

**Board of Directors Meeting (to be held in public)**  
**will be held on Wednesday, 24 June 2020 from 9.00am**  
**in the Boardroom, Trust Headquarters**

**AGENDA**

<b>Item No.</b>	<b>Item</b>	<b>Lead</b>	<b>Action</b>	<b>Paper</b>
1.0	<b>Welcome and Apologies for Absence</b>	Chairman	Note	Verbal
2.0	<b>Declarations of Interest and Register of Interests</b> <i>To declare any new interests and any interests in relation to open items on the agenda</i>	Chairman	Note	<b>Attached</b>
3.0	<b>Minutes of the Previous Board of Directors meeting held on 27 May 2020</b>	Chairman	<b>Approve</b>	<b>Attached</b>
4.0	<b>Matters Arising and Action Log</b>	Chairman	Discuss	Verbal <b>Attached</b>
5.0	<b>Overview by the Chairman</b>	Chairman	Discuss	Verbal
5.1	Independent HIF Chairman Appointment			Verbal
6.0	<b>Chief Executive Report</b>	Chief Executive	Discuss	<b>Attached</b>
7.0	<b>Cultural Assessment</b> <b>Appendix A - Independent Assessment Leadership and Culture at HDFT and HIF Summary Report</b> <b>Appendix B - Towards Our Ambition to be an Outstanding Place to Work</b>	Chief Executive	Note	<b>Attached</b> <b>Attached</b> <b>Attached</b>
7.1	<b>People and Culture Committee Terms of Reference</b>		Approve	<b>Attached</b>
8.0	<b>Integrated Board Report</b>	Executive Directors	Discuss/ Note	<b>Attached</b>
9.0	<b>Resource Committee Chair's Report</b>	Resource Committee Chair	Note	<b>Attached</b>
9.1	<b>Finance Report (month 2)</b>	Deputy Chief Executive/Director of Finance	Note	<b>Attached</b>
9.2	<b>Operational Performance Report</b>	Chief Operating Officer	Note	<b>Attached</b>
10.0	<b>Audit Committee Chair's Report</b>	Audit Committee Chair	Note	<b>Attached</b>
10.1	<b>Annual Report and Accounts 2019/20</b> (including Annual Governance Statement 2019/20)	Chief Executive/ Deputy Chief Executive/Director	Approve	<b>Attached</b>

*You matter most*

10.1.1	<b>ISA 260 External Audit Highlights Memorandum</b> <b>Letter of Representation</b> <b>Accounts Briefing Paper</b> <b>Annual Accounts 2019/20</b>	Deputy Chief Executive/Director of Finance	Note	<b>To Follow</b> <b>Attached</b> <b>Attached</b> <b>Attached</b>
10.1.2			Note	
10.1.3			Note	
10.1.4			Approve	
11.0	<b>Quality Committee Chair's Report</b>	Quality Committee Chair	Note	<b>Attached</b>
11.1	<b>Chief Nurse Report</b>	Chief Nurse	Discuss/Note	<b>Attached</b>
11.2	<b>Medical Director Report</b>	Medical Director	Discuss/Note	Verbal
12.0	<b>Director of Workforce and Organisational Development Report</b>	Director of Workforce and Organisational Development	Discuss/Note	<b>Attached</b>
13.0	<b>Covid-19 Assurance Report</b> <b>Covid-19 Recovery Plan Update</b>	Chief Operating Officer	Discuss/Note	<b>Attached</b>
13.1				
14.0	<b>Any other Business</b> <i>By permission of the Chairman</i>	Chairman	Note/Discuss/Approve	Verbal
15.0	<b>Board Evaluation</b>	Chairman	Discuss	Verbal
16.0	<b>Date and Time of next meeting</b> Wednesday, 29 July 2020 at 9.00am			
<b>Confidential Motion – the Chairman to move:</b> <i>Members of the public and representatives of the press to be excluded from the remainder of the meeting due to the confidential nature of business to be transacted, publicly on which would be prejudicial to the public interest.</i>				

In light of the Government's guidelines in relation to COVID-19, Harrogate and District NHS Foundation Trust has taken a decision to not hold meetings of the Board of Directors in Public whilst the guidance on social distancing is in place. Board meetings will be held virtually and the Trust's Governors will have the opportunity to observe these meetings.

The minutes and papers will continue to be published on the Trust website. This decision will be reviewed as the guidance evolves with further communication published on the Trust's website in due course.

Details of the Government response can be found at: <https://www.gov.uk/government/topical-events/cooronavirus-cofid-19-uk-government-response>

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### Board of Directors Register of Interest

Board Member	Position	Relevant Dates From	To	Declaration Details
Angela Schofield	Chairman	2018	Date	<ol style="list-style-type: none"> <li>1. Member of WYAAT Committee in Common</li> <li>2. Vice-Chair, West Yorkshire and Harrogate ICS Partnership</li> <li>3. Volunteer with Supporting Older People (charity).</li> <li>4. Chair of NHSE Northern Region Talent Board</li> <li>5. Member of Humber Coast and Vale ICS Partnership</li> </ol>
Sarah Armstrong	Non-executive Director	October 2018	Date	<ol style="list-style-type: none"> <li>1. Non-Executive Director of Harrogate Healthcare Facilities Management Limited t/a Harrogate Integrated Facilities (a wholly owned subsidiary company of Harrogate and District NHS Foundation Trust)</li> <li>2. Company director for the flat management company of current residence</li> <li>3. Chief Executive of the Ewing Foundation</li> </ol>
Jonathan Coulter	Deputy Chief Executive/ Finance Director	November 2017	Date	Non-Executive Director of Harrogate Healthcare Facilities Management Limited t/a Harrogate Integrated Facilities (a wholly owned subsidiary company of Harrogate and District NHS Foundation Trust)
Jeremy Cross	Non-executive Director	January 2020	Date	<ol style="list-style-type: none"> <li>1. Chairman, Mansfield Building Society</li> <li>2. Chairman, Headrow Money Line Ltd</li> <li>3. Director and Shareholder, Cross Consulting Ltd (dormant)</li> <li>4. Trustee – Forget me not children’s hospice, Huddersfield</li> <li>5. Governor – Grammar School at Leeds</li> <li>6. Director, GSAL Transport Ltd</li> </ol>
Jill Foster	Chief Nurse			Non-Executive Director of Harrogate Healthcare Facilities Management Limited t/a Harrogate Integrated Facilities (a wholly owned subsidiary company of Harrogate and District NHS Foundation Trust)
Robert Harrison	Chief Operating Officer			<ol style="list-style-type: none"> <li>1. Charity Trustee of Acomb Methodist Church, York</li> <li>2. Chair of Directors of Strategy and Operations WYAAT</li> <li>3. Harrogate Place representative on the WY&amp;H Cancer Alliance Board</li> <li>4. Member of the Harrogate and Rural Alliance Board</li> <li>5. Director of ILS and IPS Pathology Joint Venture</li> </ol>
Dr Kat Johnson	Clinical Director (Planned and Surgical Care)			No interests declared
Dr Natalie Lyth	Clinical Director (Children’s and County Wide Community Care)			<ol style="list-style-type: none"> <li>1. Member of North Yorkshire Local Safeguarding Children’s Board and sub-committees.</li> <li>2. Chair of the Safeguarding Practice Review Group.</li> <li>3. Chair of the North Yorkshire and York Looked After Children Health Professionals Network.</li> <li>4. Member of the North Yorkshire and York Safeguarding Health Professionals Network.</li> <li>5. Member of the national network of Designated Health Professionals.</li> <li>6. Member of the Royal College of Paediatrics and Child Health Certificate of Eligibility of Specialist Registration (CESR) Committee and assessor of applications for CESR.</li> </ol>
Andrew Papworth	Non-executive Director	March 2020	Date	Director of People Insight and Cost at Lloyds Banking Group
Laura Robson	Non-executive Director	September 2017	Date	Familial relationship with Alzheimer’s Society
Steve Russell	Chief Executive	March 2020	Date	Chief Executive of NHS Nightingale Hospital Yorkshire and Humber
Wallace Sampson OBE	Non-executive Director	March 2020	Date	<ol style="list-style-type: none"> <li>1. Chief Executive of Harrogate Borough Council</li> <li>2. Director of Bracewell Homes – wholly owned Harrogate Borough Council housing company.</li> <li>3. Chief Executive of Harrogate Borough Council</li> </ol>

				4. Chair of Harrogate Public Services Leadership Board 5. Member of North Yorkshire Safeguarding Children Partnership Executive 6. Member of Society of Local Authority Chief Executives
Richard Stiff	Non-executive Director	May 2018	Date	1. Director of (and 50% owner) Richard Stiff Consulting Limited 2. Director of NCER CIC (Chair of the Board from April 2019) 3. Director and Trustee of TCV (The Conservation Volunteers) 4. Chair of the Corporation of Selby College 5. Member of the Association of Directors of Children's Services 6. Member of Society of Local Authority Chief Executives 7. Local Government Information Unit Associate 8. Local Government Information Unit (Scotland) Associate 9. Fellow of the Royal Society of Arts
Maureen Taylor	Non-executive Director			No interests declared
Angela Wilkinson	Director of Workforce and Organisational Development	October 2019	Date	Director of ILS and IPS Pathology Joint Venture

#### Deputy Directors and Others Attendees (providing advice and support to the Board)

Name	Position	Declaration Details
Dr Dave Earl	Deputy Medical Director	Private anaesthetic work at BMI Duchy hospital
Dr Clare Hall	Deputy Medical Director	1. HDFT representative on WYAAT Pathology group 2. HDFT representative on WYAAT Non-Surgical Oncology group 3. Member, HDFT Transfusion Committee 4. Principal Investigator for haematology trials at HDFT
Jordan McKie	Deputy Director of Finance	Familial relationship with NMU Ltd, a company providing services to the NHS
Alison Mayfield	Deputy Chief Nurse	Member, WYAAT Temporary Staffing Cluster Group
Paul Nicholls	Deputy Director of Performance and Informatics	No interests declared
Shirley Silvester	Deputy Director of Workforce and Organisational Development	No interests declared
Dr Sylvia Wood	Deputy Director of Governance & Freedom to Speak Up Guardian	Familial relationship with Medical Director
Lynn Hughes	Interim Company Secretary	Familial relationship with KLS Martin Ltd, a company providing services to the NHS

**Board of Directors Meeting (held in Public)**

**27 May 2020 at 9am**

**in the Boardroom, Trust Headquarters, Harrogate District Hospital**

In order to comply with the restrictions on social distancing due to the Coronavirus Covid-19 pandemic, the meeting was held by video conference.

**Present**

Mrs Angela Schofield, Chairman  
Ms Sarah Armstrong, Non-executive Director  
Mr Jeremy Cross, Non-executive Director  
Mr Andy Papworth, Non-executive Director  
Ms Laura Robson, Non-executive Director/Senior Independent Director  
Mr Richard Stiff, Non-executive Director  
Mrs Maureen Taylor, Non-executive Director  
Mr Wallace Sampson OBE, Non-executive Director (*from item BoD/05/20/9*)  
Mr Steve Russell, Chief Executive  
Mr Jonathan Coulter, Finance Director/Deputy Chief Executive  
Mrs Jill Foster, Chief Nurse  
Mr Robert Harrison, Chief Operating Officer  
Dr David Scullion, Medical Director  
Ms Angela Wilkinson, Director of Workforce and Organisational Development

**In attendance**

Ms Lynn Hughes, Interim Company Secretary  
  
Dr Natalie Lyth, Clinical Director for Children's and County Wide Community Services  
Directorate  
Dr Matt Shepherd, Clinical Director for Long Term Conditions and Unscheduled Care  
Directorate

**Observing**

Mrs Clare Cressey, Lead Governor

**BoD/05/20/01**

**Welcome and Apologies for Absence**

- 1.1 The Chairman welcomed members to the meeting which was held by video conferencing facility to comply with the restrictions on social distancing due to the Coronavirus Covid-19 pandemic. The papers are shared with Governors and made available to members of the public via the Trust's website and Council of Governors are able to observe the meeting by video conferencing or the teleconference facility.
- 1.2 There were no apologies from members of the Board. Apologies for absence were received from Dr Kat Johnson, Clinical Director for Planned and Surgical Care Directorate.

- BoD/05/20/02**
- 2.1 **Declarations of Interest and Register of Interests**  
It was noted that Mr Coulter and Ms Armstrong are Directors of Harrogate Integrated Facilities (HIF). Mr Sampson is Chief Executive of Harrogate Borough Council.
- 2.2 There were no interests declared in relation to open agenda items.
- BoD/05/20/3**
- 3.1 **Minutes of the Meeting held on 29 April 2020**  
**Resolved:** the minutes of the last meeting held on 29 April 2020 were accepted as an accurate record.
- BoD/05/20/4**
- 4.1 **Matters Arising and Action Log**  
**Matters Arising**  
There were no matters arising in addition to those included on the agenda.
- 4.2 **The Action Log**  
The completed action was noted and agreed to be closed. Progress and plans against all other actions were noted. Reference was drawn to Ref 17.3 EDS2 Report – it was agreed that this action would be deferred to September 2020.
- BoD/05/20/5**
- 5.1 **Overview by the Chairman**  
The Chairman provided an update on the virtual meeting held with Governors which was most productive and very well attended. Governors had the opportunity to ask questions to the Non-executive Directors, the Chief Executive, Deputy Chief Executive/Director of Finance and the Chief Nurse. She explained that arrangements had been made to hold the Council of Governors meeting on 23 June 2020 virtually and members of the public have the opportunity to join and observe the meeting by notifying the membership office in advance of the meeting.
- 5.2 The Chairman reported on partnership activity since the last meeting. She explained that the Humber Coast and Vale ICS meeting for Chairmen takes place on a fortnightly basis with the relationships between members of the ICS developing well. There are also plans in place for a Partnership Board to be formed.
- 5.2.1 West Yorkshire and Harrogate ICS Partnership Board meeting is scheduled to take meet on 12 June 2020.
- 5.3 The Chairman was pleased to report that the Mayor and Mayoress of Harrogate were planning to join 'Clap for Carers' on 28 May 2020 at Harrogate District Hospital. The Mayoress had been a patient at the hospital and they both want to pay tribute to the care and support she had received. The Chairman welcomed attendance from members of the Board to join the Clap for Carers.
- 5.4 The Chairman thanked Executive Directors and all staff for their continued support through such challenging times. She explained that the Trust is now moving towards the next phase of recovery during Covid-19 which is proving complex for all NHS providers.

5.5 The Chairman thanked Dr Scullion for his commitment to the Board and his leadership during the pandemic. She explained that it was Dr Scullion's last Board meeting and he was due to be stepping down from his Medical Director role on 14 June 2020.

5.6 **Resolved:** the Chairman's Overview was noted.

## BoD/05/20/6

### Chief Executive's Report

6.1 The Chief Executive's report was noted. He explained that the NHS remains in a Level 4 incident, with the NHS' response to Covid-19 being led by NHS England. The Trust continues to have an Incident Command Centre in place to support the Trust's activities, with the role of 'Gold' aligning into the Trust's governance arrangements.

6.2 He explained that Covid-19 has an impact on both patients and staff and the Trust is working hard to support all colleagues. Data suggests Covid-19 has a disproportionate impact on certain groups such as colleagues from a BAME background. The Trust alongside other NHS organisations is focussing on providing additional support to colleagues. The Trust has put in place individual risk assessments and commenced a discussion around reducing risks between a line manager and their colleagues. A task-force has also been established to support activities and two on-line listening events have taken place to date. Feedback received suggests people feel generally well supported and have found the listening events valuable. It is essential that everyone feels safe. The Chief Nurse has been nominated as the Executive Lead to oversee the arrangements in place for the Trust to comply with guidance.

6.3 Across the country there is significant concern over Care Homes. NHS England has asked local systems to put dedicated and enhanced support in place. In response to this the Trust is supporting this with NYCC and NYCCG who have been leading on enhanced care home support across North Yorkshire. The Trust has been part of discussions through the Harrogate and Rural Alliance (HARA) which was agreed as the most appropriate vehicle to progress this in Harrogate and Rural area. From a health perspective the offer to care homes involves bringing forward the Directed Enhanced Service specification for enhanced care home support to be delivered by the PCN's. He also explained that NYCC are putting in place a Gold, Silver, Bronze structure to identify any trends and risks in care homes and required actions of support.

6.4 He reported that the NHS is now planning for Phase 2 (to June 2020) which is focusing on restarting urgent treatment and Phase 3 (to March 2021) which will focus on maintaining the ability to respond to Covid-19 demand whilst building up the level of routine activity. There are a number of constraints which will result in the Trust operating at reduced levels of productivity for some time. It was noted that the Trust is undertaking a comprehensive piece of work to consider the arrangements required and the level of activity that can be resumed. The Trust is working closely with its key stakeholders across the two ICS's and will also work with Healthwatch over these issues.

- 6.5 The Chief Executive proposed that the Board approves the Annual Slavery and Human Trafficking statement and note that following approval arrangements will be made for the statement to be published on the Trust's website.
- 6.6 Ms Armstrong referred to the letters to patients from their families with over 250 letters. She felt the letters would mean so much for patients during this time. Ms Armstrong also explained that she looked forward to hearing progress made with the Trust's plans to work with Healthwatch going forward.
- 6.7 Ms Robson explained that she is concerned that there may be a reluctance to admit people to hospital. She also queried the DNACPR arrangements in place in the hospital and for patients who are discharged. Mrs Foster explained that audits are carried out to understand the Trust's CPR arrangements. She confirmed that 95% of the time the findings of the audits have identified that appropriate conversations have taken place during the Covid-19 pandemic and work continues to continually improve on this. For patients who are discharged, there are ongoing discussions that take place with families and their GP.
- 6.8 *Risk* – A discussion took place around the risks that had been reviewed by the Corporate Risk Group and at the Senior Management Team meeting to consider the operational risks and mitigations in place in relation to the Covid-19 pandemic.
- 6.8.1 The Chairman drew reference to the Corporate Risk Register (CR49 – ED Imaging) and sought clarity around the risk and mitigations in place. In response Dr Shepherd explained that the Trust has some very old imaging equipment in the Emergency Department which had been included on the Trust's Capital Programme to be replaced. He explained the reason why the risk has increased. It was noted that if the equipment breaks down it takes two to three days to repair and patients would need to be relocated. Mr Coulter explained that the equipment is included in the Recovery Plan.
- 6.8.2 Dr Lyth drew reference to CR55 and explained that a serious safeguarding referral had been received. Arrangements have been put in place to increase visits when there are safeguarding concerns.
- 6.8.3 Ms Robson queried CR34 - risk to the quality of care by not meeting NICE guidance in relation to the completion of autism assessment within 3 months of referral and the implications of this due to this process being paused during Covid-19. In response Dr Lyth explained that work continues but there are barriers to carry out assessments via social distancing requirements and wearing PPE. Ms Robson queried if the risk score was correct. In response Mrs Foster explained the process in place to review the risks and drew reference to the amount of work taking place by Dr Lyth and her team to mitigate risks. She explained that further review of the risk score would be made and at that time additional case worker support for the team would be considered.



- 6.8.4 Dr Scullion drew reference to the new risk added to the Corporate Risk Register (CR58 - Respiratory service). He explained that the service is under enormous pressure at the present time and the Trust had been unsuccessful in its attempts to recruit additional consultant Respiratory Physicians to the team. Plans are in place to look at alternative models with the use of specialty nurses going forward. In response to the Chairman's query Dr Scullion confirmed that this was a common theme across General District Hospital providers nationally. It was noted that concern around this had been previously escalated to the Board from the Quality Committee. The Chairman confirmed that the risk would continue to be monitored by the Board going forward via the Corporate Risk Register. Dr Shepherd agreed to provide an update around the mitigating plans in place for the next meeting.

**ACTION (M Shepherd)**

- 6.9 **Resolved:** i) the Chief Executive report was noted; and  
ii) the Annual Slavery and Human Trafficking Statement was approved for publication on the Trust's website.

**BoD/05/20/7**

**Integrated Board Report**

- 7.1 The Integrated Board Report for the month ending 30 April 2020 was noted.
- 7.2 The Trust has seen around 50% A&E attendances that would usually be expected; 60% of emergency admissions; 25% of elective day cases and inpatients and 43% of outpatients; and referrals from primary care had reduced by 85%.
- 7.3 It was noted that urgent cancer cases have continued to be treated, and in line with national clinical guidelines a number of patient's treatments have been deferred. Waiting times for patients on the Trust's PTL with a cancer diagnosis have increased by around 20 days. It was also noted that the number of patients on the Trust's waiting list had reduced at that time which was in the main attributable to a reduction of primary care referrals.
- 7.4 Mrs Foster drew reference to the number of falls reported during April and provided assurance around the process in place to determine if falls resulted in moderate or severe harm. It was noted that despite the increase number of falls the severity of harm was low.
- 7.5 Mrs Taylor drew reference to the number of community pressure ulcers reported. In response Mrs Foster explained that community pressure ulcers had reduced significantly last year and the recent increase was being monitored closely. If the trend continues deep dive exercises will be carried out.
- 7.6 The Chairman queried Covid-19 positive patient's readmission rates. In response Dr Scullion and Dr Shepherd explained that readmission rates for Covid-19 patients were very low.
- 7.7 Discussion took place around the Coronavirus Act 2020 to prioritise care and support those who need it most and the temporary provisions

for local authorities to use when they are unable to comply with the Care Act 2014 during Covid-19. Mr Harrison explained that patient's choice had been suspended during this time which is a significant change.

7.8 **Resolved:** the IBR was noted.

**BoD/05/20/8**

8.1

**Covid-19 Assurance Report**

Mr Harrison presented the report which provided an update on the management of the current Incident relating to Covid-19. It was noted that at 14 May, 97 inpatients have recovered from Covid-19 and have been discharged (*including ventilated and non-ventilated patients*).

8.2

It was noted that since the Covid-19 peak on the 23 April there has been a consistent decline in the number of positive cases. As at 17 May, there have been 230 confirmed positive results (170 were admitted to hospital (73.9%)) and 57 Covid-19 patients who had died in the hospital. NHS England has been notified of all deaths in order that they can be included in the national reporting. He reported that there had been no members of NHS staff admitted who had tested positive during this time.

8.3

During the Recovery Planning stage, a temporary governance structure previously reported to the Board was working well with new ways of working moving towards a 'zoned' hospital, with a Covid-19 free 'green' zone, a Covid-19 positive 'blue' zone, and a further 'yellow' zone for patients with a low risk. It was noted that the zoning of the hospital will support in the standing up of elective procedures. Vulnerable groups will be supported with Adult community teams working closely with Primary Care Networks and the Local Authority through the Harrogate and Rural Alliance to ensure patients are cared for at home as much as possible. Mrs Foster explained that specific teams are providing Infection Control Advice and training to Care Homes across the Trust's footprint.

8.4

It was noted Elective activity needs to take into account of PPE, social distancing and infection prevention and control requirements to minimise the potential for hospital transmission. It was noted that it is envisaged this will have an impact on productivity levels during Covid-19.

8.5

Ms Armstrong queried if the Trust will see a big increase in the amount of Primary Care referrals. In response Mr Harrison explained that the Trust had started to accept Primary Care referrals again and it is anticipated that there will be a large number of referrals coming through.

8.6

Mr Stiff queried the safety controls in place. In response Mr Harrison explained that additional security measures had been put in place to mitigate the risks.

- 8.7 The Chairman queried the arrangements in place for the hard of hearing with the alternative telephone and video conferencing appointments being offered to patients. In response Mr Harrison explained that the Trust was being as flexible as it could to offer the best appointment method to suit individual patient's needs.
- 8.8 Ms Robson queried if community staff had adequate IT in place to support their needs. In response Mr Harrison explained that community staff had been provided with MS Teams before hospital based staff and additional VPN licences had been purchased and offered to all Trust staff to support remote working during the pandemic period. Dr Lyth confirmed that the community staff have embraced remote working and are really supportive of the difference MS Teams makes.
- 8.9 It was noted that MS Teams had been offered to NHS providers at no cost until the end of the calendar year and options for future use are being explored.
- 8.10 Mr Papworth queried the 14 day pre-isolation period before admission to the Trust. In response Mr Harrison explained that this was a provision within the national guidance.

*Mr Sampson joined the meeting.*

**BoD/05/20/9 Operational Performance Report**

- 9.1 The Operational Performance report was noted. There were no queries raised.
- 9.2 **Resolved:** the Operational Performance report was noted.

**BoD/05/20/10 Chief Nurse Report (including Infection Prevention Control Assurance)**

- 10.1 Mrs Foster spoke to the Chief Nurse report and provided assurance around patient safety and quality of care during the Covid-19 pandemic.
- 10.2 Mrs Foster drew reference to the 18% increase in the hospital acquired pressure ulcers in 2019/20. She explained that the total number of category 3 and unstageable pressure ulcers have reduced with the largest increase in the number of category 2 pressure ulcers. She explained that this is evidence of the improved process in place with risk assessments and earlier appropriate interventions.
- 10.3 Mrs Foster reported that a patient had developed Covid-19 in the hospital which had sadly resulted in their death. The Coroner has been notified of the death.

10.4 The Infection Prevention and Control (IPC) Board Assurance Framework (Covid-19) Report was noted. The Chairman queried the blanks in the table and if that implied there were no gaps against those specific areas. In response Mrs Foster explained that she planned to include her report to the Board next month further assurance around the completion of this work.

10.5 **Resolved:** the Chief Nurse report was noted.

**BoD/05/20/11 Medical Director Report**

11.1 The Medical Director Report was noted. Dr Scullion drew reference to the appointment of Rev Darren McClintock as lead for the Trust's Chaplaincy services. Darren is currently assistant Chaplain at Leeds Teaching Hospitals NHS Trust with a start date planned for the end of June. He welcomed Darren to the Trust and formally thanked the Rev David Payne who was retiring for his work, exceptional professionalism and support to him over the last five years.

11.2 **Resolved:** the Medical Director report was noted.

**BoD/05/20/12 Workforce and Organisational Development Update Report**

12.1 The Workforce and Organisational Development update report was noted.

12.2 Ms Wilkinson drew reference to the work that has taken place throughout the Trust to support Black, Asian and minority ethnic (BAME) communities during Covid-19. Evidence of high rates of infection and higher rates of mortality has been reported for BAME communities. She explained that the reasons for this are not yet fully understood, but the health inequalities present for BAME communities have long been recognised. At the Trust 8.33% (409) staff are BAME and 8.77% (431) are 'not stated' with work taking place to understand the ethnicity around the 'not stated' category.

12.3 It was noted that Local Clinical Excellence Awards (LCEA) have been paused as a result of the Covid-19 pandemic, with a proposal that the money is distributed equally among eligible consultants. The Trust has proposed an alternative approach to complete the 19/20 round which was underway prior to the Covid-19 outbreak which the LNC is in supportive of.

12.4 Ms Wilkinson also drew attention to the Secretary of State's announcement on 27 April in relation to the NHS and social care coronavirus life assurance scheme which has put in place a new death in service benefit for NHS staff who have provided vital work during the Covid-19 pandemic.

12.5 **Resolved:** the Workforce Safety and Wellbeing report was noted.

- BoD/05/20/13**      **Diverse Representation in Decision Making and Workforce Equality**
- 13.1      It was noted that Sir Simon Stevens and Amanda Pritchard wrote to Trusts on 29 April in relation to the second phase of the NHS response to Covid-19. The letter referred to emerging evidence that the virus is having a disproportionate impact on our black, Asian and minority ethnic (BAME) colleagues.
- 13.2      In addition to that all Trusts received a further letter from Prerana Issar, Chief People Officer for the NHS and Dido Harding, Chair of NHSE/I on 19 May 2020. In the letter, organisations were asked to review Covid-19 command and governance structures for diversity representation in leadership and decision-making and there was encouragement for Chairs and Non-executive Directors to tap into the talent and resource that exists within organisations.
- 13.3      The Board noted the significant progress the Trust had made with the completion of risk assessments and listening events.
- 13.4      Ms Armstrong queried the number of listening events that had taken place. In response Ms Wilkinson confirmed there had been over 70 listening events held for BAME colleagues to date.
- 13.5      **Resolved:** progress made at the Trust in relation to its diverse representation in decision making and workforce equality was noted.
- BoD/05/20/14**      **Finance Report including Revised Operational Plan**
- 14.1      It was noted that the financial position as at 30 April 2020 is break-even.
- 14.2      Work has commenced to develop a revised Operational Plan for 20/21 to reflect the new financial arrangements, capital requirements, and the response to the Covid-19 outbreak. Mr Coulter reminded the Board of the importance to not lose sight of the operational priorities whilst working through the Covid-19 recovery phase.
- 14.3      He was pleased to report that directorate budgets had been approved and the ED imaging was included in the Capital Plan which had been approved at the end of March.
- 14.4      Mr Sampson queried if there was an audit planned by the government in relation to Covid-19 spend. He also queried if Covid-19 related spend was repayable to the government. In response Mr Coulter explained that he wasn't aware of an audit at that time but plans were in place for internal audit to undertake an audit across WYAAT. He confirmed that Covid-19 related spend was non-repayable.
- 14.5      **Resolved:** the finance report was noted.

- BoD/05/20/15**  
15.1 **Learning from Deaths (Quarter 4) Report**  
The Learning from Deaths Quarter 4 report was noted. Dr Scullion drew reference to the seven structured judgement reviews (SJR) that had been completed.
- 15.2 It was noted that 86% (6/7) patients reviewed had good or excellent overall care; and 28/32 (88%) phases of care were rated as good or excellent. There were three deaths of patients with learning disabilities which have been reviewed by SJR during the quarterly period with the overall care rated as good.
- 15.3 Dr Scullion confirmed that all appropriate deaths are referred to the national Learning Disabilities Mortality Review (LeDeR) programme and the Trust has received feedback from four LeDeR reviews.
- 15.4 **Resolved:** the Learning from Deaths Quarter 4 Report was noted.
- BoD/05/20/16**  
16.1 **NHS Provider Licence Annual Self-assessment**  
It was noted that each year the Board is required to self-certify compliance with certain conditions against its Provider Licence. The Board considered the information provided and agreed to certify compliance with arrangements made to publish compliance against condition G6 (3) on the Trust's website by 30 June 2020.
- 16.2 **Resolved:**
- i) Compliance against condition G6 (3) that the Trust has taken all precautions to comply with the licence, NHS Acts and NHS Constitution was noted and approved;
  - ii) Compliance against Condition FT4(8) required governance arrangements was noted and approved;
  - iii) Compliance against Continuity of Services Condition 7 (3) that required resources will be available for acute services for 12 months from the date of the statement was noted and approved;
  - iv) Compliance against the Training of Governors obligation was noted and approved; and
  - v) Compliance against condition G6 (3) was agreed for arrangements to be made to publish on the Trust's website by 30 June 2020.
- BoD/05/20/17**  
17.1 **Reports from Committee Chairs**  
**Quality Committee**  
Ms Robson, Chair of Quality Committee reported on the meetings held on 1 April 2020 and 6 May 2020. She drew attention to the reappointment of Dr Childs as the Director of Infection Prevention and Control (DIPC) which was noted.
- 17.1.2 The Chairman referred to the important role of the Clinical Advisory Group which reports to the Quality Committee following each of its meetings.

- 17.2 **Audit Committee**  
Mr Stiff, Chair of Audit Committee reported on the meetings held on 25 April 2020 and 6 May 2020. He explained that the next meeting of the Audit Committee was scheduled to take place on 19 June 2020 to review the Annual Report and Accounts for the financial year ending 30 March 2020.
- 17.3 **Resource Committee**  
Mrs Taylor, Chair of Resource Committee reported on the meeting held on 27 May 2020. It was noted that NHSE/I are now tightening Covid-19 related spend to ensure good stewardship of public funds with pre-approval required by NHSE/I for all Covid-19 related capital expenditure.
- 17.3.1 NHSE/I have confirmed that all providers are required to break-even for the first six months of the financial year and that there is a possibility this could be extended beyond that. NHSE/I had based the plan on the Trust's months 8, 9 and 10 of last financial year (2019/20), uplifted for inflation, plus Covid-19 costs. The Committee noted that the significant transactions at the year-end had not been included which would result in a significant gap if this is not resolved.
- 17.3.2 In April the Trust was behind the NHSE/I plan by £1.3m and incurred Covid-19 costs of £1.07m which resulted in top-up funds of £2.36m to break even.
- 17.3.3 The consolidated cash position for the Trust and HIF at 30 April 2020 showed a balance of £14m. Mrs Taylor was pleased to confirm that the outcome from the Resources Committee Effectiveness Surveys were most positive.
- 17.4 **Resolved:** the Chair's reports from the Quality Committee, Audit Committee and Resource Committee meetings were noted.
- BoD/05/20/18**  
18.1 **Any other Business**  
There was no other business.
- BoD/05/20/19**  
19.1 **Board Evaluation**  
The Chairman welcomed feedback from Non-executive Director colleagues. In response Mrs Taylor explained that the meeting had been most productive and the update on Recovery Planning had been very informative.
- 19.2 Mr Papworth referred to the quality of papers across a range of areas were excellent.
- 19.3 The Chairman emphasised the amount of work that was going on and thanked everyone for their hard work and support during this time.
- 19.4 It was noted that the meeting had enabled discussion and debate before any decision was reached.

**Confidential Motion**

**Resolved:** to exclude members of the press and public in accordance with the Health Services Act 2006 (Schedule 7 Section 18(E)) (as amended by the Health and Social Care Act 2012) and in view of publicity being prejudicial to the public interest.

DRAFT



### Board of Directors (held in Public) Action Log as at June 2020

This document logs items for action from Board of Directors meetings which remain outstanding. Board members will be asked to confirm completion of actions or give a progress update at the following Board meeting when they do not appear on a future agenda.

Ref	Meeting Date	Item Description	Director/Manager Responsible	Completion date	Detail of progress
148	September 2019 (minute 9.6)	Overview of Trust Learning Disabilities policies and application.  Agreed would be discussed at a Board workshop by the end of year. To be added to the Board workshop forward plan.	Chief Nurse  Interim Company Secretary	November 2020	Open  (included on Board Workshop workplan for October 2020)
<b>Actions from 29 January 2020 Meeting</b>					
Ref	Meeting Date	Item Description	Director/Manager Responsible	Completion date	Detail of progress
12.2	29 January 2020 Medical Director Report	Advanced Care Planning update report would be circulated to the Board.	Medical Director	Date to be agreed	Open  (interim measures in place during Covid and an RPIW would be carried out at an appropriate time.)
13.3	29 January 2020  <i>Learning from Deaths Q3 19/20 Report</i>	Learning from Deaths Lead NED to be discussed at next NED meeting. The Chairman agreed to discuss with the Non-executive Directors  Noted at the 25 March meeting that a report would be made to the board later in the year.	Chairman	29 July 2020	Open
13.2	29 January 2020  <i>NHS Resolution Report</i>	NHS Resolution Report to be presented to the July 2020 Quality Committee prior to submission to Board for sign-off. Dr Johnson/ Dr Scullion to inform Ms Hughes of intension to present to July or September 2020 Board meeting.	Chief Nurse/ Medical Director	30 September 2020	On track Included on workplans
17.3	29 January 2020  <i>EDS2 Report</i>	It was agreed that 1.4, 3.4, 4.3, 3.1 and 3.6 would be strengthened and further work was required to further develop the 2020 plan. An updated report would be presented to the Board at 27 May for consideration.	Chief Nurse	30 September 2020	Open

1



Actions from 27 May 2020 Meeting					
Minute No	Meeting Date	Item Description	Director/ Manager Responsible	Completion date	Detail of progress
<b>BoD/05/20/6.8.4</b>	27 May 2020	<b>Chief Executive – (CR58)</b> Respiratory service Dr Shepherd agreed to provide an update around the mitigating plans in place for the next meeting	Clinical Director Long Term and Unscheduled Care	24 June 2020	Completed  Included in the Chief Executive report

4



<b>Date of Meeting:</b>	24 June 2020	<b>Agenda item:</b>	6.0
<b>Report to:</b>	Board of Directors		
<b>Title:</b>	Chief Executive's Report		
<b>Sponsoring Director:</b>	S Russell, Chief Executive		
<b>Author(s):</b>	S Russell, Chief Executive L Hughes, Interim Company Secretary		
<b>Report Purpose:</b>	Decision	Discussion/ Consultation	Assurance ✓ Information ✓
<b>Executive Summary:</b>	This report sets out key points and activities from the Chief Executive.		
<b>Related Trust Objectives</b>			
To deliver high quality care	✓	To work with partners to deliver integrated care:	✓ To ensure clinical and financial sustainability: ✓
<b>Key implications</b>			
<b>Risk Assessment:</b>	Updated Corporate Risk Register to reflect Covid-19 is included within the report.		
<b>Legal / regulatory:</b>	Trust Licence NHSE/I The Equality Act 2010 Health and Social Care Act 2008 (Regulated Activities) Regulations 2014.		
<b>Resource:</b>	Not applicable		
<b>Impact Assessment:</b>	Not applicable		
<b>Conflicts of Interest:</b>	None identified		
<b>Reference documents:</b>	Not applicable		
<b>Assurance:</b>	Directors Team		
<b>Action Required by the Board of Directors:</b>			
The Board is asked to note the content of this report.			

## Board of Directors

24 June 2020

### Chief Executive's Report

On behalf of the Executive Team I am delighted to specifically welcome two colleagues to the Trust. Dr Jacqueline Andrews has now taken up post as Executive Medical Director and Kate Woodrow has joined as our Chief Pharmacist. We are delighted to have both colleagues as part of teamHDFT and are very much looking forward to working with them.

#### 1.0 Coronavirus

The NHS remains in a Level 4 incident, with the NHS' response to COVID-19 being led by NHS England. As at 17<sup>th</sup> June 2020, the Trust has diagnosed 296 (+66 from last month) with COVID-19, with 222 (+52) being admitted to hospital. 133 (+33) have been treated and discharged, and sadly 77 (+20) patients did not survive.

Following the Government announcement on 5<sup>th</sup> June 2020, the Trust implemented additional measures to reduce nosocomial transmission on 15<sup>th</sup> June. The PHE guidance was published on 12<sup>th</sup> June.

Risk assessments of non-clinical areas are being undertaken to ensure that there is sufficient social distancing, support for surface decontamination and further home working is being considered as part of the potential mitigations.

The number of people absent from work remains broadly static with 160 colleagues absent from work either because of self-isolation or household isolation.

There have been 7 patients who have tested positive for COVID-19 where the positive swab was following admission, 1 occurred 3-7 days after admission and 5 occurred between 8 and 14 days after admission. A number of these (5) were concentrated on one ward. The Chief Nurse will update the Board on the actions taken and the learning in her report later in the meeting.

#### 2.0 Independent assessment of culture and leadership

On 3<sup>rd</sup> June we shared a summary of the findings of the review undertaken with Deloitte with colleagues from across the Trust. This work confirms that there are many positive aspects of working at HDFT, but there are also areas in which we can make improvements as part of our ambition to be an outstanding place to work.

A number of open briefings have taken place, and some further Staff Governor led Q&A sessions are being planned.

*You matter most*

The governance arrangements to take forward the work and the actions agreed by the Board are being put in place. The Improvement and Transformation team will provide dedicated support to the work.

Following their appointment, Jonathan Coulter and Jill Foster (in their roles as Interim Chief Executive and non-executive director of Harrogate Integrated Facilities) have commenced a series of listening events with colleagues which have been well received.

### 3.0 BAME Taskforce

Building on the establishment of our BAME staff network earlier in the year a taskforce was established to particularly focus on the impact of COVID-19 on BAME colleagues. This is now developing to consider the broader aspects for BAME staff and has commissioned three pieces of work, which were endorsed at the Senior Management Team (SMT) meeting this month. Alongside this, the BAME staff network continues to develop.

- Recommendations to improve the diversity of senior roles (Band 7 and above).
- Implementation of reverse mentoring for SMT colleagues.
- Review of the Trust's overall governance arrangements to consider how the voices of BAME staff can be present, building on the decision to secure representation from the network into our Bronze arrangements.

### 4.0 Recovery

A number of services have now started to resume but in a very phased manner. There is likely to be an ongoing capacity constraints in a number of services. This will mean that we will need to prioritise how the capacity is used and the WYH Planned Care Alliance is supporting this across the partnership. Significant work has continued to allow services to return, and particular thanks should go to Rob Harrison for his leadership along with that of the Clinical Directorates, Harrogate Integrated Facilities and the planning team. Of course many others have played an important role and it is important to also recognise their contribution.

The NHS has not yet received guidance in respect of 'Phase 3' but the process for capital has changed and represents a potential risk as proposals will not be considered until later in the Summer, and will be considered against an ICS 'envelope'.

All Trusts have been asked to forecast activity with the current level of resources and to consider the resources needed to return to historic levels of activity. The latter represents a very significant challenge, but at this stage is simply for scenario planning by regional teams.

The Chief Operating Officer will update in further detail later in the meeting.

*You matter most*

## 5.0 Risk

### 5.1 Corporate Risk Register Summary

The Corporate Risk Register (Appendix 1) was reviewed at the Corporate Risk Review Group meeting on 12 June 2020 and the management and mitigations in place with regards to Covid-19 was discussed in detail. (Changes to the risks are highlighted in red font.) The risk register was then further reviewed by SMT at its 17 June 2020 meeting.

At the last meeting it was agreed that an update would be provided on the risk included on the Corporate Risk Register for the respiratory service which is provided below:

The respiratory service is reliant on two respiratory consultants with specialist nurse and specialty registrar support. They deliver an excellent in and outpatient service. The outpatient, in particular cancer work, pressures have significantly grown over the last year. Whilst COVID has reduced the overall waiting list (down from 636 waiting in February to 267 in May) there is a significant wait for first appointments (up from 10 days in February to 17 days in May), if activity rapidly returns to normal levels this will cause increasing difficulties in delivering urgent and cancer care. The pressures in this area have been recognised and two additional respiratory consultant posts have been approved for some time but sadly recruitment has been unsuccessful on several occasions over the last few years. In addition to these longer standing issues one of our consultants has become ill and is currently off work until 8 July.

To successfully facilitate a return to work for this consultant job plans and clinic templates have been reviewed and amended to allow a move to a four day working pattern which will be more sustainable. To increase the teams overall capacity in the short term a locum consultant has been engaged working two weeks on, two weeks off within the vacant post cost envelope. The substantive vacancies have been re-advertised; there is a higher level of confidence of success as the team have been approached by two registrars who both are shortly eligible to apply and a substantive respiratory consultant from a neighbouring Trust. If the recruitment is unsuccessful again an alternative strategy would be pursued developing associate specialist posts in respiratory medicine rather than consultants.

### 5.2 Board Assurance Framework Summary

A Board workshop is scheduled to take place in July to reassess the strategic risks and opportunities to ensure we continue to have a strategic focus during the Covid-19 pandemic and beyond.

## 6.0 Recommendation

The Board of Directors is asked to note this report.

