b>	<b>11</b>	<b>83</b>	<b>11</b>	<b>83</b>

**10 LIMITATION ON AUDITORS' - GROUP AND FOUNDATION TRUST**

The limitation on auditors' liability is £1,000,000, KPMG that provides for limitation of the auditors' liability. KPMG completed the review of the Trusts quality accounts, this is treated as a non-audit service.

**11 IMPAIRMENT OF ASSETS - GROUP AND FOUNDATION TRUST**

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	2016/17	<b>2017/18</b>	2016/17
	<b>£000</b>	£000	<b>£000</b>	£000
<b>Net impairments charged to operating surplus / deficit resulting from:</b>				
Changes in market price	<b>6,259</b>	16,565	<b>6,259</b>	16,565
<b>Total net impairments charged to operating surplus</b>	<b>6,259</b>	16,565	<b>6,259</b>	16,565
Impairments charged to the revaluation reserve	<b>1,080</b>	21,836	<b>1,080</b>	21,836
<b>Total net impairments</b>	<b>7,339</b>	<b>38,401</b>	<b>7,339</b>	<b>38,401</b>

**12 EMPLOYEE COSTS**

**12.1 Employee expenses**

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	2016/17	<b>2017/18</b>	2016/17
	<b>Total</b>	Total	<b>Total</b>	Total
	<b>£000</b>	£000	<b>£000</b>	£000
Salaries and wages	<b>180,932</b>	170,738	170,980	169,894
Social Security costs	<b>16,912</b>	15,820	16,194	15,781
Apprenticeship levy	<b>835</b>		801	
Pension costs - defined contribution plans	<b>20,126</b>	19,158	19,458	19,158
Employer's contributions to NHS Pensions				
Termination benefits	<b>35</b>	129	35	129
Agency/contract staff	<b>10,274</b>	8,398	9,614	8,398
<b>Total gross staff costs</b>	<b>229,114</b>	<b>214,243</b>	<b>217,082</b>	<b>213,360</b>
<b>Of which</b>				
Costs capitalised as part of assets	<b>1,689</b>	585	<b>331</b>	<b>585</b>

## NOTES TO THE ACCOUNTS

## 12 EMPLOYEE COSTS (CONTINUED)

	GROUP		FOUNDATION TRUST	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
<b>Analysed as</b>				
Employee expense - Executive directors	1,043	1,150	1,043	1,125
Employee expense - Staff costs	228,071	213,065	216,039	212,207
Redundancy	-	28	-	28
<b>Total gross staff costs is comprised of:</b>	<b>229,114</b>	<b>214,243</b>	<b>217,082</b>	<b>213,360</b>

## 12.2 Directors' remuneration

	GROUP		FOUNDATION TRUST	
	2017/18	2016/17	2017/18	2016/17
	£'000	£'000	£'000	£'000
Directors' remuneration	1,196	1,300	1,196	1,297
Employer contribution to a pension scheme in respect of directors	110	121	110	121

	GROUP		FOUNDATION TRUST	
	2017/18	2016/17	2017/18	2016/17
	Number	Number	Number	Number
The total number of directors to whom benefits are accruing under defined benefit schemes	8	9	8	6

Further details on directors' remuneration can be found in the remuneration report.

## 12.3 Key management remuneration

Key management is defined as the executive and non-executive directors of the Foundation Trust. Further details of their remuneration can be found in the 2017/18 remuneration report published as part of the Foundation Trust's annual report.

## 13 RETIREMENTS DUE TO ILL-HEALTH

During 2017/18 there were 2 (2016/17, 10) early retirements from the NHS Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £68,120 (2016/17: £496,561). The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

**NOTES TO THE ACCOUNTS**

**14 PENSION COSTS**

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

**a) Accounting valuation**

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2018, is based on valuation data as 31 March 2017, updated to 31 March 2018 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 report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

**b) Full actuarial (funding) valuation**

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

**NOTES TO THE ACCOUNTS**

**14 PENSION COSTS CONTINUED**

The next actuarial valuation is to be carried out as at 31 March 2016 and is currently being prepared. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

**15 OPERATING LEASES**

**15.1 As lessee**

This note discloses costs and commitments incurred in operating lease arrangements where Bolton NHS Foundation Trust FT is the lessee.

Operating lease payments include £126 for leased vehicles and £176k for equipment leases.

The contracts for equipment leases are taken out for between 5 and 10 years, whilst vehicle leases are taken out for 3 years.

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
<b>Payments recognised as an expense</b>	<b>2017/18</b>	2016/17	<b>2017/18</b>	2016/17
	<b>£000</b>	£000	<b>£000</b>	£000
Minimum lease payments	<b>302</b>	292	<b>146</b>	292
	<b>302</b>	<b>292</b>	<b>146</b>	292
<b>Future minimum lease payments due:</b>	<b>2017/18</b>	2016/17	<b>2017/18</b>	2016/17
	<b>£000</b>	£000	<b>£000</b>	£000
<b>Other</b>				
- not later than one year	<b>143</b>	155	<b>49</b>	155
- later than one year and not later than five years	<b>141</b>	181	<b>5</b>	181
- later than five years	-	23	-	23
<b>Total</b>	<b>284</b>	359	<b>54</b>	359

**15.2 As lessor**

This note discloses income generated in operating lease agreements where Bolton NHS Foundation Trust is the lessor.

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
<b>Rental revenue</b>	<b>2017/18</b>	2016/17	<b>2017/18</b>	2016/17
	<b>£000</b>	£000	<b>£000</b>	£000
Contingent rent	<b>193</b>	186	<b>47</b>	186
<b>Total rental revenue</b>	<b>193</b>	186	<b>47</b>	186

**NOTES TO THE ACCOUNTS**

**15.2 OPERATING LEASES AS LESSOR (CONTINUED)**

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Total future minimum lease payments receivable</b>				
<b>Buildings</b>				
- not later than one year	<b>50</b>	47	<b>50</b>	53
- later than one year and not later than five years	<b>2</b>	2	<b>2</b>	106
	<b>52</b>	49	<b>52</b>	159
<b>Total</b>			<b>52</b>	159

The £193k received in rental revenue includes rentals received from WRVS for the use of rooms within the hospital for providing shops; rentals from High Meadows Nursery and rentals from Elior.

**16 FINANCE INCOME**

Finance income represents interest received on assets and investments in the period.

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Interest on bank accounts	<b>34</b>	28	<b>34</b>	28
Other	-	-	<b>988</b>	-
<b>Total</b>	<b>34</b>	28	<b>1,022</b>	28

**17 FINANCE EXPENSES**

Finance expenditure represents interest and other charges involved in the borrowing of money.

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Capital loans from the Department of Health	<b>767</b>	624	<b>767</b>	624
Finance leases	<b>30</b>	21	<b>1,420</b>	21
Unwinding of discount on provisions	<b>6</b>		<b>6</b>	-
Other	-	57	-	57
<b>Total interest expense</b>	<b>803</b>	702	<b>2,193</b>	702

**18 GAINS AND LOSSES**

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Loss on disposal of property, plant and equipment	<b>(3)</b>	(16)	<b>(3)</b>	(16)



NOTES TO THE ACCOUNTS

19 INTANGIBLE ASSETS - GROUP AND FOUNDATION TRUST

	Total	Software Licences	Assets under Construction
	£000	£000	£000
<b>2017/18:</b>			
Gross cost at 1 April 2017	4,721	4,721	-
Additions purchased	4,052	605	3,447
Additions - donations of physical assets (non-cash)	-	-	-
Reclassifications	-	-	-
<b>Gross cost at 31 March 2018</b>	<b>8,773</b>	<b>5,326</b>	<b>3,447</b>
Amortisation at 1 April 2017	2,232	2,232	-
Provided during the year	659	659	-
<b>Amortisation at 31 March 2018</b>	<b>2,891</b>	<b>2,891</b>	<b>-</b>
<b>Net book value at 31 March 2018</b>	<b>5,882</b>	<b>2,435</b>	<b>3,447</b>
<b>Prior year:</b>			
<b>2016/17:</b>			
	£000	£000	£000
Gross cost at 1 April 2016	3,148	3,148	-
Additions purchased	797	797	-
Additions - donations of physical assets (non-cash)	6	6	-
Disposals	770	770	-
<b>Gross cost at 31 March 2017</b>	<b>4,721</b>	<b>4,721</b>	<b>-</b>
Amortisation at 1 April 2016	1,858	1,858	-
Provided during the year	374	374	-
<b>Amortisation at 31 March 2017</b>	<b>2,232</b>	<b>2,232</b>	<b>-</b>
<b>Net book value at 31 March 2017</b>	<b>2,489</b>	<b>2,489</b>	<b>-</b>

## NOTES TO THE ACCOUNTS

## 20.1 PROPERTY, PLANT AND EQUIPMENT - GROUP

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
2017/18:	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2017	9,162	167,524	1,579	4,621	25,766	129	11,023	423	220,227
Additions purchased	-	4,816	-	7,158	1,762	-	855	-	14,591
Additions leased	-	-	-	-	117	-	-	-	117
Additions donated	-	-	-	8	150	-	39	-	197
Impairments charged to the revaluation reserve	-	(1,079)	(1)	-	-	-	-	-	(1,080)
Revaluation	(6,111)	(94,817)	(752)	-	-	-	-	-	(101,680)
Reclassifications	-	4,013	-	(4,154)	85	-	56	-	-
Disposals	-	-	-	-	(473)	-	-	-	(473)
<b>At 31 March 2018</b>	<b>3,051</b>	<b>80,457</b>	<b>826</b>	<b>7,633</b>	<b>27,407</b>	<b>129</b>	<b>11,973</b>	<b>423</b>	<b>131,899</b>
Depreciation at 1 April 2017	6,111	91,437	759	-	16,274	122	5,695	381	120,779
Disposals	-	-	-	-	(420)	-	-	-	(420)
Impairments charged to operating expenses	-	6,259	-	-	-	-	-	-	6,259
Revaluations	(6,111)	(99,206)	(774)	-	-	-	-	-	(106,091)
Provided during the year	-	1,510	15	-	1,627	1	806	20	3,979
<b>Depreciation at 31 March 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,481</b>	<b>123</b>	<b>6,501</b>	<b>401</b>	<b>24,506</b>
<b>Net book value</b>									
NBV - Owned at 31 March 2018	3,051	79,693	826	7,633	6,826	6	5,428	20	103,483
NBV - Finance lease at 31 March 2018	-	-	-	-	2,448	-	-	-	2,448
NBV - Donated at 31 March 2018	-	764	-	-	652	-	44	2	1,462
<b>Total at 31 March 2018</b>	<b>3,051</b>	<b>80,457</b>	<b>826</b>	<b>7,633</b>	<b>9,926</b>	<b>6</b>	<b>5,472</b>	<b>22</b>	<b>107,393</b>
<b>Net book value</b>									
NBV - Owned at 31 March 2017	3,051	75,309	820	4,621	5,988	7	5,322	40	95,158
NBV - Finance lease at 31 March 2017	-	-	-	-	2,916	-	-	-	2,916
NBV - Donated at 31 March 2017	-	778	-	-	588	-	6	2	1,374
<b>Total at 31 March 2017</b>	<b>3,051</b>	<b>76,087</b>	<b>820</b>	<b>4,621</b>	<b>9,492</b>	<b>7</b>	<b>5,328</b>	<b>42</b>	<b>99,448</b>

## NOTES TO THE ACCOUNTS

**20.2 PROPERTY, PLANT AND EQUIPMENT - GROUP AND FOUNDATION TRUST (CONTINUED)**

Assets totalling £199k have been donated by Bolton NHS Charitable Fund. These are:

	<b>£'000</b>
Echo Machine	98
Dual docking station for cardiac services	39
Finapress Nova monitoring system	29
Bladder scanner	8
Hit strap compressor and adaptor	7
Page writer TC70 Cardiograph	6
A purpose built mammography chair	5
Patient Hoist	5

Assets are depreciated evenly over the estimated life given in the table below:

	<b>Life (Years)</b>
Software Licences	<b>2 - 5</b>
Buildings excluding dwellings	<b>2 - 88</b>
Dwellings	<b>53 - 63</b>
Plant & Machinery	<b>7 - 16</b>
Transport Equipment	<b>10 - 15</b>
Information Technology	<b>8</b>
Furniture and Fittings	<b>12-12</b>

At 31 March 2018 no land, buildings or dwellings were valued at open market value.

The date of the latest revaluation of land and buildings was 31 March 2018. The valuation was carried out by Cushman and Wakefield, a RICS registered individual. The valuation was completed using a "modern equivalent assets - alternate site" basis on the grounds that this was a more appropriate method of calculation. The decision to use this basis for the first time was approved by the Audit Committee on behalf of the Board in February 2015.