*You matter most*

## Appendix A

Corporate Risk Register Summary of Changes: Updated 12 June 2020						
Ref	Description	Current risk score	Risk movement	Current progress score	Target date for risk reduction	Notes
CR14	Risk of financial deficit and impact on the quality of service delivery due to failure to deliver the Trust annual plan by having excess expenditure or a shortfall in income. <i>NB Impact of no-deal EU Exit on annual financial plan added 08/03/2019</i>	12	↔	2	Mar-20	<i>On hold for 4 months will be reassessed at the end of July</i>
CR34	Risk to quality of care by not meeting NICE guidance in relation to the completion of autism assessment within 3 months of referral.	12	↔	1	May-20	<i>Paused 24/04/2020</i>
CR41	CR41 Summary RTT risk - Risk to patient safety, performance, financial performance and reputation due to increasing waiting times across a number of specialties, including as a result of the impact of Covid 19 <i>(added 13/03/2020)</i>	15	↔	tbc	tbc	<i>Due to COVID-19 recovery plans to be developed and target date to be confirmed once national guidance is issued</i>
CR45	MAU/CAT Clinic. Risk to service provision due to current service being covered by single consultant. No provision to cover the service in his absence. MAU consultant is a locum.	12	↔	2	Oct-20	<i>Paused 24/04/2020. Risk is currently mitigated due to current working arrangements within the COVID-19 incident</i>
CR48	<b>Mental health services for ED patients</b>	<b>9</b>	<b>↓</b>	<b>tbc</b>	<b>Jun-20</b>	
CR49	ED Imaging Risk of delayed imaging causing potential extended waiting in ED department due to risk of x ray equipment failure (1998).	16	↔	5	tbc	
CR52	Patients: Delayed cancer diagnostics, treatment and care Risk to patient safety, quality of care and psychological impact of delays in diagnostics, treatment plans and surveillance on patients and families	16	↔	tbc	May-20	<i>Added reference to LTUC135: Risk associated with limited capacity in breast clinic capacity</i>
CR53	Patients: Increased wait for elective treatments and procedures Risk to patient safety and patient experience as there continues to be an increase to waiting times for elective procedures	15	↔	tbc	tbc	<i>Risk due to changes in patient pathways as part of the COVID-19 response following national guidance</i>

Ref	Description	Current risk score	Risk movement	Current progress score	Target date for risk reduction	Notes
CR54	<p><b>Staff: Staff well-being and morale</b>  <b>Risk to staff wellbeing and morale in the context of the Covid pandemic and:</b>                      a) Staff having to manage increased pressures of caring for acutely unwell and dying patients.                      b) Staff managing increased work pressures alongside concerns for their own health and safety, increased workload and hours due to staff absence, potential childcare concerns, family health concerns and potential bereavement.                      c) Staff working in unfamiliar environments with concerns about PPE use and availability, personal risks e.g. due to pregnancy, LTC, immunosuppression, ethnicity, proximity to Covid risk                      d) Once the Covid peak has passed and HDFT returns to BAU services, further pressure will be put on staff to manage an increase in BAU caseload pressures and patients presenting with higher acuity due to delays.                      e) Risk of further Covid19 peaks emerging                      f) Longer term impacts include the potential to develop PTSD.</p>	12	↔	tbc	tbc	<p><i>Added gaps in controls:</i>                      1. <i>Uncertainty about future working arrangements</i>                      2. <i>Difficulty in ensuring consistent messages and communication</i></p>
CR55	<p><b>Trust: Demand during recovery phase</b>  <b>Risk to patient safety and experience if service provision is overwhelmed by demand during recovery phase resulting in:</b>                      a) increased waiting times for non-urgent outpatient appointment                      b) increased levels of safeguarding issues identified as children return to school ("surge")                      c) ability to manage changes required for new contracts in NY and Durham while returning to BAU                      d) increased demand for non-acute services as they re-open e.g. podiatry; dental</p>	12	↔	tbc	tbc	<p><i>Risk description and mitigations to be reviewed and updated</i></p>
CR56	<p><b>Trust: Governance processes</b>  <b>Risk of harm to the quality of service delivery and reputation as a result of alternative governance processes in place during Covid-19</b></p>	8	↓	tbc	tbc	<p><i>Mitigations have reduced risk:</i>                      • <i>Summary of decisions reported to Board</i>                      • <i>National and local Covid quality dashboards</i>                      • <i>CAG minutes and log of recommendations to Gold Command and decisions taken on MS Teams</i></p>



Ref	Description	Current risk score	Risk movement	Current progress score	Target date for risk reduction	Notes
CR57	<p><b>Patients: Quality of patient care</b>  <b>Risk to patient safety, quality of care and staff welfare due to:</b>  <b>increased levels of domestic abuse and children's safeguarding - increased presentation at ED with unintentional injuries, increased opportunities for online abuse, decreased opportunity for monitoring and observation of children and young people by professionals, increased demand on social care and other community services for safeguarding work, shielding and vulnerabilities</b></p>	12	↔	<i>tbc</i>	<i>tbc</i>	
CR58	<p><b>Respiratory service</b>  <b>Risk to reputation of Trust due to breaching national targets for patient treatment caused by increased referrals and lack of capacity, increased pressure due to the demands of COVID, emerging guidance re requirement for respiratory f/u of patients post COVID</b>  <b>Risk of 52 week breaches.</b>  <b>Risk to patient experience due to long waits and lack of choice</b></p>	12	↔	<i>tbc</i>	<i>tbc</i>	



**Harrogate and District**  
NHS Foundation Trust

<b>Date of Meeting:</b>	24 June 2020	<b>Agenda item:</b>	7.0								
<b>Report to:</b>	Board of Directors										
<b>Title:</b>	Cultural Assessment										
<b>Sponsoring Director:</b>	S Russell, Chief Executive										
<b>Author(s):</b>	S Russell, Chief Executive										
<b>Report Purpose:</b>	<table border="1"> <tr> <td>Decision</td> <td>Discussion/ Consultation</td> <td>Assurance</td> <td>Information</td> </tr> <tr> <td></td> <td></td> <td>✓</td> <td>✓</td> </tr> </table>			Decision	Discussion/ Consultation	Assurance	Information			✓	✓
Decision	Discussion/ Consultation	Assurance	Information								
		✓	✓								
<b>Executive Summary:</b>	<p>The purpose of this paper is to report to the Board in public the findings of the independent review of culture and leadership which was undertaken by Deloitte and the actions that have been taken, and will be taken forward to further improve the experience of colleagues working in the Trust (HDFT) and Harrogate Integrated Facilities (HIF).</p>										
<b>Related Trust Objectives</b>											
<table border="1"> <tr> <td>To deliver high quality care</td> <td>✓</td> <td>To work with partners to deliver integrated care:</td> <td>✓</td> <td>To ensure clinical and financial sustainability:</td> <td>✓</td> </tr> </table>				To deliver high quality care	✓	To work with partners to deliver integrated care:	✓	To ensure clinical and financial sustainability:	✓		
To deliver high quality care	✓	To work with partners to deliver integrated care:	✓	To ensure clinical and financial sustainability:	✓						
<b>Key implications</b>											
<b>Risk Assessment:</b>	Risks have been considered and acted upon in accordance with Trust Policy										
<b>Legal / regulatory:</b>	Trust Licence NHSE/I Employment Law Employment Rights Act 1996 (NHS Recruitment – Protected Disclosure) Regulations 2018 Freedom of Information Act 2000 CQC										
<b>Resource:</b>	Not applicable										
<b>Impact Assessment:</b>	Not applicable										
<b>Conflicts of Interest:</b>	Identified in report										
<b>Reference documents:</b>	Appendix A Appendix B										
<b>Assurance:</b>	Cultural Assessment Sub-committees										
<b>Action Required by the Board of Directors:</b>											
<p>The Board is asked to note the findings of the independent review of culture and leadership which was undertaken by Deloitte and the actions that have been taken, and that further work will be taken forward to further improve the experience of colleagues working in the Trust (HDFT) and Harrogate Integrated Facilities (HIF).</p>											

## Board of Directors

24 June 2020

### Cultural Assessment

1. The purpose of this paper is to report to the Board in public the findings of the independent review of culture and leadership which was undertaken by Deloitte and the actions that have been taken, and will be taken forward to further improve the experience of colleagues working in the Trust (HDFT) and Harrogate Integrated Facilities (HIF).
2. The work was commissioned to follow on from the 2018 staff survey and the listening events that the previous Chief Executive had undertaken where staff generally reported positive experiences but described some situations that were not in line with Trust values.
3. Independent advice was sought from Deloitte in the form of a 'neutral assessment' to help the Trust understand the issues in more detail.
4. This identified some issues which were already known to the Trust, and some which had not been surfaced through existing routes.
5. The report, and the recommendations made by Deloitte have been considered by the Board of Directors and a set of actions have been agreed. A more detailed overview of the background to the work and how it was undertaken is attached as **Appendix A** and a summary report from Deloitte which describes the findings is attached as **Appendix B**.
6. A summary of the actions agreed by the subcommittees is set out below.
  - a. **Our Board will place culture and experience at the heart of its governance and decision making.** This includes the creation of a people and culture committee, which will focus on culture and staff wellbeing, and the development and implementation of a more routine approach to identifying concerns about the culture and behaviours within teams. Our HR experts will focus on the proactive identification and resolution of issues, supporting first line leaders and teams to quickly address the underlying causes of behaviours that are not in line with our values. Finally, we have strengthened the leadership capacity of Harrogate Integrated Facilities through new appointments, and we have appointed a new medical director with specific leadership experience in culture and engagement who started in post on 15<sup>th</sup> June 2020.
  - b. **In order to better support staff** the culture in which the incident reporting process sits will be reviewed, and the approach of CORM in

particular, will be reformed. Support will be provided to users of Radiology and the Radiology team to agree a common vision for radiology at HDFT and standards of behaviour. The time taken to address concerns or poor behaviours will be reduced and a feedback loop to check for improvements will be introduced. OD support will be provided to Harrogate Integrated Facilities and external facilitation support to our radiology team, where a number of issues were identified will be commissioned to improve the experience of staff in Radiology and those who refer to it. Finally, our Freedom to Speak up Guardian arrangements have been reviewed and changes made from 18<sup>th</sup> June 2020.

- c. **To further promote fairness, consistency and responsiveness** the approach to concerns being raised, the application of HR policies, and the provision of advice which support these will be reviewed. Additional controls to recruitment have been put in place, whilst the overall process is reviewed. The pilot 'first line leaders programme' will be rolled out to all managers and leaders in HDFT and HIF and other development programmes will be aligned to this to ensure there is comprehensive support for managers. Our staff networks will be used to learn about the specific lived experience of colleagues from minority groups. Finally, our policy is being updated to specifically include how conflicts of loyalty and relationships between work colleagues should be managed.
  - d. **Formal investigations will take place** focusing on behaviours in Radiology, into appointments identified as not meeting the required HR criteria and process in HIF and the reported culture of bullying in Estates. There will be an external assessment of the capacity and capability within HIF overall, and in more depth in Estates.
7. The summary report and information about the background to the work and the actions that are planned have been shared with colleagues in the Trust and HIF and a number of on-line briefings and Q&A sessions have taken place. Similarly, the Council of Governors has been briefed, and further sessions have taken place with the Fairness Champions and the Staff Governors.
8. A programme is being put in place to take forward the actions which are summarised above, and the capacity of the Improvement and Transformation team will be dedicated to this. It is very important that many of the actions we take are shaped by and developed by colleagues across the Trust and HIF and therefore we intend to ensure there is broad engagement with colleagues. Whilst the people and culture committee will oversee progress, the proposed arrangements to take forward the actions will be brought back to the Board and the Board and Council will be updated about progress.

9. It is recommended that the Board note this report. Some matters are relevant to the report which will be presented by the Chief Nurse in respect of the biannual Freedom to Speak up Report.

**Recommendation**

10. The Board is asked to note the findings of the independent review of culture and leadership which was undertaken by Deloitte and the actions that have been taken, and that further work will be taken forward to further improve the experience of colleagues working in the Trust (HDFT) and Harrogate Integrated Facilities (HIF).





## Independent assessment of leadership and culture at Harrogate and District NHS Foundation Trust and Harrogate Integrated Facilities Management

**FINAL** | SUMMARY 28 May 2020

This is a Summary of our Final Report dated 20 Feb 2020 which is strictly private and confidential and has been prepared for the Board of the Harrogate and District NHS Foundation Trust and Harrogate Integrated Facilities Management only. This Summary Report is prepared for the Board as a body alone, and our responsibility is to the full Board, not individual Directors or Commissioners. It should not be communicated to any third party without our prior written permission. For your convenience, this document may have been made available to you in electronic as well a hard copy format. Multiple copies and versions of this document may, therefore, exist in different media. Only the final signed copy should be regarded as definitive.

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Steve Russell  
Chief Executive  
Harrogate and District NHS Foundation  
Trust  
Trust Headquarters  
Strayside Wing  
Lancaster Park Road  
Harrogate  
HG2 7SX

28 May 2020

Dear Steve

## Harrogate and District NHS Foundation Trust and Harrogate Integrated Facilities Management – Independent assessment of leadership and culture

In accordance with our engagement letter dated 22 August 2019 and our change order dated 24 October 2019 (which together form the 'Contract'), for an independent assessment of leadership and culture at Harrogate and District NHS Foundation Trust and Harrogate Integrated Facilities Management (the 'Review'), we enclose a summary of our Final Report dated 20 February 2020 (the 'Summary Report').

This Summary Report has been prepared in order that Harrogate and District NHS Foundation Trust are able to communicate the broad findings of our work without inclusion of the personally identifiable information which is included in the full Final Report in order that any active or future investigations are not prejudiced.

This Summary Report is confidential to Harrogate and District NHS Foundation Trust and is subject to the restrictions on use specified in the Contract. No party, except the addressee, is entitled to rely on the Summary Report for any purpose whatsoever and we accept no responsibility or liability to any party in respect of the contents of this Summary Report. This Summary Report is prepared for the Board as a body alone, and our responsibility is to the full Board and not individual Board Members or Executive Directors.

The Summary Report must not, save as expressly provided for in the Contract be recited or referred to in any document, or copied or made available (in whole or in part) to any other person. The Board is responsible for determining whether the scope of our work is sufficient for its purposes and we make no representation regarding the sufficiency of these procedures for the organisation's purposes. If we were to perform additional procedures, other matters might come to our attention that would be reported to the organisation.

We have assumed that the information provided to us and management's representations are complete, accurate and reliable; we have not independently audited, verified or confirmed their accuracy, completeness or reliability. In particular, no detailed testing regarding the accuracy of information has been performed. The matters raised in this Summary Report are only those that came to our attention during the course of our work and are not necessarily a comprehensive statement of all the strengths or weaknesses that may exist or all improvements that might be made. Any recommendations for improvements should be assessed by the organisation for their full impact before they are implemented.

Yours sincerely



Liz May  
Partner, Deloitte LLP

# Contacts and Contents

The contacts at Deloitte in relation to this project are:

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Draft Report issued :	16 December 2019
Factual inaccuracies received:	31 December 2019 7 January 2019
Final Report issued:	20 February 2020

Summary Report issued:	28 May 2020
Client sponsor:	CEO
Distribution:	Board of Directors



# Introduction and scope

# Introduction and scope

## Context

We have undertaken a neutral assessment of leadership and culture at Harrogate and District NHS Foundation Trust ('HDFT' or 'the Trust') and at Harrogate Integrated Facilities (HIF). We understand that some concerns have previously been raised from a number of sources, in particular the 2018 national NHS staff survey, a British Medical Association (BMA) member survey and the Trust's 'Fair and Just Culture' diagnostic.

This Summary presents the high level findings from our Final Report dated 20 February 2020 and has been prepared to enable HDFT to communicate the findings of our review to staff without the inclusion of the personally identifiable information from the Final Report. The Review was conducted against the scope set-out in the contract agreed on 22 August 2019 and the change order dated 24 October 2019.

## Approach

Our approach to delivering the assessment, as agreed with the Trust, was to start from a neutral position, with no preconceived view around leadership and culture in the Trust or HIF. As such, we split the review into two phases. Phase 1 began with a neutral assessment of leadership and culture across the whole Trust to understand the positive practices and behaviours as well as identifying any areas of concern or specific issues. The areas of focus for Phase 2 were then agreed on the basis of the outcomes of phase 1. The details of our approach to each phase are as follows:

**Phase 1** was a neutral assessment of leadership and culture across the Trust and HIF. No activities or questions were targeted at any specific individual, team, service or staff group and all conversations held were treated as non-attributable. Our approach consisted of:

1. Undertaking 1 hour, non-attributable, one to one interviews with key individuals (including Executive Directors, Directorate leadership teams, key individuals in a control group, staff side and Local Negotiating Committee (LNC) representatives and key individuals in governance roles such as the Freedom to Speak up Guardian (FTSUG));
2. Running a series of drop in sessions for staff at a variety of times and locations (seven were held in total) to provide the opportunity for staff to share positive stories around and to raise any concerns about leadership and culture directly with the review team. These were publicised to staff by the Trust's communications team (using newsletters, emails and screen savers);

3. Undertaking one to one interviews with any individuals who wished to raise or discuss concerns in relation to leadership and culture directly with the review team. These interviews were by open invitation to all staff, as publicised by the Trust's communication team; and
4. Conducting a review of key documentation, including but not limited to:
  - The Fair and Just Culture diagnostic results;
  - The BMA local member survey results;
  - The NHS Staff Survey results;
  - The results and findings of local pulse surveys and staff surveys undertaken by the Trust in the past 12 months; and
  - The Trust values statement and staff/Board Member code of conduct/behaviours framework.

**Phase 2** Upon completion of the interviews and documentation review listed above, we met with the Chief Executive (CEO) and Director of Workforce and Organisational Development to feedback the themes which had emerged from our work. At this time we jointly agreed which of these we would undertake a deeper dive into to better understand the issues or concerns raised during the work carried out in Phase 1 of our review. It was agreed that our deep dives would focus on:

- Medical Leadership;
- Radiology;
- Harrogate Integrated Facilities;
- Sunderland 0-19 Service; and
- Complaints and Risk Management Group.

Our deep dives consisted of:

1. Re-publicising our review to the services and staff groups selected along with extending the opportunity for staff to raise any concerns or issues with the review team directly (responsibility for communicating our drop in sessions and availability was held by the HDFT HR and communications teams);

## Introduction and scope (continued)

2. Running drop in sessions in the services / teams or staff groups targeted specifically at the areas/themes identified for follow up;
3. Undertaking interviews with key individuals;
4. Running a survey, distributed to all staff in the areas for follow up based upon the NHSI/Kings Fund culture diagnostic tool;
5. Observing a meeting of the Complaints and Risk Management Meeting (CORM) in November 2019; and
6. As per our Change order dated 24 October 2019 we also undertook a review of recruitment and appointments to posts since the creation of HIF. To ensure a manageable sample size we agreed to review all appointments to posts at Band 3 and above since March 2018, along with specific posts where concerns had been raised about the rigour and probity of the recruitment process during our interviews.

### Basis of our work and limitations

Our findings in this Summary Report are based on the views expressed by Board Members and members of staff during interview, drop in sessions and focus groups. As such the themes presented are drawn from the views of staff who spoke to the review team during the course of our review only.

As per the terms of reference specified in the contract agreed on 22 August 2019, we have not pursued any lines of enquiry in relation to individuals or cases which are already subject to formal procedures by the Trust. Furthermore, where findings in this Summary Report are based on the views expressed by Board Members and members of staff who individually wished to take any new concerns or allegations that come to light through our work further, we have signposted them to access the Trust's / NHS processes and procedures. We also signposted staff to the support available through the Trust and the NHS should they wish to avail themselves of this.

It is important to be clear that we have not sought to further investigate any specific concerns or instances of poor behaviour or perceived bullying and harassment described to us by individuals during our work. As such our work (and no aspects of this report), does not constitute a formal HR process or investigation, and nor should it be relied upon as such. It will be for the Trust to determine whether and how any formal investigation regarding the issues identified in this report should be conducted.

### Maxwellisation

Key individuals who were referred to directly in our Final Report dated February 2020, either in use of quotes from staff or reporting of themes from the views or concerns reported to us by staff, have participated in a 'Maxwellisation process'. These individuals have been afforded and taken the opportunity to review our report in its draft state to respond on any points of factual inaccuracy.

# Summary

# Summary

## Key findings

**As part of our review we have held one to one conversations and interviews with 176 members of staff across HDFT and HIF. In addition to this we have also facilitated a focus group with the Fairness Champions and supported surveys in some targeted areas to which 156 members of staff responded. It is important to make clear from the outset that this piece of work was commissioned as a neutral review of culture rather than an investigation, and therefore the summary of findings presented below is based purely on the views of those staff who spoke to the review team or responded to our survey,**

**It is not based upon any investigation of concerns raised and it will be for the Trust to determine whether and how any formal investigation regarding the issues identified in this report should be conducted.**

**We have separated the findings of our report into two main areas, general findings which are not specific to an individual, team, service or staff group, and thematic findings, where we received consistent and corroborative concerns about individuals, teams, services or staff groups. We have summarised our key findings in each of these areas below.**

### A. General findings from phase 1 of our review.

One of the most often repeated points made to us by staff during our work was that the Trust was 'a great place to work' and that staff felt 'proud to work at the Trust'. Most of the HDFT staff who came to us to report concerns wished to caveat these with a view that they were isolated in nature, and that the majority of staff at the Trust were friendly, open and supportive.

Another notably positive feature of our review was the comments made about the leadership behaviours displayed by the Board and the Directorate Leadership teams. The values displayed by the Board were the subject of particular praise, as was the consistency of positive role modelling across the Directorate leadership teams, which in our experience of undertaking governance, leadership and culture reviews, is unusual.

Similarly, the Executive Team were frequently described as an open and inclusive team, who are highly visible and foster a positive leadership culture in the organisation.

Whilst most of the staff that we spoke to felt that 'acting on concerns regarding behaviour and culture' was an area where the Trust could improve, a number of services were cited frequently where it was felt issues had been recognised, acknowledged and acted upon, with noticeable improvement. Theatres was one such area. the Directorate team explained their use of a culture diagnostic tool in this and other services where there were known cultural or leadership challenges. We feel there is scope to adopt this approach more widely across the Trust. This point should be balanced however, by the fact that some staff described a sense of fatigue regarding raising concerns regarding poor behaviour or bullying and harassment, explaining that when they had done this in the past they had observed no action or improvement and therefore had been discouraged from doing so again. Staff did generally report some positive signs regarding the issue of openness to raising concerns more broadly, with many referencing the visibility of the CEO and his commitment to the staff well-being agenda as encouraging staff to raise issues they may not have previously.

A significant feature of our work was the number of both medical and nursing staff who reported apprehension or fear regarding the incident reporting and investigation approach in place at the Trust. Staff specifically cited the Complaints and Risk Management Group (CORM) as a source of fear, either as a result of personal experience or reputation. This was particularly (but not exclusively) felt to be an issue for the medical staff we spoke to. It is unusual for us to receive such consistent feedback that a single governance entity is a source of trepidation, as a result it would appear wise to revisit the governance structures around patient safety and particularly in relation to CORM.

# Summary

## Key findings

### A. General findings from phase 1 of our review (continued)

The Freedom to Speak Up arrangements in place at the Trust were frequently commented on by the medical staff interviewed as part of our work, with many feeling that current arrangements presented an actual or potential barrier to openness. Whilst no individual questioned the integrity of the FTSUG (who was frequently described as accessible, approachable, compassionate and helpful), our view is that the potential conflict of interest that exists under the current arrangement is such to act as a deterrent to some who may wish to raise concerns.

We have been unable to undertake targeted work to evaluate the views of minority or hard to reach groups of staff due to the lack of diversity and inclusion structures, forums and arrangements in place at the Trust. In our experience not having such arrangements in place is unusual, as most NHS Trusts have implemented and well established such structures. Whilst some racist attitudes were present in free text comments in response to the survey of HIF staff, we had no direct issues raised with us regarding equality and diversity related bullying during our work.

Whilst it is not unusual for some staff to criticise the responsiveness or level of service provided by corporate services during our reviews, human resources support at HDFT was frequently criticised by staff during our work. The HR department was described variously as:

- Providing variable advice (dependent upon who in the HR department a line manager spoke to);
- Adhering rigidly and inflexibly to policy;
- Being slow to act on issues, with cases dragging on in some instances for years; and
- Leaving staff with a feeling that the HR position regarding behavioural issues is to try to 'make them go away'.

We asked all those in line management positions what level of training and development they had received in relation to performance management, managing difficult conversations and resolving conflict. In all cases staff told us that they felt the current offer in place at the Trust in this area to be inadequate. Our work also found concerns regarding the quality of HR policy and procedure currently being applied at the Trust. For example, a number of staff described instances where they had been placed on an 'informal capability plan' by the HR team with no prior discussion or communication and that they had been denied any representation at the meeting scheduled to discuss and agree this plan. We understand that a programme of work to review HR policies has now been commenced.

Whilst we acknowledge that more recently the Trust have begun to develop this area (for example in nursing, the Trust this year introduced the RCN clinical leadership programme). The Trust has also recently introduced the First Line Leaders programme to develop leadership skills amongst line managers at the Trust which is now in cohort seven. There is, however, scope to develop a more holistic training and support offer aimed at developing the leadership skills of the workforce which incorporates coaching, mentorship and other tools with classroom based learning.

Finally, we found limited oversight and visibility of cultural and organisational development based assurance and indicators at Board and committee level. The Executives and Non Executive Directors interviewed reflected that this was a gap in the governance and assurance arrangements in place at the Trust. There is in our view scope to undertake work to strengthen this aspect of governance and provide greater opportunity to explore assurance on organisational culture at Board level.

# Summary

## Key findings

### B. Thematic / specific findings arising from both phase 1 and 2 of our review

Upon conclusion of the majority of our scheduled interviews and activities at phase 1, we met with the CEO and Director of Workforce to feedback the thematic issues that had arisen as of 01 August 2019. It was agreed at this meeting that in phase 2 of our review we would focus on a selection of areas where concerns were repeatedly raised during phase 1 of our work. These were determined by the CEO and Director of Workforce and OD as areas where; the Trust was not already implementing a programme of intervention or development to address culture / behavioural issues; and there were no active formal proceedings in relation to an issue.

We have summarised the key thematic concerns arising from our review in these areas as follows:

#### B.1 Medical Leadership

A significant number of individuals raised concerns with us about the culture amongst medical staff at the Trust, in particular relating to medical leadership (it is important here to state that we received almost universal praise from staff in relation to the behaviour and leadership of the Clinical Directors). The staff reporting these concerns were of all grades and from a broad range of specialties. The concerns raised ranged from general issues about poor behaviour not aligned to the Trust's values, to direct accusations and descriptions of bullying and harassment. Of the 35 staff raising these concerns with us 26 explicitly used the term 'bullying' or 'bully' to describe behaviour and a number of these individuals relayed instances where they felt they themselves, or others had been bullied. We have detailed some of the examples of bullying cited by staff in the full version of this report.

A number of the staff we spoke to during our review referenced what they felt was the impact of the medical leadership culture upon engagement, openness and incident reporting from medical staff. These individuals explicitly stated that there was a negative impact upon the patient safety reporting culture at the Trust, to the extent that some behaviours were a deterrent to reporting.

Acknowledging the views of the 35 individuals citing concerns regarding the culture in relation to medical leadership it is also important that we relay the positive descriptions provided by a number of staff in relation to this area of the Trust. In particular, Executives and Directorate leadership teams were broadly positive about the medical leadership culture within the Trust.

#### B.2 Radiology

During phase 1 of our review a number of staff raised concerns about Radiology, either in general terms about Radiology as a department, or specifically regarding the practice and behaviour of individuals within Radiology. In all of these instances the concerns raised related to behaviours towards medical staff from specialties outside of Radiology when requesting scans. In phase 2 of our work we spoke to 14 members of staff from within Radiology directly, and a further 51 members of staff from Radiology responded to the survey based on the NHSI / Kings fund culture diagnostic tool.

A number of staff raised general concerns with us about the culture in Radiology, referring to a department with a 'poor culture', and describing Radiology as being an 'unhelpful', 'unfriendly' and/or obstructive department. Some staff from outside of Radiology (particularly the doctors in training who spoke to us) compared the department to others where they had worked, reflecting that they had not experience such problems requesting scans in other Trusts. In our own experience of undertaking leadership, governance and cultural reviews at NHS Trusts, we have rarely come across such strength of feeling about the approach of a Radiology department to requests. We found this issue to be mirrored within Radiology, where we found staff to use combative language when describing their department's relationship with the wider organisation. Triangulating this point, 60% of survey respondents within Radiology did not agree with the statement "the Trust values the service we provide".

# Summary

## Key findings

### B.2 Radiology (continued)

A number of the staff we spoke to both within and from outside Radiology told us that they felt the negative culture towards the wider organisation in Radiology had been fostered by some senior consultants within the department. This was described as fostering what is perceived as a negative culture which 'champions rejection of scans'. A number of staff members from within Radiology raised concerns with us about bullying taking place within the department.

A small number of staff reported specific patient safety concerns regarding the clinical practice of some individuals within Radiology. We have passed details of these and the identity of those raising these concerns to the CEO to ensure that should it be deemed necessary, these can be investigated to ensure that the safety of the service is maintained.

### B.3 Harrogate Integrated Facilities (HIF)

Whilst not initially within the scope of our review, the culture and behaviours of staff within HIF were described to us as a concern by several HDFT members of staff during phase 1 of our work. As a result we escalated this to the attention of the CEO of HDFT and Chair of HIF who requested that our contract be amended to incorporate HIF services within the scope of our review.

Phase 2 of our work therefore included HIF services as an area of focus, specifically relating to Portering, Estates, and Domestic Services. We interviewed 52 members of staff from HIF, with 63 members of HIF staff also responding to a survey based on the NHSI / Kings Fund Culture Diagnostic Tool. The scope of our work was further extended via a Change Order on 24 October 2019 to include a review of recruitment and appointments to posts since the creation of HIF.

Of the 52 members of staff interviewed at HIF, 45 raised concerns about the senior management and leadership of the company. These concerns varied in nature but consistently cited:

- A lack of visibility of senior leadership, with many staff stating that they rarely if ever saw or came into contact with the senior management of the company;
- An 'us and them' scenario whereby the management of the company had isolated themselves from the rest of the workforce;
- Poor communication, with many staff stating that they rarely if ever received communications about the company or its priorities, progress or performance; and
- Poor decision making and policy making with limited explanation. This was cited by staff in relation to areas such as waste management, recruitment, organisational structure, shift patterns and staff rotas.
- Finally, a number of members of staff across each of the services we reviewed (21 in total) described relationships between senior managers as nepotistic and a barrier to raising concerns about leadership and management of the company.

The volume of concerns raised about the leadership of HIF and the local management of some services leads us to find that there are significant issues regarding the confidence of staff in the leadership of HIF. These concerns clearly point to a disconnect between front line staff and the management team at HIF.



# Summary

## Key findings

### B.3 Harrogate Integrated Facilities (continued)

Our interviews raised widespread concerns about bullying, poor behaviour and cliques within the Estates department, with a number of staff describing the present culture within Estates as 'toxic'. A significant number of those interviewed (21 in total) described members of staff as being, or as having been, bullied by a group of individuals within the Estates Team. These individuals either explicitly stated that bullying was taking place, or described instances or events which could be labelled as bullying. The individuals subject to the bullying described instances which clearly fall within the ACAS definition of bullying and include:

- Collectively ignoring and ostracising people;
- Defacing tools, equipment and belongings with offensive graffiti;
- Mocking individuals openly in front of the team using posters;
- Intimidating behaviour; and
- Damaging belongings and equipment belonging to some individuals, including gluing of equipment and lockers.

We find it concerning that a significant number (over 20) of those interviewed from within Estates dismissed the issues described above as 'banter', 'childish pranks' and 'fine, a bit of a laugh'. We were also concerned at the number of staff during interview who felt that some of the behaviours identified above could be excused, on the basis that it was felt recruitment processes had been mishandled or people 'weren't up to the job' or 'didn't fit in'.

We were surprised at the number of staff who spoke to us who were able to refer confidently to the proceedings and outcomes of recruitment processes of individuals within the Estates Team. Over 15 people within Estates described individuals as having got 'less than 50% and failed in their interview' or having 'no qualifications for the job'. Many of these individuals held no line management responsibilities and would not have sat on or normally be privy to the confidential detail of recruitment processes.

This triangulates with broader concerns raised that the local management within Estates are too close to certain individuals on the shop floor, the degree that they are unwilling or unable to effectively address the cultural, behavioural and bullying issues being reported.

The above issues also align clearly with the survey responses to the statement 'unacceptable behaviour is consistently tackled', to which 86% of respondents did not agree. On the basis of the above issues and the detailed examples and triangulation between interviewees at different levels it is our view that there are significant cultural issues within the Estates Team, and that these issues extend to:

- poor behaviour from multiple members of staff;
- a lack of empathy with colleagues and others; and
- bullying and harassment over an extended period of time.

Through our review of HR records and processes we have identified a number of areas of poor practice in relation to adherence to recruitment policy and the processes, including:

- A number of applicants were shortlisted for and subsequently appointed to posts for which they did not demonstrate (via listed experience and qualifications in their application form or CV) the essential criteria for the post as per the job description or advert;
- A number of posts appear not to have been advertised appropriately in line with policy; and
- We identified a number of posts where there are significant risks in relation to the probity of appointments.

# Summary

## Key findings

### B.3 Harrogate Integrated Facilities (continued)

We have found the approach to recruitment within HIF does not demonstrate good recruitment practice and does not meet the requirements and processes stipulated in both HDFT and HIF policy. The widespread use of an 'internal expression of interest' approach to recruitment and the lack of HR involvement and support in a number of appointments has left staff within HIF feeling that recruitment within the company is unfair. In conclusion we recommend a thorough review and overhaul of HIF recruitment practices and policies.

### B.4 Sunderland 0-19 Service

During phase 1 of our review we did not feel that our planned drop in sessions at this service were facilitated in a manner which would encourage openness and transparency, we therefore recommended that the survey based upon the NHSI/Kings Fund culture diagnostic tool be run in the Sunderland service to ensure any concerns staff had could be raised confidentially (42 members of staff responded).

Whilst some of the survey results were relatively positive, in a number of areas the responses pointed to the need to further understand the challenges being described by this team regarding leadership and culture and to provide some organisational development support to help to address these.

### B.5 Other thematic areas of focus

As part of phase 2 of our review we also agreed to facilitate a focus group with the Trust's Fairness Champions. We completed a session at which 9 Fairness Champions attended and offered some useful insights into the culture of the Trust which are detailed in the body of this report. We feel that better use could be made of the collective, thematic intelligence gathered by the Fairness Champions to provide more triangulated and accurate assurance information to the Board and committees regarding the culture of the organisation. Some of the broad conclusions drawn from our discussions with fairness champions were:

- That there is a need to do more to recruit more junior staff into the Fairness Champion roles, the seniority of many Fairness Champions was felt to be a potential barrier to individuals coming forward;
- The 'kitchen table' meetings held between the Fairness Champions are really helpful and highly valued, but are too infrequent, difficult to attend and not sufficiently focussed on themes; and
- There is a need to more effectively link the soft intelligence gathered by the Fairness Champions with the assurance received by the Executive and Board to triangulate intelligence to build a more accurate picture of culture at this level. One suggestion is to ask the CEO to attend the last 30 minutes of 'kitchen table' meetings to listen to themes from feedback.

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**Harrogate and District**  
NHS Foundation Trust

# Towards our ambition to be an outstanding place to work

Our response to Deloitte's cultural assessment  
June 2020

# Introduction

1. Harrogate and District NHS Foundation Trust (HDFT) is a values driven organisation; Respectful, Responsible and Passionate. We emphasise the need to treat each other with kindness, civility and compassion. Our strategy is focused on the pursuit of quality improvement and we believe that improving the experience of all our colleagues will lead to better care for our patients. Our wholly owned subsidiary, Harrogate Integrated Facilities (HIF) was created in 2018 and our colleagues in HIF are an important part of the HDFT family.
2. HDFT is already a great organisation, with the hard work of our colleagues recognised by the Care Quality Commission ratings of 'Good' for Quality of Care, Use of Resources, Well Led, and 'Good' overall. The way in which our colleagues care for patients is rated as 'Outstanding'. Our independent NHS Staff Survey results show that the lived experience of our colleagues is better than the average of other NHS organisations across nearly all domains.
3. We have an ambition to build on this firm foundation; to be even better and to become an outstanding organisation in which to work and in which to receive care. We want all our HDFT and HIF colleagues to feel supported in their work, to experience civil and respectful behaviours, to feel different perspectives are sought and welcomed and to feel able to speak up, and that concerns will be acted upon appropriately.
4. In response to the 2018 NHS Staff Survey the previous chief executive, commenced work to develop a consistently fair and just culture. The survey showed a generally positive picture, however, there were some areas where behaviour appeared inconsistent with Trust values. To help further improve in delivering the best possible employee experience and in turn the best possible patient experience, a specialist team from Deloitte were commissioned in August 2019 to undertake a neutral assessment and to help us understand in more detail views of which areas we should and could improve upon.

# A great place, that can be even better

5. Deloitte found many important positives about the Trust as a place to work and the culture that is fostered. Almost everyone that spoke to Deloitte described HDFT as a ‘great place to work’ and described the culture using the phrases ‘friendly’ and ‘family’. Many who had worked elsewhere in the NHS compared HDFT positively to their other experiences. Few people described the culture at an organisational level in negative terms, and where people identified concerns about behaviours they caveated this saying that overall HDFT is a great place to work. There were positive comments about the Board and the Directorate leadership teams, which Deloitte felt compared positively to other reviews they had undertaken in NHS organisations.
6. At the same time, they have found areas in which there are issues that we need and want to address. We are naturally disappointed to hear this, but pleased, that now identified, we will be to create a better working environment for colleagues and become the outstanding place to work delivering the level of care that we all aspire to. We are committed to addressing the findings of their work
7. When we started the external assessment with Deloitte, we committed to sharing the findings with colleagues and to be open about them. Their report makes reference to situations where formal investigations may be required – it would not be appropriate, currently, to share these aspects. Therefore we are today sharing a summary report from Deloitte along with this document that sets out the actions we are taking in response, including how we are seeking everyone’s input into the actions we take. In due course we expect to be able to share the fuller Deloitte report.
8. Two committees of the Board, chaired by non-executive directors, have been set up to oversee the development and implementation of the necessary actions which arise from this work. One is focused on the work relating to HDFT, and the other on the work related to HIF. These sub-committees have reviewed the full report and have agreed the priority areas for action that will be taken.



**Harrogate and District**  
NHS Foundation Trust

# Steps we will take to help make HDFT and HIF even better places to work

These have been agreed by the Board committees and will be subject to further engagement with colleagues across the Trust

# A great place, that can be outstanding

## 1. Our Board will place culture and experience at the heart of its governance and decision making

- i. As a Board we are passionate about HDFT being an outstanding place to work which will also mean it is one of the best places in which to be treated and cared for as a patient. As part of our commitment to achieving this, and in recognition of the importance of our colleagues, we will establish a People and Culture committee of the Board focussed entirely on this essential programme of work.
- ii. The committee will oversee the Deloitte review and ensure the Board maintains an increased focus on culture and staff wellbeing, including the development and implementation of a more routine approach to identifying concerns about the culture and behaviours within teams, and the development and implementation of the Trust's People Strategy.
- iii. We have recruited Dr Jacqueline Andrews as our new Executive Medical Director. She has significant medical leadership experience and has been appointed with specific objectives around the development of a positive culture. Jackie starts in June 2020.
- iv. We are strengthening the leadership capacity of Harrogate Integrated Facilities on a time limited basis to deal with the issues arising from the review. Jonathan Coulter, our Deputy CEO, has been appointed as Interim Chief Executive of HIF. Phil Sturdy, HIF's Managing Director continues in his role and will report to Jonathan. The Board has also appointed Jill Foster, Chief Nurse, as a further non-executive director to HIF.



# A great place, that can be outstanding

## 2. We will take specific actions to better support staff

- i. The culture in which the incident reporting process sits should promote learning at an individual, team and organisational level. The overall governance arrangements, and CORM in particular, will be reformed to ensure incident reporting is effective and focused on learning. We will work in collaboration with colleagues from across HDFT to ensure the process is felt to be fair and that staff feel supported in their responsibility to identify incidents, reflect and identify learning and changes to systems and processes.
- ii. We are reviewing the Freedom to Speak up Guardian arrangements to ensure that there are no material barriers to encouraging people to access the Guardian and feel safe in speaking up.
- iii. Where poor behaviours are identified, we will introduce a feedback loop to check if there has been an improvement to build confidence that concerns can be raised, and will be acted on. We will also reduce the time it takes to resolve such issues.
- iv. We will provide external facilitation support to our radiology team, where a number of issues were identified. Working with other departments who refer to radiology a common vision for radiology at HDFT and standards of behaviour will be developed, agreed and formalised.
- v. HDFT will provide human resources and organisational development capacity to HIF to allow the development of a programme of wider cultural improvement to ensure there is a focus on staff wellbeing and acting on concerns within HIF. Some local support will also be provided to the Sunderland 0-19 service will be provided to build on recent improvements.

# A great place, that can be outstanding

## 3. We will take actions to further promote fairness, consistency and responsiveness

- i. The approach to concerns being raised, the application of HR policies, and the provision of advice which support these will be reviewed to ensure greater consistency, fairness and timely action.
- ii. Following positive evaluation of the pilot of our 'first line leaders programme' which was designed and launched in 2019 in response to the staff survey, we will now roll this out to all managers and leaders in HDFT and HIF. Other programmes such as 'pathway to management' will be strengthened to ensure that together there is a comprehensive support for managers.
- iii. The current conflicts of interest policy will be reviewed and updated to meet the needs of the Trust and HIF to specifically include how conflicts of loyalty and relationships between work colleagues should be managed. A relationships at work policy is under development.
- iv. Immediate actions will be put in place to ensure recruitment processes in both HDFT and HIF are both perceived to be and are demonstrably fair. All posts will be advertised externally except where posts need to be ring-fenced for protection purposes. The use of 'equivalent experience' will be minimised, or this will be more clearly specified. Additional controls will be put in place so we can be assured about the integrity of appointment decisions.
- v. The Trust staff networks will be given support to maximise their effectiveness and to learn about the specific lived experience of colleagues from minority groups.

# A great place, that can be outstanding

## 4. In a small number of areas formal investigations will take place to address specific issues

- i. In Radiology this will focus on behaviours and private practice arrangements and will be undertaken using external independent investigators.
- ii. There will be an external assessment of the capacity and capability within HIF overall, and into appointments identified as not meeting the required HR criteria and process.
- iii. There will also be an external review of the capacity and capability within the HIF estates function, including the reported culture of bullying.



**Harrogate and District**  
NHS Foundation Trust

# What happens next?

# A great place, that can be outstanding

## The improvements we take will be informed, shaped and driven by you.

- i. We will share the findings of the work widely across the Trust through a variety of channels; and we will ask you for your views on the findings, whether anything has been missed, and most importantly on designing what the changes should be and how they should be made.
- ii. Steve, our Chief Executive, will lead the work, but we do not want this to be work undertaken by the senior team alone. It is important that our thinking and actions are informed, guided and driven by the suggestions of the broadest possible range of colleagues as you will know best what changes will make a difference. We are committed to listening to your views.
- iii. We hope to draw on the experience and advice of our fairness champions as fairness is front and centre in this work. A number of them have volunteered to help lead this work. They will have an important role in leading the work with you to ensure the changes we make over time will have a positive impact and will help us achieve our ambition.
- iv. We will be running a series of engagement events to ensure the actions are driven by the breadth of experience and expertise in #teamHDFT and #teamHIF and there will be a variety of ways to get involved either doing or supporting some of the work, or contributing to it. We will share further details in due course. If you would like to be involved in leading, or supporting the work please let us know.
- v. Please let us know your immediate thoughts to help guide our next steps. You can email your views to [hdft.employee\\_experience@nhs.net](mailto:hdft.employee_experience@nhs.net), can speak to one of the fairness champions, or through your Clinical Director, Head of Nursing or Operational Director.
- vi. You can also contact Steve directly [steverussell1@nhs.net](mailto:steverussell1@nhs.net), or by phone, text or whatsapp 07768503051 and you can use the staff facebook page to share your views

# A great place, that can be outstanding

## Supporting you

- i. We are very grateful to everyone who shared their experiences during this work, and we know that some colleagues were anxious about doing so. If you have been affected in any way by this work you can access support from Occupational Health or the Employee Assistance Programme, or talk to your line manager, someone you trust or one of the fairness champions.
- ii. We know that not everyone will have had the opportunity to share their thoughts, both positives and areas for improvements. If you are concerned about behaviours we would encourage you to raise them. You can do this with your line manager, or one of the fairness champions, or you can contact the Freedom to Speak Up Guardian, or any of the Executive Team.
- iii. We have put in place a dedicated contact point in HR for any concerns or questions, which will operate separately to the routine work in our HR department. This will help us ensure a consistent and timely response to any issues raised. It will have oversight from Angela Wilkinson, our HR Director, Jill Foster, our Chief Nurse, who is the Executive Lead for Freedom to Speak Up and a Fairness Champion. The dedicated contact is [hdft.employee\\_experience@nhs.net](mailto:hdft.employee_experience@nhs.net)



**Harrogate and District**  
NHS Foundation Trust

# Towards our ambition to be an outstanding place to work and for care

May 2020



<b>Date of Meeting:</b>	24 June 2020	<b>Agenda item:</b>	7.1								
<b>Report to:</b>	Board of Directors										
<b>Title:</b>	People Committee Terms of Reference										
<b>Presented by:</b>	Mr J Cross, Non-executive Director (People and Culture Committee Chair) Mr S Russell, Chief Executive										
<b>Sponsoring Director:</b>	Chief Executive										
<b>Author(s):</b>	Chief Executive Interim Company Secretary										
<b>Report Purpose:</b>	<table border="1"> <tr> <td>Decision</td> <td>✓</td> <td>Discussion/ Consultation</td> <td></td> <td>Assurance</td> <td>✓</td> <td>Information</td> <td></td> </tr> </table>			Decision	✓	Discussion/ Consultation		Assurance	✓	Information	
Decision	✓	Discussion/ Consultation		Assurance	✓	Information					
<b>Executive Summary:</b>	<p>The Board had previously agreed to establish a People and Culture Committee and it was agreed the Draft Terms of Reference would be discussed by the People and Culture Committee members with a final version presented to the Board for approval.</p> <p>Members of this Committee have discussed the draft Terms of Reference and an updated version is presented to the Board for approval.</p>										
<b>Related Trust Objectives</b>											
To deliver high quality care	✓	To work with partners to deliver integrated care:									
		To ensure clinical and financial sustainability:									
<b>Key implications</b>											
<b>Risk Assessment:</b>	<ul style="list-style-type: none"> <li>Aligns to strategic objective: to deliver high quality healthcare</li> <li>Aligns to Annual Goal: we will support and engage with staff</li> <li>Board Assurance Framework linkage referenced with the draft Terms of Reference</li> </ul>										
<b>Legal / regulatory:</b>	Trust Licence NHSE/I Care Quality Commission										
<b>Resource:</b>	Not applicable										
<b>Impact Assessment:</b>	Not applicable										
<b>Conflicts of Interest:</b>	Not applicable										
<b>Reference documents:</b>	Draft People and Culture Terms of Reference										
<b>Action Required by the Board of Directors:</b>											
The Board of Directors is asked to approve the updated People and Culture Committee Terms of Reference.											