From 1 April 2016, the valuation of the Trust's Buildings assets has been completed net of VAT. This assumes that any reconstruction of property assets with equivalent service potential to the existing estate would be procured through a special purpose vehicle, namely Integrated Facilities Management (IFM) Bolton Ltd, in a way that would allow VAT to be recovered in full

The overall effect of the revaluation was a decrease in the value of Land and Buildings of £2,928k. This is shown in the accounts as detailed below

Impairment charged to SOCIE	(6,259)	note 8
Impairment charged to revaluation reserve	(1,080)	note 32
Revaluation charged to revaluation reserve	<u>4,411</u>	note 32
Total decrease in value of land and buildings	<u>(2,928)</u>	

**NOTES TO THE ACCOUNTS**

**20.3 PROPERTY, PLANT AND EQUIPMENT - FOUNDATION TRUST**

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>2017/18:</b>									
Cost or valuation at 1 April 2017	9,162	167,524	1,579	4,621	25,766	129	11,023	423	220,227
Additions purchased	-	4,816	-	7,158	1,752	-	825	-	14,551
Additions leased	-	-	-	-	117	-	-	-	117
Additions donated	-	-	-	-	-	-	-	-	-
Impairments charged to the revaluation reserve	-	(1,079)	(1)	-	-	-	-	-	(1,080)
Revaluation	-	4,389	22	-	-	-	-	-	4,411
Reclassifications	-	4,013	-	(4,154)	85	-	56	-	-
Disposals	-	-	-	-	(473)	-	-	-	(473)
<b>At 31 March 2018</b>	<b>9,162</b>	<b>179,663</b>	<b>1,600</b>	<b>7,625</b>	<b>27,247</b>	<b>129</b>	<b>11,904</b>	<b>423</b>	<b>237,753</b>
Depreciation at 1 April 2017	6,111	91,437	759	-	16,274	122	5,695	381	120,779
Disposals	-	-	-	-	(420)	-	-	-	(420)
Impairments charged to operating expenses	-	6,259	-	-	-	-	-	-	6,259
Provided during the year	-	1,510	15	-	1,627	1	806	20	3,979
<b>Depreciation at 31 March 2018</b>	<b>6,111</b>	<b>99,206</b>	<b>774</b>	<b>-</b>	<b>17,481</b>	<b>123</b>	<b>6,501</b>	<b>401</b>	<b>130,597</b>
<b>Net book value</b>									
NBV - Owned at 31 March 2018	3,051	79,693	826	7,633	6,816	6	5,398	20	103,443
NBV - Finance lease at 31 March 2018	-	-	-	-	2,448	-	-	-	2,448
NBV - Donated at 31 March 2018	-	764	-	-	652	-	44	2	1,462
<b>Total at 31 March 2018</b>	<b>3,051</b>	<b>80,457</b>	<b>826</b>	<b>7,633</b>	<b>9,916</b>	<b>6</b>	<b>5,442</b>	<b>22</b>	<b>107,353</b>
<b>Net book value</b>									
NBV - Owned at 31 March 2017	3,051	75,309	820	4,621	5,988	7	5,322	40	95,158
NBV - Finance lease at 31 March 2017	-	-	-	-	2,916	-	-	-	2,916
NBV - Donated at 31 March 2017	-	778	-	-	588	-	6	2	1,374
<b>Total at 31 March 2017</b>	<b>3,051</b>	<b>76,087</b>	<b>820</b>	<b>4,621</b>	<b>9,492</b>	<b>7</b>	<b>5,328</b>	<b>42</b>	<b>99,448</b>

**NOTES TO THE ACCOUNTS**

**20.4 PROPERTY, PLANT AND EQUIPMENT - GROUP AND FOUNDATION TRUST**

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
<b>2016/17:</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Cost or valuation at 1 April 2016	8,618	162,811	1,192	5,077	25,647	138	8,582	423	212,488
Additions purchased	-	6,103	596	4,464	1,251	-	1,215	-	13,629
Additions leased	-	-	-	-	1,730	-	-	-	1,730
Additions donated	-	22	-	(16)	94	-	-	-	100
Impairments charged to the revaluation reserve	(7)	(21,171)	(658)	-	-	-	-	-	(21,836)
Revaluation	551	17,211	449	-	-	-	-	-	18,211
Reclassifications	-	2,548	-	(4,904)	360	-	1,226	-	(770)
Disposals	-	-	-	-	(3,316)	(9)	-	-	(3,325)
<b>At 31 March 2017</b>	<b>9,162</b>	<b>167,524</b>	<b>1,579</b>	<b>4,621</b>	<b>25,766</b>	<b>129</b>	<b>11,023</b>	<b>423</b>	<b>220,227</b>
Depreciation at 1 April 2016	5,928	73,986	331	-	18,358	130	5,193	361	104,287
Disposals	-	-	-	-	(3,300)	(9)	-	-	(3,309)
Impairments charged to operating expenses	183	15,968	414	-	-	-	-	-	16,565
Provided during the year	-	1,483	14	-	1,216	1	502	20	3,236
<b>Depreciation at 31 March 2017</b>	<b>6,111</b>	<b>91,437</b>	<b>759</b>	<b>-</b>	<b>16,274</b>	<b>122</b>	<b>5,695</b>	<b>381</b>	<b>120,779</b>
<b>Net book value</b>									
NBV - Owned at 31 March 2017	3,051	75,309	820	4,621	5,988	7	5,322	40	95,158
NBV - Finance lease at 31 March 2017	-	-	-	-	2,916	-	-	-	2,916
NBV - Donated at 31 March 2017	-	778	-	-	588	-	6	2	1,374
<b>Total at 31 March 2017</b>	<b>3,051</b>	<b>76,087</b>	<b>820</b>	<b>4,621</b>	<b>9,492</b>	<b>7</b>	<b>5,328</b>	<b>42</b>	<b>99,448</b>

**NOTES TO THE ACCOUNTS**

**21 INVESTMENT IN SUBSIDIARY**

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Carrying value at 1 April	-	-	7	-
Shares in subsidiary undertaking	-	-	12,435	-
Share of subsidiary profit / (loss)	-	-	(213)	7
Carrying value at 31 March	<u>-</u>	<u>-</u>	<u>12,229</u>	<u>7</u>

The shares in the subsidiary company IFM Bolton Limited comprises a 100% holding in the share capital

**22 LOANS TO SUBSIDIARY**

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Loans to subsidiary undertakings < 1 year	-	-	771	-
Loans to subsidiary undertakings > 1 year	-	-	27,500	-
	<u>-</u>	<u>-</u>	<u>28,271</u>	<u>-</u>

**23 INVENTORIES**

**23.1 Carrying value at 31 March**

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Drugs	991	1,074	916	1,074
Consumables	1,761	1,765	1,751	1,765
Energy	39	47	-	47
Other	268	441	-	441
<b>Total</b>	<u>3,059</u>	<u>3,327</u>	<u>2,667</u>	<u>3,327</u>
of which held at net realisable value:	<u>3,059</u>	<u>3,327</u>	<u>2,667</u>	<u>3,327</u>

The Foundation Trust does not have any non-current inventories.