7.1





## People and Culture Committee

### Terms of Reference

#### 1.0 Constitution

The People and Culture Committee (*the Committee*) is a non-statutory Committee and has been formally constituted by the Board of Directors in accordance with its Standing Orders.

The Committee will oversee the development and ongoing implementation of the Trust's Fair, Safe and Just Culture so that all staff enjoy a positive working experience and improved health and wellbeing. It will do this by monitoring, reviewing and reporting to the Board on the culture and organisational development of the Trust.

#### 2.0 Authority

The Committee is authorised by the Board of Directors to act within its terms of reference. All members of staff are directed to co-operate with any request made by the Committee.

The Committee is authorised by the Board of Directors to instruct professional advisors and request the attendance of individuals and authorities from outside the Trust with relevant experience and expertise if it considers this necessary for or expedient to the exercise of its functions.

The Committee is authorised to obtain such internal information as is necessary to the fulfilment of its functions.

The Committee shall have the power to establish subcommittees/Groups and/or task and finish groups for the purpose of addressing specific tasks or areas of responsibility.

#### 3.0 Purpose

The purpose of the Committee is to gain assurance, on behalf of the Board of Directors that the Trust is making sufficient progress towards a Fair, Safe and Just Culture, with a focus on health and wellbeing and a more consistent and positive experience for all staff.

The Committee will:

- ensure that the Trust's activities enable colleagues to feel supported in their work, and consistently experience civil and respectful behaviours
- oversee the development of a consistent culture where people feel safe and able to raise concerns and that concerns raised are suitably addressed;
- ensure the Trust's activities are systematically and effectively promoting health and wellbeing, and psychological safety.
- ensure the Trust is actively seeking to reduce inequalities in staff experience and is promoting equality, diversity and inclusion in a systematic and effective way.
- shape, approve and drive the Trust's People and Organisational Development Strategy and assure its implementation to ensure appropriate impact;
- ensure that the Trust has a comprehensive Leadership Development programme in place to support all leaders and which is designed to reinforce

the culture the Trust is seeking to achieve and will evaluate the effectiveness of the programme to inform further improvements.

- ensure the Trust has a systematic approach to assessing culture, relationships and behaviours within teams and that where issues are identified, each team has a suitable action plan to address any findings.
- review people-related policies to ensure they will positively enhance the Trust's culture and receive assurance on their implementation timeliness, fairness, integrity and consistency.
- shape, approve and drive improvements arising from the triangulation of feedback from staff surveys, exit interviews, Freedom to Speak Up Guardians and other sources.
- oversee the development of the Trust's engagement and communications strategies and related programmes of work, and review the effectiveness of internal communications and engagement;
- ensure engagement and consultation processes with staff, stakeholders and communities reflect the ambition and values of the Trust and also meet statutory requirements;
- review and drive performance improvement against key elements of the Workforce Strategy including:
  - Equality, Diversity and Inclusion Reports and Action Plans – e.g. Gender Pay, WRES, WDES etc,
  - NHS Staff Survey Results;
  - Fit and Proper Persons Policy and Compliance;
  - Freedom to Speak Up Reports for all staff
  - Guardian of Safe Working and GMC/HEE Surveys.
  - Feedback from staff in training.
- ensure the Trust's values and appropriate standards of behaviour in accordance with the Standards of Business Conduct/Conflicts of Interest Policy and Professional Leaderships Behaviours, are being practiced throughout the organisation;
- review, assess and gain assurance on the effectiveness of mitigations and action plans as set out in the Board Assurance Framework specific to the Committee's purpose and function.

#### **4.0 Cycle of Business**

The Committee will set an Annual Plan for its work to form part of the Board's Annual Cycle of Business, including reference to the Board Assurance Framework, and report to the Board on its progress.

#### **5.0 Statutory compliance**

The Committee will ensure that current statutory and regulatory compliance and reporting requirements are met and appropriate action is taken in respect of:

- standards of professional conduct and practice (including consideration of Professional and Leadership Behaviours, the Conflict of Interest Policy);
- Freedom to Speak Up Guardian;
- Equality, diversity and inclusion.

#### **6.0 Risk**

The Committee will identify, assess and manage strategic risks in relation to the Committee's area of focus via the Board Assurance Framework. Review the suitability and robustness of risk mitigations and action plans with regard to their potential impact on the Trust Strategic

Objectives. To provide the Audit Committee and the Board with assurance on the effectiveness of management of the principal risks relating to the Committee's purpose and function.

## 7.0 Membership

Members are expected to attend all meetings. The Committee membership will be agreed by the Board of Directors to consist of:

- 4 Non-executive Directors
- 4 Executive Directors (Chief Executive, Medical Director, Chief Nurse, Director of Workforce & OD)

One of the Non-executive Directors will be appointed by the Trust Chairman as the Chair of the Committee. A further Non-Executive member of the Committee will be appointed as Vice-Chair by the Committee Chair. In the absence of the Committee Chair, the Vice-Chair will chair the meeting

The Chief Executive will act to fulfil the role of Executive lead for the Committee.

Members are able to attend Committee meetings in person, by telephone, or by other electronic means. Members in attendance by electronic means will count towards the quorum.

The Chair of the Committee should ensure the membership promotes equality, diversity and inclusion.

## 8.0 Regular Attendees

The following will be invited to attend to support the working of the Committee:

- Deputy Director of Workforce & Organisational Development
- Freedom to Speak Up Guardian
- Three Fairness Champions (appointed for up to 2 years)
- Chairs of the Staff Networks

An attendance record will be held for each meeting.

## 9.0 Quorum

The Committee will be deemed quorate to the extent that at least two Non-executive Directors and two Executive Director are present.

Members unable to attend a meeting of the Committee may nominate a deputy to attend on their behalf, agreed with the Chair of the Committee. (*Nominated deputies shall not count towards the quorum.*)

Members of the Committee do not represent or advocate for their respective area of the Trust, but act in the interests of the Trust as a whole.

## 10.0 Committee Administration

The Committee will meet at least quarterly and at such times as the Chair of the Committee, in consultation with the Executive Director Lead, shall require, in order to allow the Committee to discharge all of its responsibilities.

The Chair may at any time convene additional meetings of the Committee to consider business that requires urgent attention.

The agenda will be set in advance by the Chair, with the Executive Lead and Company Secretary, reflecting an integrated cycle of meetings and business.

Notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be made available to each member of the Committee, no less than five working days before the date of the meeting in electronic form. Supporting papers shall be made available no later than two working days before the date of the meeting.

The Chair shall establish, at the beginning of each meeting, the existence of any conflicts of interest and ensure that these are recorded in the minutes accordingly.

The Committee Secretary shall minute the proceedings of all Committee meetings.

The Committee shall, at least once a year, review its own performance, using a process agreed for all Board Committees by the Board of Directors.

### **11.0 Reporting and Accountability**

The Committee Chair will report to the Board of Directors after each meeting on all matters within its duties and responsibilities, summarising areas where action or improvement is needed.

The Committee will report to the Board annually on its work in support of the Annual Report and will describe how the Committee is discharging its responsibilities against its Terms of Reference.

The Committee Chair shall attend the Annual General Meeting to respond to any stakeholder questions on the Committee's activities and shall provide an annual update to the Council of Governors on the work of the Committee.

### **12.0 Review**

The Terms of Reference of the Committee will be reviewed by the Board at least annually.

**Terms of Reference Approved by the People and Culture Committee: 21 June 2020**

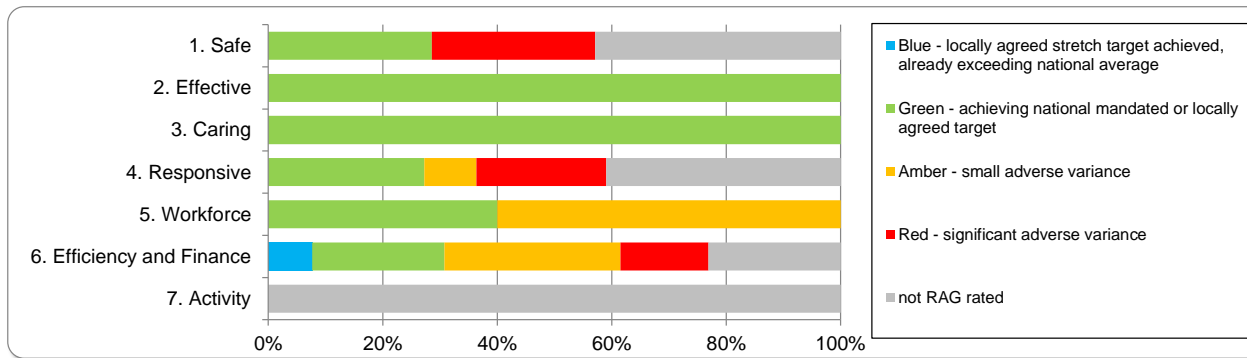
**Terms of Reference Approved by the Board of Directors:**

## Integrated board report - May 2020

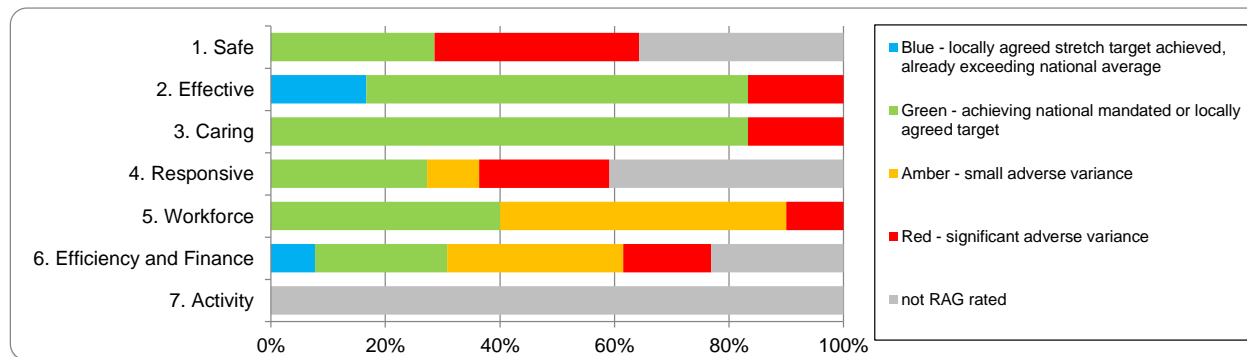
### Key points this month

1. The Trust reported a balanced position in month 2, in line with the national expectation for providers. This position is supported by a £4.8m top up payment, supporting the costs of Covid19 and some underlying variances as a result of the plan.
2. HDFT's performance against the A&E 4-hour standard was below 95% in May (93.4%). This was an improvement on last month and for the year 2019/20 performance was at 90.7%. In May ED activity was around 50% lower than the average number of monthly attendances in 2019/20 pre-Covid19.
3. Provisional data shows that performance against the 62 day cancer standard in May was at 80.0%, a decrease on the April figure of 89.2% (further details contained in this report).

### Summary of indicators - current month



### Summary of indicators - year to date



**Section 1 - Safe - May 2020**

Indicator number	Indicator name / data quality assessment	Trend chart	Interpretation
1.1a	Pressure ulcers - hospital acquired		<p>There were 6 hospital acquired category 3 and above pressure ulcers reported in May (including device related and device related mucosal). This is lower than last year with an average of 8 per month reported in 2019/20. 4 of these require RCA, taking the total requiring RCA YTD to 9.</p> <p>Of the 6* reported there was 1 omission in care, 2 no omission in care and 1 under RCA.</p> <p>*from 01/01/2020 DTI subcategories are reported as LOW harm, no RCA required</p>
1.1b			
1.2a	Pressure ulcers - community acquired		
1.2b			

**Section 1 - Safe - May 2020**

Indicator number	Indicator name / data quality assessment	Trend chart	Interpretation
1.3	Falls		<p>The rate of inpatient falls was 9.7 per 1,000 bed days in May. This is higher than the average HDFT rate for 2019/20 (6.2). The higher rate this month is directly related to the arrival and coping with the progression of the Covid19 pandemic.</p>
1.4	Infection control		<p>There were 2 cases of hospital apportioned C. difficile reported in May. No MRSA cases have been reported in 2019/20 or 2020/21.</p> <p>The annual maximum threshold for lapses in care cases for 2020/21 is 19.</p> <p>This data is yet to be finalised by Infection Control.</p> <p>This graph shows cumulative data YTD.</p>
1.5	Incidents - all		<p>The latest published national data (for the period Apr 19 - Sep 19) shows that Acute Trusts reported an average ratio of 46.6 no harm/low harm incidents for each incident classified as moderate harm, severe harm or death (a high ratio is better). HDFT's published ratio was 13, a decrease on the last publication and remaining in the bottom 25% of Trusts nationally. HDFT's latest local data for May gives a ratio of 11.</p>
1.6	Incidents - SIRIs and never events		<p>No Never Events or SIRIs were reported in the year-to-date. No Never Events were reported in 2017/18, 2018/19 or 2019/20.</p>



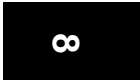
**Section 1 - Safe - May 2020**

Indicator number	Indicator name / data quality assessment	Trend chart	Interpretation
1.7	Safer staffing levels		<p>Owing to ward reconfiguration in response to COVID19, there is no update for March/April/May. The Safer Staffing national return has been suspended until further notice</p>



**Section 2 - Effective - May 2020**

Indicator number	Indicator name / data quality assessment	Trend chart	Interpretation
2.1	Mortality - HSMR	<p>● HSMR — national standard</p>	<p>HDFT's HSMR has decreased to 107.74 for the rolling 12 months ending February 2020 and is now within expected levels.</p> <p>Three specialties have a higher than expected standardised mortality rate: Geriatric Medicine, Respiratory Medicine and Paediatrics. Analysis on the data with HED and auditing the notes of affected specialties/diagnostic groups has been concluded and no concerns have been identified. HED has confirmed clarification on how risk is allocated for those care spells where the admitting provider is different from the provider of care at the time of death. Examples of this type of pathway include Stroke and Vascular patients who receive the acute phase of the care at a specialist centre and then are transferred to Harrogate for remaining care. Analysis confirmed there is a negligible impact on the HDFT mortality ratio.</p> <p>*The delay in calculating and publishing is linked to the requirement that all episodes are clinically coded and therefore there is at least a 2 month delay before they can start to look at the data.</p>
2.2	Mortality - SHMI	<p>● SHMI — national standard</p>	<p>HDFT's SHMI for the rolling 12 months ending December 2019 is 97.22, remaining within expected levels.</p> <p>At specialty level, four specialties (Gastroenterology, Respiratory Medicine, Geriatric Medicine and Anaesthetics) have a standardised mortality rate above expected levels.</p> <p>*The delay in calculating and publishing is linked to the requirement that all episodes are clinically coded and therefore there is at least a 2 month delay before they can start to look at the data. SHMI is slightly later than HSMR as it includes deaths within 30-days of discharge from hospital that will cause a further delay to the publication</p>
2.3	Readmissions	<p style="text-align: center;"><b>Effective 2.3 Readmissions within 30 days - % of all adms-B starting 01/01/18</b></p> <p>— Mean    ● C    - - Process limits - 3σ    ● Special cause - concern    ● Special cause - improvement    - - Target</p>	<p>Emergency Readmissions decreased to 11.6% in April. This is below the 2019/20 average of 14.0%.</p>



**Section 3 - Caring - May 2020**

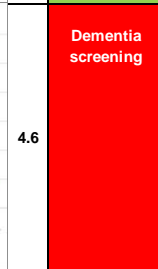
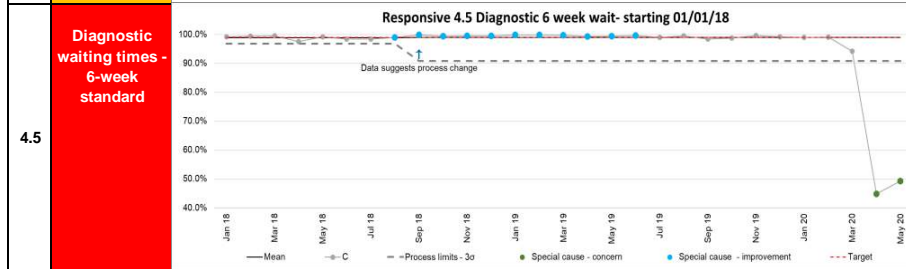
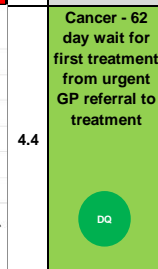
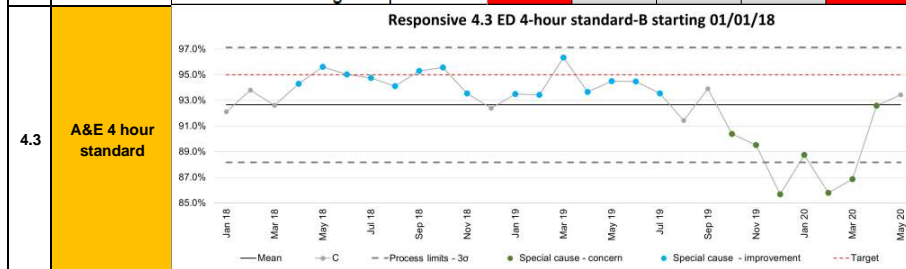
Indicator number	Indicator name / data quality assessment	Trend chart	Interpretation
3.1	<p><b>Friends &amp; Family Test (FFT) - Patients</b></p> <p>DQ</p>	<p><b>Caring 3.1 Friends and Family Test-B starting 01/01/18</b></p>	<p>95.2% of patients surveyed in May would recommend our services remaining above the latest published national average (93.3%).</p> <p>1067 patients responded to the survey this month of which 1016 would recommend our services.</p>
3.2	<p><b>Friends &amp; Family Test (FFT) - Adult community services</b></p>	<p><b>Caring 3.2 Friends and Family Test Community- starting 01/01/18</b></p>	<p>98.2% of patients surveyed in May would recommend our services, an increase on last month (94.2%). Current national data (February 2020) shows 95.6% of patients surveyed would recommend the services. 56 patients from our community services responded to the survey this month, of which 55 would recommend our services.</p>
3.3	<p><b>Complaints</b></p> <p>DQ</p>		<p>11 complaints were received in May which is 6 more than April but lower than the average for 2019/20 of 20. There was one green complaint and 10 yellow.</p>



Section 4 - Responsive - May 2020

NHS Improvement Single Oversight Framework

4.1	NHS Improvement Single Oversight Framework	Standard	Q1	Q2	Q3	Q4	YTD	4.2	RTT Incomplete pathways performance
		RTT incomplete pathways							
		A&E 4-hour standard	93.1%				93.1%		
		Cancer - 62 days	85.4%				85.4%		
		Diagnostic waits	47.3%				47.3%		
		Dementia screening - Step 1	90.2%				90.2%		
		Dementia screening - Step 2	77.8%				77.8%		
		Dementia screening - Step 3	83.3%				83.3%		



Narrative

Performance against the A&E 4-hour standard was below 95% in May (93.4%), an improvement on last month. As a consequence of the Covid-19 pandemic the number of ED attendances dropped by around 50% in April when compared to the average monthly attendance between April 2019 and February 2020 (4,396 vs 2,157). This has continued into May.

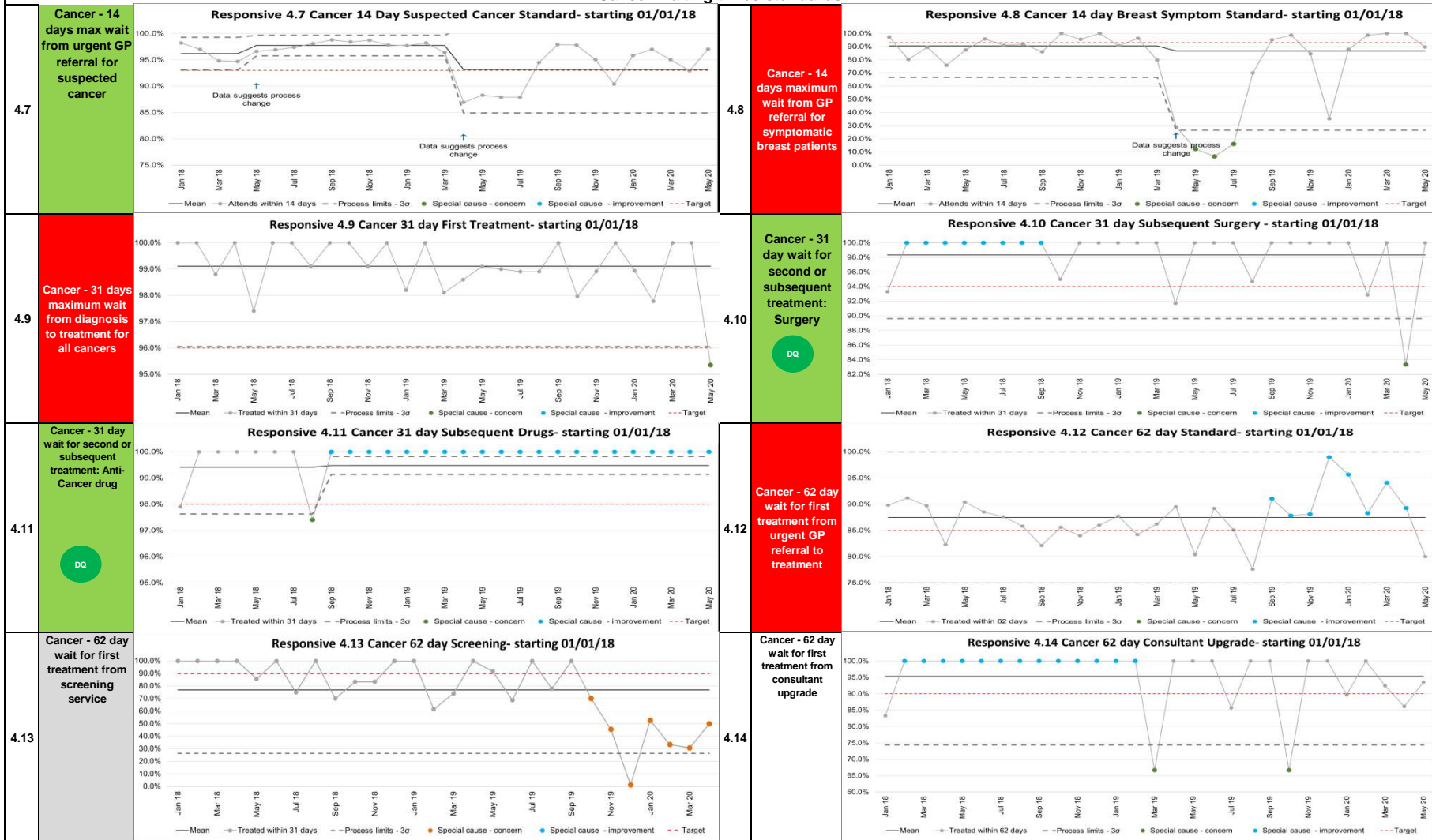
Provisional data shows that performance against the 62 day cancer standard in May was at 80.0%, a decrease on the April figure of 89.2% (see a more detailed summary below).

Data shows diagnostic waiting times below 99% in May at 49.2%. The increase in patients waiting beyond 6 weeks are a result of the appointments being deferred following the stepping down of elective services in response to COVID19.

Dementia Screening - provisional data indicates that steps 1, 2 and 3 will not be delivered for May. Final data will be confirmed in the fourth week of June.

**Section 4 - Responsive - May 2020**

**Cancer waiting times standards**



#### **Section 4 - Responsive - May 2020**

##### **Narrative**

Provisional data indicates that 4 of the 7 applicable cancer waiting times standards were achieved in May, with the 62 days standard, 14 day breast symptomatic referrals, and 31 day first treatments, and 62 day below the operational standards.

There was a significant reduction in the number of 2WW referrals received by the Trust at the start of the Covid-19 pandemic. 2WW activity increased in May with a 19% increase in suspected cancer first attendances compared to last month. However, this is still considerably lower than activity levels pre-Covid due in part to the suspension of endoscopy activity. From mid-June, the Trust has resumed delivery endoscopic services meaning we would expect 2WW activity levels to increase further in June and July. 3 non-cancer breast symptomatic patients waited were seen after 14 days (1 x patient choice and 2 appointed outside the time frame) - combined with the low number of referrals this means performance was below the standard at 89.7% in May.

The Trust continues to work with the WY cancer alliance in order to understand the volume of patients affected, the risk level of these patients, and the capacity available regionally. Alongside the Trust's own recovery plans, the aim is to optimise all available capacity in the region so that diagnostics and treatments can be safely delivered for patients on a cancer pathway.

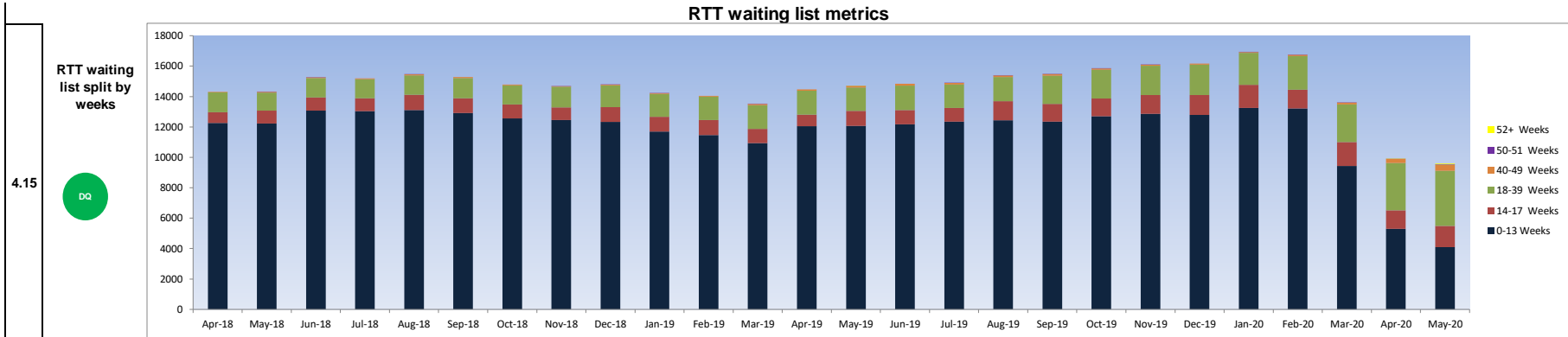
62 day standard performance is expected to be below 85% in May at 80%. Provisionally there were 32.5 accountable treatments in May with 6.5 accountable over 62 days. Of the 7 tumour sites treated in , performance was above 85% for all but 2 (Lung – 5 treatments and 3 breaches; Urology – 4 treatments and 1 breach). All breaches will be reviewed by the breach panel at the end of June. No patients waited over 104 days for treatment in May.

Provisional data indicates that 57.1% (4/7) of tertiary patients treated in May were transferred by day 38.

Screening services have been suspended due to Covid-19 and consequently provisional data indicates that no Screening patients were treated in May.

2 skin patients received their first definitive treatment outside 31 days in May - both of these delays were related to Covid-19 and due to the low number of treatments in the month performance was below the 96% standard at 95.3%.

**Section 4 - Responsive - May 2020**



**Narrative**

Submitted data shows that there were a total of 9,593 patients on the RTT waiting list at the end of May. There were 53 patients waiting over 52 weeks at the end of the month. The large reduction in the total number of patients waiting is linked to the reduction in elective referrals received following the stepping down of elective services in response to COVID19.


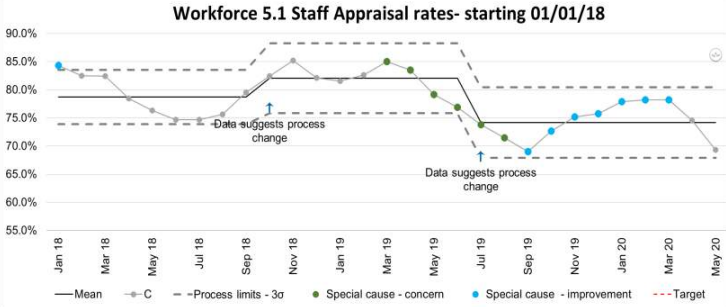

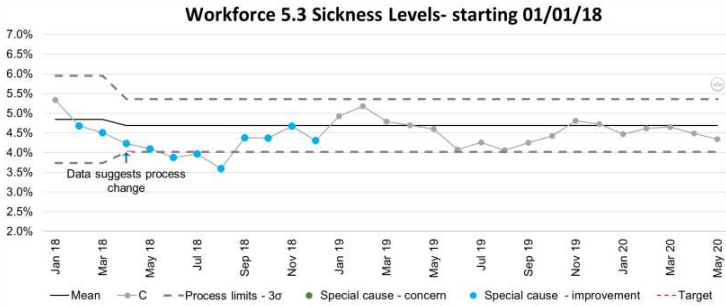


Section 4 - Responsive - May 2020

		Children's Services metrics	
4.16	Children's Services - 10-14 day new birth visit		
4.18	Children's Services - Use of the Home Environment Assessment Tool		
4.20	Children's Services - Staff compliance with Safeguarding Supervision.		
		Adult Community Services metrics	
4.22	OPEL level - Community Care Teams		

**Narrative**  
The Children's Services and Adult Community Services metrics are currently showing no adverse variance.


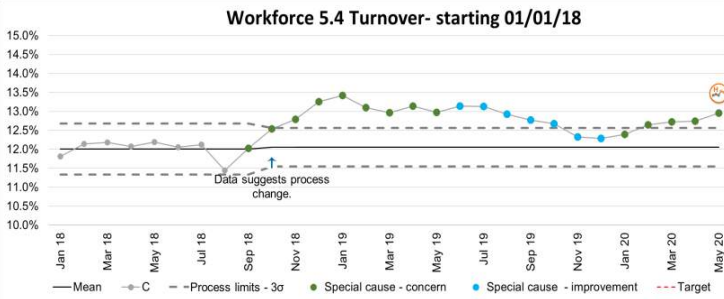
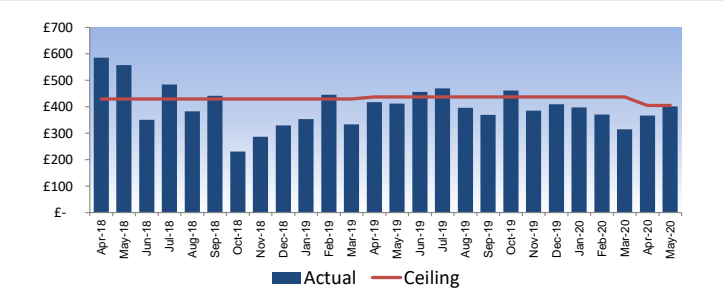
**Section 5 - Workforce - May 2020**

Indicator number	Indicator name / data quality assessment	Trend chart	Interpretation																														
5.1	<b>Staff appraisal rates</b> 		<p>The figures for completion of appraisals has decreased, this is mainly due to COVID19 as appraisals have been put on hold whilst addressing the pandemic.</p>																														
5.2	<b>Mandatory training rates</b> 	<table border="1"> <thead> <tr> <th>Competence Name</th> <th>Renewal Period</th> <th>Required</th> <th>Achieved</th> <th>Compliance %</th> </tr> </thead> <tbody> <tr> <td>421 LOCAL Fire Safety - Level 1 </td> <td>Annual</td> <td>4127</td> <td>3642</td> <td>88%</td> </tr> <tr> <td>421 LOCAL Fire Safety Facilitator Led Train</td> <td>2 year</td> <td>4127</td> <td>2406</td> <td>58%</td> </tr> <tr> <td>421 LOCAL Safer Manual Handling eLearn</td> <td>3 Yearly</td> <td>4127</td> <td>3622</td> <td>88%</td> </tr> <tr> <td>NHS MAND Infection Control - No Renew</td> <td>Once Only</td> <td>4127</td> <td>4035</td> <td>98%</td> </tr> <tr> <td>NHS CSTF Safeguarding Children (Version</td> <td>3 Yearly</td> <td>4127</td> <td>3838</td> <td>93%</td> </tr> </tbody> </table>	Competence Name	Renewal Period	Required	Achieved	Compliance %	421 LOCAL Fire Safety - Level 1	Annual	4127	3642	88%	421 LOCAL Fire Safety Facilitator Led Train	2 year	4127	2406	58%	421 LOCAL Safer Manual Handling eLearn	3 Yearly	4127	3622	88%	NHS MAND Infection Control - No Renew	Once Only	4127	4035	98%	NHS CSTF Safeguarding Children (Version	3 Yearly	4127	3838	93%	<p>Mandatory % Report – Trust exc HIF 01.06.20</p> <p>The data shown is for the end of May and excludes the Harrogate Integrated Facilities (HIF) staff who transferred into the new organisation on the 1st March 2018. The overall training rate for mandatory elements for substantive staff is 85% which is lower than the last reporting cycle where we scored 90%.</p> <p>Please note, that the report percentages include all the Mandatory training that the Trust usually includes each month. However at the moment staff are not required to complete all MEST training, only a subset that have been deemed high priority. From June 2020 until further notice, training reports will only include training requirements deemed a priority at this point in time.</p>
Competence Name	Renewal Period	Required	Achieved	Compliance %																													
421 LOCAL Fire Safety - Level 1	Annual	4127	3642	88%																													
421 LOCAL Fire Safety Facilitator Led Train	2 year	4127	2406	58%																													
421 LOCAL Safer Manual Handling eLearn	3 Yearly	4127	3622	88%																													
NHS MAND Infection Control - No Renew	Once Only	4127	4035	98%																													
NHS CSTF Safeguarding Children (Version	3 Yearly	4127	3838	93%																													
5.3	<b>Sickness rates</b>		<p>There is a slight decrease of 0.15% in sickness absence, however this does not include medical isolation due to COVID19.</p>																														



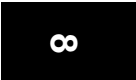


Section 5 - Workforce - May 2020

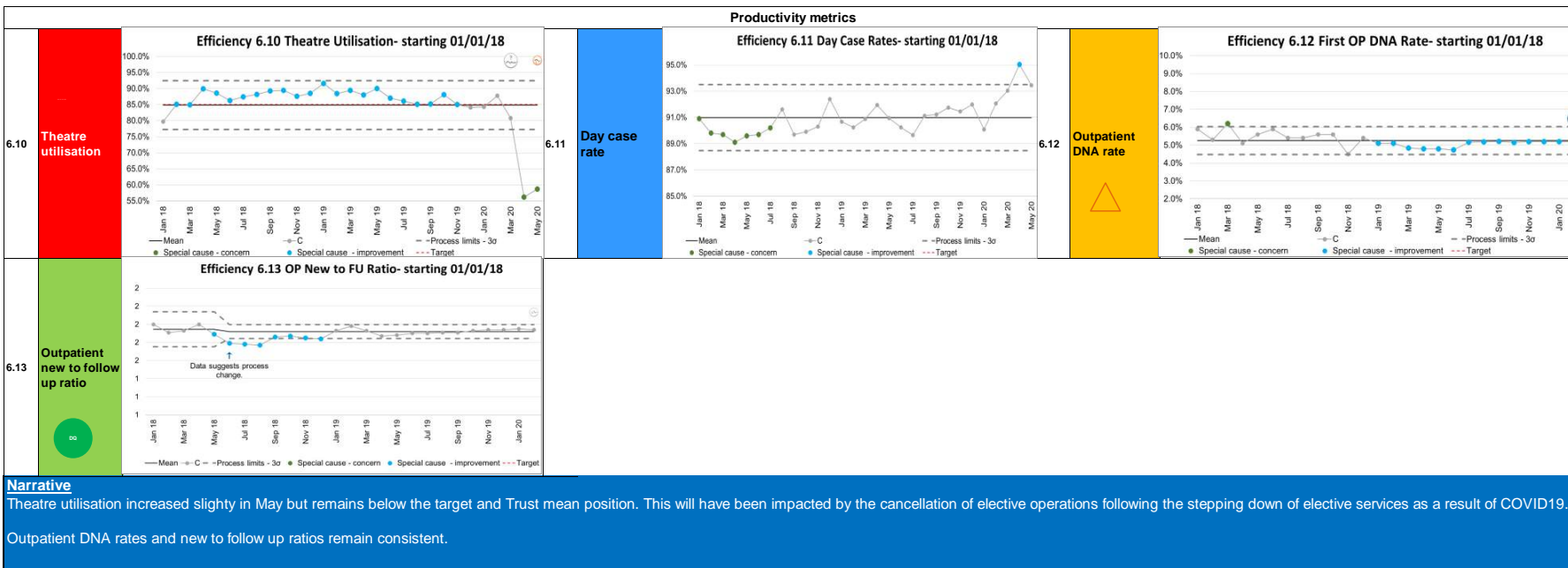
Indicator number	Indicator name / data quality assessment	Trend chart	Interpretation
5.4	<p>Staff turnover rate</p> 	<p><b>Workforce 5.4 Turnover- starting 01/01/18</b></p> 	<p>Overall, there has been an increase in turnover. The involuntary turnover has increased to match figures in April 2019 these figures include 10 individuals who have taken retirement, some of which may have retired and returned.</p>
5.5	<p>Agency spend in relation to pay spend</p>		<p>Trust agency spend in month two equated to £401k</p>

Section 6 - Efficiency and Finance - May 2020

<p><b>6.1 Surplus / deficit and variance to plan</b></p>	<p><b>6.2 NHS Improvement Single Oversight Framework - Use of Resource Metric</b></p> <table border="1"> <thead> <tr> <th>Element</th> <th>Plan</th> <th>Actual</th> </tr> </thead> <tbody> <tr> <td>Capital Service Cover</td> <td>2</td> <td>2</td> </tr> <tr> <td>Liquidity</td> <td>1</td> <td>1</td> </tr> <tr> <td>I&amp;E Margin</td> <td>1</td> <td>1</td> </tr> <tr> <td>I&amp;E Variance From Plan</td> <td></td> <td>1</td> </tr> <tr> <td>Agency</td> <td>1</td> <td>1</td> </tr> <tr> <td>UoR Rating</td> <td>1</td> <td>1</td> </tr> </tbody> </table>	Element	Plan	Actual	Capital Service Cover	2	2	Liquidity	1	1	I&E Margin	1	1	I&E Variance From Plan		1	Agency	1	1	UoR Rating	1	1	<p><b>6.3 Capital spend</b></p>
Element	Plan	Actual																					
Capital Service Cover	2	2																					
Liquidity	1	1																					
I&E Margin	1	1																					
I&E Variance From Plan		1																					
Agency	1	1																					
UoR Rating	1	1																					
<p><b>Narrative</b> The Trust reported a balanced position in month 2, in line with the national expectation for providers. This position is supported by a £4.8m top up payment, supporting the costs of Covid19 and some underlying variances as a result of the plan. Currently reported as a 1, however, the Trust awaits further guidance on this monitoring during the response to Covid 19. Capital reporting will be updated from month 2 onwards.</p>																							
<p><b>6.4 Long stay patients</b></p>	<p><b>6.5 Occupied bed days</b></p>	<p><b>6.6 Delayed transfers of care</b></p>																					
<p><b>6.7 Length of stay - elective</b></p>	<p><b>6.8 Length of stay - non-elective</b></p>	<p><b>6.9 Avoidable admissions</b></p>																					
<p><b>Narrative</b> In May, long stay patient numbers decreased slightly while occupied bed days increased. Elective and non-elective length of stay both decreased this month to below the Trust mean. Avoidable admissions decreased further, remaining below the Trust mean.</p>																							



Section 6 - Efficiency and Finance - May 2020



**Section 7 - Activity - May 2020**

**Narrative**

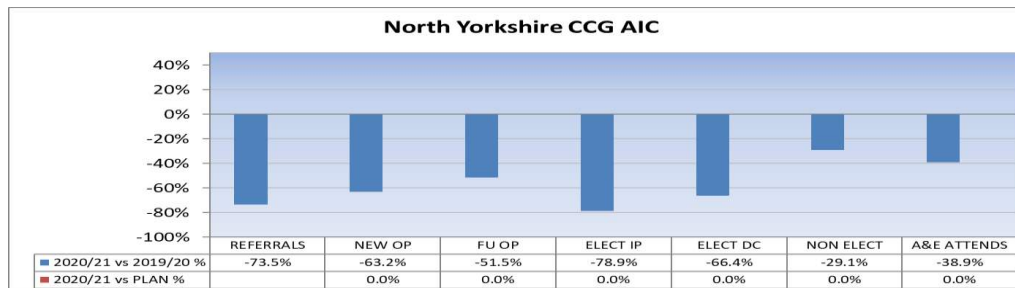
The tables below show activity by Point of Delivery by Contract Type: North Yorkshire AIC; All Other CCGs (PbR); NHSE, Yorkshire Hub Cost per Case.

All activity types are below the levels experienced in 2019/20 as a result of COVID 19. The Trust is actively working on the plan for the recovery phase to improve this position and incrementally increase the levels seen between now and October.

**Activity Summary**

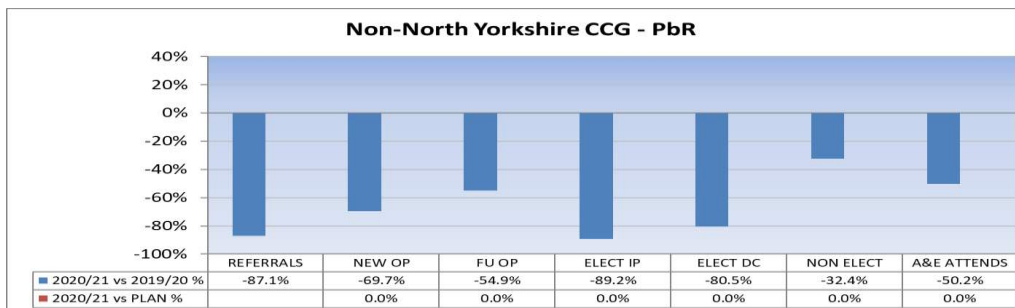
**North Yorkshire CCG AIC**

GROUP	2019/20 MAY	2020/21 MAY	2019/20 YTD	2020/21 YTD	2020/21 vs 2019/20	2020/21 vs 2019/20 %	2020/21 vs PLAN %
REFERRALS	3,257	1,196	6,414	1,700	-4,714	-73.5%	
NEW OP	5,523	2,019	11,040	4,064	-6,976	-63.2%	
FU OP	11,436	5,382	22,679	11,010	-11,669	-51.5%	
ELECT IP	178	42	336	71	-265	-78.9%	
ELECT DC	1,954	635	3,784	1,273	-2,511	-66.4%	
NON ELECT	1,517	1,191	3,029	2,148	-881	-29.1%	
A&E ATTENDS	3,322	2,360	6,614	4,042	-2,572	-38.9%	



**Non-North Yorkshire CCG - PbR\***

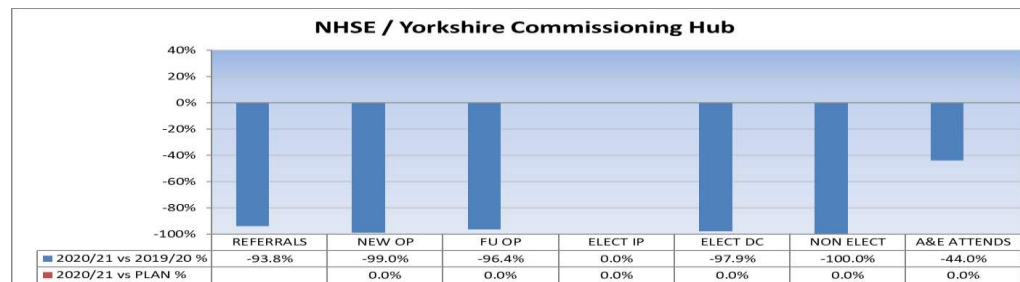
GROUP	2019/20 MAY	2020/21 MAY	2019/20 YTD	2020/21 YTD	2020/21 vs 2019/20	2020/21 vs 2019/20 %	2020/21 vs PLAN %
REFERRALS	1,844	304	3,406	440	-2,966	-87.1%	
NEW OP	2,380	647	4,196	1,273	-2,923	-69.7%	
FU OP	4,549	1,636	7,789	3,509	-4,280	-54.9%	
ELECT IP	119	12	212	23	-189	-89.2%	
ELECT DC	1,021	152	1,430	279	-1,151	-80.5%	
NON ELECT	464	349	917	620	-297	-32.4%	
A&E ATTENDS	1,202	684	2,313	1,151	-1,162	-50.2%	



\*Non-Hard CCGs: Leeds CCG, Vale of York CCG, All Other CCGs

**NHSE / Yorkshire Commissioning Hub**

GROUP	2019/20 MAY	2020/21 MAY	2019/20 YTD	2020/21 YTD	2020/21 vs 2019/20	2020/21 vs 2019/20 %	2020/21 vs PLAN %
REFERRALS	199	18	433	27	-406	-93.8%	
NEW OP	141	1	393	4	-389	-99.0%	
FU OP	420	17	888	32	-856	-96.4%	
ELECT IP	1	2	2	2	0	0.0%	
ELECT DC	289	11	657	14	-643	-97.9%	
NON ELECT	0	0	2	0	-2	-100.0%	
A&E ATTENDS	15	6	25	14	-11	-44.0%	

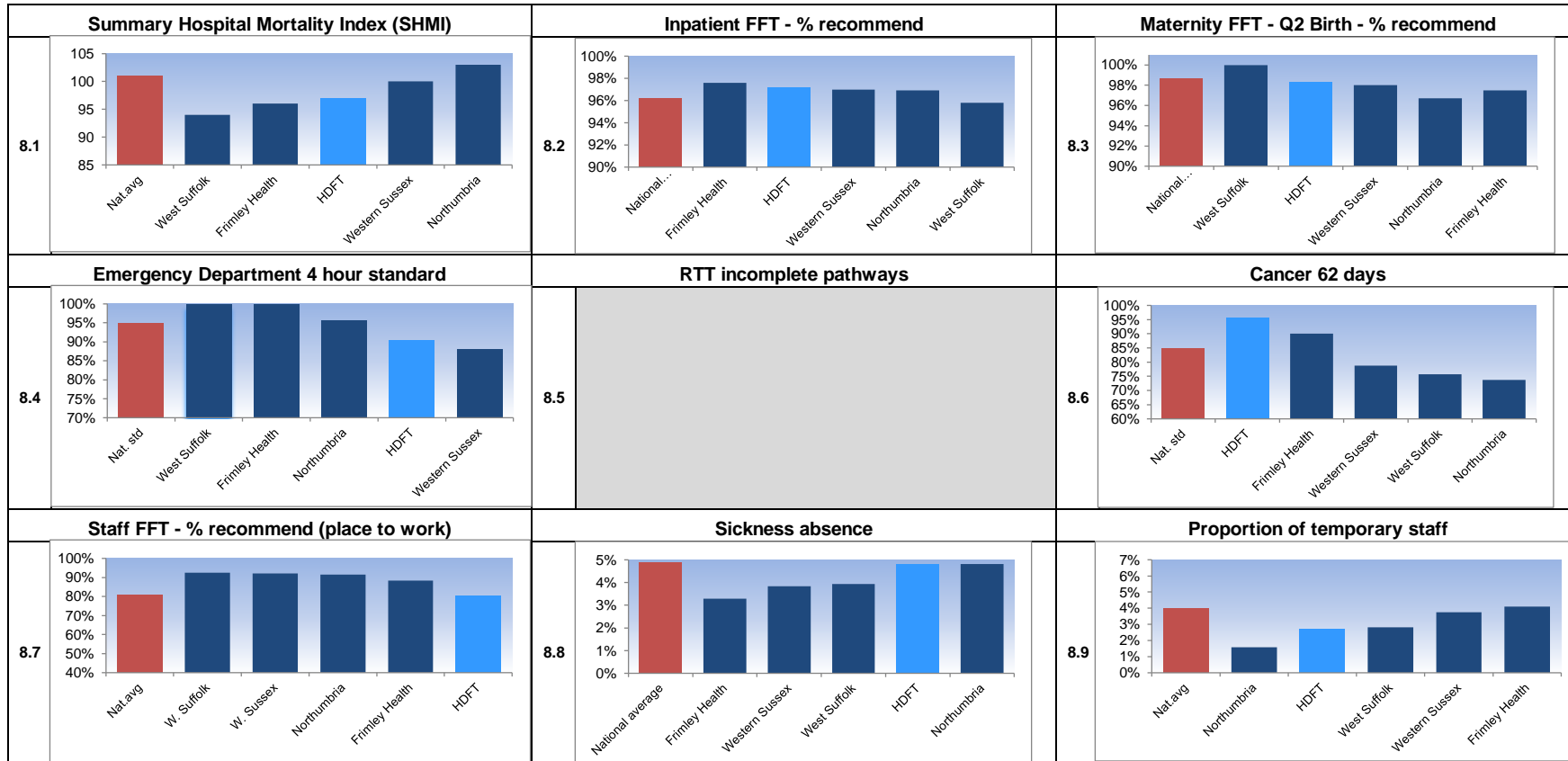


**Trust Total**

GROUP	2019/20 MAY	2020/21 MAY	2019/20 YTD	2020/21 YTD	2020/21 vs 2019/20	2020/21 vs 2019/20 %	2020/21 vs PLAN %
REFERRALS	5,300	1,518	10,253	2,167	-8,086	-78.9%	
NEW OP	8,044	2,667	15,629	5,341	-10,288	-65.8%	
FU OP	16,405	7,035	31,356	14,551	-16,805	-53.6%	
ELECT IP	298	56	550	96	-454	-82.5%	
ELECT DC	3,264	798	5,871	1,566	-4,305	-73.3%	
NON ELECT	1,981	1,540	3,948	2,768	-1,180	-29.9%	
A&E ATTENDS	4,539	3,050	8,952	5,207	-3,745	-41.8%	



**Section 8 - Benchmarking - May 2020**











**Narrative**  
 The charts above show HDFT's latest published performance benchmarked against small Trusts with an outstanding CQC rating. The metrics have been selected based on a subset of metrics presented in the main report where benchmarking data is readily available. For the majority of metrics, the data has been sourced from NHSE Website, Data Statistics.








**Integrated board report - March 2020**

**Key for SPC charts**

Icon	Description	Icon	Description
	Special cause variation - cause for concern (indicator where high is a concern)		Special cause variation - improvement (indicator where low is good)
	Special cause variation - cause for concern (indicator where low is a concern)		The system is expected to consistently fail the target
	Common cause variation		The system is expected to consistently pass the target
	Special cause variation - improvement (Indicator where high is good)		The system may achieve or fail the target subject to random variation

## Data Quality - Exception Report

Domain	Indicator	Data quality rating	Further information
Safe	Pressure ulcers - community acquired - grades 2, 3 or 4	Amber 	The observed increase in reported cases over the last two years may be partly due to improvements in incident reporting during the period.
Caring	Friends & Family Test (FFT) - Adult Community Services	Amber 	The number of patients surveyed represents a small proportion of the community based contacts that we deliver in a year.
Efficiency and Finance	Theatre utilisation	Amber 	<p>This metric has been aligned with the new theatre utilisation dashboard from December 2017. Further metrics from the new dashboard are being considered for inclusion in this report from April 2018.</p> <p>The utilisation calculation excludes cancelled sessions - operating lists that are planned not to go ahead due to annual leave, study leave or maintenance etc.</p> <p>There are some known data quality issues with the utilisation data but it is anticipated that increased visibility of the data via the new dashboard will help to resolve these in the coming months.</p>
Responsive	OPEL level - Community Care Teams	Amber 	This indicator is in development.
Activity	Community Care Teams - patient contacts	Amber 	During 2017/18, there were a number of restructures of the teams within these services and a reduction to baseline contracted establishment as the Vanguard work came to an end. This will have impacted upon the activity levels recorded over this period. Therefore caution should be exercised when reviewing the trend over time.





Harrogate and District  
NHS Foundation Trust

Indicator traffic light criteria

Indicator number	Domain	Indicator	Description	Traffic light criteria	Rationale/source of traffic light criteria
1.1	Safe	Pressure ulcers - hospital acquired	The chart shows the number of category 2, category 3, category 4 or unstageable hospital acquired pressure ulcers in 2018/19. The Trust has set a local trajectory for 2018/19 to reduce the number of avoidable category 3, category 4 or unstageable pressure ulcers. The data includes hospital teams only.	tbc	tbc
1.1	Safe	Pressure ulcers - hospital acquired	The chart shows the number of category 2, category 3, category 4, unstageable and DTI hospital acquired pressure ulcers, including device related and device related mucosal for 2019/20. The data includes hospital teams only.		
1.2	Safe	Pressure ulcers - community acquired	The chart shows the number of category 2, category 3, category 4 or unstageable community acquired pressure ulcers in 2018/19. This metric includes all pressure ulcers identified by community teams including pressure ulcers already present at the first point of contact. The Trust has set a local trajectory for 2018/19 to reduce the number of avoidable category 3, category 4 or unstageable pressure ulcers. The data includes community teams only.	tbc	tbc
1.2	Safe	Pressure ulcers - community acquired	The chart shows the number of category 2, category 3, category 4, unstageable and DTI community acquired pressure ulcers, including device related and device related mucosal for 2019/20. The data includes community teams only.		
1.3	Safe	Safety thermometer - harm free care	The chart shows the percentage of patients receiving harm free care (defined as the absence of pressure ulcers, harm from a fall, urine infection in patients with a catheter and new VTE) in the Safety Thermometer audits conducted once a month. The data includes hospital and community teams. A high score is good. Whilst there is no nationally defined target for this measure, a score of 95% or above is considered best practice.	Blue if latest month >=97%, Green if >=95% but <97%, red if latest month <95%	National best practice guidance suggests that 95% is the standard that Trusts should achieve. In addition, HDFT have set a local stretch target of 97%.
1.4	Safe	Safety thermometer - harm free care - community care teams	As above but including data for community teams only.		
1.5	Safe	Falls	The number of inpatient falls expressed as a rate per 1,000 bed days. The data includes falls causing harm and those not causing harm. A low rate is good.	Blue if YTD position is a reduction of >=80% of HDT average for 2018/19, Green if YTD position is a reduction of between 20% and 80% of HDT average for 2018/19, Amber if YTD position is a reduction of up to 20% of HDT average for 2018/19, Red if YTD position is on or above HDT average for 2018/19.	Locally agreed improvement trajectory based on comparison with HDT performance last year.
1.6	Safe	Infection control	HDFT is on track trajectory for 2019/20 in 19 cases, an increase of 8 on last year's trajectory. This increase takes into account the new case assessment definitions. Cases where a lapse in care has been deemed to have occurred would count towards this. Hospital apportioned MRSA cases will be reported on an exception basis. HDFT has a trajectory of 0 MRSA cases for 2019/20. The last reported case of hospital acquired MRSA at HDFT was in Oct-12.	Green if below trajectory YTD, Amber if above trajectory YTD, Red if above trajectory at end year or more than 10% above trajectory in year.	NHS England, NHS Improvement and contractual requirement
1.7	Safe	Incidents - all	The number of incidents within the Trust each month. It includes all categories of incidents, including those that were categorised as 'no harm'. The data includes hospital and community services. A large number of reported incidents but with a low proportion classified as causing significant harm is indicative of a good incident reporting culture.	Blue if latest month ratio places HDFT in the top 10% of acute trusts nationally, Green if in top 25%, Amber if within the middle 50%, Red if in bottom 25%.	Comparison of HDFT performance against most recently published national average ratio of low to high incidents.
1.8	Safe	Incidents - comprehensive SIRIs and never events	The number of serious incidents requiring investigation (SIRIs) and never events reported within the Trust each month. The data includes hospital and community services. Only comprehensive SIRIs are included in this indicator, as concise SIRIs are reported within the pressure ulcer / falls indicators above.	Green if none reported in current month; Red if 1 or more never event or comprehensive reported in the current month.	
1.9	Safe	Safer staffing levels	Trusts are required to post information about staffing levels on registered nurses/midwives (RN) and care support workers (CSW) for each inpatient ward. The chart shows the overall fill rate at HDFT for RN and CSW for day and night shifts. The fill rate is calculated by comparing planned staffing with actual levels achieved. A ward level breakdown of this data is provided in the narrative section and published on the Trust website.	Green if latest month overall staffing >=100%, amber if between 95% and 100%, red if below 95%.	The Trusts aims for 100% staffing overall.
2.1	Effective	Mortality - HSMR	The Hospital Standardised Mortality Ratio (HSMR) looks at the mortality rates for 30 common diagnosis groups that account for around 80% of in-hospital deaths and standardises against various criteria including age, sex and comorbidities. The measure also makes an adjustment for palliative care. A low figure is good.		
2.2	Effective	Mortality - SHMI	The Summary Hospital Mortality Index (SHMI) looks at the mortality rates for all diagnosis and standardises against various criteria including age, sex and comorbidities. The measure does not make an adjustment for palliative care. A low figure is good.	Blue = better than expected (95% confidence interval), Green = as expected, Amber = worse than expected (95% confidence interval), Red = worse than expected (99% confidence interval).	Comparison with national average performance.
2.3	Effective	Readmissions	% of patients readmitted to hospital as an emergency within 30 days of discharge (post exclusions applied). To ensure that we are not discharging patients inappropriately early and to assess our overall surgical success rates, we monitor the numbers of patients readmitted. A low number is good performance. This data is reported a month behind so that any recent readmissions are captured in the data.	Blue if latest month rate < LCL, Green if latest month rate < HDFT average for 2018/19, Amber if latest month rate > HDFT average for 2018/19 but below UCL, red if latest month rate > UCL.	Locally agreed improvement trajectory based on comparison with HDFT performance last year.
3.1	Caring	Friends & Family Test (FFT) - Patients	The Friends & Family Test (FFT) gives patients and service users the opportunity to give feedback. They are asked whether they would recommend the service to friends and family if they required similar care or treatment. This indicator covers a number of hospital and community services including inpatients, day cases, outpatients, maternity services, the emergency department, some therapy services, district nursing, community podiatry and GP OOH. A high percentage is good.	Green if latest month >= latest published national average, Red if < latest published national average.	Comparison with national average performance.
3.2	Caring	Friends & Family Test (FFT) - Adult Community Services	The Friends & Family Test (FFT) gives patients and service users the opportunity to give feedback. They are asked whether they would recommend the service to friends and family if they required similar care or treatment. This indicator covers a number of adult community services including specialist nursing teams, community care teams, community podiatry and GP OOH. A high percentage is good.		
3.3	Caring	Complaints	The number of complaints received by the Trust, shown by month or receipt of complaint. The criteria define the severity grading of the complaint with green and yellow signifying less serious issues, amber signifying potentially significant issues and red for complaints related to serious adverse incidents. The data includes complaints relating to both hospital and community services.	Blue if no. complaints in latest month is below LCL, Green if below HDFT average for 2017/18, Amber if on or above HDFT average for 2017/18, Red if above UCL. In addition, Red if a new red rated complaint received in latest month.	Locally agreed improvement trajectory based on comparison with HDFT performance last year.

		<b>NHS</b>		<b>Harrogate and District</b>	
Indicator number	Domain	Indicator	Description	Traffic light criteria	Rationale/source of traffic light criteria
			Improvement Use a variety of information to assess NHS Foundation Trust rating, including COC information, access and outcomes metrics, third party reports and quality governance metrics. The table to the right shows how the Trust is performing against the national performance standards in the 'operational performance metrics' section. From 1st April 2018, dementia screening performance forms part of this assessment.		
4.1	Responsive	NHS Improvement governance rating		As per defined governance rating	
4.2	Responsive	RTT Incomplete pathways performance	Percentage of incomplete pathways waiting less than 18 weeks. The national standard is the 92% of incomplete pathways should be waiting less than 18 weeks. A high percentage is good.	Green if latest month >=92%, Red if latest month <92%.	NHS England
4.3	Responsive	A&E 4 hour standard	Percentage of patients spending less than 4 hours in Accident & Emergency (A&E). The operational standard is 95%. The data includes all A&E Departments, including Minor Injury Units (MIU). A high percentage is good.	Blue if latest month >=97%, Green if >=95% but <97%, amber if >= 80% but <95%, red if <80%.	NHS England, NHS Improvement and contractual requirement of 95% and a locally agreed stretch target of 97%.
4.4	Responsive	Cancer - 62 day wait for first treatment from urgent GP referral to treatment	Percentage of cancer patients starting first treatment within 62 days of urgent GP referral. The operational standard is 85%. A high percentage is good.	Green if latest month >=85%, Red if latest month <85%.	NHS England, NHS Improvement and contractual requirement
4.5	Responsive	Diagnostic waiting times - 6-week standard	Percentage of patients waiting 6 weeks or less for a diagnostic test. The operational standard is 99%. A high percentage is good.	Green if latest month >=93%, Red if latest month <93%.	NHS England, NHS Improvement and contractual requirement
4.6	Responsive	Dementia screening	The proportion of emergency admissions aged 75 or over who are screened for dementia within 72 hours of admission (Step 1). Of those screened positive, the proportion who went on to have an assessment and onward referral as required (Step 2 and 3). The operational standard is 90% for all 3 steps. A high percentage is good.	Green if latest month >=90% for Step 1, Step 2 and Step 3, Red if latest month <90% for any of Step 1, Step 2 or Step 3.	NHS England, NHS Improvement and contractual requirement
4.7	Responsive	Cancer - 14 days maximum wait from urgent GP referral for all urgent suspect cancer referrals	Percentage of urgent GP referrals for suspected cancer seen within 14 days. The operational standard is 93%. A high percentage is good.	Green if latest month >=93%, Red if latest month <93%.	NHS England, NHS Improvement and contractual requirement
4.8	Responsive	Cancer - 14 days maximum wait from GP referral for symptomatic breast patients	Percentage of GP referrals for breast symptomatic patients seen within 14 days. The operational standard is 93%. A high percentage is good.	Green if latest month >=93%, Red if latest month <93%.	NHS England, NHS Improvement and contractual requirement
4.9	Responsive	Cancer - 31 days maximum wait from diagnosis to treatment for all cancers	Percentage of cancer patients starting first treatment within 31 days of diagnosis. The operational standard is 96%. A high percentage is good.	Green if latest month >=96%, Red if latest month <96%.	NHS England, NHS Improvement and contractual requirement
4.10	Responsive	Cancer - 31 day wait for second or subsequent treatment: Surgery	Percentage of cancer patients starting subsequent surgical treatment within 31 days. The operational standard is 94%. A high percentage is good.	Green if latest month >=94%, Red if latest month <94%.	NHS England, NHS Improvement and contractual requirement
4.11	Responsive	Cancer - 31 day wait for second or subsequent treatment: Anti-Cancer drug	Percentage of cancer patients starting subsequent drug treatment within 31 days. The operational standard is 96%. A high percentage is good.	Green if latest month >=96%, Red if latest month <96%.	NHS England, NHS Improvement and contractual requirement
4.12	Responsive	Cancer - 62 day wait for first treatment from urgent GP referral to treatment	Percentage of cancer patients starting first treatment within 62 days of urgent GP referral. The operational standard is 85%. A high percentage is good.	Green if latest month >=85%, Red if latest month <85%.	NHS England, NHS Improvement and contractual requirement
4.13	Responsive	Cancer - 62 day wait for first treatment from consultant screening service referral	Percentage of cancer patients starting first treatment within 62 days of consultant screening service. The operational standard is 90%. A high percentage is good.	Green if latest month >=90%, Red if latest month <90%.	NHS England, NHS Improvement and contractual requirement
4.14	Responsive	Cancer - 62 day wait for first treatment from consultant upgrade	Percentage of cancer patients starting first treatment within 62 days of consultant upgrade. The operational standard is 85%. A high percentage is good.	Green if latest month >=85%, Red if latest month <85%.	NHS England, NHS Improvement and contractual requirement
4.15	Responsive	RTT waiting list split by weeks	Number of referred patients waiting for treatment broken down into weeks.	tbc	tbc
4.16	Responsive	Children's Services - 10-14 day new birth visit	The percentage of babies who had a new birth visit by the Health Visiting team within 14 days of birth. A high percentage is good. Data shown is for North Yorkshire, Darlington, Co. Durham, Middlesbrough, Stockton, Gateshead and Sunderland. A high percentage is good.	Target to be reviewed by CCC Directorate	tbc
4.17	Responsive	Children's Services - 2.5 year review	The percentage of children who had a 2.5 year review. A high percentage is good. Data shown is for North Yorkshire, Darlington, Co. Durham, Middlesbrough, Stockton, Gateshead and Sunderland. A high percentage is good.	Green if latest month >=90%, Amber if between 75% and 90%, Red if <75%.	Contractual requirement
4.18	Responsive	Children's Services - Use of the Home Environment Assessment Tool	The % of eligible children in Durham who had a HEAT assessment. The performance target is 95%.	Green if latest month >=95%, Amber if between 90% and 94%, Red if <90%.	Contractual requirement
4.19	Responsive	Children's Services - Reports for Initial and Review Child Protection Case Conferences	The % of reports submitted prior to Case Conferences (where reports are requested earlier than 48 hours before Case Conference.)	Green if latest month >=95%, Red if <95%.	Contractual requirement
4.20	Responsive	Children's Services - staff compliance with Safeguarding Supervision	% of community staff achieving 80% compliance for Safeguarding Supervision.	Target to be reviewed by CCC Directorate	tbc
4.21	Responsive	Children's Services - % achievement against KPI for Breast Feeding Prevalence at 6-8 weeks.	% of children breast fed at the 6-8 week review. Charted against Prevalence targets for all 0-5 services.	Target to be reviewed by CCC Directorate	tbc
4.22	Responsive	OPEL level - Community Care Teams	The OPEL (Operational Pressures Escalation Level) is a measure of operational pressure being experienced by the community care teams. A value of 1 to 4 is agreed each day, with 1 denoted the lowest level of operational pressure and 4 denoting the highest. The chart will show the average level reported by adult community services during the month.	tbc	Locally agreed metric
4.23	Responsive	Community Care Teams - patient contacts	The number of face to face patient contacts for the community care teams.	tbc	Locally agreed metric
5.1	Workforce	Staff appraisal rate	Latest position on no. staff who had an appraisal within the last 12 months. The Trusts aims to have 90% of staff appraised. A high percentage is good.	Annual rolling total - 90% green, Amber between 70% and 90%, red-70%.	Locally agreed target level based on historic local and NHS performance
5.2	Workforce	Mandatory training rate	Latest position on the % substantive staff trained for each mandatory training requirement	Green if latest month >=85%, Green if latest month 76%-85% overall, amber if between 50% and 75%, red if below 50%.	Locally agreed target level - no national comparative information available until February 2016
5.3	Workforce	Staff sickness rate	Staff sickness rate - includes short and long term sickness. The Trust has set a threshold of 3.9%. A low percentage is good.	Green if <3.9%, amber if between 3.9% and regional average, Red if > regional average.	H&D Employment Policy requirement. Rates compared at a regional level also
5.4	Workforce	Staff turnover	The term turnover encompasses formal notices, bank staff and staff on fixed term contracts. The turnover figures include both voluntary and involuntary turnover. Voluntary turnover is when an employee chooses to leave the Trust and involuntary turnover is when the employee unilaterally leaves the Trust. Data from the Times Top 100 Employers indicated a turnover rate of 15%, i.e. the level at which organisations should be concerned.	Green if remaining static or decreasing, amber if increasing but below 15%, red if above 15%.	Based on evidence from Times Top 100 Employers
5.5	Workforce	Agency spend in relation to pay spend	Expenditure in relation to Agency staff on a monthly basis as a percentage of total pay bill. The Trust aims to have less than 3% of the total pay bill on agency staff.	Green if <1% of pay bill, amber if between 1% and 3% of pay bill, red if >3% of pay bill.	Locally agreed targets.
6.1	Efficiency and Finance	Surplus / deficit and variance to plan	Monthly Surplus/Deficit (£000s). In some months, a deficit is planned for. This indicator reports positive or adverse variance against the planned position for the month.	Green if on plan, amber <1% behind plan, red >1% behind plan	Locally agreed targets.
6.2	Efficiency and Finance	NHS Improvement Financial Performance Assessment	From 1st October 2018, NHS Improvement introduced the single leverage framework. As part of this, Use of Resource Metric was introduced to replace the previous Financial Sustainability Risk Rating. This is the product of five elements which are rated between 1 (best) to 4.	Green if rating =4 or 3 and in line with our planned rating, amber if rating = 3, 2 or 1 and not in line with our planned rating.	as defined by NHS Improvement



**Harrogate and District**

Indicator number	Domain	Indicator	Description	Traffic light criteria	Rationale/source of traffic light criteria
6.3	Efficiency and Finance	Capital spend	Cumulative Capital Expenditure by month (£'000s)	Green if on plan or <10% below, amber if between 10% and 25% below plan, red if >25% below plan	Locally agreed targets.
6.4	Efficiency and Finance	Long stay patients	This indicator shows the average number of patients that were in the hospital with a length of stay of over 7 days (previously defined as stranded patients by NHS Improvement) or over 21 days (previously super-stranded patients). The data excludes children, as per the NHS Improvement definition. A low number is good.	tbc	as defined by NHS Improvement
6.5	Efficiency and Finance	Occupied bed days	Total number of occupied bed days in the month.	tbc	Locally agreed targets.
6.6	Efficiency and Finance	Delayed transfers of care	Emergency or non-elective admissions to hospital by patients who are ready to be discharged but are still in hospital. A low rate is preferable. The maximum threshold shown on the chart (3.5%) has been agreed with HARDCCG.	Red if latest month >3.5%, Green <=3.5%	Contractual requirement
6.7	Efficiency and Finance	Length of stay - elective	Average length of stay in days for elective (waiting list) patients. The data excludes day case patients. A shorter length of stay is preferable. When a patient is admitted to hospital, it is in the best interests of that patient to remain in hospital for as short a time as clinically appropriate – patients who recover quickly will need to stay in hospital for a shorter time. As well as being best practice clinically, it is also more cost effective if a patient has a shorter length of stay.	tbc	
6.8	Efficiency and Finance	Length of stay - non-elective	Average length of stay in days for non-elective (emergency) patients. A shorter length of stay is preferable. When a patient is admitted to hospital, it is in the best interests of that patient to remain in hospital for as short a time as clinically appropriate – patients who recover quickly will need to stay in hospital for a shorter time. As well as being best practice clinically, it is also more cost effective if a patient has a shorter length of stay.	Blue if latest month score places HDFT in the top 10% of acute trusts nationally, Green if in top 25%, Amber if within the middle 50%, Red if in bottom 25%.	Comparison with performance of other acute trusts.
6.9	Efficiency and Finance	Avoidable admissions	The admissions included are those where the primary diagnosis of the patient does not normally require a hospital admission. Conditions include pneumonia and urinary tract infections in adults and respiratory conditions in children.	tbc	tbc
6.10	Efficiency and Finance	Theatre utilisation	The percentage of theatre time used for elective operations (the time planned in advance for waiting list patients). The utilisation calculation excludes cancelled sessions - operating lists that are planned not to go ahead due to annual leave, study leave or maintenance etc. A higher utilisation rate is good as it demonstrates effective use of resources. A utilisation rate of around 85% is often viewed as optimal.	Green = >=85%, Amber = between 75% and 85%, Red = <75%	A utilisation rate of around 85% is often viewed as optimal.
6.11	Efficiency and Finance	Day case rate	The proportion of elective (waiting list) procedures carried out as a day case procedure, i.e. the patient did not stay overnight. A higher day case rate is preferable.	tbc	
6.12	Efficiency and Finance	Outpatient DNA rate	Percentage of non-urgent appointments where the patient does not attend an appointment, without notifying the trust in advance. A low percentage is good. Patient DNAs will usually result in an unused clinic slot.	Blue if latest month score places HDFT in the top 10% of acute trusts nationally, Green if in top 25%, Amber if within the middle 50%, Red if in bottom 25%.	
6.13	Efficiency and Finance	Outpatient new to follow up ratio	The number of new appointments per new appointment. A lower ratio is preferable. A high ratio could indicate that unnecessary follow ups are taking place.	tbc	Comparison with performance of other acute trusts.
7.1	Activity	Elective activity against plan	The position against plan for elective activity. The data includes planned and day case elective admissions.		Locally agreed targets.
7.2	Activity	Non-elective activity against plan	The position against plan for non-elective activity (emergency admissions).		Locally agreed targets.
7.3	Activity	Emergency Department attendances against plan	The position against plan for A&E attendances at Harrogate Emergency Department. The data excludes planned follow-up attendances at A&E and patients who are streamed to primary care.	Green if on or above plan in month, amber if below plan by < 3%, red if below plan by > 3%.	Locally agreed targets.

**Data quality assessment**

Green		No known issues of data quality - High confidence in data
Amber		Some minor data quality issues identified - improvements being made/ no major quality issues
Red		Major data quality issues requiring major improvements - quality issue with no improvement as yet/ data confidence low/ figures not reportable

## Resource Committee report to the Board of Directors

<b>Committee Name:</b>	Resources Committee
<b>Committee Chair:</b>	Maureen Taylor
<b>Date of last meeting:</b>	22 June 2020
<b>Date of Board meeting for which this report is prepared</b>	24 June 2020

<b>Summary of key issues:</b>
<ol style="list-style-type: none"> <li>1. The Committee received information on the financial position for May.</li> <li>2. As previously reported, the NHSI planning assumptions do not take account of some significant transactions within the Trust which if not addressed would lead to an £11m planning gap. These issues have been raised with NHSI and are being considered, in the meantime their impact each month is being claimed as “top-up”.</li> <li>3. The Committee received a detailed update on the Covid-19 Recovery Plan including planning guidance, activity forecasts, revenue and capital to support delivery and the timetable going forward. Extensive work has taken place in developing an activity plan across all disciplines which could be delivered in 2020/21 given sufficient resources, both money and staff.</li> <li>4. In May the Trust was behind the NHSI plan by £2.67m and incurred Covid-19 costs of £2.17m resulting in top-up funds of £4.83m. The main drivers for this variance include a shortfall in private patient income, expenditure items not included within the planning model (Rates, Clinical Negligence premiums, depreciation and interest on loans) and higher than anticipated temporary staff costs.</li> <li>5. The workforce position in May showed substantive staffing behind plan by 0.9 whole time equivalents with both bank and agency also behind plan.</li> <li>6. There has been good feedback from the staff well-being initiatives that have been put in place.</li> <li>7. The forward position for Registered Nurses shows moving to full establishment by July 2020 and for Care Support Workers by June 2020.</li> <li>8. There was a discussion about how financial information could be better presented so the Committee can focus on the true variances (excluding Covid-19 related variances).</li> <li>9. The consolidated cash position (Trust and HIF) was very healthy at the end of May with a balance of £17m. This was largely as a result of the national approach to Covid-19 (payments in advance). It was noted that these advance payments were unlikely to continue indefinitely. Performance against the Better Payment Practice Code is improving. Some progress has been made with North Yorkshire CCG regarding clearing old debts and some of this was received in May. Still further work to do.</li> </ol>
<b>Are there any significant risks for noting by Board? (list if appropriate)</b>
<ul style="list-style-type: none"> <li>• Work still needed on collecting receivables</li> <li>• Need to work with NHSI on planning assumptions to avoid a potential financial gap of £11m during 2020/21.</li> </ul>
<b>Any matters of escalation to Board for decision or noting (list if appropriate)</b>
none



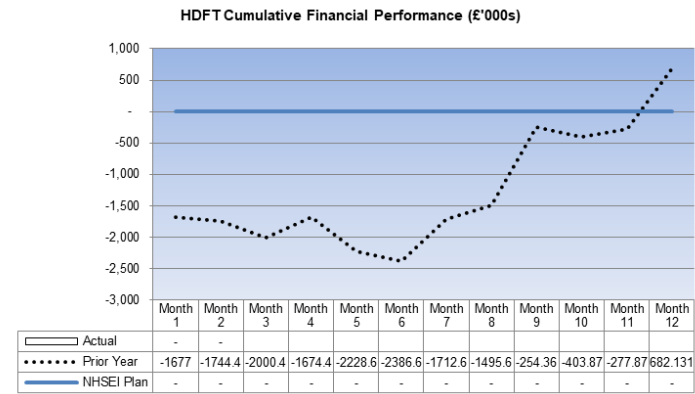
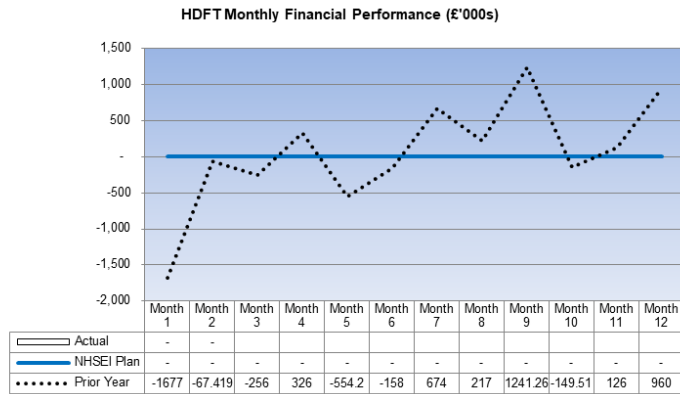
**Harrogate and District**  
NHS Foundation Trust

# Financial Position

Board of Directors – 24th June 2020

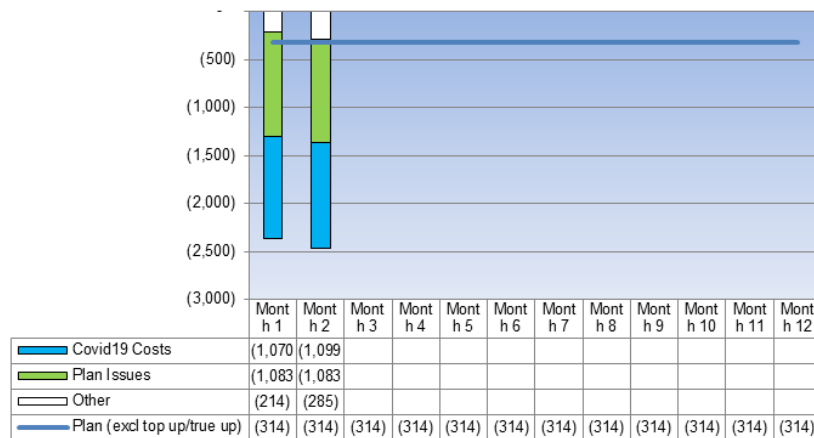
# Financial Position

The Trust reported a balanced position in month 2, as anticipated through the current planning arrangements. NHSEI have confirmed these arrangements will be in place until October, and the current Trust assumption is for this to continue for all of 2020/21.

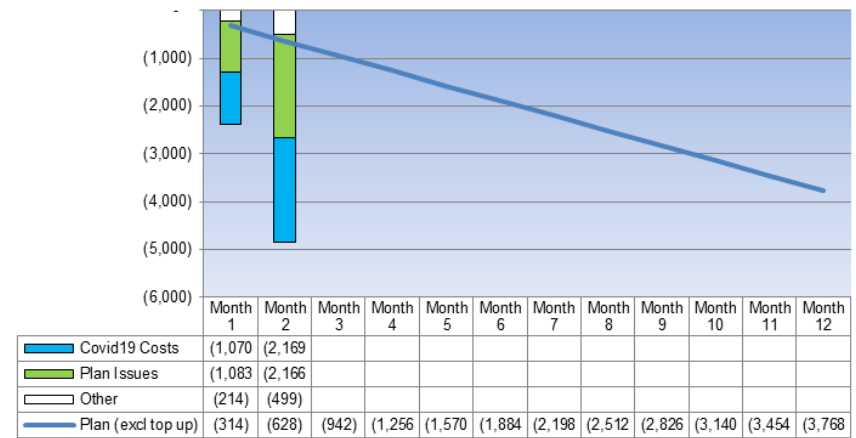


As a result of the above, the following information outlines the pre top up/true up position of the Trust. Without any top up or true up funding the Trust would have reported a deficit in month 2 of £4.8m.

**HDFT Monthly Pre Top Up/True Up Performance (£'000s)**



**HDFT Cumulative Pre Top Up/True Up Performance (£'000s)**



Further detail of this is outlined in the following slide.



# Financial Position – Covid 19 Expenditure

The table to the right outlines the position described in previous slide.

The variances related to income and expenditure are outlined in more detail on slide 6.

Revenue costs for Covid 19 are significant, representing 4.8% of Pay and Non Pay expenditure, reducing to 3.9% when removing Nightingale costs.

Expenditure reported under Covid 19 by the Trust is summarised below. It should be noted that some costs, such as pay enhancements and additional hours will be reported a month in arrears.

	NHSI Plan £m	Trust Actual £m	Covid Costs £m	Top-Up £m	Var to Plan £m
Income (Exc Top-Up)	43.10	40.72			2.39
Cost	-43.27	-42.44	-2.17		1.33
<b>EBITDA</b>	<b>-0.17</b>	<b>-1.72</b>	<b>-2.17</b>	<b>0.00</b>	<b>3.72</b>
Dep/Int	-0.46	-0.95			0.49
<b>Net I &amp; E (Exc Top-Up)</b>	<b>-0.63</b>	<b>-2.67</b>	<b>-2.17</b>	<b>0.00</b>	<b>4.20</b>
Pre-Notified Top-Up	0.63			0.63	0.00
Retrospective Top-Up				4.20	-4.20
<b>Bottom Line</b>	<b>0.00</b>	<b>-2.67</b>	<b>-2.17</b>	<b>4.83</b>	<b>0.00</b>

Expand NHS Workforce - Medical / Nursing / AHPs / Healthcare Scientists / Other	COVID-19 virus testing (NHS laboratories)	Direct Provision of Isolation Pod	Plans to release bed capacity	Increase ITU capacity (incl Increase hospital assisted respiratory support capacity, particularly mechanical ventilation)	Segregation of patient pathways	Existing workforce additional shifts	Decontamination	Backfill for higher sickness absence	Other	COVID-19 Nightingale Set up cost total
YTD £'000	YTD £'000	YTD £'000	YTD £'000	YTD £'000	YTD £'000	YTD £'000	YTD £'000	YTD £'000	YTD £'000	YTD £'000
601	18	17	41	22	45	20	9	911	62	423

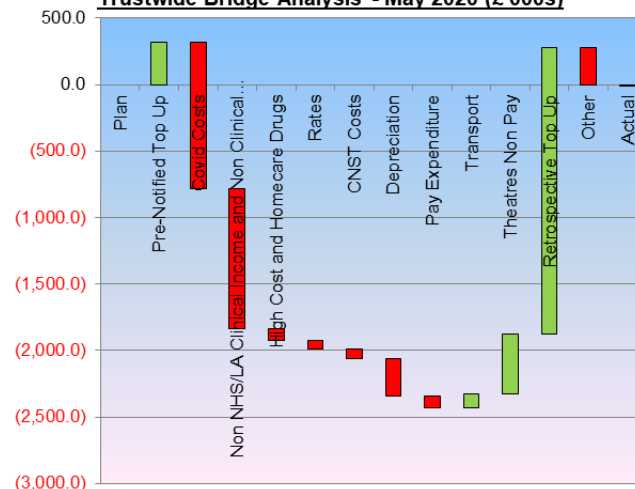


# Financial Position

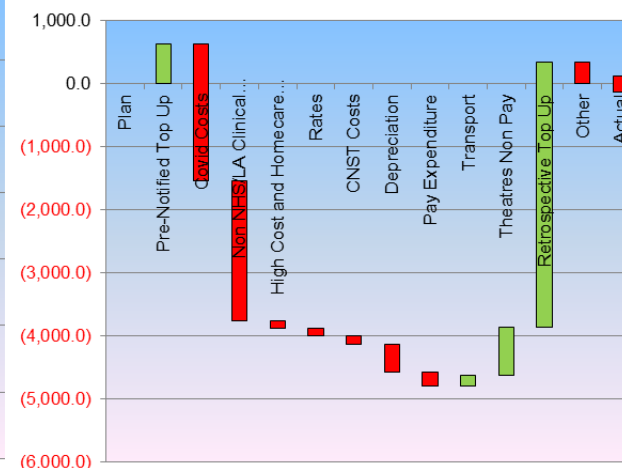
The information below highlights the key drivers for the financial position in month and year to date.

Variance to Budget	May (£'000s)	YTD (£'000s)
<b>Plan</b>	-	-
Pre-Notified Top Up	317	634
Covid Costs	(1,099)	(2,169)
Non NHS/LA Clinical Income and Non Clinical In	(1,051)	(2,224)
High Cost and Homecare Drugs	(88)	(109)
Rates	(68)	(131)
CNST Costs	(69)	(138)
Depreciation	(285)	(431)
Pay Expenditure	(85)	(228)
Transport	101	167
Theatres Non Pay	448	773
Retrospective Top Up	2,153	4,200
Other	(274)	(344)
<b>Actual</b>	-	-

Trustwide Bridge Analysis - May 2020 (£'000s)



Trustwide Bridge Analysis - YTD 2020/21 (£'000s)



A number of the variances above highlight the material issues within the plan as described previously. Further detail is below -

- Covid 19 costs have been described on the previous slide.
- Non NHS/LA Clinical Income relates predominantly to Private Patient income expectations, whilst non clinical income has a variety of targets for services currently not charged as a result of the response to Covid 19.
- The planning model results in a number of cost pressure for the Trust as well, the most significant of which are the costs associated with Rates, CNST premiums, Depreciation and Interest Payable on loans.
- Whilst pay expenditure may be an emerging issue for 2020/21, the drivers are familiar to the issues experienced last financial year.
- High Cost drug/Homecare Drugs are an emerging issue, with a variance of 5% to budget.
- Finally, the Trust continues to have some underspending areas, with Theatres Non Pay and Transport the more material areas.



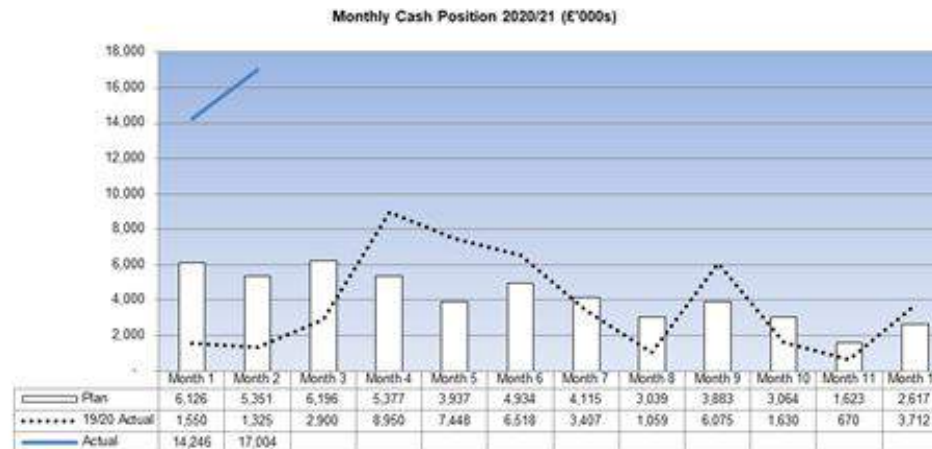


# Cashflow, Debtors and Creditors

The Trust cash position is outlined in the graph to the right.