**23.2 Inventories recognised in expenses**

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Drug inventories consumed	14,848	14,311	14,848	14,311
Supplies and services clinical consumed	7,602	6,516	7,373	6,516
Supplies and services non clinical consumed	1,589	1,471	344	1,471
<b>TOTAL Inventories recognised in expenses</b>	<u>24,039</u>	<u>22,298</u>	<u>22,565</u>	<u>22,298</u>
Write-down of inventories recognised as an expense	<u>(115)</u>	<u>39</u>	<u>(115)</u>	<u>39</u>

## NOTES TO THE ACCOUNTS

## 24 TRADE AND OTHER RECEIVABLES

## 24.1 Trade and other receivables

	GROUP		FOUNDATION TRUST	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
<b>Current</b>				
Trade receivables	8,182	3,663	7,924	3,663
Accrued income	9,703	7,823	9,676	7,823
Provision for the impairment of receivables	(535)	(626)	(529)	(626)
Prepayments - other	4,650	3,344	4,438	3,278
Interest receivable	5		5	-
PDC dividend receivable	408	455	408	455
VAT receivable	920	330	920	386
Loan repayments from IFM Bolton Ltd	-		771	-
Other receivables	18	2,901	18	2,901
<b>Total current trade and other receivables</b>	<b>23,351</b>	<b>17,890</b>	<b>23,631</b>	<b>17,880</b>
<b>Non-current</b>				
Provision for the impairment of receivables	(108)	(112)	(108)	(112)
Other receivables	586	598	586	598
<b>Total non-current trade and other receivables</b>	<b>478</b>	<b>486</b>	<b>478</b>	<b>486</b>

## 24.2 Ageing of non-impaired receivables past their due date

	GROUP		FOUNDATION TRUST	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
0-30 days	3,157	2,683	3,125	2,683
30-60 days	1,951	721	1,902	721
60-90 days	370	252	348	252
90-180 days	587	589	440	589
180-360 days	1,387	1,004	1,380	1,004
	<b>7,452</b>	<b>5,249</b>	<b>7,195</b>	<b>5,249</b>

## NOTES TO THE ACCOUNTS

## 24 TRADE AND OTHER RECEIVABLES (CONTINUED)

## 24.3 Provision for impairing of receivables

	GROUP		FOUNDATION TRUST	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
<b>Balance at 1 April</b>				
Increase in provision	<b>738</b>	487	<b>738</b>	487
Amounts utilised	<b>(95)</b>	251	<b>(101)</b>	251
Unused amounts reversed	-	-	-	-
<b>Balance at 31 March</b>	-	-	-	-
	<b>643</b>	<b>738</b>	<b>637</b>	<b>738</b>

Receivables impaired during the period relate to the:

- movement in the provision for bad debt on the injury cost recovery scheme.
- movement in the provision for bad debt on trade receivables.

## 24.4 Ageing of impaired receivables - Group and Foundation Trust

	GROUP		FOUNDATION TRUST	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
0-30 days	-	-	-	0
30-60 days	<b>40</b>	13	<b>44</b>	13
60-90 days	<b>34</b>	36	<b>38</b>	36
90-180 days	<b>166</b>	166	<b>139</b>	166
Over 180 days	<b>403</b>	523	<b>416</b>	523
<b>Total</b>	<b>643</b>	<b>738</b>	<b>637</b>	<b>738</b>



**NOTES TO THE ACCOUNTS**

**25 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	2016/17	<b>2017/18</b>	2016/17
	<b>£000</b>	£000	<b>£000</b>	£000
Balance at 1 April	<b>7,025</b>	1,470	<b>6,721</b>	1,470
Net change in year	<b>1,045</b>	5,555	<b>(530)</b>	5,251
<b>Balance at 31 March</b>	<b>8,070</b>	7,025	<b>6,191</b>	6,721
<b>Made up of</b>				
Cash with the Government Banking Service	<b>8,063</b>	7,018	<b>6,187</b>	6,717
Cash at commercial banks and in hand	<b>7</b>	7	<b>4</b>	4
<b>Cash and cash equivalents as in statement of financial position</b>	<b>8,070</b>	7,025	<b>6,191</b>	6,721

**Third party assets held by the foundation trust**

Bolton NHS Foundation Trust held cash and cash equivalents which relate to monies held by the foundation trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	<b>2017/18</b>	2016/17
	<b>Bank</b>	Bank
	<b>£000</b>	£000
Balance at 1 April	<b>26</b>	34
Gross inflows	<b>22</b>	46
Gross outflows	<b>(21)</b>	(54)
<b>Balance at 31 March</b>	<b>27</b>	26

The Trust held £27,176 cash and cash equivalents at 31 March 2018 (£26,267 at 31 March 2017) which relates to monies held by the NHS Trust on behalf of the SHO Induction Fund and patients. This has been excluded from the cash and cash equivalents figure reported in the accounts.

**NOTES TO THE ACCOUNTS**

**26 TRADE AND OTHER PAYABLES**

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Current</b>				
Trade payables	<b>6,727</b>	5,638	<b>7,716</b>	5,425
Capital payables	<b>1,852</b>	3,237	<b>1,628</b>	3,237
Accruals	<b>10,047</b>	10,961	<b>8,993</b>	10,911
VAT payables	<b>863</b>	-	-	-
Other taxes payable	<b>4,294</b>	4,143	<b>4,113</b>	4,099
Accrued interest on DHSC loans	<b>330</b>	-	<b>330</b>	-
Other payables	<b>4,201</b>	4,621	<b>3,739</b>	4,621
<b>Total</b>	<b>28,314</b>	28,600	<b>26,519</b>	28,293

Other payables include:

Outstanding pension contributions of £2,806,077 at the 31 March 2018 (£2,639,439 at 31 March 2017).

Pension contributions are paid a month in arrears.

**27 OTHER FINANCIAL LIABILITIES - GROUP AND FOUNDATION TRUST**

	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>
Deferred income - goods and services	<b>813</b>	1,097
<b>TOTAL OTHER CURRENT LIABILITIES</b>	<b>813</b>	1,097

**28 BORROWINGS**

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Current</b>				
Capital loans from Department of Health	<b>1,368</b>	1,368	<b>1,368</b>	1,368
Obligations under finance leases	<b>-</b>	531	<b>1,558</b>	531
<b>Total</b>	<b>1,368</b>	1,899	<b>2,926</b>	1,899

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Non-current</b>				
Capital loans from Department of Health	<b>28,507</b>	22,457	<b>28,507</b>	22,457
Obligations under finance leases	<b>-</b>	-	<b>37,956</b>	-
<b>Total</b>	<b>28,507</b>	22,457	<b>66,463</b>	22,457

**NOTES TO THE ACCOUNTS**

**28 BORROWINGS CONTINUED**

The Foundation Trust has four loans with the Department of Health which total £29,875k.

£13,351k - To fund "Making it Better" developments within Women's and Children's. The loan has a fixed rate of 3.75% and has been taken out over a 20 year term and is due to be fully repaid by October 2029.

£1,040k - To fund the purchase of land for a Car Park. The loan has a fixed rate of 1.26% and has been taken out over a 10 year term and is due to be fully repaid by December 2022.

£13,374k - To fund Estate Strategy. The loan is for £24,500k with £13,374k drawn down at 31 March 2018 the balance to be drawn down in the next 23 years. The loan has a fixed rate of 2.22% and has been taken out over a 25 year term and is due to be fully repaid by November 2040.

£2,110 - To fund EPR (Electronic Patient Records). The loan is for £13,100k with £2,110k drawn down at 31 March 2018 the balance to be drawn down in the next 2 years. The loan has a fixed rate of 0.83% and has been taken out over a 10 year term and is due to be fully repaid by November 2027.

**NOTES TO THE ACCOUNTS**

**29 FINANCE LEASE OBLIGATIONS**

Finance leases are for medical equipment used within the Trust. This is for a Managed Facilities Service in radiology that commenced in July 2010. The capital value of the assets provided to date under this facility is £4,854,025. The facility is for a 15 year term.

As at the 31 March 2018 the finance lease was a receivable balance of £3k, this was part of prepayments in note 24.1

A finance lease for property and equipment between iFM Bolton Ltd and the Foundation Trust commenced on 1st April 2017, the value of the lease was £41,019,851 and is for 25 years.

**Obligations under finance leases:**

	<b>Group</b>		<b>Foundation Trust</b>	
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Gross lease liabilities				
of which liabilities are due				
not later than on year	-	560	<b>2,895</b>	560
later than one year and not later than five years	-		<b>8,685</b>	
later than five years	-		<b>45,635</b>	
Finance charges allocated to future periods	-	(29)	<b>(17,701)</b>	(29)
Present value of minimum lease payments	<u>-</u>	<u>531</u>	<u><b>39,514</b></u>	<u>531</u>
Of which payable				
not later than on year	-	531	<b>1,558</b>	531
later than one year and not later than five years	-		<b>5,009</b>	-
later than five years	-	-	<b>32,947</b>	-
	<u>-</u>	<u>531</u>	<u><b>39,514</b></u>	<u>531</u>

**30 PROVISIONS**

**30.1 Provisions for liabilities and charges**

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Current</b>				
Pensions- Early departure costs	<b>1</b>	1	<b>1</b>	1
Other legal claims	<b>123</b>	96	<b>123</b>	96
Other	<b>1,128</b>	923	<b>1,107</b>	923
<b>Total</b>	<u><b>1,252</b></u>	<u>1,020</u>	<u><b>1,231</b></u>	<u>1,020</u>

	<b>GROUP</b>		<b>FOUNDATION TRUST</b>	
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Non-current</b>				
Pensions- Early departure costs	<b>40</b>	46	<b>40</b>	46
Other legal claims	<b>434</b>	440	<b>434</b>	440
Other	-	-	-	-
<b>Total</b>	<u><b>474</b></u>	<u>486</u>	<u><b>474</b></u>	<u>486</u>

## NOTES TO THE ACCOUNTS

## 30.2 Movements in provisions for liabilities and charges

<b>GROUP</b>	<b>Pensions relating to other staff</b>	<b>Legal claims</b>	<b>Other</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 April 2017	47	536	923	1,506
Change in the discount rate	-	7	-	7
Arising during the year	-	57	331	388
Utilised during the year - accruals	(1)	-	-	(1)
Utilised during the year - cash	(5)	(31)	-	(36)
Reversed unused	-	(18)	(126)	(144)
Unwinding of discount	-	6	-	6
<b>At 31 March 2018</b>	<b>41</b>	<b>557</b>	<b>1,128</b>	<b>1,726</b>

**Expected timing of cash flows:**

not later than one year	1	123	1,128	1,252
later than one year and not later than five years	5	80	-	85
later than five years	35	354	-	389
<b>TOTAL</b>	<b>41</b>	<b>557</b>	<b>1,128</b>	<b>1,726</b>

<b>FOUNDATION TRUST</b>	<b>Pensions relating to other staff</b>	<b>Legal claims</b>	<b>Other</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 April 2017	47	536	923	1,506
Change in the discount rate	-	7	-	7
Arising during the year	-	57	310	367
Utilised during the year - accruals	(1)	-	-	(1)
Utilised during the year - cash	(5)	(31)	-	(36)
Reversed unused	-	(18)	(126)	(144)
Unwinding of discount	-	6	-	6
<b>At 31 March 2018</b>	<b>41</b>	<b>557</b>	<b>1,107</b>	<b>1,705</b>

**Expected timing of cash flows:**

not later than one year	1	123	1,107	1,231
later than one year and not later than five years	5	80	-	85
later than five years	35	354	-	389
<b>TOTAL</b>	<b>41</b>	<b>557</b>	<b>1,107</b>	<b>1,705</b>

£167,960,271 is included in the provisions of the NHS Litigation Authority at 31 March 2018 in respect of clinical negligence liabilities of the Trust (31 March 2017: £119,612,000).

Other provisions include a provision for estimated tax costs which the Trust deems likely to become payable in the future.

## NOTES TO THE ACCOUNTS

**30.2 Movements in provisions for liabilities and charges (Continued)**

Legal Claims include £103,096 for Employer's and Occupiers' Liability cases and £454,217 for Permanent Injury Benefits. The items shown for Employer's and Occupiers' Liability cases relate to cases that have more than a 50% chance of being settled. Claims that have a remote chance of being settled are classed as contingent liabilities and disclosed in note 33.

In January 2009 the Trust signed an agreement with the NHSLA that in the event of the Trust (i) choosing to leave the CNST voluntarily and (ii) in the event of insolvency, the Trust would be required to compensate the NHSLA for all outstanding clinical negligence claims i.e. lump sum liability.

**31 MOVEMENTS IN PUBLIC DIVIDEND CAPITAL - GROUP AND FOUNDATION TRUST**

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. Additional PDC may also be issued to NHS foundation trusts by the Department of Health. A charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable to the Department of Health as the public dividend capital dividend.