This positive change has allowed the Trust to improve performance against the Better Payment Practice Code as outlined below. The Trust continues to work to improve this performance, and where possible bring payments within the current guidelines of 7 days. The performance below relates to invoices paid this financial year.

Whilst the above is positive, this should not detract from the need to address the current levels of outstanding invoices with other NHS Organisations. In April the Trust reported outstanding debt of £20.4m. The position reported below currently stands at £13.8m. Focus has been placed on resolving the position with North Yorkshire CCG.

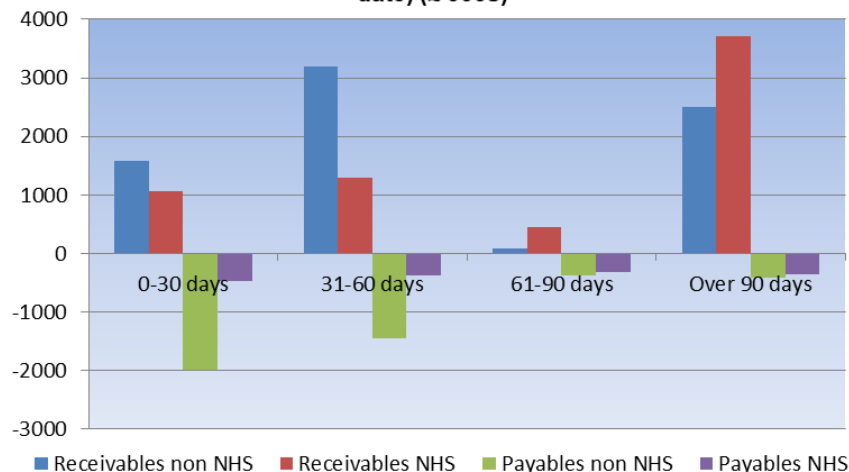


Other indicators	Year to date			
	Current month %	Previous month %	Movement %	Trend
<b>BPPC % of bills paid in target</b>				
- By number	52.5%	49.2%	3.3%	
- By value	44.5%	41.1%	3.4%	

	Year to date		
	Current month	Previous month	Movement
<b>BPPC % of bills paid in target</b>			
<b>Non NHS</b>			
- By number	53.3%	50.6%	2.7%
- By value	42.6%	39.1%	3.5%
<b>NHS</b>			
- By number	43.4%	35.2%	8.3%
- By value	50.1%	45.7%	4.4%

Aged receivables/ payables: current month (days past invoice date) (£'000s)





<b>Date of Meeting:</b>	24 June 2020	<b>Agenda item:</b>	9.2
<b>Report to:</b>	Board of Directors		
<b>Title:</b>	Operational Performance Report		
<b>Sponsoring Director:</b>	Mr Robert Harrison, Chief Operating Officer		
<b>Author(s):</b>	Mr Paul Nicholas, Deputy Director of Performance and Informatics		
<b>Report Purpose:</b>	Decision	✓	Discussion/ Consultation
			✓
	Assurance	✓	Information
			✓
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li>Provisional data shows that performance against the 62 day cancer standard in May was at 80.0 %, a decrease on the April figure of 89.2%</li> <li>HDFT's performance against the A&amp;E 4-hour standard was below 95% in May (93.4%). This was an improvement on last month and for the year 2019/20 performance was at 90.7%.</li> <li>Pre-validated provisional data shows that there were a total of 9,685 patients waiting on the list at the end of April. There were 53 patients waiting over 52-weeks at the end of the month.</li> </ul>		
<b>Related Trust Objectives</b>			
To deliver high quality care	✓	To work with partners to deliver integrated care:	✓
		To ensure clinical and financial sustainability:	✓
<b>Key implications</b>			
<b>Risk Assessment:</b>	Risks associated with the content of the report are reflected in the Board Assurance Framework via: BAF 9: risk of a failure to deliver the operational plan; BAF 10: risk of a breach of the terms of the NHS Provider licence;		
<b>Legal / regulatory:</b>	Risk to segmentation based on the Single Oversight Framework		
<b>Resource:</b>	None identified.		
<b>Impact Assessment:</b>	Not applicable.		
<b>Conflicts of Interest:</b>	None		
<b>Reference documents:</b>	-		
<b>Assurance:</b>	Resource Committee		
<b>Action Required by the Board of Directors:</b>			
It is recommended that the Board note items included in the report.			

9.2

## Operational Performance Report

### 1.0 Service Activity

Trust total activity in May and year-to-date for all contact types remain below the levels experienced in 2019/20 as a result of COVID 19. The Trust is actively working on the plan for the recovery phase to improve this position and incrementally increase and improve all activity levels between now and the end of the year.

### 2.0 RTT Waits

Pre-validation provisional data shows that there were a total of 9,685 patients on the RTT waiting list at the end of May. There were 53 patients waiting over 52-weeks at the end of the month (up from 18 last month) and 484 patients waiting longer than 40-weeks. All 52-week patients will be reviewed to identify any clinical harm.

The reduction in the total number of patients waiting is linked to the reduction in elective referrals received following the stepping down of elective services in response to COVID19. These have increased in May however remain well below 2019/20 levels. Longer waiting times have continued to increase during this period and reducing these times will form part of the recovery plan.

### 3.0 EMERGENCY DEPARTMENT PERFORMANCE

Performance against the A&E 4-hour standard was below 95% in May (93.4%), an improvement on last month. The number of ED attendances increased in May compared to April however still remains below 2019/20 levels. This includes data for the Emergency Department at Harrogate and Ripon MIU.

### 4.0 CANCER WAITING TIMES

Provisional data indicates that 4 of the 7 applicable cancer waiting times standards were achieved in May, with the 62-day standard, 14-day breast symptomatic referrals and 31-day first treatments below the operational standards.

There was a significant reduction in the number of 2WW referrals received by the Trust at the start of the Covid-19 pandemic. 2WW activity increased in May with a 19% increase in suspected cancer first attendances compared to April. However, this is still considerably lower than activity levels pre-Covid due in part to the suspension of endoscopy activity. From mid-June, the Trust has resumed delivery of endoscopic services and we expect 2WW activity levels to increase further in June and July. 3 non-cancer breast symptomatic patients waiting were seen after 14 days (1 x patient choice and 2 appointed outside the time frame) - combined with the low number of referrals this means performance was below the standard at 89.7% in May.

The Trust continues to work with the West Yorkshire cancer alliance in order to understand the volume of patients affected, the risk level of these patients, and the capacity available regionally. Alongside the Trust's own recovery plans, the aim is to optimise all available capacity in the region so that diagnostics and treatments can be safely delivered for patients on a cancer pathway.

62 day standard performance is expected to be below 85% in May at 80%. Provisionally there were 32.5 accountable treatments in May with 6.5 accountable over 62 days. Of the 7 tumour sites treated, performance was above 85% for all but 2 (Lung – 5 treatments and 3 breaches; Urology – 4 treatments and 1 breach). All breaches will be reviewed by the breach panel at the end of June. No patients waited over 104 days for treatment in May.

Provisional data indicates that 57.1% (4/7) of tertiary patients treated in May were transferred by day 38.

Screening services have been suspended due to Covid-19 and consequently provisional data indicates that no Screening patients were treated in May.

2 skin patients received their first definitive treatment outside 31 days in May - both of these delays were related to Covid-19, with the low number of treatments in the month performance was below the 96% standard at 95.3%.

## Audit Committee Report to the Board of Directors

<b>Committee Name:</b>	Audit Committee
<b>Committee Chair:</b>	Richard Stiff
<b>Date of meeting:</b>	19 June 2020
<b>Date of Board meeting this report is to be presented</b>	24 June 2020
<b>Summary of key issues</b>	
<p>The Committee met via Microsoft Teams and was well attended. The matters considered included –</p> <ul style="list-style-type: none"> <li>• A review of the register of interest and gifts and hospitality – there was some discussion of the retrospective approvals noted on the register and the potential for some instances not being captured in the current process</li> <li>• Consideration of the 2019-20 Draft Annual Report, Governance statement and Financial Statements</li> <li>• The annual Internal Audit Report and Head of Internal Audit's formal opinion in support of the Governance Statement</li> <li>• The Counter Fraud Annual Report</li> <li>• The external auditors ISO 260 report and letter of representation – see below</li> </ul> <p>The Committee will meet next on 8<sup>th</sup> September 2020.</p>	
<b>Any significant risks for noting by Board? (list if appropriate)</b>	
<p>Sign off of 2019-20 financial statements - this decision would come to the Board in the ordinary course of business but at the time of writing the Audit Committee's recommendation to the Board is conditional on the receipt of confirmation of satisfaction from the Trust's external auditors. This is due to the unavailability of certain information when the Committee considered this matter on 19<sup>th</sup> June. The external auditor's final comments may require further consideration by the Board</p>	
<b>Any matters of escalation to Board for decision or noting (list if appropriate)</b>	
None.	

<b>Date of Meeting:</b>	19 June 2020	<b>Agenda item:</b>	10.1
<b>Report to:</b>	Board of Directors		
<b>Title:</b>	Annual Report and Accounts 2019/20		
<b>Author(s):</b>	Executive Directors Interim Company Secretary		
<b>Report Purpose:</b>	<b>Decision</b>	✓	<b>Discussion/ Consultation</b>
			<b>Assurance</b>
			✓
			<b>Information</b>
<b>Executive Summary:</b>	The Annual Report and Accounts have been prepared in accordance with regulatory requirements and have been reviewed by the Trust's external auditors KPMG and by the Audit Committee at its 19 June 2020 meeting.		
<b>Related Trust Objectives</b>			
<b>To deliver high quality care</b>	✓	<b>To work with partners to deliver integrated care:</b>	✓
		<b>To ensure clinical and financial sustainability:</b>	✓
<b>Key implications</b>			
<b>Risk Assessment:</b>	-		
<b>Legal / regulatory:</b>	Trust Licence NHSE/I (NHS Foundation Trust Annual Reporting Manual 2019/20) NHS 2006 Act as amended by the 2012 Health and Social Care Act DH Group Accounting Manual		
<b>Resource:</b>	Not applicable		
<b>Impact Assessment:</b>	Not applicable		
<b>Conflicts of Interest:</b>	Referenced in the report		
<b>Reference documents:</b>	ISA 260 External Audit Highlights Memorandum		
<b>Assurance:</b>	<ul style="list-style-type: none"> <li>• Audit Committee</li> <li>• Letter of Representation</li> <li>• Annual Report 2019/20</li> <li>• Accounts Paper</li> <li>• Annual Accounts 2019/20</li> </ul>		
<b>Action Required by the Board of Directors:</b>			
The Board is asked to:			
<ol style="list-style-type: none"> <li>1. Note that the ISA 260 External Audit Highlights Memorandum will follow on Monday;</li> <li>2. Note the Letter of Representation will follow on Monday;</li> </ol>			

3. Approve the Annual Report and Annual Governance Statement at page 103 and note the Trust's compliance with the NHS Foundation Trust Code of Governance at page 98 for submission to NHSE/I;
4. Consider the draft Accounts and in particular:-
  - a. Note the preparation of the draft accounts and the financial performance that is reflected within the accounts; and
  - b. Approve the accounts for submission to NHSE/I.



**HARROGATE AND DISTRICT NHS FOUNDATION TRUST**  
**ANNUAL REPORT AND ACCOUNTS**

**1 April 2019 to 31 March 2020**

**10.1**





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

**10.1**

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## 1. CHAIRMAN'S WELCOME

It is a pleasure and a privilege to introduce the Annual Report and Accounts for the financial year 1 April 2019 to 31 March 2020. On behalf of the Board of Directors and Council of Governors I am pleased to report that we agreed our revised financial target as agreed through discussion across the ICS and many of our key performance objectives. The Annual Report gives us an opportunity to reflect on the last financial year and to look ahead to our priorities for 2019-20. It is an important element of our accountability to our members and others we serve.

As we came to the end of this financial year HDFT, along with all NHS organisations, had to respond to the Coronavirus pandemic. Colleagues through the Trust have been magnificent in the way they maintained their care and professionalism in the face of great anxiety for their families. Harrogate District Hospital has undergone considerable reconfiguration to provide the best care for patients with Covid-19 and to ensure that we could continue to support all patients with the highest standards of infection control. Every single member of staff of the Trust and our wholly owned subsidiary company, Harrogate Integrated Facilities, has personally contributed to the amazing teamwork needed to enable us to maintain our values through a time of such intense pressure.

The support of members of the public has been wonderful and humbling. From the very start of the pandemic we have received a wide range of offers of help which have been very practical. Individuals, organisations and businesses have been very generous with donations of time, ideas and money. Together with the weekly Clap for Carers, this has demonstrated how very much the NHS is valued and it has been (and continues to be) very heart-warming for all of us.

I would like to thank and commend all those who have been at the forefront of leading all the work required to make very difficult and complicated decisions in a short space of time. They quickly formed an incident command structure which efficiently worked through tremendous complexity.

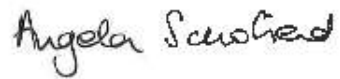
The Annual Report for 2020/2021 will say much more about the impact of the pandemic on our services and plans for the future. As I write this we are in the process of working through the plans for restoring services which were paused during the earlier stages.

I would like to thank the Board of Directors for their leadership of the Trust. We are all most grateful to the Council of Governors for their oversight of the work of the Board and their fantastic support for the work of the Trust. They provide a vital link with our Foundation Trust Members who are very generous with their comments, suggestions and feedback. During 2019/2020 Lesley Webster and Chris Thompson, non-executive directors, came to the end of their term of office. They are great supporters of the Trust and were exemplary board members. Jeremy Cross, Andy Papworth and Wallace Sampson have joined the board as non-executive directors.

Steve Russell joined the Trust as Chief Executive on 1 April 2019 and has had a great impact with his accessibility and open leadership.

I cannot commend enough the individuals and teams who work, volunteer and raise funds for the Trust – they are amazing.

It isn't possible to make arrangements for the Annual Members meeting yet. I hope that it won't be long before we can look forward to meeting the Trust's members and report



**Mrs Angela Schofield**  
**Chairman**  
**Harrogate and District NHS Foundation Trust**  
**24 June 2020**

## 2. CHIEF EXECUTIVE'S INTRODUCTION

It is my pleasure to introduce our Annual Report for 2019/20, my first as Chief Executive here at Harrogate and District NHS Foundation Trust (HDFT). I want to start with a very big thank you to the 4,134 colleagues who make up #teamHDFT, the 583 active volunteers who support us in many different ways and our partners in both health and social care for everyone's exceptional efforts during what became a very significant year in the history of our country, and indeed across the world.

Together, our aim is put the health and wellbeing of the communities we serve across North Yorkshire and the North East, and that of the people who provide care to those communities, first.

This is a significant shift from how some parts of the NHS have traditionally worked, and I would not pretend that we're yet there. But it is important to set this as our ambition and our guiding principle, something which we started thinking about during the year.

This is a strategy reflected in how our Integrated Care System – the West Yorkshire & Harrogate Health & Care Partnership – works. We are proud to be actively engaged in this partnership which reflects our clinical relationships, our educational links and how patients access care between Harrogate and other trusts within the partnership.

We agreed a different form of contract with our commissioners, which reflected the financial challenges the place of Harrogate and District faces and sought to ensure we were treating patients in a way which represented best value for money, moving away from the traditional 'payment by results' model. In our 0-19 services, we were delighted to be awarded the new contract for services in Durham following a competitive tender, and a one year extension was made to our North Yorkshire service whilst work took place on a long term partnership with a new model of care. This has gone alongside much closer partnership working with our colleagues, which we remain firmly committed to. We sought to accommodate the growth in demand without a corresponding increase in funding which was an incredibly ambitious, but necessary, goal.

During the year, we supported children and families across seven local authorities; our community teams looked after people in their own communities with 758,943 contacts in the 0-19 Services, and 154,934 contacts in Adult Services (up 7.3%). We treated 51,611 patients in the Emergency Department (0.2% lower than previous year), 23,987 people were admitted as an emergency (up 5.8%) and 281,382 people were seen in outpatients. 37,578 people had a day case or inpatient procedure (up 5.5%). Of course there was so much more that our teams did but to describe it all would take up the entire report!

People who received care continued to rate it positively overall; 96.6% of patients would recommend our Inpatient services; 95.1% of patients would recommend our Outpatient services; 92.3% of patients would recommend our Emergency Department services; 98.9% of patients would recommend our Maternity services; and 95.1% of patients would recommend our Community services.

Despite delivering our efficiency plans in full, we were not able to meet our original financial target of 4.4m surplus. We did achieve a surplus, and because of strong partnership working across the ICS still received the full amount of provider sustainability funding, some of which otherwise would have been lost. This illustrates both the fragility of finances in the patch and also the strong partnership working across the ICS.

During the year, together with our commissioners, we undertook a joint piece of work to consider the health and financial outcomes we achieve together. This showed that despite the resources available being used well to achieve good health outcomes, the allocation of funding does not fully reflect the needs of our population by circa £8-10m. Whilst we cannot control this, it does explain part of the reason that the Harrogate place has a financial deficit. The work helped clarify the areas where we need to improve and transform our models of care, and where we need to work in partnership – in particular with Leeds Teaching Hospitals. We intend to take this forward in 2020/21.

Our existing partnerships with the five other acute trusts in West Yorkshire & Harrogate which takes place through the West Yorkshire Association of Acute Trusts (WYAAT) continued to deliver benefits. As well as learning from each other, the WYAAT group of providers has supported a number of key clinical and non-clinical developments. These include agreement of WY Pathology strategy and associated networking arrangements, development of our Imaging collaborative to improve the quality and productivity of our imaging services, shared procurement arrangements to drive productivity and improve resilience, continued investment in the development of our electronic patient record and securing capital investment to undertake a WY-wide Scan for Safety programme to improve patient safety in all six acute hospitals.

We also joined the pathology joint venture which was in place between Bradford & Airedale, and now includes Harrogate. This will help us provide even better, more efficient pathology services.

Towards the end of the financial year our main commissioner, Harrogate & Rural District CCG was given the go-ahead to merge with two other CCGs from 1 April 2021, and as a consequence of this a decision was taken that the Trust would move to the Humber, Coast & Vale ICS. It is not yet clear that this will deliver the same benefits to our population as being part of the West Yorkshire & Harrogate ICS because of the established links which exist into West Yorkshire, and is something we will need to work hard at, and keep under review in 2020/21.

Active Against Cancer is a service that we were very proud to launch, thanks to funding from our friends at Yorkshire Cancer Research, and is an illustration of why a focus on health and wellbeing is so important. The feedback from participants has been profound and over the year 456 people accessed the service. As the service was launched Tom, who is a Consultant in Intensive Care at Harrogate District Hospital, said: "If exercise was a pill, everyone would be prescribed it". Reflecting on this, I was surprised to learn that physical inactivity causes around the same number of deaths as smoking – something that has changed both my own personal habits and has caused many of us to think about the broader wellbeing agenda.

In the summer we, along with the rest of Harrogate and District 'welcomed the world' as the UCI Road World Championships cycling event took place. This saw our community teams in Harrogate & District go above and beyond to overcome road closures and other restrictions to continue to keep people safe in their own homes in both fair and foul weather. They were, and are, true heroes and heroines.

As we did so, we celebrated the diversity of colleagues who make up HDFT. With nearly 60 different nationalities making up our 4,134 staff we felt it was important to show and celebrate how diverse our local NHS is. Without the presence of our colleagues from around the globe, from so many different backgrounds, we'd be poorer in terms of the diversity of thought, the different opinions and experiences this brings. We launched our first three staff networks, for colleagues from a BAME, LGBTQ+ background and those living with a disability. We were proud to join Harrogate Pride, alongside many others across the public and private sector. We are committed to ensuring we address the differential experiences



that our colleagues have at work and ensure that everyone is treated equally regardless of background.

We know that the experience of our colleagues is heavily influenced by their experience of leadership. At HDFT anyone who supervises people is a leader. In response to the 2018 staff survey we launched the pilot of our First Line Leaders Programme, designed to support those in leadership positions to discharge their responsibilities to staff in a values based, compassionate way, while upholding standards and dealing effectively with conflict or standards that are not acceptable. Over 125 people have completed the three day programme with very strong positive evaluation.

We also commissioned work from Deloitte to help us better understand the lived experience of colleagues because we have an ambition to be the very best place to work that we can be. We received their report at the end of the financial year. The report found many positives, and helped us identify the areas where we need to improve the experience of colleagues. This will be a significant focus for us in 2020/21. Our staff survey in 2019 showed continued strong performance overall compared to the 'average'.

There is so much more I could add, but I hope that this gives a flavour of where we have focused our efforts during 2019/20.

I'd like to finish where I started; by again placing on record my thanks to all my colleagues and our friends who have helped make 2019/20 what it was. It would be remiss of me not to particularly thank my Executive Directors, Clinical Directors and Board colleagues for their hard work and support – and I should also probably thank them for their patience as I have learnt about HDFT – somewhere which feels firmly like home, and somewhere I am privileged to work.

As we look ahead to 2020/21, there are many uncertainties about how we will describe that year in our next Annual Report. But one thing is for sure – I know already that I'll again be in a position to pay tribute to the incredible work of colleagues supporting children and families, those who help people live in their own homes and keeping them as healthy and independent as possible, and those who support people who need hospital treatment at times of anxiety and worry.

The NHS is without question a national treasure, and with the 29,072 combined years of service of colleagues at #teamHDFT, we're firmly committed to keeping it that way.



**Mr Steve Russell**  
**Chief Executive**  
**Harrogate and District NHS Foundation Trust**  
**24 June 2020**

### 3. PERFORMANCE REPORT

#### 3.1 Overview of Performance

##### 3.1.1 Introduction

The Performance Report provides information about Harrogate and District NHS Foundation Trust (the Trust), the Trust's objectives, strategies and the principle risks that the organisation faces. This overview section will help readers to understand the Trust, its purpose, key risks to achievement of objectives and details about how the organisation performed during 2019-20.

##### 3.1.2 Brief History of Harrogate and District NHS Foundation Trust and its Statutory Background

Harrogate and District NHS Foundation Trust (the Trust) was founded under the Health and Social Care (Community Health and Standards) Act 2003 and authorised as an NHS Foundation Trust from 1 January 2005.

The Trust is the principal provider of hospital services to the population of Harrogate and surrounding district, and also provides services to north and west Leeds - representing a catchment population for the acute hospital of approximately 720,000. In addition, the Trust provides some community services across North Yorkshire (with a population of 400,000) and provides Children's Services between birth and up to 19 years of age in North Yorkshire, County Durham, Darlington, Middlesbrough, Stockton-on-Tees, Sunderland and Gateshead, covering a total population of around 1.75m.

Harrogate District Hospital has an Emergency Department, extensive outpatient facilities, an Intensive Therapy Unit and a High Dependency Unit, a Coronary Care Unit, plus five main theatres and a Day Surgery Unit with three further theatres. The Sir Robert Ogden Macmillan Centre (SROMC) provides assessment and treatment, for the diagnosis and treatment of patients with cancer. Dedicated purpose built facilities are also provided on site for Cardiology, Endoscopy, Pathology, Pharmacy, Radiology and Therapy Services, as well as a Child Development Centre, Stroke Unit and Women's Unit. The Trust provides Maternity Services with an Antenatal Unit, central Delivery Suite, Special Care Baby Unit (SCBU) and Post Natal ward, together with an Early Pregnancy Assessment Unit. The Lascelles Neurological Rehabilitation Unit provides care for inpatients with a range of neurological conditions and brain injuries.

Ripon Community Hospital has an inpatient ward and Minor Injuries Unit, and offers a range of outpatient services to the communities of Ripon and the surrounding area.

The Trust also acts as the first contact for access to more specialist services through alliance-based working with neighbouring hospitals. These extended services are provided by visiting consultants, or alternatively by the patient travelling to hospitals in York or Leeds. The range of hospital services that are provided in partnership with York Teaching Hospital NHS Foundation Trust (YTHFT) include Breast and Cervical Screening, Dermatology, Ear Nose and Throat (ENT), Neurophysiology, Non-Surgical Oncology, Ophthalmology, Oral and Maxillofacial Surgery, Orthodontics, Renal Medicine, Rheumatology, Urology, Vascular and Renal Services. The renal unit is provided at a facility on the Harrogate District Hospital site but managed by YTHFT.

In addition, the Trust has a number of established clinical links with the Leeds Teaching Hospitals NHS Trust (LTHT). These include Coronary Heart Disease, Neurology, Plastic Surgery, Specialist Paediatrics and access to specialist Cancer Services. Links have also been strengthened with commissioners in Leeds, providing further services in Orthopaedics and General Surgery and an outpatient clinic for ENT services at Chapeltown Health Centre.

Additional outpatient outreach clinics are held at Wetherby Primary Care Centre and Yeadon Health Centre for the specialities of Dermatology, Gastroenterology, General Surgery, Gynaecology, Maternity, Neurology, Paediatrics, Respiratory, Rheumatology, Urology, and Vascular clinics. Endoscopy and Gastroenterology services are provided at Wharfedale General Hospital. An outreach clinic facility also operates at Alwoodley Medical Centre and includes clinics for the specialities of Audiology, ENT, General Surgery, Gynaecology, Orthopaedics, Rheumatology and Urology. There is also a dedicated Radiology service providing plain film x-ray and ultrasound services to support the clinics listed above, as well as providing GP Direct Access for the surrounding practices.

Patient choice is an important part of the NHS Constitution and patients from surrounding areas frequently choose Harrogate for their care. The Trust will continue working in partnership with Clinical Commissioning Groups to expand secondary care services and meet this demand.

The Trust also provides a range of community services in Harrogate and the local area as well as across North Yorkshire and Leeds. Our dedicated and experienced staff, who are based in the communities they serve, offer expertise across a variety of disciplines and work closely with GPs, hospital-based staff and other healthcare professionals to provide high quality care. Services include:

- Community Podiatry Services;
- District and Community Nursing;
- Health Visitors;
- GP Out of Hours Services;
- Infection Prevention and Control/Tuberculosis Liaison Services;
- Minor Injury Units;
- Older People and Vulnerable Adults Services;
- Safeguarding Children Services;
- Salaried Dental Services and
- Specialist Community Services.

The Trust provides Children's Services in County Durham, Darlington, Middlesbrough and Stockton-On-Tees, making it the largest provider by geographical area of such services in the country. During the year the Healthy Child Programme also started in Gateshead and Sunderland. These are universal services where the needs and voice of children, young people and families are at the core of the service designed to identify and address their needs at the earliest opportunity, and to recognise and build on the strengths that are within individuals. This enables them to be part of the solution to overcome challenges and identify and develop resources within communities so that children, young people and families have access to support when and where they need it.

### 3.1.3 Purpose and activities of the Trust

The Trust's Vision is to achieve 'Excellence Every Time' for patients and service users, with the organisation's Mission statement to be an exceptional provider of healthcare for the benefit of our communities, our staff and our partners.

In order to achieve our Vision and Mission the Trust has set out three key strategic objectives:

- To deliver high quality care
- To work with our partners to deliver integrated care
- To ensure clinical and financial sustainability.

The Trust recognises that to deliver our Vision we will continue to work with partner organisations across the footprint through alliances and networks to achieve these key strategic objectives. The Trust's primary partners include:

- West Yorkshire and Harrogate Health and Care Partnership (HCP);
- West Yorkshire Association of Acute Trusts (WYAAT);
- Humber Coast and Vale NHS Partnership (from 1 April 2020);
- Clinical Alliances with York Teaching Hospitals NHS Foundation Trust (YTHT) and Leeds Teaching Hospitals NHS Trust (LTHT);
- Organisations in the Harrogate 'place', including Harrogate and Rural District CCG (HaRD CCG);
- Commissioners of Children's Services across North Yorkshire, County Durham, Darlington, Middlesbrough, Stockton-On-Tees, Sunderland and Gateshead;
- Local Provider collaboration with other providers including Tess Esk and Wear Valley NHS Foundation Trust (TEWV) North Yorkshire County Council (NYCC), and the local GP Federation; and,
- Harrogate Healthcare Facilities Management Limited (the Trust's wholly owned subsidiary company providing estates and facilities services).

Whilst working in co-operation with other Trusts and organisations as part of the West Yorkshire and Harrogate health 'system', the Humber Coast and Vale health 'system', and a member of the WYAAT Committee-in-Common. The Trust retains full control and governance and has not delegated any decision-making powers to any other organisation.

### 3.1.4 Strategic Risks

The Trust records strategic risks to the organisation in the Board Assurance Framework (BAF) and operational risks to the organisation on the Corporate Risk Register, both of which are reviewed by the Board in detail.

During 2019-20 the strategic risks identified on the BAF included risk of:

- Lack of medical, nursing and clinical staff;
- High levels of frailty in the local population;
- Failure to learn from feedback and incidents;
- Maintaining service sustainability;
- Failure to deliver the Operational Plan;
- Breaching the terms of the Trust's NHS Improvement Licence to operate;

- External funding constraints;
- Standards of care and the organisation's reputation for quality fall because quality does not have a sufficient priority in the Trust;
- Delivery of Integrated models of care due to the complexity of the landscape;
- Misalignment of strategic plans;
- Senior leadership capacity; and
- Lack of fit for purpose critical infrastructure.

The risks on the Corporate Risk Register at the end of 2019-20 relate to the:

- Risk to the quality of service delivery in Medicine due to gaps in rotas; reduction in trainee numbers; agency cap rate; quality control of locums; (no-deal EU Exit - added 08/03/2019); (impact of Covid-19 – added 13/03/2020).
- Risk to the quality of service delivery and patient care due to failure to fill registered nurse, ODP and health visitor vacancies due to the national labour market shortage, local shortages in some areas e.g. Stockton, and (impact of Covid-19 – added 13/03/2020).
- Risk of financial deficit and impact on the quality of service delivery due to failure to deliver the Trust annual plan by having excess expenditure or a shortfall in income.
- Risk to provision of service and not achieving national standards in cardiology due to potential for lab equipment breaking down.
- Risk to quality of care by not meeting NICE guidance in relation to the completion of autism assessment within 3 months of referral.
- Risk to patient safety, performance, financial performance and reputation due to increasing waiting times across a number of specialties (including as a result of the impact of Covid 19 – added 13/03/2020).
- Risk of failure to meet the ED 4 hour standard and poor patient experience (including as a result of the impact of Covid 19 – added 13/03/2020).
- Risk to service provision due to the current service in MAU/CAT Clinic being covered by single consultant, and no provision to cover the service in his absence.
- Risk associated with mental health services for ED patients.
- Risk associated with delayed imaging in ED department due to risk of x-ray equipment failure.
- Risk associated with Covid-19 pandemic; risk of workforce pressures as a result of infection or requirements to isolate, rapid changes to normal working practices, patient safety as a result of having to make clinical decisions about use of limited treatment options, and fatigue within command and control structure.

The BAF is reviewed by the Board of Directors, Audit Committee and the Trust's Corporate Risk Review Group to ensure appropriate triangulation of issues across the organisation. The Board's Committees carry out 'deep dives' into individual areas of responsibility to ensure that the strategic risks are mitigated as far as possible, and that gaps in assurance and control are identified. In addition the Board undertakes a 'deep dive' on strategic risks at its development days to ensure appropriate oversight and understanding of the internal and external environment, and its impact on the Trust.

### 3.1.5 Going Concern Disclosure

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

## 3.2 Performance Analysis

The Board of Directors of the Trust has agreed a suite of key performance indicators which are monitored on a monthly basis through the 'Integrated Board Report'. This report brings together measures related to quality, operational performance and finance. It includes measures of operational performance which the Trust is required to report to NHS Improvement, NHS England and Harrogate and Rural District CCG.

### 3.2.1 Regulatory Ratings

#### Regulatory Ratings

The Trust's regulatory performance against NHS Improvement's (NHSI) Single Oversight Framework were green in all quarters for one of the seven standards, green in three of the four quarters for three standards, green in two of the four quarters for one standard and red in all four quarters for one of the standards. The Trust is taking part in the national pilot of Elective Clinical Review of Standards (ECRS) and as a result, not reporting performance for one of the standards. The Trust achieved a Use of Resources rating of two (range one to four with one being best).

No formal regulatory action has been taken or is planned. The Trust continues to have robust measures in place to monitor performance and quickly address areas of concern. The table in Section 4.5 indicates the Trust's regulatory ratings for 2019-20.

### 3.2.2 Performance Summary of 2019-20

The Trust achieved five of the seven operational standards included in the Operational Performance Metrics section of NHSI's Single Oversight Framework for the full year 2019-20. In addition, the dementia screening - step 1 standard was achieved for each quarter of the year.

Overall Trust performance against the A&E (Emergency Department) 4-hour waiting time standard was below 95% throughout the year. Delivery of this standard remained challenging, with the full year performance at 90.9%. The development and implementation of plans to enable the Trust to move back to a positive performance position continued throughout the year, including improved staffing deployment and requirements.

The Trust is taking part in the national pilot of Elective Clinical Review of Standards (ECRS) and as a result, not reporting performance against the 18 week RTT standard.

The 31-day cancer standards were achieved in all four quarters of the year and all of the cancer standards were achieved in Q4 with the exception of the 62-day screening target.

There were 18 ambulance handover delays of over 60 minutes reported in 2019-20 and 340 handover delays of over 30 minutes. Emergency Department attendances were 0.2% lower than for the same period last year.

Activity levels at the Trust have increased during 2019-20. Elective (waiting list) admissions were 5.5% higher in 2019-20 when compared with 2018-19 and non-elective admissions increased by 5.8%. Outpatient attendances were 2.9% lower with a total of 281,382 outpatient attendances in 2019/20 compared with 289,809 in 2018-19, this was

a result of the significantly reduced outpatient clinic activity in the last two weeks of March 2020 as a result of the coronavirus pandemic.

Provisional data suggests that the stroke performance standard (the percentage of stroke patients who spend over 90% of their stay on the stroke unit) was below the 80% standard in 2019-20 with 75% of patients meeting the standard. Delivery of the Transient Ischaemic Attack (TIA) standard was at 71% against the 60% national standard.

The Trust reported 29 cases of hospital acquired *Clostridium difficile* in 2019-20, compared with nineteen in 2018-19. Root Cause Analysis (RCA) has been completed on 17 cases and indicated that 16 of these were not due to lapses in care, and therefore would be discounted from the Trust's trajectory for 2018-19; Root Cause Analysis has not yet been completed for twelve cases. No cases of hospital acquired MRSA (Methicillin-resistant *Staphylococcus aureus*) were reported in 2019-20.

The following table demonstrates the Trust's performance against the key indicators for each quarter in 2019-20:

### 3.2.3 Performance Table 2019-20

Performance Indicator Description	Q1	Q2	Q3	Q4	2019/20	
RTT - incomplete - % in 18 weeks	N/A	N/A	N/A	N/A	N/A	
Diagnostic waiting times - maximum wait of 6 weeks	99.4%	98.9%	99.2%	97.4%	98.7%	
Trust total - Total time in A&E - % within 4 hours	94.2%	92.8%	88.5%	87.2%	90.9%	
All Cancers: 14 Days Target	87.7%	93.2%	94.5%	96.0%	92.9%	Provisional
All Cancers: 14 Days Target All Breast Referrals	15.2%	57.4%	74.2%	94.8%	63.3%	Provisional
All Cancers: 31 Day Target - 1st Treatment	99.0%	99.3%	98.9%	99.0%	99.0%	Provisional
All Cancers: 31 Day Target - Subsequent Treatment - Surgery	96.3%	97.9%	100.0%	97.8%	99.0%	Provisional
All Cancers: 31 Day Target - Subsequent Treatment - Drug treatment	100.0%	100.0%	100.0%	100.0%	100.0%	Provisional
All Cancers: 62 Day Target	85.6%	84.5%	91.7%	91.8%	88.4%	Provisional
All Cancers: 62 Day Target Screening	84.2%	90.5%	45.9%	45.0%	64.4%	Provisional
All Cancers: 62 Day Target Cons Upgrade	100.0%	92.3%	93.0%	91.6%	92.6%	Provisional
Incidence of hospital acquired C-Difficile (Cumulative)	9	5	5	10	29	

### 3.2.4.1 Significant Developments during 2019-20

In line with the Trust's Operational Plan for 2019-20 the significant capital developments over the last 12 months include:

- Provision of the second phase of the Ambulatory care unit
- Implementation of a single IT system for the recording, viewing and sharing of clinical and non-clinical patient information - IT WebV system
- Woodlands Ward Children's Play Room

The Trust had the following further capital projects for completion during 2019-20 however due to the Covid-19 pandemic this work was placed on hold and will be completed when possible:

- Replacement of the Catheterisation laboratory
- Upgrade of X-ray room in the Emergency Department
- Provision of secondary CT Scanner

## Trust News and Awards

### ➤ Recognition for surgical practice

A programme for patients having hip and knee replacements has won a top national award.

The unique collaborative QIST (Quality Improvement for Surgical Teams) aims to reduce infection rates from MSSA (Methicillin Sensitive Staphylococcus Aureus) for patients undergoing joint replacement surgery, and was named 'Infection Prevention and Control Initiative of the Year' at the 2019 HSJ Patient Safety Awards.

The Trust is one of 30 organisations involved in QIST, which is scaling up interventions such as screening and the use of body wash and nasal gel treatments for patients carrying the bug, to reduce infections and improve lives. By working together, more than 16,000 patients across the country have received an effective patient safety intervention.

### ➤ Support young and disadvantaged first-time mums

Two of the Trust's parenting programmes in Gateshead and Sunderland have won a national industry award for the work they do to support young and disadvantaged first-time mums.

Both of the Trust's Gateshead and Sunderland family nurse partnerships (FNPs) have been awarded a MacQueen Award in the Community Practitioners and Health Visitors Association (CPHVA) Education and Development Trust's MacQueen Anniversary Awards.

The family nurse partnerships, the only ones of their kind in the north of England, are a voluntary parenting programme offering extra guidance to first-time young parents, including those from disadvantaged backgrounds, who are under 20 in Sunderland and under 24 in Gateshead. The services offer support and guidance to expectant mums from 16-weeks before birth through to two years of age.



➤ **New artworks in children's services**

Woodlands Children's Ward at Harrogate District Hospital and the Children's Outpatients Department at Ripon Community Hospital have been decorated with colourful woodland-themed artwork, creating a nicer and friendlier environment for young patients who are visiting or staying in hospital. This new bright and vibrant artwork has helped to improve the experience of visiting hospital for young patients and their families.

➤ **Our new health and social care alliance**

Local health and social care partners are working together to improve how community health and social care is provided for adults in the Harrogate District.

Harrogate and Rural Alliance (HARA) brings together the NHS commissioners (who buy health services) and service providers, together with North Yorkshire County Council (which has responsibility for public health and adult social care).

From 30 September 2019, community health and social care services have been linked to local Primary Care practices, with community nurses, therapists and social care practitioners, working together to respond to people's needs.

➤ **Special Care Baby Unit first to obtain Gold!**

Harrogate District Hospital's Special Care Baby Unit (SCBU) was the first in the UK to be awarded Baby Friendly Gold accreditation. Gold is the highest award possible, with all four standards achieved: Leadership, Culture, Monitoring and Progression were achieved.

The Baby Friendly Initiative is set up by UNICEF and the World Health Organisation which is a global programme that provides a practical and effective way for health services to improve the care provided for mothers and babies. It is based on a comprehensive set of standards designed to provide parents with the best possible care to build close and loving relationships with their baby, and to feed their baby in ways which will support optimum health and development.

To meet the standard, SCBU was judged against a set of criteria including supporting parents to have a close and loving relationship with their baby; enabling babies to receive breastmilk and to breastfeed when possible; and to value parents as partners in care.

## **Quality**

The Trust is fully committed to high quality care. The regulators have deferred the date of submission of the Quality Report due to Covid-19. This is now required to be completed later in the calendar year. Details on progress made on quality priorities during 2019-20 will be outlined in the Quality Report together with the agreed quality priorities for the coming year. The priorities for quality improvement are agreed with staff and stakeholders and will have clear and measurable targets, with performance against these monitored regularly through the Trust's Quality Committee.

There are governance and reporting frameworks in place to ensure that the Trust continues to deliver its operational plans and targets, which include other quality initiatives and indicators.

### 3.2.4.2 Operating and Financial Review of the Trust

The income and expenditure position for the Trust for 2019-20 is described below. The consolidated position for the group was a surplus of £405k

	2018-19 actual £000s	2019-20 actual £000s
Income	242,140	269,953
Expenditure	(242,248)	(274,766)
Net Surplus	-108	-4,813
Provider Sustainability Fund (PSF)	7,853	5,218
Reported surplus for financial year	7,745	405

It should be noted that in 2018/19 the subsidiary reported a 13 month period to account for performance since 1 March 18.

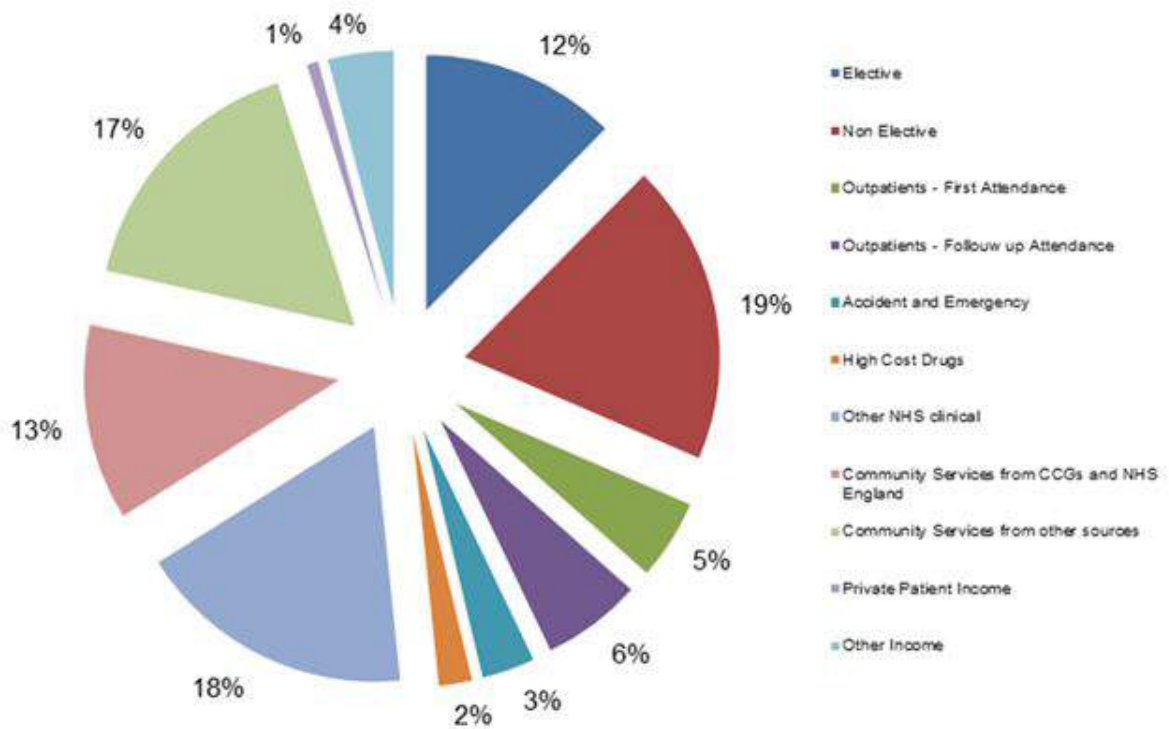
PSF was given to Trusts from NHSI for achievement of control totals, the reduction in value a result of bonus funding being received in 2018/19 and not in 2019/20.