	2017/18 £000	2016/17 £000
<b>Public Dividend Capital as at 1 April</b>	<b>103,292</b>	102,271
Public dividend capital received *	<b>3,444</b>	1,021
<b>Public Dividend Capital as at 31 March</b>	<b>106,736</b>	103,292

\* In 2017/18 the Trust received £3,444k Public Dividend Capital for the following schemes

	£000
IT Strategy	1,934
Digital funds	700
Accident and Emergency Streaming	600
Wi-Fi Enablement	210

**32 MOVEMENTS ON REVALUATION RESERVE - GROUP AND FOUNDATION TRUST**

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

	2017/18 £000	2016/17 £000
<b>Revaluation reserve at 1 April</b>	<b>27,602</b>	31,255
Impairments	<b>(1,080)</b>	(21,836)
Revaluations	<b>4,411</b>	18,211
Asset disposal	-	(28)
<b>Revaluation reserve at 31 March</b>	<b>30,933</b>	27,602

**NOTES TO THE ACCOUNTS**

**33 CONTINGENT LIABILITIES - GROUP AND FOUNDATION TRUST**

	<b>2017/18</b>
	<b>£000</b>
Other (Employer's and Occupiers' legal claims)	<b>(105)</b>
<b>Total</b>	<b>(105)</b>

**34 CAPITAL COMMITMENTS - GROUP AND FOUNDATION TRUST**

Contracted capital commitments at 31 March not otherwise included in these financial statement

	<b>GROUP</b>		<b>FOUNDATI</b>
	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Property, plant and equipment	<b>3,951</b>	1,974	<b>3,894</b>
<b>Total</b>	<b>3,951</b>	<b>1,974</b>	<b>3,894</b>

**35 FINANCIAL INSTRUMENTS**

**35.1 Financial assets by category**

	<b>Group</b>		<b>Foundati</b>
	<b>Loans and receivables</b>		<b>Loans and r</b>
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2018</b>	<b>2017</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Trade and other receivables excluding non financial assets	<b>17,828</b>	11,114	17,550
Other investments / financial assets	-	-	28,271
Cash at bank and in hand	<b>8,070</b>	7,025	6,191
<b>Total</b>	<b>25,898</b>	<b>18,139</b>	<b>52,012</b>

**35.2 Financial liabilities by category**

	<b>Group</b>		<b>Foundati</b>
	<b>Loans and receivables</b>		<b>Loans and r</b>
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2018</b>	<b>2017</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Trade and other payables excluding non financial liabilities	<b>18,696</b>	19,132	18,407
Finance lease obligations	-	531	39,514
Borrowings excluding finance lease	<b>29,875</b>	23,825	29,875
Provisions under contract	<b>454</b>	461	454
<b>Total</b>	<b>49,025</b>	<b>43,949</b>	<b>88,250</b>

## NOTES TO THE ACCOUNTS

## 35 FINANCIAL INSTRUMENTS (CONTINUED)

## 35.3 Maturity of financial liabilities

	GROUP		FOUNDATION TRUST	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
In one year or less	20,084	21,051	21,353	20,838
In more than one year but not more than two years	2,158	1,388	3,771	1,388
In more than two years but not more than five years	7,460	6,446	10,856	6,446
In more than five years	19,323	15,064	52,270	15,064
<b>Total at 31 March</b>	<b>49,025</b>	<b>43,949</b>	<b>88,250</b>	<b>43,736</b>

## 35.4 Financial risk management

Financial Reporting Standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Trust has with Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, the NHS Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the Board of Directors. Trust treasury activity is subject to review by the Trust's internal auditors.

**Currency risk**

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

**Interest rate risk**

The Trust borrows from Government for capital expenditure, subject to affordability as confirmed by NHS Improvement. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.



## NOTES TO THE ACCOUNTS

**35.4 Financial risk management (continued)*****Credit risk***

Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2018 are in receivables from customers, as disclosed in the Trade and other receivables note.

***Liquidity risk***

The Trust's operating costs are incurred under contracts with Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

**36 RELATED PARTY TRANSACTIONS - GROUP AND FOUNDATION TRUST**

Details of related party transactions with individuals are as follows:

	Receipts from Related Party £ '000	Payments to Related Party £ '000	Amounts due from Related Party £ '000	Amounts owed to Related Party £ '000
Bolton Council	10,335	294	1,087	1,323
University of Bolton	342	73	105	35
Bolton Hospice	133	-	4	-
University of Salford	32	57	-	19
Bolton at Home	4	-	-	-

The Department of Health is regarded as a related party. During the period, Bolton NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

	Receipts from Related Party £ '000	Payments to Related Party £ '000	Amounts due from Related Party £ '000	Amounts owed to Related Party £ '000
Department of Health and Social Care	7	-	4	6
Bolton CCG	207,643	7	2,060	997
NHS England	42,488	-	8,232	681
Wigan Borough CCG	17,537	-	275	112
Salford CCG	16,094	-	142	314
Bury CCG	9,874	-	123	191
Other CCG's & NHS England	4,607	3	1,145	12

**NOTES TO THE ACCOUNTS**

**36 RELATED PARTY TRANSACTIONS - GROUP AND FOUNDATION TRUST (CONTINUED)**

	Receipts from Related Party £ '000	Payments to Related Party £ '000	Amounts due from Related Party £ '000	Amounts owed to Related Party £ '000
Bridgewater Community Health Services NHS Foundation Trust	50	26	52	-
Central Manchester University Hospitals NHS Foundation Trust *	371	623	-	-
Greater Manchester Mental Health Foundation Trust	1,392	223	268	124
Lancashire Teaching Hospitals Foundation Trust	67	8	31	22
Manchester University NHS Foundation Trust	675	812	287	466
Salford Royal NHS Foundation Trust	1,017	2,091	980	1,633
Wrightington, Wigan And Leigh NHS Foundation Trust	193	1,423	43	461
The Christie Hospital NHS Foundation Trust	368	289	134	210
University Hospital Of South Manchester NHS Foundation Trust *	-	110	-	-
Pennine Acute Hospitals NHS Trust	283	91	106	528
East Lancashire Hospital Trust	151	6	1	3
Other NHS Providers	473	621	184	253
Health Education England	10,423	-	27	29
Public Health England	204	37	4	1

\* On the 1 October 2017 Central Manchester University Hospitals NHS Foundation Trust and University Hospital of South Manchester merged to become Manchester University NHS Foundation trust. Income and expenditure transactions with the two predecessor trusts therefore relate to the period from 1 April 2017 to 30 September 2017.