In 2019/20, the Trust was set a control total by NHS Improvement to deliver a surplus of £4.4m. Following positive discussions across the ICS and with the Regulators, a revised financial target was agreed, which was to deliver a surplus of £0.4m. This revised target recognised financial pressures within the Harrogate place, and ensured that as an ICS as a whole the financial control total was achieved in aggregate. By agreeing and delivering the revised financial target, all organisations in the ICS, including HDFT, received the full allocation of PSF available.

#### Income Generated from Continuing Activities

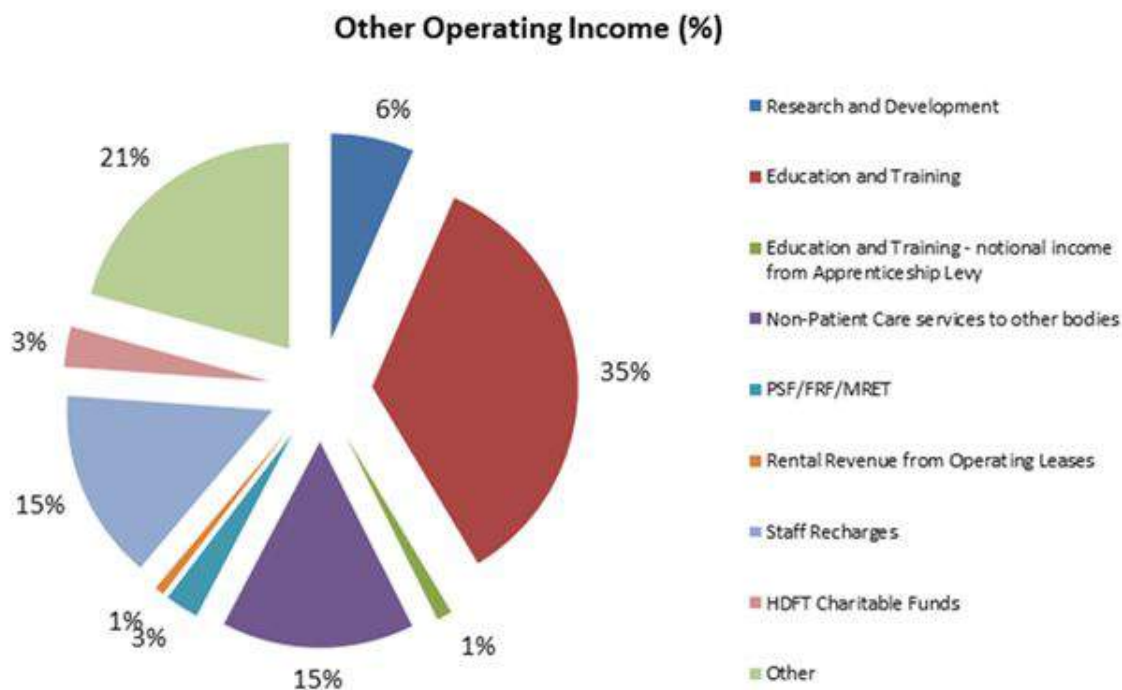
Total income from continuing activities for the year 2019/20 was £245,453k. This represented 90.9% of total income for the year. An analysis of this income is shown below:

### Income from Continuing Activities (%)



### Other Operating Income

Other operating income totalled £24,518k during 2019/20. This represented 9.1% of total income for the year and an analysis of this income is shown below:



**Cash**

The Trust has a cash balance of £2,941k at the close of the financial year.

**NHS Improvement Use of Resource Metric**

The Trust received a Use of Resource Rating of 2 at the end of 2019-20. Financial Risk is assessed on a scale of 1 (low risk) to 4 (high risk).

**Financial Outlook 2020/21**

In response to the CoVid outbreak, the financial arrangements across the NHS have been changed. As a result, the Trust has a plan for 2020/21 that delivers a breakeven position and with all appropriate costs of CoVid reimbursed centrally. The timing of cashflow into the Trust has been improved as part of this arrangement, meaning that payments can be made in a timely way.

As part of the CoVid recovery planning, further work is being undertaken across the system and ICS to ensure that plans are in place to deliver the recovery in activity and that the costs incurred are appropriately recognised and reimbursed.

**Capital Investment Activity**

As part of the 2020/21 planning process, a number of schemes were developed within the Trust, resulting in a Capital Programme of £10.4m. Clearly as the response has developed in relation to Covid 19, the priorities in relation to Capital have also changed. Currently the agreed plan stands at £14.5m with key changes including critical care infrastructure, oxygen infrastructure and equipment.

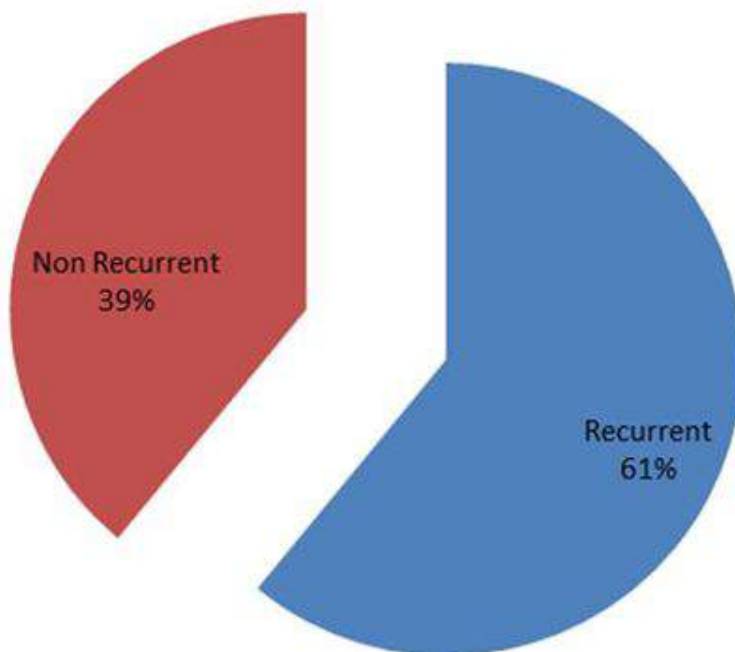
**Land Interests**

During the financial year ending 31 March 2020, the Trust’s land and buildings were re-valued by the Valuation Office Agency (Royal Institute of Chartered Surveyors qualified) which is an Executive Agency of HM Revenue and Customs (HMRC). This valuation, in line with the Trust’s accounting policies and using the best practice Modern Equivalent Asset valuation methodology, resulted in a valuation of the Trust’s land and buildings of £83,245k, which has been incorporated into the accounts. This is an increase in value from 2019/20.

**Details of Activities Designed to Improve Value for Money**

Efficiency schemes continue to be risk assessed and subject to a Quality Impact Assessment before implementation. In 2019/20 the Trust achieved savings of £8.6m against a target of £8.4m, the chart below outlining the split between recurrent and non-recurrent schemes –

**CIP Proportion Non Recurrent/Recurrent %**



**10.1**

### **Further Details of the Trust's Strategic Plans**

A range of actions is planned over the next few years to deliver the Trust's strategy. These are contained within the Trust's Operational Plan for 2019-2020 which can be found on the Trust website ([www.hdft.nhs.uk](http://www.hdft.nhs.uk)).

### **Approval by the Board of Directors of the Performance Report**

This Performance Report has been approved by the Board of Directors of Harrogate and District NHS Foundation Trust.

### 3.2.5 Environmental Matters

The Trust is committed to meeting the provisions within its carbon management program which is an ambitious target of reducing carbon emissions by 30% from a 2010/11 baseline by 2020.

In 2019/20 the Trust has seen the benefit of the investment made in previous years to the engineering infrastructure. The result of this has been a further reduction in the consumption of imported electricity as the optimisation of the combined heat and power plant has increased the onsite generation. This increase in onsite electrical generation has been achieved with only a minor increase in gas consumption.

#### Procurement

This year has been a transitional one for procurement in the NHS, as the national reorganisation of the NHS Supply Chain Logistics & Contracting service has been phased in towards a fully operational live date of 1 April 2019. One of the consequences of this is the contract for the NHS logistics/transport service was awarded to Unipart, who took over providing the service from DHL in February 2019. It is likely that the new contractor will be required to meet similar sustainability commitments around carbon waste, ethics and responsibility to that previously pledged. Similarly the national contracting function has been split into various “category towers” each of whom will be required to comply with Government sustainability requirements/commitments.

Rationalisation and the reduction of choice via the Nationally Contracted Products Programme has continued, including the change to a recycled copy paper manufactured using best environmental practices which do not allow any harmful bleaching in the process and does not contain Optical Brightening agents to whiten the paper, as these are not biodegradable and do not break down in the environment.

Locally, capital build developments in areas such as Endoscopy and the ED, have facilitated the improvement of storage facilities and order processes which should help in reducing waste, whilst there have been upgrades to hand-held ordering devices enabling Wi-Fi download, thus enhancing efficiency. A work plan has been developed across the WYAAT Trusts, focused on rationalising medical and surgical consumable products, whilst planning has started locally for the implementation of the Scan for Safety programme across WYAAT, which should improve efficiency and reduce waste whilst also improving patient safety.

#### Food Waste

The Trust has maintained its established contractor for the recycling of its food waste from the District Hospital site.

With all food waste recycling handled in this manner, the Trust has an environmentally friendly way of diverting this waste from landfill. A brief summary of kW Hours of electricity produced & total tonnes of CO<sub>2</sub> displaced for the financial year ending 31<sup>st</sup> March 2020 can be found in the table below:

1 April 2019 to 31 March 2020		
QUARTER	KW HOURS PRODUCED	TOTAL TONNES CO2 SAVED
One	6547.50	11.16
Two	7654.50	13.04
Three	10152.00	17.30
Four	9614.16	16.38
<b>Total</b>	<b>33,968.16</b>	<b>57.88</b>

**Clinical and General Waste**

WASTE		2016/17	2017/18	2018/19	2019/20
RECYCLING	tonnes	151.3	86	151.6	122.9
	tCO <sub>2</sub> e	3.2	1.8	3.2	2.6
HIGH TEMP RECOVERY	tonnes	391.28	371.21	380.39	368.99
	tCO <sub>2</sub> e	8.2	7.8	8.0	7.8
HIGH TEMP DISPOSAL	tonnes	340.29	313.98	246.64	281.42
	tCO <sub>2</sub> e	7	6.6	5.2	5.9
LANDFILL	tonnes	18.55	67.92	5.29	85.84
	tCO <sub>2</sub> e	4.5	16.5	1.3	20.9
<b>Total Waste</b>	<b>tonnes</b>	<b>901.4</b>	<b>836.12</b>	<b>783.93</b>	<b>859.162</b>
<b>% Recycled or Re-used</b>	<b>%</b>	<b>60.19%</b>	<b>54.68%</b>	<b>67.86%</b>	<b>57.25%</b>
<b>Total Waste tCO<sub>2</sub>e</b>		<b>22.9</b>	<b>32.7</b>	<b>17.6</b>	<b>37.1</b>

10.1



Please note that due to the issues encountered in 2018 the clinical waste contract is currently a temporary contract established by NHSI&E with MITIE.

We have increased recycling over the last 12 months with the introduction of a new general waste contractor, glass recycling, battery recycling and WEEE waste. Landfill tonnage increased because offensive waste has gone through Yorwaste due to increased segregation and to move away from a temporary contract with MITIE.

## Energy

RESOURCE		2017-2018	2018-2019	2019-2020
GAS	Use (kWh)	27,072,959	27,086,243	<b>27,264,123</b>
	tCO <sub>2</sub> e	4982	4984	<b>5016</b>
OIL	Use (kWh)	144876	163950	<b>87440</b>
	tCO <sub>2</sub> e	39.3	44.56	<b>23.8</b>
COAL	Use (kWh)	0	0	<b>0</b>
	tCO <sub>2</sub> e	0	0	<b>0</b>
ELECTRICITY	Use (kWh)	3,699,906.5	3,277,675	<b>3,228,684</b>
	tCO <sub>2</sub> e	380.7	337.3	<b>337.4</b>
<b>TOTAL ENERGY</b>	<b>tCO<sub>2</sub>e</b>	<b>5402</b>	<b>5366</b>	<b>5377</b>
<b>TOTAL COST</b>	<b>£</b>	<b>£ 1,014,696</b>	<b>£979,887</b>	<b>£ 1,094,968.18</b>

Works has continued within the restraints of the backlog budget to ensure the implementation of improved equipment across the site. Where equipment is replaced more energy efficient modern equivalents have been installed.

### 3.2.6 Overseas Operations

The Trust does not have any overseas operations.

### 3.2.7 Social, community, anti-bribery and human rights issues

The Trust has a significant profile in the local areas it serves and sees its community role as important both as a health care provider and potential local employer.

The Trust has a popular education liaison programme supported by strong relationships with local schools. The programme includes careers events, current NHS careers information, advice and guidance and real life input into the school curriculum.

Complementing the education liaison programme the Trust has a highly successful work experience programme. During 2019-20 the Trust supported 114 work experience placements for students from local schools and colleges. The students, many of whom are hoping to pursue careers in medicine, support staff with a range of activities both in clinical and non-clinical areas. In addition, the Trust has a thriving Youth Forum, composed of young people who had met monthly until this arrangement was put on hold during the Covid-19 pandemic.

During the year the Trust has continued with the development of programmes for a range of apprenticeship schemes.

We have a number of policies in place which cover social, community and human rights matters. A process is in place to ensure that none of our policies have an adverse or discriminatory effect on patients or staff. We continue to provide positive support to people with a disability who wish to secure employment with the Trust through the guaranteed interview scheme and comply with the two ticks requirements. There are policies in place which support staff who may become disabled during their employment.

The Trust's anti bribery and counter fraud arrangements are in compliance with the NHS Counter Fraud Authority's Counter Fraud Standards for Providers. These arrangements are underpinned by the appointment of accredited Local Counter Fraud Specialists and the introduction of a Trust-wide Anti-Fraud, Bribery and Corruption Policy.

The Trust's Audit Committee reviews and approves an annual counter fraud plan identifying the actions to be undertaken to create an anti-fraud culture, deter prevent, detect and, where not prevented, investigate suspicions of fraud. The counter fraud team also produces an annual report and regular progress reports for the review and consideration of the Finance Director and Audit Committee.

The Counter Fraud Team also facilitates an annual self-assessment of compliance against the Counter Fraud Standards for Providers, which is reviewed and approved by the Director of Finance prior to submission to NHS Counter Fraud Authority. The 2019-20 assessment was completed and submitted in May 2020 with an overall assessment of green, confirming the Trust was compliant against the majority of standards.

### 3.2.8 Events since the end of the financial year

There have been no significant events since the end of the financial year on 31 March 2020.

A handwritten signature in black ink that reads "Steve Russell". The signature is written in a cursive style and is underlined with a single horizontal line.

**Steve Russell**  
**Chief Executive**  
**Date: 24 June 2020**

## 4 ACCOUNTABILITY REPORT

### 4.1 Director's Report

#### 4.1.1 Directors 2019-20

The Directors of the Trust during the year 2019-20 were:

##### Non-executive Directors

Mrs Angela Schofield	Chairman (Non-Executive Director)
Mrs Sarah Armstrong	Non-Executive Director
Mr Jeremy Cross	Non-executive Director from January 2020
Mr Andrew Papworth	Non-executive Director from March 2020
Ms Laura Robson	Non-Executive Director, Senior Independent Director from January 2020
Mr Wallace Sampson OBE	Non-executive Director from March 2020
Mr Richard Stiff	Non-Executive Director
Mrs Maureen Taylor	Non-Executive Director and Vice Chair from March 2020
Mr Chris Thompson	Non-Executive Director, Vice Chairman until 29 February 2020
Mrs Lesley Webster	Non-executive Director, Senior Independent Director until 31 December 2019

##### Executive Directors

Mr Steve Russell	Chief Executive
Mr Jonathan Coulter	Director of Finance and Deputy Chief Executive
Mrs Jill Foster	Chief Nurse
Mr Robert Harrison	Chief Operating Officer
Dr David Scullion	Medical Director
Ms Angela Wilkinson	Director of Workforce and Organisational Development

#### 4.1.2 Company Directorships held by Directors or Governors

There are no company directorships or other significant interests held by Directors or Governors that are considered to conflict with their responsibilities. Mr Coulter and Mr Thompson have been appointed by the Trust as Non-Executive Board members of the wholly-owned subsidiary, Harrogate Healthcare Facilities Management Limited (t/a Harrogate Integrated Facilities (HIF)). This is declared at the start of all meetings which they attend (in both the Trust and HIF) and is recorded in the appropriate registers; when issues concerning HIF are discussed a decision is made as to whether they may participate in any such discussion, and on what basis.

Registers of Interests for all members of the Board of Directors and the Council of Governors are held within the Trust and continually updated. The Board of Directors' register is received at every public Board of Directors' meeting. The Council of Governors' register is received at every Council of Governor meeting on a quarterly basis. Both registers are available on the Trust website and available on request from the Company Secretary's Office.

#### 4.1.3 Accounting Policies

The Trust prepares its financial statements under direction from NHSI, in exercising the statutory functions conferred on Monitor, in accordance with the Department of Health

Group Accounting Manual 2019-20 which is agreed with HM Treasury. The accounting policies follow International Financial Reporting Standards (IFRS) to the extent they are meaningful and appropriate to NHS Foundation Trusts.

#### 4.1.4 Charitable and Political Donations

During 2019/20 no charitable or political donations were made by the Trust.

#### 4.1.5 Better Payment Code of Practice

The Better Payment Code of Practice requires the Trust to aim to pay all valid non-NHS invoices within 30 days of receipt, or the due date, whichever is the later.

Year to 31 March 2019	Numbers	Year to 31 March 2020
42,897	No of invoices Paid to Date	46,860
2,713	No of invoices Paid in 30 Days	5,621
6%	% of invoices Paid in 30 Days	12.0%

Year to 31 March 2019	Values	Year to 31 March 2020
50,335	£K Value of invoices Paid to Date	74,740
9,162	£K Value of invoices Paid in 30 Days	14,474
18%	% of invoices Paid in 30 Days	19.37%

The Board of Directors recognises that compliance with this code is compromised by the levels of clinical activity provided above contract where payments from the commissioners, working to national payment timescales, do not coincide with the timing of extra costs. As such, the organisation's cash management strategy is acknowledged to have a detrimental impact on this performance measure.

#### 4.1.6 NHS Improvement Well Led Framework

The Trust has arrangements in place to ensure that services are well led. Further details about these arrangements are included within this Annual Report at Section 4.7 (Annual Governance Statement).

#### 4.1.7 Statement as to Disclosure to Auditors and Accounts Prepared under Direction from NHSI

So far as the Directors are aware, there is no relevant audit information of which the External Auditors are unaware, and the Directors have taken all of 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 Auditors are aware of that information. The Trust's accounts have been prepared under direction from NHSI, in exercising the statutory functions conferred on Monitor, in accordance with the Department of Health Group Accounting Manual.

#### **4.1.8 Income Disclosures required by Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012)**

Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than the Trust's income from the provision of goods and services for any other purposes. The Trust confirms that it has met this requirement during 2019/20.

#### **4.1.9 Patient care activities**

##### **Improvements in patient / carer information**

The Trust website delivers clear information and reflects the Trust's Vision and values. There is a clear focus given to the key information that people want the most – how to find us, contact details, car parking, and visiting hours, service pages and an area about our consultants which features a short biography and photograph of all the consultants working at the Trust.

The Trust has been working to provide a more consistent approach to the Accessible Information Standard (AIS) which aims to improve the lives of people who need information to be communicated in a specific way. The AIS is based on the requirement to implement:

1. Identification of needs;
2. Recording needs as part of patient / service user records and PAS systems;
3. Flagging of needs using e-flags or alerts to indicate that an individual has a recorded information and/or communication need and to prompt staff to take appropriate action;
4. Sharing of needs as part of existing data-sharing processes and as routine part of referral, discharge and handover; and,
5. Meeting of needs.

We have made further progress in relation to people with learning difficulties, and are progressing systems and processes to enable us to support all patients with information and communication needs. This will be included within the Quality Report.

The Trust has continued to develop its social media presence through several channels of dialogue with patients, members of the public, and other stakeholders. The Trust's main corporate Facebook and Twitter accounts have shown strong growth in follower numbers/likes over the year, as well as overall levels of engagement. These channels have been particularly useful for sharing information at times when urgent communication is required, such as when the Trust has faced winter pressures.

Over the year, significant support and guidance has been provided to teams across the Trust who wish to have their own service page. There are approximately 30 Trust social media accounts in place, with more due to come online. This process has been

supported by the development of a Trust-wide Social Media Policy and a clear process for the approval of accounts based around need and objectives.

Patient information leaflets continue to be developed with the assistance of volunteer readers who evaluate the content and presentation. This enhances the readability of the leaflets which in turn helps ensure patients are better informed regarding appointments, procedures, treatment and self-care. Internal processes to ensure high standards are maintained with regular review of leaflets have been reviewed and updated during the year.

### **Complaints Handling**

The Trust's aim is to 'get it right first time, every time'. The Trust recognises that managing patient feedback well can both improve services and enhance the public perception of the Trust.

The Trust promotes pro-active, on the spot resolution of problems at a local level, thus reducing the need for patients/carers to raise issues in a more formal way. It is recognised that lessons must be captured from this type of feedback locally to promote sharing of learning and good practice. Quality of Care Teams, which are department based teams of frontline staff, are encouraged to facilitate the resolution of issues in their own areas and promote learning.

In order to publicise the service, leaflets and posters are available in all departments across the Trust and in community locations. Patient Experience Volunteers (PEV), based at the front of Harrogate hospital in the Main Reception during normal working hours, work to publicise the Making Experiences Count Policy and the process by which the public can share feedback regarding the Trust services.

The Patient Experience Team (PET) is made up of Patient Experience Officers who receive and make an assessment of all new feedback within three working days. To assist this assessment the issue is graded to identify the severity of the concern being raised and the level of investigation that is necessary as well as the internal and external reporting requirements.

For those cases graded as a complaint, an Investigating Officer is appointed by the Directorate with the most involvement and a formal written acknowledgement is sent from the Chief Executive. An individual resolution plan will be developed with the complainant, via the Investigating Officer, which identifies the nature of the issue and how this will be dealt with.

Local resolution may, for example, be achieved by means of a written investigation, a meeting with staff or a telephone call. The resolution plan is agreed between the complainant and Trust from the outset and must be proportionate to the issue raised.

Where a complaint is graded as amber or red (the most serious levels of concern) or where there are serious risk management implications, the Patient Experience Officer will refer to the Head of Risk Management to ensure appropriate action is taken in relation to any ongoing patient care or incident investigation. For serious complaints, a root cause analysis of the case will be carried out by the Investigating Officer.

Failure by the Trust to satisfy the complainant entitles the complainant to request a further investigation by the Health Service Ombudsman. This request must be made within 12 months of the initial concern, unless there are extenuating circumstances.

If the person is not a patient, but is raising issues on behalf of a patient, the PET checks that the patient knows about this and has given consent. In exceptional cases, where the complaint is graded yellow, amber or red, the Trust will determine what investigation can proceed without consent and what, if anything is disclosed.

There is no time limit for giving feedback to the Trust for those issues which fall outside the Complaints Regulations. All feedback will be received and acted upon wherever possible to ensure learning and improvement for the organisation. Where the issue is coded as a complaint, the regulations set a time limit of 12 months from the event or awareness of the event, for making the complaint. The Trust, however, adopts a flexible attitude to complaints about incidents occurring outside this timescale.

Action plans are considered by the Directorates for each complaint which is raised. Action plans are required for all issues that have been upheld following investigation and quality assurance by the Directorate. Complaint trends and action plans, including those developed in response to Health Service Ombudsman reviews are reported to the Learning from Patient Experience Group (LPEG) and the Quality Committee on a quarterly basis and in turn to the Board of Directors.

#### **4.1.10 Stakeholder Relations**

##### **Partnerships and Alliances/Relationship Management**

The Trust has a strong history of alliance-based working through well-established clinical alliances with a number of neighbouring Providers, in particular through the WYAAT partnership.

Over the last 12 months the Trust has engaged with WYAAT to explore opportunities for greater collaboration across key specialties, these have included the implementation of a new pathway for Stroke services with LTHT and YTHFT, and joining the Pathology Joint Venture alongside Bradford and Airedale trusts.

During 2019/20 the Trust along with Harrogate and Rural District CCG and West Yorkshire and Harrogate ICS engaged an independent review into the sustainability of Harrogate PLACE. This review identified areas for improvement, in particular in relation to how services to local people are provided locally and the development of stronger clinical alliances with Leeds NHS Teaching Hospitals NHS Trust for secondary care services.

##### **Provider Collaborative**

During the year the Trust became a founding member of the Provider Collaborative which includes representatives from Tees, Esk and Wear Valley Foundation Trust, NYCC and the Harrogate GP Federation Yorkshire Health Network and is focused on developing a new collaborative model for care outside of hospital.



### **West Yorkshire and Harrogate Health and Care Partnership (HCP)**

The Trust is part of the West Yorkshire and Harrogate Health and Care Partnership (HCP) which is built up from the work of the six health and care economies in West Yorkshire and Harrogate. As part of the HCP the vision for West Yorkshire and Harrogate is for everyone to have the best possible outcomes for their health and wellbeing.

Closer partnership working is at the very core of the HCP and the Trust continues to be actively engaged with our partners across the region.

### **West Yorkshire Association of Acute Trusts (WYAAT)**

Complementing and working closely with the HCP is the West Yorkshire Association of Acute Trusts, which is an innovative collaboration bringing together the NHS Trusts who deliver acute hospital services across West Yorkshire and Harrogate. The Trust is an active member of this network.

The WYAAT has a joint work programme focussed around four clear work streams:

- Specialist services – a review of the way some of the specialist services are delivered and whether these could be provided in a better way.
- Clinical standardisation and networks – looking to standardise the way organisations work across Trusts to reduce variation and duplication.
- Clinical support – reviewing pathology, radiology and pharmacy systems and processes to identify benefits of working together and in the same ways.
- Corporate services – looking at back office functions to share learning and identify any benefits of bringing together ways of working, teams and services.

### **Approval by the Directors of the Accountability Report**

This Accountability Report has been approved by the Board of Directors of Harrogate and District NHS Foundation Trust.



**Steve Russell**  
**Chief Executive**  
**Date: 24 June 2019**

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## 4.2 Remuneration Report

### 4.2.1 Annual Statement on Remuneration

The Trust recognises that the remuneration policy is important to ensure that the organisation can attract and retain skilled and experienced leaders. At the same time it is important to recognise the broader economic environment and the need to ensure we deliver value for money.

The Board of Directors has established a Remuneration Committee with responsibilities which include consideration of matters in relation to the remuneration and associated terms of service for Executive Directors including the Chief Executive. The report outlines the approach adopted by the Remuneration Committee when setting the remuneration of the executive directors who have authority or responsibility for directing or controlling the major activities of the organisation. The following posts have been designated as fitting the criteria by the committee and are collectively referred to as the executives within this report:

- Chief Executive
- Deputy Chief Executive/Director of Finance
- Medical Director
- Chief Nurse
- Chief Operating Officer
- Director of Workforce and Organisational Development

The Committee is Chaired by the Chairman of the Trust and all of the Non-executive Directors are members of the Committee. The Chief Executive and Director of Workforce and Organisational Development support the working of the Committee by providing discussions about the Board composition, succession planning, remuneration and performance of Executive Directors. The Chief Executive and Director of Workforce and Organisational Development are not present when discussions take place in relation to their own performance, remuneration or terms of service are discussed.

#### 4.2.1.1 The Remuneration Committee

The Remuneration Committee for Executive Directors meets as and when required. In 2019/2020 the Committee met on two occasions:

**Remuneration Committee Meetings 2019/20**

<b>Board Member's Name</b>	<b>31 July 2019</b>	<b>26 February 2020</b>
Mrs A Schofield	√	√
Mr C Thompson	√	0
Mrs L Webster	√	N/A
Mrs M Taylor	√	√
Ms L Robson	√	√
Mr R Stiff	√	√
Ms S Armstrong	√	√
Mr J Cross	N/A	√

\* Mr C Thompson left the Trust on 29 February 2020

\*\* Mrs L Webster left the Trust on 31 December 2019

\*\*\* Mr J Cross joined the Trust on 1 January 2020

The Committee undertakes periodic reviews of the salary levels of the Executive Directors including the Chief Executive whilst taking into account the overall performance of the Trust as well as individual performance of directors and published benchmark information.

The Remuneration Committee is a Committee of the Board of Directors and the key outcomes from this Committee are shared with the full Board of Directors.

The Trust's Remuneration Committee has agreed Terms of Reference which includes specific aims and objectives and were reviewed and updated during 2019/20.

The role of the Remuneration Committee is to make such recommendations to the Board of Directors on remuneration, allowances and terms of service as to ensure that Directors are fairly rewarded for their individual contribution to the Trust, having proper regard to the Trust's circumstances and performance and to the provisions of any national agreements or regulatory requirements where appropriate.

The Committee monitors and evaluates the performance and development of the Chief Executive and all Executive Directors and advises on and oversees appropriate contractual arrangements for the Chief Executive and all Executive Directors. This includes the proper calculation and scrutiny of termination payments, as appropriate in the light of available guidance, all aspects of salary (including any performance-related element) and the provisions for other benefits, including pensions.

**4.2.2 Remuneration Policy**

The Trust's remuneration policy applies equally to Non-Executive Director and Executive Director posts and is based upon open, transparent and proportionate pay decisions. All pay decisions are based on market intelligence and are designed to be capable of responding flexibly to recruitment imperatives to secure high calibre people.

When setting levels of remuneration, the Remuneration Committee takes into account the remuneration policies and practices applicable to other employees, along with any guidance received from the sector regulator and the Department of Health. The Committees also receive professional independent reports based on objective evidence of pay benchmarking across a range of industry comparators. The conclusion reached in professional independent reports is that 'weightings accredited to the various posts in relation to market comparisons had resulted in remuneration that is in line with current pay practice.'

The Trust has well established performance management arrangements. Each year the Chief Executive undertakes an appraisal for each of the Executive Directors and the Chief Executive is appraised by the Chairman.

The Trust does not have a system of performance-related pay and therefore in any discussion on remuneration an individual's performance is considered alongside the performance of the Executive Directors and the organisation as a whole.

The Executive Directors are employed on permanent contracts with up to six-month's notice period. In any event where a contract is terminated without the Executive Director receiving full notice, compensation would be limited to the payment of the salary for the contractual notice period. There would be no provision for any additional benefit over and above standard pension arrangements in the event of early retirement. Non-Executive Directors are requested to provide six months' notice should they wish to resign before the end of their tenure. They are not entitled to any compensation for early termination. The Trust has no additional service contract obligations.

In accordance with NHS Improvement guidance the Trust will seek an opinion concerning remuneration of any director who is paid more than £150,000. The Trust consulted NHS Improvement on two occasions during 2019-20.

Information on the salary and pensions contributions of all Executive and Non-Executive Directors are provided in the tables on the following pages. The information in these tables has been subject to audit by the external auditors, KPMG LLP.

## 4.2.3 Annual Report on Remuneration

### 4.2.3.1 Senior Manager Remuneration

Name and Title	2019/20							
	Salary	Taxable benefits	Annual Performance Related Bonuses	Long Term Performance Related Bonuses	Total Salary and taxable benefits in year	Pension related benefits	Total	Ratio of Total Salary to Median for All Staff (1)
	(bands of £5,000) £'000s	Rounded to the nearest £100	(bands of £5,000) £'000s	(bands of £5,000) £'000s	(bands of £5,000) £'000s	(bands of £2,500) £'000s	(bands of £5,000) £'000s	
Mr. S Russell - Chief Executive (3)	180-185	-	-	-	180-185	52.5-55	230-235	5.94
Mr. J Coulter - Deputy Chief Executive / Finance Director	140-145	-	-	-	140-145	25-27.5	170-175	4.84
Dr D Scullion - Medical Director (5)	250-255	-	-	-	250-255	-	250-255	8.37
Mrs. J Foster - Chief Nurse	120-125	-	-	-	120-125	7.5-10	130-135	4.11
Mr. R Harrison - Chief Operating Officer	130-135	-	-	-	130-135	27.5-30	155-160	4.38
Ms A Wilkinson - Director of Workforce and Organisational Development (8)	95-100	-	-	-	95-100	150-152.5	245-250	3.19
Mrs. A Schofield - Chairman	45-50	-	-	-	45-50	-	45-50	-
Mr P Severs - Subsidiary Chairman (9)	5-10	-	-	-	5-10	-	5-10	-
Mr R Stiff - Non-Executive Director (10)	10-15	-	-	-	10-15	-	10-15	-
Mrs L Hind - Subsidiary Non-Executive Director (11)	5-10	-	-	-	5-10	-	5-10	-
Mr. R Taylor - Subsidiary Non-Executive Director (12)	0-5	-	-	-	0-5	-	0-5	-
Ms S Armstrong - Non-Executive Director (13)	10-15	-	-	-	10-15	-	10-15	-
Mrs. M Taylor - Non-Executive Director	15-20	-	-	-	15-20	-	15-20	-
Mrs. L Webster - Senior Independent Director of the Board of Directors (15)	10-15	-	-	-	10-15	-	10-15	-
Ms. L Robson - Non-Executive Director	15-20	-	-	-	15-20	-	15-20	-
Mr. J Cross - Non-Executive Director (17)	0-5	-	-	-	0-5	-	0-5	-
Mr. W Sampson - Non-Executive Director (18)	0-5	-	-	-	0-5	-	0-5	-
Mr. A Papworth - Non-Executive Director (19)	0-5	-	-	-	0-5	-	0-5	-
Mr. C Thompson - Non-Executive Director / Subsidiary Chair (20)	20-25	-	-	-	20-25	-	20-25	-

Name and Title	2018/19							
	Salary	Taxable benefits	Annual Performance Related Bonuses	Long Term Performance Related Bonuses	Total Salary and taxable benefits in year	Pension related benefits	Total	Ratio of Total Salary to Median for All Staff (1)
	(bands of £5,000) £'000s	Rounded to the nearest £100	(bands of £5,000) £'000s	(bands of £5,000) £'000s	(bands of £5,000) £'000s	(bands of £2,500) £'000s	(bands of £5,000) £'000s	
Dr R Tolcher - Chief Executive (4)	225-230	-	-	-	225-230	-	225-230	7.67
Mr. J Coulter - Deputy Chief Executive / Finance Director	140-145	-	-	-	140-145	7.5-10	150-155	4.86
Dr D Scullion - Medical Director (5)	240-245	-	-	-	240-245	0	240-245	8.12
Mrs. J Foster - Chief Nurse	120-125	-	-	-	120-125	37.5-40	155-160	4.05
Mr. R Harrison - Chief Operating Officer	125-130	-	-	-	125-130	15-20	145-150	4.32
Mr. P Marshall - Director of Workforce and Organisational Development (6)	50-55	-	-	-	50-55	5-7.5	55-60	1.74
Ms A Wilkinson - Director of Workforce and Organisational Development (7)	35-40	-	-	-	35-40	12.5-15	50-55	1.32
Mrs J Harrison - Interim Director of Workforce and Organisational Development (8)	10-15	-	-	-	10-15	2.5-5	15-20	0.41
Mrs. A Schofield - Chairman	45-50	-	-	-	45-50	-	45-50	-
Mr P Severs - Subsidiary Chairman (9)	0-5	-	-	-	0-5	-	0-5	-
Mr R Stiff - Non-Executive Director (10)	10-15	-	-	-	10-15	-	10-15	-
Mrs L Hind - Subsidiary Non-Executive Director (11)	0-5	-	-	-	0-5	-	0-5	-
Ms S Armstrong - Non-Executive Director (13)	5-10	-	-	-	5-10	-	5-10	-
Mrs. M Taylor - Non-Executive Director	15-20	-	-	-	15-20	-	15-20	-
Mr. I Ward - Senior Independent Director of the Board of Directors (14)	5-10	-	-	-	5-10	-	5-10	-
Mrs. L Webster - Senior Independent Director of the Board of Directors (15)	15-20	-	-	-	15-20	-	15-20	-
Mr. N McLean - Non-Executive Director (16)	0-5	-	-	-	0-5	-	0-5	-
Ms. L Robson - Non-Executive Director and Senior Independent Director (21)	15-20	-	-	-	15-20	-	15-20	-
Mr. C Thompson - Non-Executive Director/ Audit Committee Chairman (20)	20-25	-	-	-	20-25	-	20-25	-

- (1) The median salary for all staff in 2019/20 was £30,112. The median salary for all staff in 2018/19 was £29,608. The median calculation is the annualised full time remuneration of all staff in the Trust as at 31 March 2020 (excluding agency staff), excluding the highest paid Director. The ratio is based on the total salary and benefits in year.
- (2) For individuals employed by the Trust who are reaching or exceeding their pension Lifetime Allowance, the Trust previously offered a Pensions Restructuring Payment. This payment is typically equal to the employer's contribution to the NHS Pension Scheme, paid net of employer's National Insurance contribution.
- (3) Mr S Russell commenced as Chief Executive on 1 April 2019
- (4) Dr R Tolcher ceased as Chief Executive on 31 March 2019
- (5) The Medical Director remuneration includes payment to Dr Scullion for both this role and his clinical post as Consultant Radiologist. The Medical Director proportion of his salary equates to 25% of the salary outlined above.
- (6) Mr P Marshall ceased as Director of Workforce and Organisational Development on 7 September 2018
- (7) Ms A Wilkinson commenced as Director of Workforce and Organisational Development on 5 November 2018
- (8) Mrs J Harrison commenced as Interim Director of Workforce and Organisational Development on 8 September 2018 until 4 November 2018 when left the Trust
- (9) Mr Severs commenced as Chairman of the Trust's Subsidiary on 1 April 2018 until December 2019 when left the Trust
- (10) Mr Stiff commenced as Non-Executive Director on 14 May 2018
- (11) Mrs Hind commenced as Non-Executive Director for the Trust's Subsidiary on 1 January 2019
- (12) Mr R Taylor commenced as Non-Executive Director for the Trust's Subsidiary on 1 April 2019
- (13) Ms S Armstrong commenced as Non-Executive Director on 1 October 2018
- (14) Mr I Ward ceased as Senior Independent Director of the Board on 30 September 2018
- (15) Mrs L Webster commenced as Senior Independent Director of the Board on 1 October 2018, role ended 31 December 2019
- (16) Mr. N McLean ceased as Non-Executive Director on 30 April 2018
- (17) Mr J Cross commenced as Non-Executive Director on 1 January 2020
- (18) Mr W Sampson commenced as Non-Executive Director on March 2020
- (19) Mr A Papworth commenced as Non-Executive Director in March 2020
- (20) Mr C Thompson commenced as Interim Chair of the Trust's Subsidiary in January 2020 and his Non-executive Director role ended on 29 February 2020
- (21) Ms L Robson commenced as Senior Independent Director from January 2020

The Trust does not pay any performance related bonuses or payments.

## Pension Benefits

	Real increase in pension at age 60  (bands of £2,500) £000	Real increase in pension lump sum at age 60  (bands of £2,500) £000	Total accrued pension at age 60 at 31 March 2020  (bands of £5,000) £000	Lump sum at age 60 related to accrued pension at 31 March 2020  (bands of £5,000) £000	Cash Equivalent Transfer Value at 31 March 2020  £000	Cash Equivalent Transfer Value at 31 March 2019  £000	Real Change in Cash Equivalent Transfer Value  £000	Employer's contribution to stakeholder pension  to nearest £100
Mr Stephen Russell - Chief Executive	2.5-5	0-2.5	50-55	110-115	821	746	57	£Nil
Mr. Jonathan Coulter - Deputy Chief Executive / Finance Director	0-2.5	-2.5-0	50-55	115-120	989	917	50	£Nil
Dr David Scullion - Medical Director	£Nil	£Nil	£Nil	£Nil	£Nil	£Nil	£Nil	£Nil
Mrs. Jill Foster - Chief Nurse	0-2.5	2.5-5	50-55	160-165	1,202	1,121	54	£Nil
Mr. Robert Harrison - Chief Operating Officer	0-2.5	-2.5-0	30-35	60-65	446	405	31	£Nil
Ms Angela Wilkinson - Director of Workforce and Organisational Development	7.5-10	0-2.5	25-30	0-5	431	282	142	£Nil

### 4.2.3.2 Expenses

#### Governors' Expenses

In accordance with the Trust's Constitution Governors are eligible to claim expenses for such things as travel at rates determined by the Trust. Out of the total Council of Governor membership the total number of Governors that claimed expenses was two Governors at a total amount of £394.40.

#### Directors' Expenses

Out of the 14 Board members (eight Non-executive Directors including the Chairman and six Executive Directors including the Chief Executive) there was a total of 10 Directors that claimed expenses in 2019/20 at a total amount of £8,435.94. Details of remuneration and benefits in kind are included within the Remuneration table.



### 4.2.3.3 Pension-related Benefits

Name and title	Real increase in pension at age 60	Real increase in pension lump sum at age 60	Total accrued pension at age 60 at 31 March 2018	Lump sum at age 60 related to accrued pension at 31 March 2018	Cash Equivalent Transfer Value at 31 March 2018	Cash Equivalent Transfer Value at 31 March 2019	Real Change in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
	(bands of £2,500) £000	(bands of £2,500) £000	(bands of £5,000) £000	(bands of £5,000) £000	£000	£000	£000	to nearest £100
Dr Rosamond Tolcher - Chief Executive	£Nil	£Nil	£Nil	£Nil	£Nil	£Nil	£Nil	£Nil
Mr. Jonathan Coulter - Deputy Chief Executive	0-2.5	-5-2.5	45-50	115-120	776	917	117	£Nil
Dr David Scullion - Medical Director	£Nil	£Nil	£Nil	£Nil	£Nil	£Nil	£Nil	£Nil
Mrs. Jill Foster - Chief Nurse	0-2.5	5-7.5	50-55	150-155	934	1,121	158	£Nil
Mr. Robert Harrison - Chief Operating Officer	0-2.5	-2.5-0	25-30	60-65	319	405	76	£Nil
Mr. Phillip Marshall - Director of Workforce and Organisational Development	0-2.5	-2.5-0	45-50	120-125	763	891	105	£Nil
Ms Angela Wilkinson - Director of Workforce and Organisational Development	0-2.5	0-2.5	0-5	0-2.5	75	117	40	£Nil
Mrs Joanne Harrison - Interim Director of Workforce and Organisational Development	0-2.5	0-2.5	5-10	15-20	81	119	35	£Nil

All Non-Executive Directors have a contract for service and are not eligible to receive pensionable remuneration, there are no entries in respect of pensions for Non-Executive Directors.

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

Real change in CETV - This reflects the change in CETV effectively funded by the employer. It takes account of the change in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

#### 4.2.3. Fair Pay Multiple

The median salary for all staff in 2019-20 was £30,112. The ratio between this and the mid-point of the banded remuneration of the highest paid director was 8.37.

#### 4.2.4 Approval

As Chief Executive, I confirm that the information in this Remuneration Report is accurate to the best of my knowledge.



**Steve Russell**  
**Chief Executive**  
**Date: 24 June 2020**

### 4.3 Staff Report

All of the data profiles of the Trust’s staff in the charts below have been collated from the Trust’s Electronic Staff Record (ESR) system and provides a comparison between 2018-19 and 2019-20. All figures are taken for the end of the financial year and include all staff employed by the Trust, with the exception of bank only contracts.