In addition, the Foundation Trust has had a number of material transactions with other Government Departments and other central and local Government bodies. Most of these transactions have been with the NHS Pension Scheme and the National Insurance Fund in respect of employee contributions. These entries are listed below:

	£ '000	£ '000	£ '000	£ '000
NHS Pensions Agency	-	20,126	-	2,806
NHS Resolution	-	11,143	-	-
NHS Property Services	1	2,763	675	-
Community Health Partnerships	-	3,163	-	352

## NOTES TO THE ACCOUNTS

**36 RELATED PARTY TRANSACTIONS - GROUP AND FOUNDATION TRUST (CONTINUED)**

The Foundation Trust has received revenue and capital benefit from purchases made by Bolton NHS

£ '000

Purchases made from Charitable Funds relating to capital assets transferred to the Trust	197
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**37 ANALYSIS OF INTER WHOLE OF GOVERNMENT BALANCES - GROUP AND FOUNDATION TRUST**

	Income transactions £000	Expenditure transactions £000	Current receivables £000	Current payables £000
English NHS Foundation Trusts	4,434	6,026	1,897	3,019
English NHS Trusts	605	297	189	681
Health Education England	10,423	-	27	29
Department of Health and Social Care	7	-	4	6
NHS England and English Clinical Commissioning Groups	298,243	10	11,977	2,307
Special Health Authorities	-	11,325	-	9
Public Health England	204	37	4	1
DH NDPBs	2	-	-	-
Other DH bodies	1	5,926	675	352
<b>Total NHS Receivables/Payables</b>	<b>313,919</b>	<b>23,621</b>	<b>14,773</b>	<b>6,404</b>
Other WGA bodies - Local Government	13,782	321	1,343	1,326
Other WGA bodies - Central Government	449	38,755	2,054	7,965
<b>Total WGA Receivables/Payables at 31 March 2018</b>	<b>328,149</b>	<b>62,697</b>	<b>18,170</b>	<b>15,695</b>

## NOTES TO THE ACCOUNTS

## 38 LOSSES AND SPECIAL PAYMENTS - GROUP AND FOUNDATION TRUST

	2017/18		2016/17	
	Number of cases	Value of cases	Number of cases	Value of cases
	Number	£000	Number	£000
<b>Losses</b>				
Loss of cash due to theft, fraud	4	1	-	-
Overpayment of salaries	14	7	10	7
Bad debts - private patients	22	1	-	-
Bad debts - overseas visitors	40	150	15	37
Bad debts - other	31	57	10	1
Stores losses and damage to property	3	115	3	39
<b>Total losses</b>	<b>114</b>	<b>331</b>	<b>38</b>	<b>84</b>
<b>Special payments</b>				
Ex-gratia payments for loss of personal effects	20	4	23	8
Ex-gratia payments for personal injury with advice	11	12	20	105
Ex-gratia payments other	2	2	3	1
<b>Total special payments</b>	<b>33</b>	<b>18</b>	<b>46</b>	<b>114</b>
<b>Total losses and special payments</b>	<b>147</b>	<b>349</b>	<b>84</b>	<b>198</b>

There were no cases exceeding £300,000.

These amounts have been prepared on an accruals basis but exclude provisions for future losses.



# Independent auditor's report

## to the Council of Governors of Bolton NHS Foundation Trust

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### 1. Our opinion is unmodified

We have audited the financial statements of Bolton NHS Foundation Trust ("the Trust") for the year ended 31 March 2018 which comprise the Group and Trust's Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Taxpayers' Equity and the Statement of Cash Flows, and the related notes, including the accounting policies in note 1.

#### In our opinion:

- the financial statements give a true and fair view of the state of the Group and the Trust's affairs as at 31 March 2018 and of the Group and Trust's income and expenditure for the year then ended; and
- the Group and the Trust's financial statements have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, the NHS Foundation Trust Annual Reporting Manual 2017/18 and the Department of Health Group Accounting Manual 2017/18.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

#### Overview

**Materiality:** £5.5m (2017:£4.5m)  
Group financial statements as a whole 1.64% (2017: 1.41%) of total revenue

#### Risks of material misstatement vs 2017

Recurring risks	Recognition of NHS income	◀▶
	Valuation of land and buildings	◀▶

## 2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows (unchanged from (2016/17):

All of these key audit matters relate to the Group and the parent Trust.

	The risk	Our response
<b>NHS income</b>	<b>Subjective estimate</b>	Our procedures included:
Income from patient care activities (£300.3 million; 2016/17: £285.5 million)	The main source of income for the Trust is the provision of healthcare services to the public under contracts with NHS commissioners.	— <b>Tests of details:</b> We compared the actual income for the Trust's most significant commissioners against the block contracts agreed at the start of the year and checked the validity of any significant variations between the actual income and the contract via agreement to appropriate third party confirmations;
Sustainability and Transformation Funding Income (£9.5 million, 2016/17: £11.7 million)	Income from NHS England and CCGs is captured through the Agreement of Balances exercises performed at months 6, 9 and 12, to confirm amounts received and owed. Mismatches in income and expenditure, and receivables and payables, are recognised by the Trust and its counterparties to be resolved. Where mismatches cannot be resolved they can be reclassified as formal disputes.	— <b>Tests of details:</b> We inspected confirmations of balances provided by the Department of Health as part of the AoB exercise and compared the relevant receivables recorded in the Trust's financial statements to the payable balances recorded within the accounts of commissioners. Where applicable, we investigated and reviewed correspondence to assess the reasonableness of the Trust's approach to recognising income from commissioners; and
<i>Refer to page 53 (Audit Committee Report), note 1.7 (accounting policies) and note 4 (financial disclosures).</i>	In 2017/18, there continues to be an increased risk of misstatement from the estimation of income from Sustainability and Transformation funding (STF). The Trust has accrued for income from STF of £5.4 million, with 70% of the STF based on achievement of the financial control total and 30% based on achievement of operational trajectories for key performance indicators agreed with NHS Improvement. There is an additional element available at the year-end if the Trust were to overachieve against their control total.	— <b>Tests of details:</b> We agreed the receipt and recognition of Sustainability and Transformation Funding monies, including the basis for agreement of quarter four funding based on relevant financial and performance measures. We challenged the Trust's judgements regarding recognition of STF funding, through review of the associated financial and operational performance criteria against actual performance for the year.