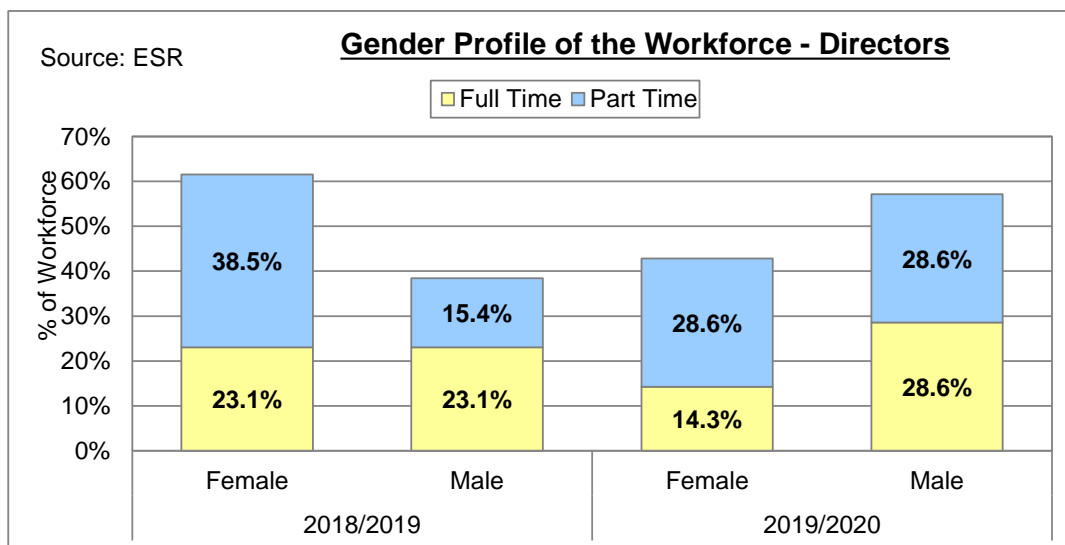
#### Analysis of staff numbers as at 31 March 2020

Staff Group	2018/2019		2019/2020	
	Headcount	WTE	Headcount	WTE
Administrative and Clerical	784	673.54	700	596.76
<i>of which Senior Management</i>	71	69.36	78	76.16
Allied Health Professionals	335	273.48	341	277.92
Estates and Ancillary	34	23.60	28	19.96
Medical and Dental	413	339.06	435	355.17
Nursing and Midwifery Registered	1,693	1,419.54	1,700	1,429.70
Scientific and Technical	167	145.46	169	143.60
Support Workers	841	682.20	863	693.08
<b>TOTAL</b>	<b>4,267</b>	<b>3,556.89</b>	<b>4,314</b>	<b>3,592.34</b>

\*Headcount is based on the employee’s primary assignment to avoid duplication of headcount.

\*\*Senior Management relates to Administrative and Clerical staff, Band 8a and above.

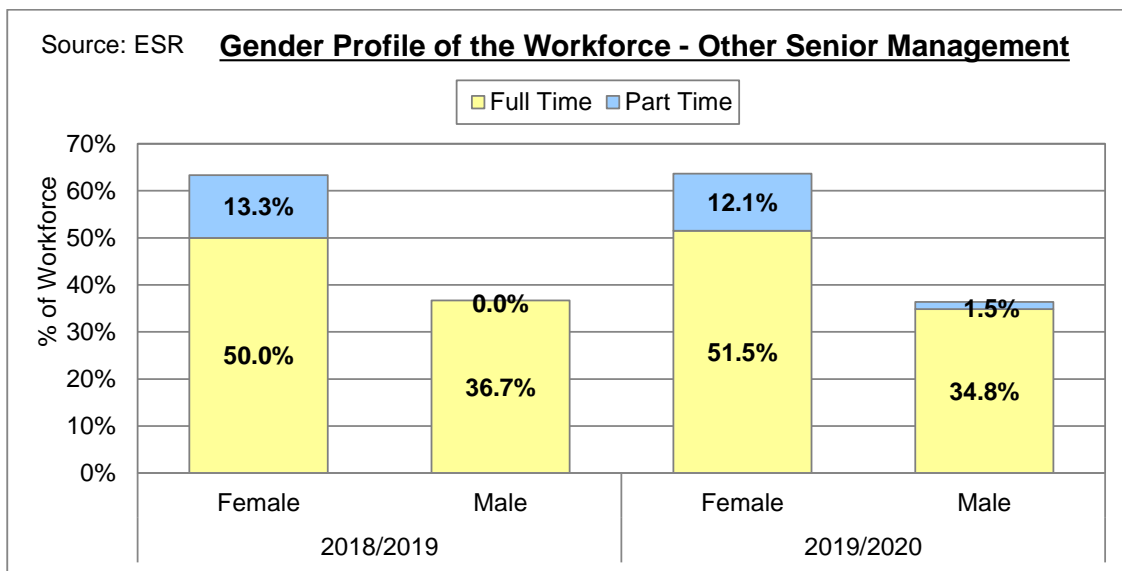
#### 4.3.2 Analysis of the Male and Female Directors, Other Senior Managers and Employees as at 31 March 2020



10.1

The table below gives a breakdown of the number of Directors, including Non-Executive Directors, by gender, as at 31 March 2020.

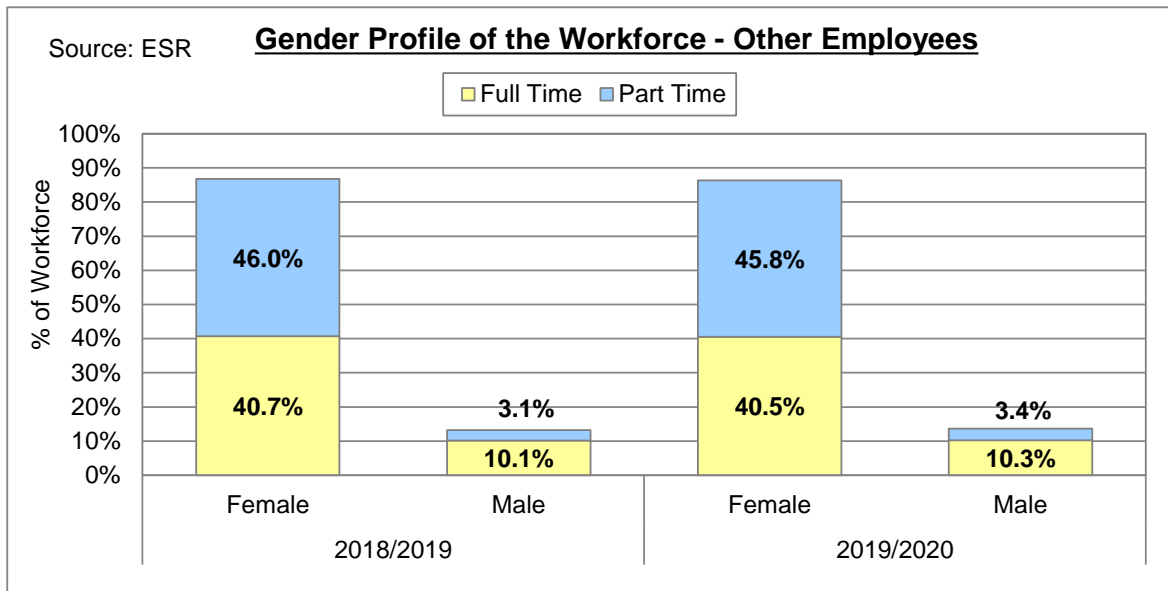
Gender	Category	2018/2019	2019/2020
<b>DIRECTORS</b>		<b>Headcount</b>	<b>Headcount</b>
Female	Full Time	3	2
	Part Time	5	4
Male	Full Time	3	4
	Part Time	2	4
<b>TOTAL</b>		<b>13</b>	<b>14</b>



The table below gives a breakdown of the number of other senior management, by gender, as at 31 March 2020.

Gender	Category	2018/2019	2019/2020
<b>OTHER SNR MANAGEMENT</b>		<b>Headcount</b>	<b>Headcount</b>
Female	Full Time	30	34
	Part Time	8	8
Male	Full Time	22	23
	Part Time	0	1
<b>TOTAL</b>		<b>60</b>	<b>66</b>

10.1



The table below gives a breakdown of the number of other employees, by gender, as at 31 March 2020.

Gender	Category	2018/2019	2019/2020
<b>Other Employees</b>		<b>Headcount</b>	<b>Headcount</b>
Female	Full Time	1,709	1,716
	Part Time	1,930	1,941
Male	Full Time	425	434
	Part Time	130	143
<b>TOTAL</b>		<b>4,194</b>	<b>4,234</b>

#### 4.3.3 Sickness absence data

The table below shows the Trust's sickness absence data for each quarter during the 2019-20 financial year.

Directorate	19/20 Q1	19/20 Q2	19/20 Q3	19/20 Q4	Cumulative % Abs Rate
	% Absence Rate (FTE)	% Absence Rate (FTE)	% Absence Rate (FTE)	% Absence Rate (FTE)	
Children's and County Wide Community Care	5.00%	5.06%	5.23%	5.13%	<b>5.11%</b>
Corporate Services	2.37%	2.66%	3.32%	2.86%	<b>2.81%</b>
Long Term and Unscheduled Care	4.65%	4.21%	4.55%	4.16%	<b>4.39%</b>
Planned and Surgical Care	4.35%	3.61%	4.54%	5.05%	<b>4.39%</b>
<b>TOTAL</b>	<b>4.46%</b>	<b>4.19%</b>	<b>4.65%</b>	<b>4.57%</b>	<b>4.47%</b>

**Key**

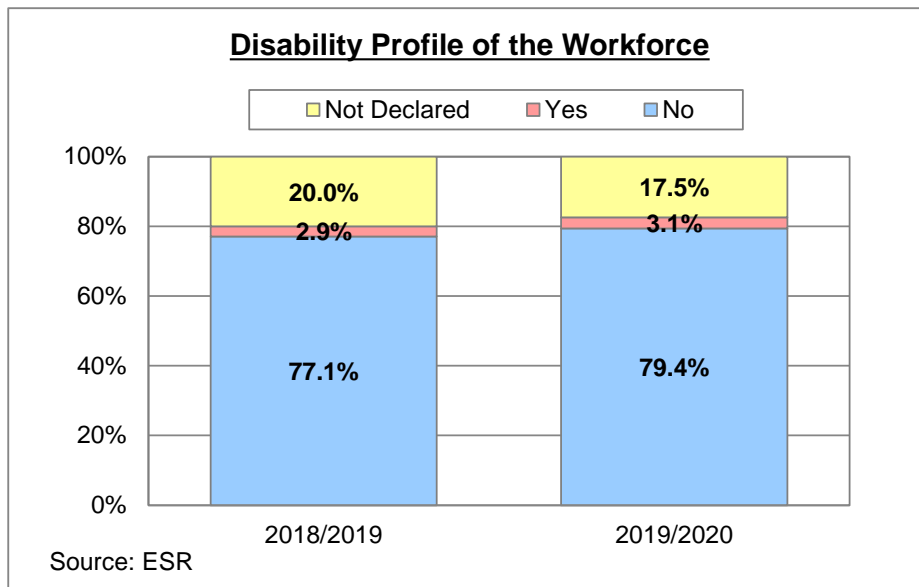
19/20 Q1 – April 2019 to June 2019

19/20 Q3– October 2019 to December 2019

19/20 Q2 – July 2019 to September 2019

19/20 Q4 – January 2020 to March 2020

#### 4.3.4 Analysis of the Disability Profile of the Workforce as at 31 March 2020



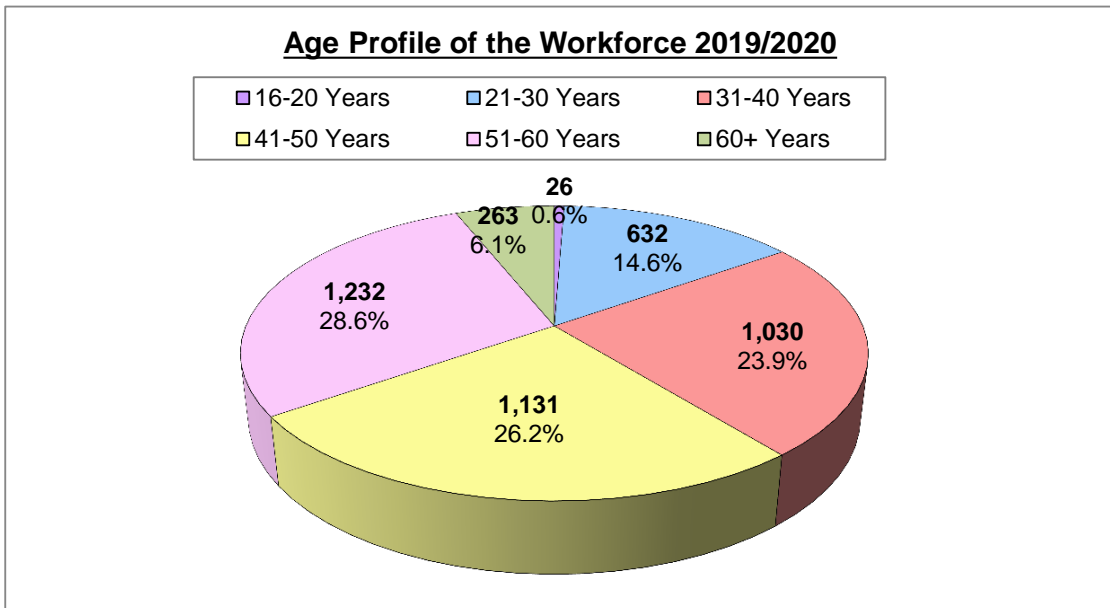
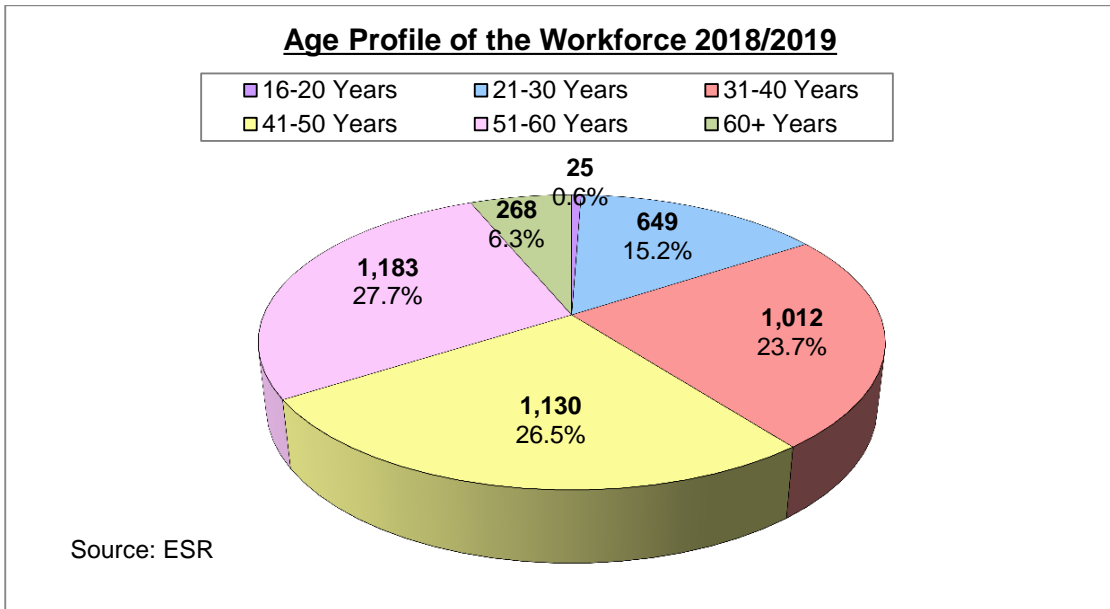
The table below gives a breakdown of the number of employees registered as having a disability as at 31 March 2020.

Disabled	2018/2019	2019/2020
	Headcount	Headcount
No	3,290	3,425
Yes	125	135
Not Declared	852	754
<b>TOTAL</b>	<b>4,267</b>	<b>4,314</b>

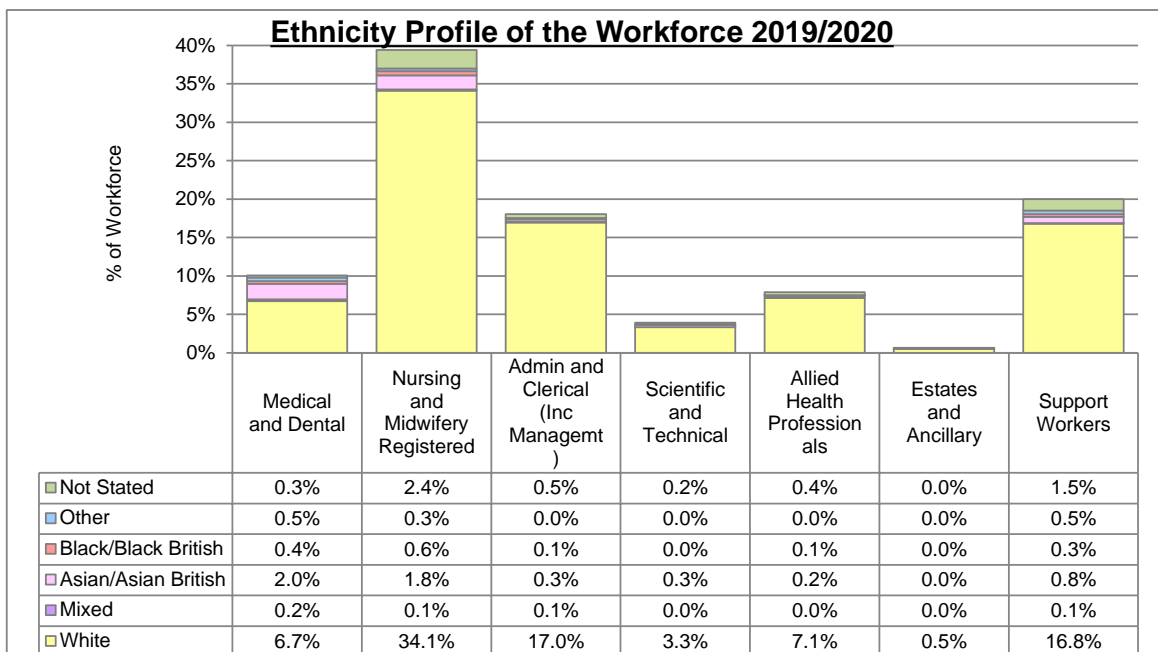
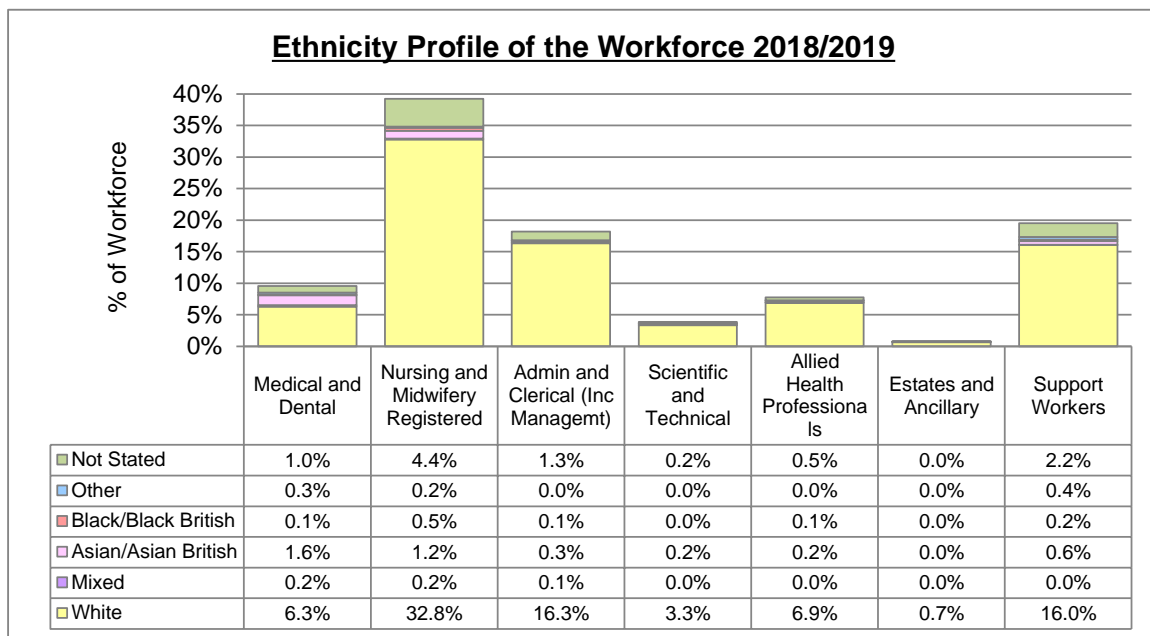
#### 4.3.5 Analysis of the Age Profile of the Workforce as at 31 March 2020

The table below gives a breakdown of the number of employees, by age, as at 31 March 2020.

Age Band	2018/2019		2019/2020	
	Headcount	% of Workforce	Headcount	% of Workforce
16-20 Years	25	0.6%	26	0.6%
21-30 Years	649	15.8%	632	14.6%
31-40 Years	1,012	24.6%	1,030	23.9%
41-50 Years	1,130	27.5%	1,131	26.2%
51-60 Years	1,183	28.8%	1,232	28.6%
60+ Years	268	6.5%	263	6.1%
<b>TOTAL</b>	<b>4,267</b>		<b>4,314</b>	



### 4.3.6 Analysis of the Ethnicity Profile of the Workforce as at 31 March 2020



10.1



HEADCOUNT 2018/2019	Medical and Dental	Nursing and Midwifery Registered	Admin and Clerical (incl Management)	Scientific and Technical	Allied Health Professionals	Estates and Ancillary	Support Workers	Total
White	272	1,414	705	144	298	29	692	3,554
Mixed	10	7	4	1	1	1	2	26
Asian/Asian British	67	52	11	10	10	1	26	177
Black/Black British	4	21	4	2	5	2	10	48
Other	15	9	2	1	1	0	18	46
Not Stated	45	190	58	9	20	1	93	416
<b>TOTAL</b>	<b>413</b>	<b>1,693</b>	<b>784</b>	<b>167</b>	<b>335</b>	<b>34</b>	<b>841</b>	<b>4,267</b>

HEADCOUNT 2019/2020	Medical and Dental	Nursing and Midwifery Registered	Admin and Clerical (Inc Management)	Scientific and Technical	Allied Health Professionals	Estates and Ancillary	Support Workers	Total
White	291	1472	732	144	308	23	725	3,695
Mixed	10	6	6	1	2	1	4	30
Asian/Asian British	86	79	13	11	10	1	35	235
Black/Black British	16	24	4	2	3	2	14	65
Other	20	14	1	1	1	0	21	58
Not Stated	12	105	22	10	17	1	64	231
<b>TOTAL</b>	<b>435</b>	<b>1,700</b>	<b>778</b>	<b>169</b>	<b>341</b>	<b>28</b>	<b>863</b>	<b>4,314</b>

## Equality and Diversity and Human Rights

The Trust continues to meet its requirements with regard to the Equality Duty and the Equality Act 2010 by publishing its annual Workforce Race Equality Standard (WRES) and Workforce Disability Equality Standard (WDES) reports and the Equality Delivery System (EDS2) assessment. These reports are available to download via the equality and diversity pages of the Trust website (<https://www.hdft.nhs.uk/about/equality-and-diversity/>). Governance arrangements are strengthened, the stakeholder and workforce equality groups are now in place attended by officers of the Trust, service users, stakeholders, and interested volunteers from the workforce. Actions identified from the Workforce Race Equality Standard are being taken forward and implemented by the Workforce Equality Group.

### 4.3.7 Gender Pay Gap Data

Due to legislation enacted in 2017, the Trust has a duty to report on its gender pay gap.

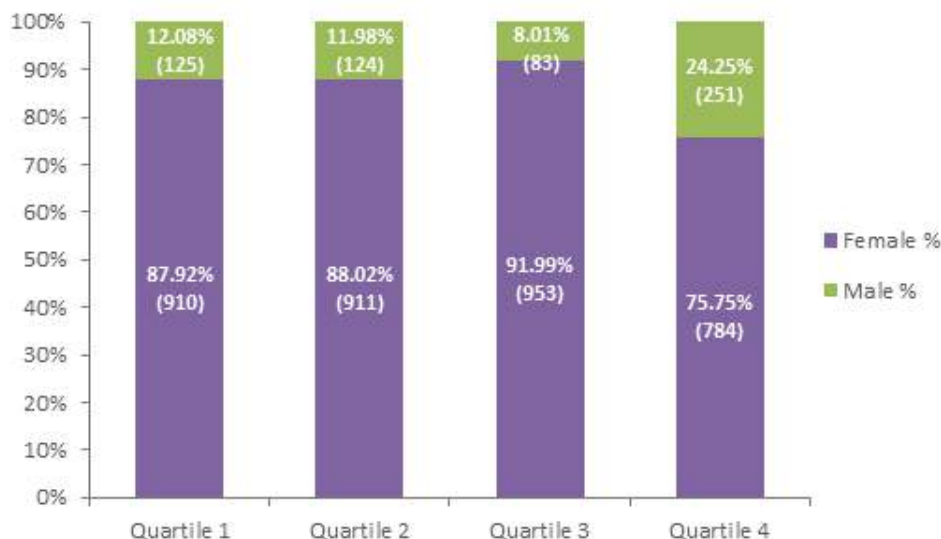
The gender pay gap is different to equal pay. Equal pay means that men and women in the same employment who are performing equal work must receive equal pay, as set out in the Equality Act 2010. It is unlawful to pay people unequally because they are a man or a woman.

The Trust continues to have a gender pay gap, however, this continues to reduce. The main reasons for the gap is that a high proportion of the males employed by the Trust are very senior managers and medical and dental staff. These individuals earn higher wages and bonuses than many other staff, resulting in males being, on average, paid more than females. Below are our key metrics for the gender pay gap.

**The mean and median gender pay gap in hourly pay between males and females:**

Gender	Mean Hourly Rate	Median Hourly Rate
Male (£)	23.54	17.35
Female (£)	16.62	15.14
Difference (£)	6.92	2.21
Pay Gap %	29.40	12.72

**Proportion of males and females in each pay quartile (1 is low, 4 is high):**



10.1

**The mean and median bonus gender pay gap:**

Gender	Mean Bonus	Median Bonus
Male (£)	10,555.55	6,032.04
Female (£)	9,111.66	5,780.70
Difference (£)	1,443.90	251.34
Pay Gap %	13.68	4.17

**Proportion of males and females receiving a bonus payment:**

Taking both Clinical Excellence Awards and Long Service Awards into account, as a proportion, 5.3% of females (187) received a bonus compared to 11.5% of males (67). This is again influenced by the ratio of males in receipt of bonus to the overall number of males.

**Reducing the Gender Pay Gap**

The Trust is passionate about promoting workforce equality and reducing the gender pay gap. It is recognised that the actions taken in the last 12 months have had a positive effect. The Gender Pay Gap Report will be shared with our staff networks, Workforce and Organisational Development Steering Group and Trust Board, to make informed decisions on any actions that are required to improve the gender pay gap.

Further impact assessment and analysis is required to support the development of an action plan, and as part of this, it is recommended that the Trust continues with the following actions:

- Continue in its efforts to encourage more female applicants, both internal and external, to senior medical positions. There has been an improvement since 2018 in the number of female consultants who now are the majority.
- Continue work in relation to encouraging more applications for CEA from women and providing support for individuals who have submitted unsuccessful applications in the past. The 2019 CEA submission shows the larger number of females being awarded a CEA but these are still at a lower level than the number of males being awarded a CEA.

The Trust’s full Gender Pay Gap Report can be found on the Government website at: <https://gender-pay-gap.service.gov.uk> and on the Trust’s website at: <https://www.hdft.nhs.uk/about/trust/statutory-info/>

**10.1**

**Starters and Leavers during 2019-20**

	Headcount	FTE
Starters	407	360.87
Leavers	443	352.79

Exclusions applied:

- Retire and Returns
- Locum Medical and Dental staff
- Bank Staff
- Doctors in training
- Fixed Term Contracts
- TUPE Transfers in/out

#### 4.3.8 Staff policies and actions during the year

##### Human Resource (HR) Policies and Staff Information

The Trust has a suite of policies and procedures in relation to the workforce in order to support staff in their roles. Some of the key policies are detailed as follows:

Modern Slavery is addressed under the umbrella of safeguarding at the Trust. All safeguarding training has been updated to include Modern Slavery and it is included in the Adult Safeguarding Policy. All staff are required to undertake safeguarding training to ensure they understand how to raise a concern.

##### Disability Confident Charter

Trust policy in respect of disabled applicants who clearly indicate that they wish to be considered for a post under the 'Positive about Disability Scheme' is that they will be shortlisted and invited for interview where they meet the requirements for the post.

All staff have access to the local workforce development programme and the training courses provided through the programme. Staff are able to discuss their training needs with their line manager during their appraisal or at other times, as arranged locally.

The Trust continues to strive for continuous improvement and continues to give priority to engaging with staff, setting high standards, learning from staff experience, and strengthening partnership working. Ensuring active staff involvement in the management and direction of services at all levels is achieved through valuing staff, listening and responding to their views and monitoring quality workforce indicators. Equally, the Trust acknowledges that staff should have confidence that their input is valued and that the Trust is responsive to their views in the decisions it takes, building on that positive relationship.

The Trust has a number of mechanisms through which it communicates information to its employees. These include a weekly all user e-mail, monthly Team Brief, departmental meetings, *ad hoc* briefings, Twitter and Facebook accounts and personal letters. The method(s) used will be the most appropriate for the particular information to be conveyed but one or more methods will be used for all matters of importance. The Trust runs an Intranet providing information regarding the latest changes and developments as well as routine information. The Trust understands that not all clinical and support staff use electronic communication methods and managers are asked to make all staff aware of information communicated by electronic means. In the last year Listening events have also taken place with the Chief Executive encouraging Staff to come and feedback their views.

The weekly all user e-mail, the intranet and Team Brief are all used as a means of conveying official information, as appropriate, which is of benefit to staff in a social, personal and developmental way. Examples include reporting on staff achievements, benefits and services available, activities and events taking place, health related information and offers. There are separate pages on the Trust website for staff health, benefits and wellbeing offering an extensive range of discounts and contacts enabling staff to access at all times as well as sources for support, development and training on the intranet.

The Trust works to engage with staff and obtain their feedback on matters being communicated. This occurs through the 'Team Brief' process and through the regular meetings of the Partnership Forum and Local Negotiating Committee where Trade Unions and professional association representatives meet with senior managers to discuss issues affecting staff and local conditions of service. There are two sub-groups of the Partnership Forum; the Policy Advisory Group and the Pay, Terms and Conditions Group. The Policy Advisory Group agrees and updates HR policies in line with current employment law and ensures they have broad agreement within the organisation. The Pay, Terms and Conditions Group negotiates on local issues affecting staff pay, terms and conditions. The Local Negotiating Committee is the forum for medical and dental staff.

All Trust policies are available on the intranet for staff information, including the extensive range of HR policies, many of which are about services available directly in support of staff. Examples include: Special Leave Policy, Lifetime Allowance – Pensions Restructuring Payment Policy, Employment Break Policy, Flexible Working Policy, Managing Attendance and Promoting Health and Wellbeing Policy, Speaking Up Policy (also known as the Whistleblowing policy) and Shared Parental Leave Policy.







### Quality Charter

The Trust recognises that valuing and celebrating the achievements of the workforce is essential to enable the future growth and development of the organisation and the individuals who are part of it.

Since our Quality Charter was introduced in 2016, we have witnessed a significant step-change in the organisation's appetite to engage with quality improvement as a discipline. The Charter brings together six schemes that focus upon encouraging, empowering, recognising and rewarding quality improvement.

## QUALITY CHARTER

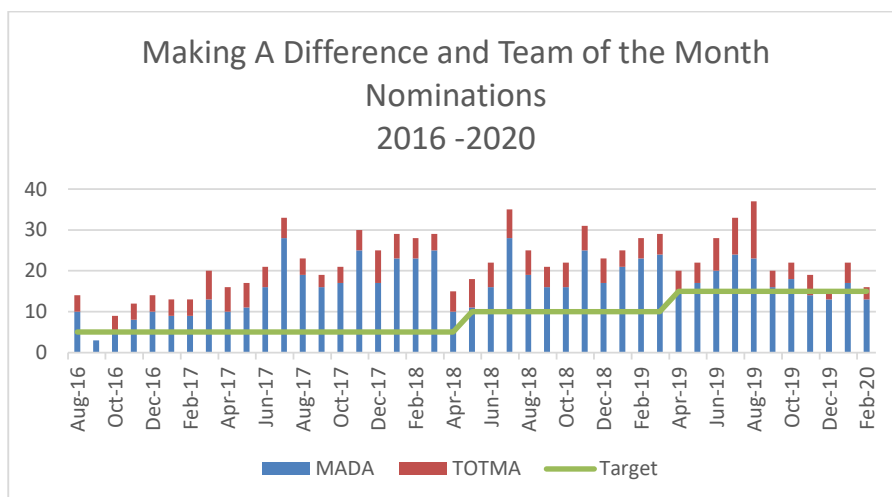
*"Recognising and Rewarding Excellent Quality of Care"*

 <p>The Chairman &amp; Chief Executive's recognition scheme that celebrates the everyday individual successes that you, our colleagues achieve.</p>		 <p>Continued targeted campaigns relating to Quality Improvement.</p>
 <p>The Chairman &amp; Chief Executive's recognition scheme that celebrates the successes that you, our hospital and community teams achieve.</p>	 <p>The scheme that recognises and rewards you, our colleagues who undertake training and deliver quality improvements.</p>	 <p>Our annual event to showcase individual and team endeavours which promote care of the highest quality.</p>

In the context of this update, the most relevant components are the Team of the Month and Making a Difference Nominations. Both have been running for several years now and allow anyone – including the public – to nominate individuals or teams in recognition of their efforts.

With members of our executive team presenting certificates, badges and letters of commendation we aim to celebrate going above and beyond, living the Trust values, making the difference and using our resources with care.

Making A Difference and Team of the Month Award nominations over the past 3 years have consistently reached their targets, with August 2019 showing the most nominations ever, with a total of 37. Approximately half of those go on to receive an award, with many others receiving letters of commendation.



Please note that vetting and presenting of nominations were temporarily suspended during the Covid-19 pandemic, hence data not being available for March 2020.

**Health and Safety, and Occupational Health**

The Occupational Health (OH) Department provides a quality driven service to enable a safe and healthy workforce in the Trust; one that it is fit for purpose and which is protected against workplace hazards.

The work of the OH Department includes:

- Pre-work health assessment and communicable disease screening to support timely recruitment of new employees and ascertain fitness to work in a healthcare environment.
- Provision of work-related immunisations for employees to protect from infection risk.
- Supporting managers and employees to maintain satisfactory attendance and work performance and to facilitate return to work of staff on long-term sickness absence.

The referral rate in 2019/2020 for occupational health advice by Managers saw an increase of 10% when compared with 2018/2019. On average 58 appointments were offered per month in the past year to support the Trust's Managing Attendance and Promoting Health and Wellbeing Policy.

- Promoting health, safety and wellbeing, and
- Provision of staff counselling services (see service report below).

The 2020 coronavirus (Covid-19) pandemic saw a considerable increase in occupational health activity. The OH department provides a Covid-19 helpline for staff and managers offering advice on medical status aligned to national Public Health England (PHE) guidance, staff testing and support of mental wellbeing. This service saw a significant uptake initially. There continues to be demand for the service with fluctuation in uptake influenced by emerging public health advice and new research findings.

Manager referrals for occupational health advice are expected to rise as an increasing number of those working from home or "shielding" (PHE advice) return to work. The OH department have provided priority appointments for employees during the Covid-19 pandemic. Managers requiring advice about medical vulnerability receive a "same day" occupational health report indicating the level of medical risk and advice about mitigation measures.

Occupational Health expertise has enabled work with key stakeholders in the Trust to develop a Covid-19 individual risk assessment tool. This tool is used by managers to protect the health safety and wellbeing of those employees who may be medically vulnerable to Covid-19 infection or have individual risk factors for example minority ethnicity, pregnancy or age.

The restrictions on social interaction during Covid-19 and the use of homeworking and Microsoft Teams for meetings have highlighted the challenges faced in acquiring IT infrastructure to enable successful interaction. The OH department will consider the wider opportunities offered by remote consultation for employees and the business case for investment in IT in collaboration with Human Resources.

### **Workforce**

The OH department is continually reviewing its structure to ensure the department can be responsive to the needs of employees and managers. An alliance between Airedale Hospital and the Trust provided shared leadership for both OH departments during 2019/2020 with Airedale Hospital's Head of Employee Health and Wellbeing and a Band 7 Occupational Health Nurse Advisor providing support. This shared resource will end in June 2020. The Trust appointed a Band 7 Occupational Health Lead Nurse in April 2020 and expects to appoint to the Band 8 OH Head of Occupational Health vacancy shortly.

### **Health and wellbeing activity**

The Occupational Health team will continue to work with Human Resources to develop opportunities to improve access to Occupational Health advice with a focus on advancing prevention-centred approaches to health and well-being.

The service currently includes early intervention services such as physiotherapy, counselling and clinical psychology.

Harrogate and District NHS Foundation Trust launched their fully funded Employee Assistance Programme (EAP) this year. This comprehensive online service provides support to employees and their spouse or partner across Harrogate and District NHS Foundation Trust (HDFT) and Harrogate Integrated Facilities (HIF). It offers a range of assistance and access to resources to help colleagues and their spouse/partner cope with work and personal issues, but also provides advice on areas such as how to achieve a better work life balance, financial planning and career development.

The EAP offers access to trained counsellors 24 hours a day as well as “in-person access” if necessary. This resource can be used to discuss sensitive issues in complete confidence: employers are not notified when a colleague uses the service.

The 2019 pilot Musculo-Skeletal (MSK) rapid access service provided by Physio med concluded successfully demonstrating a return on investment ratio (ROI) of 12:1 during 1 April 2019 to 31 March 2020 (based upon 98 employees discharged from the service).

Physio Med provide quality, clinically robust and tailored treatment programmes:

- Preventing people going off work – Assessments (Desk Screen Equipment), job analysis, MSK screening
- Keeping people fit and well – Well-being classes, Exercises, Articles/videos, advice/guidance
- Getting people back to work – Initial assessment, triage, hands-on/remote treatment and rehabilitation

This service is delivered by their 2,500 Chartered Physiotherapists via 780+ physiotherapy practices across the UK and provides equal access for all Trust staff regardless of location to physiotherapy interventions.

The total number of referrals received 01.04.19-31.03.20 was 125.

Employees were referred from 5 Directorates. The top referring Directorates were:

1. LTUC (Long Term & Unscheduled Care) 52%
2. CCWC (Children & County Wide Community Care) 21%
3. PSC (Planned & Surgical Care) 16%

Employees were referred from the 8 staff groups. The top referring staff groups were:

1. Nursing & Midwifery Registered 41%
2. Allied Health Professionals 25 %
3. Admin & Clerical 12 %
4. Medical & Dental 9%

Domestic conditions were responsible for 53% of referrals. Work aggravated conditions were responsible for 41% of referrals. Recorded accidents on duty were responsible for 6% of referrals.

The average reported increase in productivity and function was an actual figure of 31% (from 57% to 88%) equating to 1.55 days per week per person working a 5 day week pattern, an overall increase of 54.4%.

### Quality improvement

The department is committed to meeting the National Accreditation Standards for Occupational Health Services. Work in partnership with NHS Plus will continue and as



part of this commitment, we aim to monitor and evaluate our customer service. We will do this by:

- Assessing Occupational Health service provision against the needs of the workforce, for example monitoring the rate of management and self-referral, physiotherapy and psychological services uptake and customer feedback on the effectiveness of the service provision.
- Occupational Health services will be delivered in alignment with the Trust Health and Wellbeing strategy with work continuing to develop a service level agreement with the Trust as a key action.
- Strengthening communication links with Human Resources by involvement in process mapping health and wellbeing service provision and uptake.
- Promoting and evaluating health promotion activities linked to the National Institute of Clinical Excellence Public Health Guidance (Workplace) and national guidance, for example national initiatives such as Change for Life, Healthier Food Mark and smoking cessation.
- Plans to upgrade the occupational health staff record system, Cohort to Version 10 although temporarily delayed by Covid-19 have resumed. The upgraded system will allow greater functionality and flexibility for example enabling managers to submit electronic referrals, generate appointment letters and reports while providing management information to underpin process improvement and targeted wellbeing interventions.

### **Partnership work**

Representatives of the OH Department are included in the membership of various working groups i.e. Health and Safety and Workforce and Organisational Development. Our partnership with key stakeholders including the Infection Prevention and Control team enables the development of initiatives to enhance delivery of seasonal influenza vaccination to front line staff. Preparations are in hand this year 2020 to maintain the significant improvement in uptake of the flu vaccine made in 2019 within the Trust of flu vaccination amongst staff.

The OH Department holds contracts for the provision of Occupational Health services to NHS and non-NHS organisations in the local community, supporting the working population and their employers and generating income for the Trust. We aim to work to mutual benefit with other regional NHS occupational health services to ensure Trust staff working in the Yorkshire and North East regions are able to access occupational health services locally or remotely when required.

The Department intends to maintain membership of the NHS Health at Work Network, a national network of NHS occupational health providers, enabling benchmarking against other providers and involvement in both national and regional initiatives for development of the specialism and collaborative working.

### **Staff Counselling Report**

#### **Staffing**

Our service is comprised of two counsellors: one @ 24hrs with duties including: student supervision, management, staff counselling, Schwartz rounds, mental health first aid training and staff consultative support; and another @ 15hrs seeing eight clients per week.

The service is part-time and runs Tuesday -Thursday. We also have two students in advanced training who can see up to four people per week.

### **Counselling referrals**

The number of self-referrals requesting staff counselling in Harrogate during this period was 104 members of staff. During the same time period in 2018/19 we had 81 referrals. All counselling in the Harrogate area is conducted through our in-house service.

### **Counselling referrals external to the Trust**

Referrals requesting access to counselling in the York and Scarborough area were 10 members of staff, an increase in two on the same time period last financial year, while referrals wanting to access counselling in the Durham, Darlington and Tees area increased to 7 people. In terms of fair access, this year we negotiated that staff in the Sunderland and Gateshead area can access counselling via South Tyneside occupational health services and we referred 11 members of staff to them. HDFT incurs a cost for all counselling referrals seen via other Trust's staff counselling services.

### **Counselling information**

We have noticed a recently occurring trend of people asking to come on their day off, stating that managers will only allow them to attend the first session during work time and this has severely impacted waiting times for counselling. This trend is concerning with regard to equitable access for staff because it means that some staff can only access this free service if they are either:

- part-time
- their manager is fully supportive of their emotional wellbeing by allowing staff to access during work time
- their days off are in line with our opening times.

Further work is being undertaken to enable full access to counselling information for all staff.

### **Staff Wellbeing Initiatives**

In line with the Trust's Health and Wellbeing Strategy for addressing workplace mental health, the counselling service has continued to be proactive in supporting Schwartz Rounds, providing an opportunity for both clinical and non-clinical workers to share experiences of healthcare work and explore the emotional impact within a safe and supportive environment. This year Rounds were rolled out into adult community services and were very well received and we have recruited two facilitators to roll out Schwartz Rounds into 0-19 years community services in this financial year.

During COVID-19 Point of Care Foundation, have been innovative in training all Schwartz facilitators to migrate to virtual Schwartz Rounds (Team talk). These are closed invite only for up to 30 members of a team. We are hopeful that we will be able to gain the required resources to enable us to initiate these as a measure of staff wellbeing and emotional support during these unprecedented times.

## Countering Fraud and Corruption

The Trust has robust arrangements to counter fraud and corruption. These arrangements include the appointment of accredited Local Counter Fraud Specialists and an Anti-Fraud, Bribery and Corruption Policy which is promoted to all staff and available via the Trust's Intranet.

### 4.3.9 Trade Union Facility Time Disclosure

The Trade Union (Facility Time Publications Requirements) Regulations 2017 implement the requirement introduced by the Trade Union Act 2017 for specified public-sector employers, including NHS Trust's to report annually a range of data in relation to their usage and spend on trade union facility time.

Facility time generates benefits for employees, managers and the wider community from effective joint working between union representatives and employers. Whether in providing support to individual members of Trust staff at a departmental level, or by playing a valuable role in contributing to Trust-wide agendas for example (Partnership Forum, Local negotiating Committee, Health and Safety Committee) the Trust recognises that the participation of trade union representatives supports the partnership process and contributes to delivering improved services to patients and users.

At a time when the whole public sector needs to ensure it delivers value for money, the Trust will continue to monitor and evaluate the amount of money spent on facility time, in the interests of transparency and accountability.

The Trust's data for the first reporting period 1 April 2018 to 31 March 2019 is listed below.