## 2. Key audit matters: our assessment of risks of material misstatement (continued)

	The risk	Our response
<p><b>PPE: Land and buildings</b></p> <p>(£84.3 million; 2016/17: £80.0 million)</p> <p><i>Refer to page 53 (Audit Committee Report), note 1.11 (accounting policy) and note 20 (financial disclosures).</i></p>	<p><b>Subjective valuation</b></p> <p>Land and buildings are required to be measured at up-to-date estimates of current 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 (DRC) of a modern equivalent asset that has the same service potential as the existing property (MEAV).</p> <p>The Trust's accounting policy requires an annual review for impairment, a periodic desk top valuation (usually every three years) and a full valuation (usually in five yearly intervals).</p> <p>There is significant judgment involved in determining the appropriate basis (EUV or DRC) for each asset according to the degree of specialization, as well as over the assumptions made in arriving at the valuation. In particular the DRC 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. There is a general risk where asset valuations are undertaken, that impairments due to reductions in service potential are not accounted for in accordance with the GAM.</p> <p>During 2017/18, the Trust has commissioned a desktop revaluation of all land and buildings as at 31 March 2018. In addition, the Trust has performed a review of impairment indicators across the Trust's estate</p> <p>There is a risk that the valuations may not reflect the current use or condition of the assets.</p> <p>The asset valuation and impairment review processes are both estimates and therefore present a significant risk to the audit.</p> <p>The Trust also values its buildings net of VAT. There is a risk that this treatment is not consistent with guidance in the NHS Group Accounting Manual (GAM).</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>— <b>Assessing valuer's credentials:</b> We assessed the competence, capability, objectivity and independence of the Trust's external valuer and considered the terms of engagement of, and the instructions issued to, the valuer for consistency with the requirements of the Department of Health Group Accounting Manual 2017/18;</li> <li>— <b>Assessing valuation assumptions:</b> We critically assessed the appropriateness of the valuation bases and assumptions, including the 'alternative' site basis used at the Trust. We also assessed the appropriateness of valuation excluding VAT in the context of the Trust's circumstances, governance arrangements and formal decisions;</li> <li>— <b>Tests of details:</b> We critically assessed the Trust's formal consideration of indications of impairment and surplus assets within its estate, including the process undertaken;</li> <li>— <b>Tests of details:</b> We agreed movements in asset valuation per the Trust's Fixed Asset Register to the reports provided by the valuer; and</li> <li>— <b>Tests of details:</b> We undertook work to understand the basis upon which movements in the valuation of land and buildings as per the Fixed Asset Register have been identified and treated in the financial statements and determined whether they have complied with the requirements of the Department of Health Group Accounting Manual 2017/18.</li> </ul>

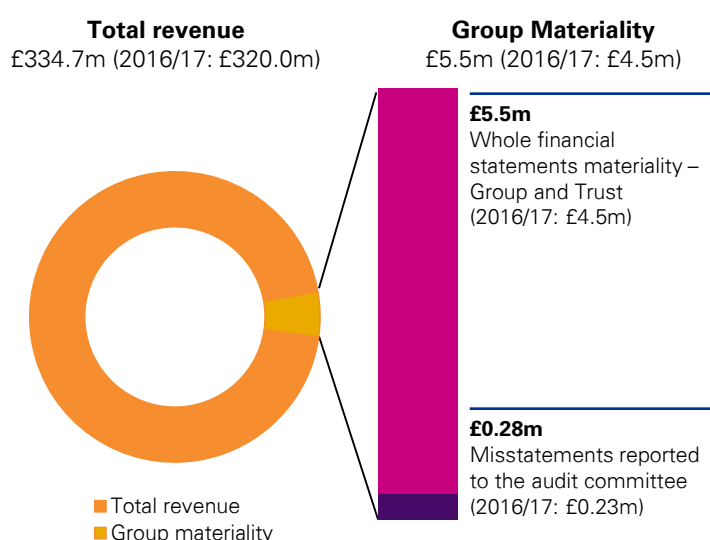
### 3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £5.5 million (2016/17: £4.5 million), determined with reference to a benchmark of total revenue, of which it represents approximately 1.64% (2016/17: 1.41%). We consider total revenue to be more stable than a surplus- or deficit-related benchmark.

Materiality for the parent Trust's financial statements as a whole was set at £5.5 million (2016/17: £4.5 million), determined with reference to a benchmark of total revenue (of which it represents approximately 1.41%).

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £275k (2016/17: £225k), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Of the group's two (2016/17: two) reporting components, we subjected two (2016/17: one) to full scope audits for group purposes and none (2016/17: one) to specified risk-focused audit procedures. The components within the scope of our work accounted for 100% of group income, 100% of the surplus for the year and 100% of total assets.



### 4. We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

### 5. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

In our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements.

#### Remuneration report

In our opinion the part of the remuneration report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2017/18.

#### Corporate governance disclosures

We are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Group's position and performance, business model and strategy; or
- the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or
- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2017/18, is misleading or is not consistent with our knowledge of the Group and other information of which we are aware from our audit of the financial statements.

We have nothing to report in these respects.

### 6. Respective responsibilities

#### Accounting Officer's responsibilities

As explained more fully in the statement set out on page 59, the Accounting Officer is responsible for: the preparation of financial statements that give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Group and parent Trust without the transfer of its services to another public sector entity.



## 6. Respective responsibilities (continued)

### Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)

## REPORT ON OTHER LEGAL AND REGULATORY MATTERS

### We have nothing to report on the statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice issued by the Comptroller and Auditor General ('the Code of Audit Practice') to report to you if:

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.
- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in these respects.

### We have nothing to report in respect of our work on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Under the Code of Audit Practice we are required to report to you if the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources..

We have nothing to report in this respect.

### Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

The Trust is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources..

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General (C&AG) in November 2017, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.

We planned our work in accordance with the Code of Audit Practice and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

### Report on our review of the adequacy of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required by guidance issued by the C&AG under Paragraph 9 of Schedule 6 to the Local Audit and Accountability Act 2014 to report on how our work addressed any identified significant risks to our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources. The 'risk' in this case is the risk that we could come to an incorrect conclusion in respect of the Trust's arrangements, rather than the risk of the arrangements themselves being inadequate.

We carry out a risk assessment to determine the nature and extent of further work that may be required. Our risk assessment includes consideration of the significance of business and operational risks facing the Trust, insofar as they relate to 'proper arrangements'. This includes sector and organisation level risks and draws on relevant cost and performance information as appropriate, as well as the results of reviews by inspectorates, review agencies and other relevant bodies.

We did not identify any significant risks to our VFM conclusion for 2017/18.

## **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 and the terms of our engagement by the Trust. 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 the further matters we are required to state to them in accordance with the terms agreed with the Trust, 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.

## **CERTIFICATE OF COMPLETION OF THE AUDIT**

We certify that we have completed the audit of the accounts of Bolton NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.

**Timothy Cutler**  
**for and on behalf of KPMG LLP (Statutory Auditor)**

*Chartered Accountants*  
1 St Peter's Square  
Manchester  
M2 3AE

24 May 2018