**Table 1: Relevant union officials**

Total number of Trust employees who were relevant union officials during the relevant period:

Number of employees who were relevant union officials during the reporting period 1 <sup>st</sup> April 2018 to 31 <sup>st</sup> March 2019	Full-time equivalent employee number
35	32.63

**Table 2: Percentage of time spent on facility time**

Employees who were relevant union officials employed during the relevant period spent the following percentage of time of their working hours:

Percentage of Time	Number of Employees
0%	14
1-50%	19
51-99%	2
100%	0

**Table 3: Percentage of pay bill spent on facility time**

The percentage of the Trust's total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period:

First Column	Figures
Provide the total cost of facility time	£38,770
Provide the total pay bill	£156,504,948
Provide the percentage of the total pay bill spend on facility time, calculated as: (total cost of facility time divided by total pay bill) x 100	0.02%

#### Table 4: Paid trade union activities

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

First Column	Figures
Total spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spend on paid trade union activities by relevant union officials during the relevant period divided by total paid facility time hours) x 100	9.82%

The figures have been calculated using the standard methodologies used in the Trade Union (Facility Time Publication Requirements) Regulations 2017.

#### Trade Union Continuing Professional Development (CPD)

The Trust is committed to creating and maintaining a positive employee relations climate. Partnership working of management and staff representatives underpins and facilitates the development of sound and effective employee relations throughout the NHS. The Trust recognises that the participation of trade union representatives in the partnership process can contribute to delivering improved services to patients and service users.

In order to further develop our approach to partnership working, we held two CPD sessions with our Trade Union colleagues. These have focused on items of key importance to the Trust. The first session focused on: Human Factors training, Safeguarding and General Data Protection Regulations (GDPR). The second session focused on Fair and Just Culture work, an up-date from our Freedom to Speak up Champion, and our 2018 Staff Survey results. The session resulted in some commitments from Trade Union colleagues to develop these agendas with the Trust.

#### 4.3.10 National Staff Survey Results

##### Introduction

In September 2019 the seventeenth NHS National Staff Survey was undertaken, which was designed to collect the views of staff about their work and the healthcare organisation they work for. The overall aim of the survey was to gather information that would help improve the working lives of NHS staff and so provide better care for patients.

The survey was distributed in October 2019 with a closure date of 29th November 2019. Harrogate and District NHS Foundation Trust surveyed all staff in 2019; survey invites were distributed to staff by email and by post. Staff also had the option to complete the

survey questionnaire over the telephone.

Outlined below is a summary of our results. These results have been benchmarked nationally against other Combined Acute and Community Trusts and have been weighted by the Department of Health (DoH), for fair comparisons between organisations.

## Respondents

We surveyed a full census of our staff between 7<sup>th</sup> October 2019 and 29<sup>th</sup> November 2019. In total, 4,073 surveys were distributed to members of HDFT staff and 1,654 were completed, which represents a 41% response rate.

The average response rate of our benchmarking group was 46%. HDFT's response rate shows an increase on our 2018 response rate which was 39%, and equally our headcount has increased meaning we had more participants included in the total percentage. The 1654 participants in 2019 is an increase on the 1576 respondents in 2018 – this gives a 4.94% increase of actual participants.

Themes	HDFT 2017	Average 2017	HDFT 2018	Average 2018	HDFT 2019	Average 2019
Equality, diversity & inclusion	9.4	9.2	9.4	9.2	9.3	9.2
Health & wellbeing	6.1	6.0	6.0	5.9	6.0	6.0
Immediate managers	6.9	6.8	7.0	6.8	7.0	6.9
Morale	N/A	N/A	6.3	6.2	6.3	6.2
Quality of appraisals	5.6	5.3	5.7	5.4	5.6	5.5
Quality of care	7.4	7.5	7.4	7.4	7.4	7.5
Bullying & harassment	8.5	8.1	8.3	8.1	8.2	8.2
Safe environment – Violence	9.6	9.5	9.6	9.5	9.6	9.5
Safety culture	6.7	6.7	6.9	6.7	6.8	6.8
Staff engagement	7.1	7.0	7.2	7.0	7.1	7.1
Team working	n/a	n/a	n/a	n/a	6.9	6.7

Year on Year comparison with Harrogate and District NHS Foundation Trust 2018 can be summarised as below:

### Maintained Themes

- Health and Wellbeing
- Immediate Managers
- Morale
- Quality of Care
- Safe environment – Violence

### Declined Themes

- Equality, Diversity and Inclusion
- Safe Environment – Bullying and Harassment
- Quality of Appraisals
- Safety Culture
- Staff Engagement

Team working was a new theme in 2019.

Of the specific questions asked, the five most improved and declined scores since 2018 are detailed in the tables below:

<b>Top five most improved scores compared with the Trust's 2018 results</b>	<b>HDFT 2018</b>	<b>HDFT 2019</b>
There are enough staff at this organisation for me to do my job properly	29%	34%
I am satisfied with the extent to which my organisation values my work	50%	53%
My immediate manager is supportive in a personal crisis	76%	79%
Have you had any training, learning or development in the last 12 months? (Please do not include mandatory training)	69%	72%
I am not considering leaving my current job	47%	49%

<b>Five most declined scores compared with the Trust's 2018 results</b>	<b>HDFT 2018</b>	<b>HDFT 2019</b>
Does your organisation act fairly with regard to career progression / promotion, regardless of ethnic background, gender, religion, sexual orientation, disability or age?	60%	58%
I am confident that my organisation would address my concern	64%	61%
In the last 12 months I have never personally experienced harassment, bullying or abuse at work from other colleagues	83%	80%
I am satisfied with the opportunities I have to use my skills	76%	73%
Q22a Is patient / service user experience feedback collected within your directorate / department? (e.g. Friends and Family Test, patient surveys etc.	78%	74%

**10.1**

**Summary Details of Any Local Surveys and Results**

The Trust takes part in the quarterly NHS Staff Friends and Family Test, which asks staff *“How likely are you to recommend the Trust to friends and family as a place to work?”* During 2019-20 the Trust surveyed all staff in each quarter. As with the NHS Staff Survey, the Trust utilises both online and paper surveys to ensure accessibility for all staff.

<b>How likely are you to recommend the Trust to friends and family as a place to work?</b>	<b>Likely</b>
Quarter 1 (June 2019)	69.4%
Quarter 2 (September 2019)	65%
Quarter 3	Survey not required – National Staff Survey
Quarter 4 (March 2020)	68.5%

## Future Priorities and Targets

The Trust is working with key stakeholders, such as the alumni of our First Line Leader programme to develop a Trust wide action plan focusing on the key areas for improvement. Each Directorate will use its own results to develop local action plans. By communicating this information clearly, staff can be assured that the Trust has understood their feedback and subsequent action will be taken.

The results of the 2020 National Staff Survey and quarterly NHS Staff Friends and Family Test will be utilised to monitor progress in overall staff engagement and against the key areas above.

- **Safe Environment – Bullying & Harassment; Safe Environment – Violence; Equality, Diversity & Inclusion**

Continue the ongoing work in relation to a fair and just culture and zero tolerance to bullying, harassment, abuse discrimination or violence to encourage reporting and action on incidents. There needs to be a clear focus on Equality, Diversity and Inclusion and the further development of our staff networks.

- **Health & Wellbeing**

An increased focus on mental health and wellbeing, to support colleagues working through COVID19, together with building on initiatives already available to staff, in particular those relating to MSK and physical health as well as identifying any gaps in our current provision to help target these areas.

- **A Fair, Just and Safe**

Continuing the ongoing work to promote a fair, safe and just culture is taking place, including the creation of staff networks, a review of human resources policies and procedures and a review of how investigations are carried out following an incident.

- **Immediate Managers; Your managers and Your Personal Development**

A focus on First Line Leader Development, and in supporting Line Managers with leadership behaviours around supporting teams through COVID19. A focus on improving the quality of the appraisal experience is also to be carried out.

## Future Priorities and Targets

The Trust is working with key stakeholders to develop a Trust wide action plan focusing on the key areas for improvement. Each Directorate will use its own results to develop local action plans. By communicating this information clearly, staff can be assured that the Trust has understood their feedback and subsequent action will be taken.

The results of the 2019 National Staff Survey and quarterly NHS Staff Friends and Family Test will be utilised to monitor progress in overall staff engagement and against the key areas above.

### 4.3.11 Expenditure on consultancy

Consultancy costs for 2019-20 were £440,000; this compares with £433,000 in 2018-19.

#### **4.3.12 Off-payroll engagements**

The decision to appoint Board members or senior officials with significant financial responsibility through an off-payroll arrangement would be made, if required, at a very senior level and only for exceptional operational reasons. The Trust can confirm that there were no off-payroll engagements of Board members and/or senior officials with significant financial responsibility during 2019-20.

#### **4.3.13 Exit Packages**

There was one compulsory redundancy during 2019-20. The total resource cost was £24,000.

During 2018-19 there was one compulsory redundancy payment, the total resource cost of this was £4,000. There were also two Mutually Agreed Resignations (MARS) with contractual costs of £31,000.

#### **Approval by the Directors of the Accountability Report**

This Accountability Report has been approved by the Board of Directors of Harrogate and District NHS Foundation Trust.



**Steve Russell**  
**Chief Executive**  
**24 June 2019**



## 4.4 NHS Foundation Trust Code of Governance

### 4.4.1 Audit Committee

#### 4.4.1.1. Introduction

The Audit Committee met formally on six occasions during 2019/20. Audit Committee members attendance is set out in the table below. In addition, all Audit Committee members attended an informal meeting in late April 2019 to undertake a detailed review of the draft accounts (relating to the 2018/19 financial year). Members of the Committee also attended relevant Audit Committee training events during the course of the year.

Audit Committee Members' Attendance:

	8 May	21 May	11 Sept	5 Dec	4 Feb	5 Mar
Mr Chris Thompson	√	√	√	√	√	
Mrs Maureen Taylor	√	√	√	√	√	√
Mrs Lesley Webster	√	√	√	√		
Mr Richard Stiff	√	√	0	0	√	√
Mr Wallace Sampson						√
Mr J Cross					√	√

The Audit Committee had a membership of four Non-Executive Directors and during the 2018-19 financial year this comprised of:

- Mr Chris Thompson, Chairman to 29 February 2020
- Mr Richard Stiff, Chairman from March 2020
- Mrs Maureen Taylor
- Mrs Lesley Webster to 31 December 2019
- Mr Jeremy Cross from January 2020
- Mr Wallace Sampson from March 2020

The Committee is supported, at all of its meetings by:

- The Deputy Chief Executive / Finance Director
- The Deputy Director of Finance
- The Head of Financial Accounts
- Deputy Director of Governance
- Interim Company Secretary
- Internal Audit (Head of Internal Audit and Internal Audit Manager)
- External Audit (External Audit Director)

Other representatives (e.g. Chief Nurse, Local Counter Fraud Specialist and Local Security Management Specialist) attend the Audit Committee as and when required.

The attendance details of all attendees at Audit Committee Meetings during 2019/20 are set out in the attached appendix.

The Committee received secretarial and administrative support from Miss Kirstie Anderson who is employed by the Trust's internal audit providers but has no managerial responsibility for the HDFT Internal Audit Plan.

Audit Committee members meet in private prior to the start of each Committee meeting. Separate, private sessions are held with Internal Audit and External Audit prior to Audit Committee meetings as required, and no less than once a year.

There is a documented Audit Committee timetable which schedules the key tasks to be undertaken by the Committee over the course of a year and which is reviewed at each meeting.

Detailed minutes are taken of all Audit Committee meetings and are reported to the Board of Directors.

Action lists are prepared after each meeting and details of cleared actions and those carried forward are presented at the following meeting.

#### 4.4.12. Duties of the Audit Committee

Following a review of the Audit Committee's terms of reference in December 2019, the key duties of the Audit Committee could be categorised as follows:

- **Governance, Risk Management & Internal Control**      Review of the establishment and maintenance of an effective system of integrated governance, risk management and internal control across the whole of the organisation's activities (both clinical and non-clinical), that supports the achievement of the organisation's objectives, primarily through the assurances provided by internal and external audit and other assurance functions.
- **Financial Management & Reporting**      Review of the Foundation Trust's Financial Statements and Annual Report, including the Annual Governance Statement, before submission to the Board of Directors.

Review of the Charitable Trust's Financial Statements and Annual Report before submission to the Board of Directors acting in its role as Corporate Trustee.

Ensuring that systems for financial reporting are subject to review to ensure completeness and accuracy of information and compliance with relevant legislation and requirements.

Review of the Trust's Treasury Management Policy, Standing Financial Instructions and systems in place to ensure robust financial management.
- **Internal Audit & Counter-Fraud Service**      Ensuring an effective internal audit and counter-fraud service that meets mandatory standards and provides appropriate, independent assurance to management and the Audit Committee.

10.1

	Review of the conclusion and key findings and recommendations from all Internal Audit reports and review of regular reports from the Local Counter Fraud Specialist.
	Monitoring of the implementation of Internal Audit and Counter Fraud recommendations.
• Local Security Management Services (LSMS)	Ensuring an effective LSMS service that meets mandatory standards and provides appropriate assurance to management and the Audit Committee.  Review the annual report and plan for the following year.
• External Audit	Ensuring that the organisation benefits from an effective external audit service.  Review of the work and findings of external audit and monitoring the implementation of any action plans arising.
• Clinical & Other Assurance Functions	Review of the work of the Quality Committee within the organisation, whose work provides relevant assurance over clinical practice and processes.  Review of the findings of other significant assurance functions, both internal and external to the organisation, and consideration of the implications for the governance of the organisation.

#### 4.4.1.3 Work Performed

The Committee has organised its work under five headings “Financial Management”, “Governance”, “Clinical Assurance”, “Internal Audit and Counter Fraud” and “External Audit”.

#### 4.4.1.4 Financial Management

Items discussed in particular during 2019/20 were in relation to the Trust’s interaction with its wholly owned subsidiary company Harrogate Healthcare Facilities Management Limited (HHFM).

The Committee oversees and monitors the production of the Trust’s financial statements. During the 2019/20 financial year, this included:

- an informal but detailed review of the draft accounts prior to submission to Monitor and External Audit on 23 April 2019,
- a formal Committee meeting to discuss the draft accounts and External Audit’s findings on 8 May 2019,
- a formal Committee meeting on 21 May 2019 to review the final accounts and Annual Report for 2018/19 (including the Quality Account) prior to submission to the Board of Directors and Monitor.

*[Note: similar meetings have occurred during April and May 2020 relating to the 2019/20 financial statements, Annual Report and Quality Account].*

In March 2020 the Committee formally reviewed and approved the Trust’s accounting policies (to be used in relation to the 2019/20 financial statements), considering consistency over time and compliance with the Foundation Trust Financial Reporting Manual. At the same meeting,

the Audit Committee also considered the plan and timetable for the production of the Trust's 2019/20 financial statements and annual report.

The Committee also oversees and monitors the production of the Charitable Trust's financial statements. The final Charitable Funds Accounts and Annual Report for 2018/19 were reviewed by the Committee on 21 May 2019 prior to submission to the Corporate Trustee.

The Audit Committee also reviewed and approved:

- Single Tender Actions,
- the Trust's Losses & Special Payments register in May 2019,
- the Annual Procurement Savings Report in September 2019,
- revisions to the Trust's Treasury Management Policy in September 2019, and
- the recommendation to the Trust Board of the use of the going concern principle as the basis for the preparation of the 2018/19 accounts in May 2019.

The review of Post Project Evaluations (arising from capital schemes) is a standing item on the Audit Committee's agenda during the year.

#### **4.4.1.5 Governance, Risk Management and Internal Control**

The Audit Committee receives the minutes of the Corporate Risk Review Group. These minutes provide detail of the changes to the Corporate Risk Register and new risks considered. In addition the Audit Committee receives the minutes of the Quality Committee, which is a formal sub-committee of the Board of Directors.

The Board Assurance Framework, Corporate Risk Register and mechanisms for reporting strategic risks to the Board are reviewed on a periodic basis alongside the review of the Corporate Risk Review Group minutes.

Additionally the Staff Registers of Interests and Gifts and Hospitality were reported to the Audit Committee in 21 May 2019.

The Annual Governance Statement and the Head of Internal Audit Opinion were reviewed by the Audit Committee prior to submission to the Board. The Chief Executive (or another designated Executive Director) attends the Audit Committee annually in May to discuss assurance around the Annual Governance Statement.

In relation to the governance of the Audit Committee itself, the Committee undertook the following tasks during 2019/20:

- Assessment of Audit Committee Effectiveness in December 2019, the findings of which were presented to the Board of Directors.
- Review and approval of Audit Committee Terms of Reference in December 2019 which were presented to the Board of Directors for approval.
- Ongoing review and revision of the Audit Committee's timetable.

#### **4.4.1.6. Clinical Assurance**

The revised Quality and Governance structure means that the Audit Committee receives assurance on the effectiveness of clinical processes through the meeting minutes and Annual Report of the Quality Committee.

#### **4.4.1.7. Internal Audit and Counter Fraud Service**

Internal Audit and Counter Fraud Services are provided by Audit Yorkshire. Mr Thompson who was Chair of the Audit Committee until the end of February 2020 was also a member of the Audit Yorkshire Board which oversees Audit Yorkshire at a strategic level. The Board met on four occasions during 2019-20.

An Internal Audit Charter formally defines the purpose, authority and responsibility of internal audit activity. This document was updated, reviewed and approved by the Audit Committee in September 2019.

The Audit Committee approved the planning methodology to be used by Internal Audit to create the Internal Audit Plan for 2019-20, and gave formal approval of the Internal Audit Operational Plan in March 2019.

The conclusions (including the assurance level and the corporate importance and corporate risk ratings) as well as all findings and recommendations of finalised Internal Audit reports are shared with the Audit Committee. The Committee can, and does, challenge Internal Audit on assurances provided, and requests additional information, clarification or follow-up work if considered necessary. All Internal Audit reports are discussed individually with the Audit Committee.

A system whereby all internal audit recommendations are followed-up on a quarterly basis is in place. Progress towards the implementation of agreed recommendations is reported (including full details of all outstanding recommendations) to the Director Team and the Audit Committee on a quarterly basis. This has been an area of focus by the Committee during the year and Trust management have worked hard to ensure that the process for responding to internal audit recommendations has been improved.

The Counter Fraud Plan was reviewed and approved by the Audit Committee and the Local Counter-Fraud Specialist (LCFS) presented bi-annual reports detailing progress towards achievement of the plan, as well as summaries of investigations undertaken.

The effectiveness of Internal Audit was reviewed by HDFT staff and the Audit Committee in December 2019, resulting in a satisfactory evaluation. The action plan arising from the review is monitored via the Internal Audit Periodic Report to the Audit Committee.

#### **4.4.1.8. External Audit**

External Audit services are provided by KPMG.

During the 2019/20 financial year the Audit Committee reviewed External Audit's Annual Governance Report and Management Letter in relation to the 2018/19 financial statements. Work was undertaken during 2019/20 to provide guidance on the accounting treatment to be adopted in respect of certain financial arrangements in place at the 31 March 2020.

External Audit regularly updates the Committee on progress against their agreed plan, on any issues arising from their work and on any issues or publications of general interest to Audit Committee members.

The Audit Committee reviewed and approved the External Audit Plan in relation to the 2019/20 financial statements and the related audit fee in February 2020.

The effectiveness of External Audit was reviewed by HDFT staff and the Audit Committee in May 2019, and again in September 2019, resulting in a satisfactory evaluation which was reported to the Council Governors.

#### **4.4.1.9. Specific Significant Issues discussed by the Audit Committee during 2019-20**

The following additional significant issues have been discussed by the Audit Committee during 2019/20:

- The issues regarding evening security
- The timeliness of Post Project Evaluations (PPE's)
- The timeliness of response by management to internal audit draft reports and the implementation of outstanding internal audit recommendations

#### **4.4.1.10. Audit Committee Effectiveness Survey**

It is recommended corporate governance best practice for Committees of the Board of Directors to undertake annual self-assessment of effectiveness. A survey of Audit Committee members and regular attendees at the Committee meetings was undertaken in December 2018 and January 2019. Survey results confirmed the following areas of strength:

- Committee members contribute regularly across the range of topics;
- With regards to mitigating the key risks to the Trust, the Committee is fully aware of key sources of assurance;
- The Committee has the right balance of experience, knowledge and skills;
- The Committee is confident that the audit plan is derived from a clear risk assessment process
- The Committee has evaluated whether internal audit complies with the Public Sector Internal Audit Standards
- The Committee is briefed, via the assurance framework, about key risks and assurances received and any gaps in control/assurance in a timely fashion;
- Members feel sufficiently comfortable within the committee environment to be able to express their views, doubts and opinions;
- The Committee understands the messages being given by the Trust's assurance advisors;
- The Committee reviews the External Auditor's ISA 260 report (the report to those charged with governance)
- Members provide real and genuine challenge - they do not just seek clarification and/or reassurance and
- The Committee receives appropriate assurance from the relevant Committee on the monitoring of clinical governance

#### **4.4.1.11. Conclusion**

The Audit Committee conducted itself in accordance with its Terms of Reference and work plan during 2017-18. And this summary report is consistent with the Annual Governance Statement and the Head of Internal Audit Opinion.

#### **4.4.2 The Board of Directors and Council of Governors**

The Board of Directors (the Board) and Council of Governors (the Council) work closely together in the best interests of the Trust. Detailed below is a summary of the key roles and responsibilities of both the Board of Directors and the Council of Governors.

The Board meets formally with the Council on a six-monthly basis to seek and consider the views of the Governors in agreeing, for example, strategic aims, potential changes in service provision, and public perception matters. These meetings are also used as an opportunity to update and inform the Board and Council of particular examples of good practice. The joint Chairman of both the Board of Directors and the Council of Governors proactively ensures synergy between the Board and Council through regular meetings and written communications.

The Directors (Executive and Non-Executive) meet regularly with Governors during their day to day working through meetings, briefings, consultations, information sessions, directorate inspections and patient safety visits. Informal meetings are also held with the Council three times a year. The Chairman attends these meetings to support the Council and to ensure the Board have an opportunity to obtain the views of the Council and their members in the planning of services for the local community.

Informal meetings between the Non-Executive Directors and the Council have been introduced to further extend the Governors' knowledge of the role of the Non-Executive Directors in response to the Health and Social Care Act 2012 and the Governors' statutory responsibility to hold the Non-Executive Directors to account.

##### **4.4.2.1 The Board of Directors**

The Board of Directors is a unitary Board with collective responsibility for all areas of performance of the Trust such as clinical and operational performance, financial performance, governance and management. The Board is legally accountable for the services it provides at the Trust and operates to the highest of corporate governance standards. It has the option to delegate these powers to senior management and other Committees. Its role is to provide active leadership within a framework of prudent and effective controls which enable risk to be assessed and managed. The Board is responsible for the allocation of resources to support the achievement of organisational objectives, ensure clinical services are safe, of a high quality, patient focused and effective.

The Board had agreed to meet in public in Harrogate District Hospital seven times per year during 2019/20. In intervening months the Board of Directors held closed workshops at sites around the Trust's footprint. As part of this, the Board members had extended visits to services in the local area. These proved to be mutually beneficial to Directors and staff alike.

In March 2020 it was agreed meetings would be increased to take place monthly at the outset of the Covid-19 pandemic outbreak.

The Board ensures high standards of clinical and corporate governance and, along with the Council of Governors, engages members and stakeholders to ensure effective dialogue with the communities it serves.

The Board is accountable to stakeholders for the achievement of sustainable performance and the creation of stakeholder value through development and delivery of the Trust's long term Vision, Mission, and strategy. The Board ensures that adequate systems and processes are maintained to deliver the Trust's Annual Plan, deliver safe, high quality healthcare, measure and monitor the Trust's effectiveness and efficiency as well as seeking continuous improvement and innovation.

The Board delegates some of its powers to Committee of Directors or to an Executive Director and these matters are set out in the Trust's scheme of delegation which is available from the Company Secretary's Office on request. The Terms of Reference for the Board of Directors and its sub-committees are available on the Trust's website ([www.hdft.nhs.uk](http://www.hdft.nhs.uk)).

### **Balance, Completeness and Appropriateness of the Board of Directors**

The balance, completeness and appropriateness of the Board of Directors are reviewed as required and the Trust is confident that it has a balanced and appropriately skilled Board of Directors to enable it to discharge its duties effectively. This applies to both Executive and Non-Executive Directors.

Decision making and operational management of the Trust is led by the Executive Directors, reporting to the Chief Executive as Accountable Officer. The Standing Orders of the Board detail the decisions reserved for the Board and are available on request.

All of the Non-Executive Directors of the Trust are deemed to be independent. The information below describes the skills, expertise and experience of each Board member and demonstrates the independence of the Non-Executive Directors.

### **Executive Directors**

- ***Mr Steve Russell, Chief Executive appointed 1 April 2019***

Mr Russell joined the Trust with a decade's worth of board level experience with NHS organisations. Mr Russell's previous post as Executive Regional Managing Director for NHS Improvement in London required him to work across the provider and commissioner sectors. Steve established personal credibility and has a strong reputation throughout the National Health Service.

Prior to his time with NHS Improvement, Mr Russell had spent two years as Chief Operating Officer at South London Healthcare NHS Trust, a year as London Programme Director (A&E) and Improvement Director at the NHS Trust Development Authority, and two years as Deputy Chief Executive at Barking, Havering & Redbridge University Hospitals NHS Trust.

Before this, Mr Russell was Executive Director of Medicine & Emergency Care at Northumbria Healthcare NHS Foundation Trust for seven years.

As Chief Executive, Mr Russell is responsible for ensuring that our services are safe, effective, responsive, well led and provided with care and compassion at all times as well as ensuring the highest standards of financial management. Working closely with the Board of Directors, Governors, staff and partner organisations, Steve shapes the Trust's strategy, contributes to whole systems transformation and ensures the long-term sustainability of the Trust.



- **Mr Jonathan Coulter, Deputy Chief Executive and Finance Director – appointed 20 March 2006**

Mr Coulter is a member of the Chartered Institute of Public Finance and Accountancy (CIPFA) having qualified as an accountant in 1993. Since qualifying, he has taken on a number of roles in the NHS, working in various hospital Trusts, where his work included the merger of Pontefract and Pinderfields Hospitals. During this time, he has also obtained a post graduate qualification in Health and Social Care Management.

Mr Coulter became Finance Director for North Bradford Primary Care Trust (PCT) in 2000, gaining valuable experience of leadership and management of community-based services. Following a successful period in North Bradford, during which time he undertook additional responsibility in the role of Finance Director for Airedale PCT, Mr Coulter was appointed as Finance Director at the Trust in March 2006.

Since arriving at Harrogate, he has contributed significantly to the success of the organisation over the past twelve years, both within his role as Finance Director, and more recently as Deputy Chief Executive.

- **Mrs Jill Foster, Chief Nurse – appointed 1 July 2014**

Mrs Foster was appointed as the Trust's Chief Nurse in 2014 having previously held positions as Director of Nursing in London and Deputy Chief Nurse at a large university hospital in Bristol. She qualified as a Registered Nurse in 1987 at Barnsley District General Hospital and specialised in critical care, coronary care, and acute medicine. She has held various clinical positions at ward level and as Matron.

Mrs Foster has a strong track record in professional nursing and operational management and is passionate about delivering high quality fundamental nursing and midwifery care. She is the Executive Lead for Nursing, Midwifery and Allied Health Professionals, Clinical Governance (with the Medical Director), Infection Prevention and Control, Adult and Children's Safeguarding, and Patient Experience, End of Life Care, Children's Services, Executive Champion for Maternity Services and Baby Friendly Initiative.

- **Mr Robert Harrison, Chief Operating Officer – appointed 4 July 2010**

Throughout Mr Harrison's career, he has demonstrated a record of leading the sustainable delivery of services to meet or exceed national standards. Having originally trained as a Research Biochemist, Mr Harrison joined the NHS General Management Training Scheme in 2002. Following graduation from the scheme, and attainment of a post graduate qualification in Health Services Management, he held a number of operational management posts in Medicine, Anaesthetics, and Surgery within a large teaching hospital.

During his operational management career he has led on a number of service developments and reorganisations, including improving emergency surgical care across two hospital sites, the implementation of a regional Upper Gastrointestinal Cancer Unit, the establishment of an interventional bronchoscopy service, and the expansion of Special Care Dentistry services across Central Lancashire.

In 2008, he was successful in gaining a place on the North West Leadership Academy's Aspiring Directors Programme. This focused on developing greater self-awareness and understanding the role of a Board member. Mr Harrison now uses these skills by offering

mentoring to junior managers and by supporting the Management Training Scheme locally.

The Chief Operating Officer is responsible for the day to day operational management of the Trust's clinical services, the achievement of national, regional and Trust performance targets and translating Trust strategy, business, and policy development into operational reality. Duties also include responsibility for IT, Information, Estates and Facilities. In addition, Mr Harrison is the Chief Operating Officer lead for Elective services on behalf of the WYAAT.

- ***Dr David Scullion, Medical Director – appointed 1 September 2012***

Dr Scullion trained in Medicine at St Mary's Hospital in London, qualifying in 1985. An initial career in General Medicine was followed by Radiology training in both London and North America. He was appointed Consultant Radiologist in Harrogate in 1997, and has been Clinical Lead for Radiology, Deputy Medical Director and, since September 2012, Medical Director. He divides his week between Medical Director commitments and a clinical Radiology workload.

The role of the Medical Director is many and varied but includes providing clinical advice to the Board of Directors, leading on clinical standards including the formation and implementation of policy, providing clinical leadership and acting as a bridge between the medical workforce and the Board, and dealing with disciplinary matters involving doctors. Dr Scullion is aided in this role by both clinical and managerial colleagues.

- ***Ms Angela Wilkinson, Director of Workforce and Organisational Development - appointed 5 November 2018***

Ms Wilkinson became the Director of Workforce and Organisational Development following her previous appointment as Deputy Director of Workforce and Organisational Development at Mid-Yorkshire NHS Hospitals Trust, where she had latterly been the Interim Executive Director of Workforce and Organisational Development for a period of five months.

Prior to taking up that role in 2013, Angela had spent three years as Director of Organisational Development and Human Resources at Leeds City College, following almost two years as head of Human Resources and Organisational Development at City of York Council. She started her career as a graduate hotel manager in the hospitality industry before joining the NHS through her first role in the now defunct NHS Purchasing and Supplies Agency, based in Harrogate, and subsequently working in Bradford and Leeds.

Angela's role includes strategic and operational human resources leadership for the Trust and supporting the Board of Directors in decisions in respect of workforce policy, planning and organisational development.

## Non-Executive Directors

Non-Executive Directors are appointed initially for a term of three years. Non-Executive Directors can be re-appointed for up to three terms of office (i.e. a maximum of nine years) with any final term of three years subject to annual reappointment in line with the requirements of the NHS Foundation Trust Code of Governance. The Council of Governors carries the responsibility of terminating the contract for a Non-Executive Director where this is believed to be appropriate, in accordance with the Trust Constitution and Foundation Trust Code of Governance.

The table below sets out the names, appointment dates and tenure of the Chairman, Vice Chairman, Senior Independent Director, and Non-Executive Directors of the Trust.

Name and Designation	Appointment	End of first Term	End of second Term	End of third Term
Mrs A Schofield	1 November 2017	31 October 2020	N/A	N/A
Mrs S Armstrong	1 October 2018	30 September 2021	N/A	N/A
Ms L Robson	1 September 2017	31 August 2020	N/A	N/A
Mr R Stiff	14 May 2018	13 May 2021	N/A	N/A
Mrs M Taylor	1 November 2014	31 October 2017	31 October 2020	N/A
Mr C Thompson	1 March 2014	28 February 2017	29 February 2020	N/A
Mrs L Webster	1 January 2014	31 December 2016	31 December 2019	N/A
Mr J Cross	1 January 2020	31 December 2022	N/A	N/A
Mr W Sampson	1 March 2020	29 February 2023	N/A	N/A
Mr A Papworth	1 March 2020	29 February 2023	N/A	N/A

*Mrs Webster left the Board on 31 December 2019*

*Mr Thompson left the Board on 29 February 2020*

- ***Mrs Angela Schofield, Chairman – appointed 1 November 2017***

Mrs Schofield has worked in the NHS and with the NHS for over 40 years. Initially she was a health service administrator in her home town of Sheffield and became a general manager in the mid 1980's. After working in the NHS in Sheffield, North Derbyshire and Manchester, she went to work for the University of Manchester undertaking development work in quality of care and integrated care. Mrs Schofield was then appointed Chief Executive of the NHS Trust in Calderdale. Following a move to Dorset she was appointed Head of the Institute for Health and Community Services at Bournemouth University.

Mrs Schofield became Chairman of Bournemouth and Poole Primary Care Trust in 2006 and Chairman of Poole Hospital NHS Foundation Trust in 2011. She moved to Harrogate in 2017.

Mrs Schofield had been the Trustee of a number of charities and a committee member of the League of Friends of a community hospital. She is a volunteer with "Supporting Older People" a charity in Harrogate.

- **Ms Sarah Armstrong, Non-Executive Director – appointed 1 October 2018**

Ms Armstrong is an experienced leader in the charity sector, having also been a senior manager for a national charity leading in volunteering policy and practice and a regional lead for a charity raising aspirations for young people with a disability. In a previous role, she was Chief Executive of York CVS, an ambitious social action organisation. She is now the Chief Executive of a national charity concerned with children's health.

Ms Armstrong is passionate about the value of volunteering and the unique contribution volunteers can make, especially within a healthcare setting.

- **Ms Laura Robson, Non-Executive Director – appointed 1 September 2017**

Mrs Robson had lived in Sunderland all her life before moving to Ripon in 2016 to enjoy the Yorkshire life. She trained as a nurse and midwife in Sunderland before going on to work in clinical and managerial roles for various hospitals in the North East. She is a qualified midwifery teacher and has Masters degrees in Management and Communication Studies. From 1996 until retiring in 2012, she was Executive Nurse on the Board of County Durham and Darlington Foundation Trust. Ms Robson has worked as a Clinical advisor to the CQC and the Health Service Ombudsman. With special interest in the care of people with dementia in acute hospitals she has a passion for patient safety, midwifery and maternity services.

Ms Robson was a Non-executive Director of North Cumbria University Hospitals from 2014 until 2017, working with the Board to help them come out of special measures by improving the quality and efficiency of their services to the people of Cumbria.

Ms Robson became the Senior Independent Director in January 2020. She is also Chairman of the Quality Committee and was previously a member of the Quality and Audit Committees.

- **Mr Richard Stiff, Non-Executive Director – appointed 14 May 2018**

Mr Stiff joined the Trust following his retirement from the role of Chief Executive of Angus Council in Scotland in May 2017. Prior to Angus he enjoyed a long career in English local government, mainly in education and children's services departments, holding senior posts with North Lincolnshire, Leeds and Dudley Councils.

Born and raised near Bury St Edmunds in Suffolk, Mr Stiff and his wife now live near Selby. He has two grown up sons and two grandchildren. He is a governor of Selby College, a director of a local authority-owned company and a Trustee of TCV, the conservation charity. Away from work his interests include club cricket (at Hemingbrough in North Yorkshire), Ipswich Town FC, being outside and motorcycles.

- ***Mrs Maureen Taylor, Non-Executive Director – appointed 1 November 2014***

Mrs Taylor is a chartered accountant and until 31 March 2015 was the Chief Officer for Financial Management at Leeds City Council. She has spent over 31 years in Financial Services at Leeds City Council, qualifying as an accountant in 1987. She has extensive experience, working in a wide range of financial disciplines more recently leading the Council's capital programme and treasury management functions and overseeing aspects of the revenue budget.

As part of her council role Mrs Taylor held three directorship positions being public sector Director of Community Ventures Leeds Limited, Director at Norfolk Property Services (Leeds) Limited, and Alternate Director for the Leeds Local Education Partnership.

Mrs Taylor is a Vice-Chairman of Governors and Resources Committee member at a local Church of England Primary School.

Mrs Taylor is Vice Chairman from 1 March 2020, Chairman of the Resources Committee and is a member of the Audit Committee.

- ***Mr Chris Thompson, Vice Chairman and Non-Executive Director – appointed 1 March 2014 until 29 February 2020***

Mr Thompson is a chartered accountant who was Chief Financial Officer at the University of Nottingham for the period from 2007 until 2013. His career has largely been spent in the retail and food manufacturing sectors.

He qualified as a chartered accountant with KPMG and worked with the firm for ten years at their Newcastle upon Tyne and London offices. He went on to work in senior financial positions in a number of retailers including Asda Stores and Woolworths before joining the Co-operative movement where he worked for eight years. During this time, he was responsible for the management of a number of large businesses in the funerals, pharmacy, retail, distribution, and manufacturing sectors.

Mr Thompson is a member of the Council of the University of York, where he is also a member of the Audit, Remuneration and Subsidiary Management committees.

Within the Trust, Mr Thompson was Vice Chairman and Chairman of the Audit Committee until 29 February 2020 when he left the Trust having completed two terms of office.

- **Mr Jeremy Cross, Non-executive Director – appointed 1 January 2020**

Mr Cross is a fellow of Institute of Chartered Accountants. He is joining the Trust from Airedale NHS Foundation Trust where he had been a Non-Executive Director for five years, and during his time there has been Chairman of the Audit Committee, and a member of the Finance and Performance Committee, and the Charity Committee. Mr Cross was also Chair of the 100% owned subsidiary company AGH Solutions Limited.

Prior to taking up Non-executive Director positions Mr Cross held senior positions at Lloyds Banking Group, Asda and Boots the Chemist.

Outside of the NHS, Mr Cross is Chair of Mansfield Building Society, a mutual owned organisation that celebrating its 150th anniversary this year. In addition to his paid roles he is a trustee at Forget me not Children's hospice in Huddersfield, a Governor at the Grammar School at Leeds, and a trustee in several other local charities.

- **Mr Wallace Sampson OBE, Non-executive Director – appointed 1 March 2020**

Mr Sampson has been with Harrogate Borough Council since August 2008 and has worked in local government for over 35 years. He started at Doncaster Metropolitan Borough Council and has also worked at Chesterfield Borough Council, Kirklees MBC, and Bradford MDC where he was Strategic Director Customer Services and Assistant Chief Executive for Regeneration and the Environment.

Mr Sampson is passionate about public service delivery and the need to work within partnerships to join up service delivery. He has devoted his career to public service and over the years he has worked extensively with partners to ensure a strong focus on customers, residents, businesses and visitors to the district. This is reflected in a number of external responsibilities to Harrogate Council. He chairs the Harrogate District Public Services Leadership Board and is a member of the North Yorkshire Children's Safeguarding Board.

Mr Sampson is lead Chief Executive for the Leeds City Region LEP Clean Energy priority and he is also lead local authority Chief Executive in Yorkshire and Humber for energy and low carbon.

- **Mr Andrew Papworth, Non-executive Director – appointed 1 March 2020**

Mr Papworth is an accomplished leader with over 20 years' experience in financial services, including six years at executive level, working in regulated environments. He has a deep background in financial management, business leadership and transformation.

Mr Papworth is a member of the Chartered Management Institute, Global Chartered Management Accountants, and the Council of Strategic Workforce Planning and Human Capital Analytics.

He is known for being an innovative executive and brings thought-leadership on a range of subjects to the Trust.

- ***Mrs Lesley Webster, Non-Executive Director – appointed 1 January 2014 until 31 December 2020***

Mrs Webster has had professional involvement with the NHS for over 35 years, starting her career as a Registered Nurse, she later moved into the Medical Supply Industry in 1987.

Working for both International and UK based medical companies, Mrs Webster has held Senior Executive and Board-level posts, where she has been influential in leading strategic business development and Directing Sales, Marketing, Customer Care and Engineering functions.

Mrs Webster left the Medical Supply Industry in 2012 and in addition to working at the Trust she is a volunteer Business Mentor. She lives near Wetherby with her husband, who is a retired Diagnostic Radiographer who trained in Harrogate.

Mrs Webster was previously the Chairman of the Quality Committee and nominated Non-Executive lead on learning from deaths, and a member of the Resource Committee until she left the Trust on 31 December 2020 having completed two terms of office.

## Performance Evaluation of the Board of Directors

Evaluation of the Board of Directors is delivered formally via a number of channels, which can include:

- Appraisal of Executive Director performance by the Chief Executive and Chairman on an annual basis;
- Appraisal of Non-Executive Director performance by the Chairman and Vice Chairman/Lead Governor of the Council of Governors on an annual basis;
- Appraisal of the Chairman by the Council of Governors, led by the Senior Independent Director of the Board of Directors and the Vice Chair of the Council of Governors, after seeking views and comments of the full Council of Governors and Board colleagues;
- Appraisal of the Chief Executive by the Chairman;
- An annual Board development programme; and
- An annual review of the effectiveness of each Board Committee.

In the last five year's the Board of Directors commissioned an independent review against NHS Improvement's 'Well-Led framework for governance' following that they carried out self-assessments. These provide the Board of Directors with assurance that systems and process are in place to ensure that the Board and Senior Leadership Team have good oversight of quality of care, operations and finances. In November 2018 the Trust undertook a Well-Led self-assessment from which an action plan was developed. The Care Quality Commission, as part of its inspection in 2018, assessed the Trust as 'Good' against its Well-Led standard.

The Board recognises the importance of good governance in delivery of the Trust's vision to provide 'Excellence Every Time', and a number of actions will be taken during 2019-20 to ensure that the small number of recommendations made in the Care Quality Commission report and the self-assessment, are taken forward.

The information below provides details on the Executive and Non-Executive Director attendance at Board of Directors meetings in 2019-20. The Board of Directors met 12 times in 2019-20. When the Board of Directors met in public there was also a private meeting. Where Board workshops were held, these were also held in private.



### Board of Directors Meeting Attendance (held in Public) 2019/20

Individual attendance	29/05/19	26/06/2019	31/07/2019	25/09/2019	30/10/2019	27/11/2019	29/01/2020	25/03/2020
Mrs A Schofield	√	√	√	√	√	√	√	√
Ms S Armstrong	√	√	√	√	√	√	√	√
Ms L Robson	√	√	√	√	√	√	√	√
Mr R Stiff	√	0	√	√	√	√	√	√
Mrs M Taylor	√	√	√	√	√	√	√	√
Mr C Thompson*	√	√	√	√	√	√	√	N/A
Mrs L Webster**	√	√	√	√	√	√	N/A	N/A
Mr J Cross***	N/A	N/A	N/A	N/A	N/A	N/A	Y	Y
Mr A Papworth****	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y
Mr W Sampson*****	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y
Mr S Russell	√	√	√	√	√	√	√	√
Mr J Coulter	√	√	√	√	√	√	√	√
Mrs J Foster	Y	0	0	0	√	√	√	0
Mr R Harrison	0	√	√	√	√	√	0	√
Dr D Scullion	√	√	√	√	√	√	√	√
Ms A Wilkinson	√	√	√	√	√	√	√	√

\* Mr C Thompson left the Trust on 29 February 2020

\*\* Mrs L Webster left the Trust on 31 December 2019

\*\*\* Mr J Cross joined the Trust on 1 January 2020

\*\*\*\* Mr A Papworth joined the Trust on 1 March 2020

\*\*\*\*\* Mr W Sampson joined the Trust on 1 March 2020

### Board of Directors Meeting Attendance (held in Private) 2019/20

Individual attendance	24/05/19	29/05/19	31/07/19	25/09/19	27/11/19	29/01/20	12/02/20	02/03/20 EO	25/03/20
Mrs A Schofield	√	√	√	√	√	√	0	√	√
Ms S Armstrong	√	√	√	√	√	√	0	√	√
Ms L Robson	√	√	√	√	√	√	√	√	√
Mr R Stiff	0	√	√	√	√	√	√	√	√
Mrs M Taylor	√	√	√	√	√	√	√	√	√
Mr C Thompson*	√	√	√	√	√	√	√	N/A	N/A
Mrs L Webster**	√	√	0	√	√	N/A	N/A	N/A	N/A
Mr J Cross***	N/A	N/A	N/A	N/A	N/A	Y	Y	√	√
Mr A Papworth****	N/A	N/A	N/A	N/A	N/A	N/A	N/A	√	√
Mr W Sampson*****	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	√
Mr S Russell	√	√	√	√	√	√	√	√	√
Mr J Coulter	√	√	√	√	√	√	√	0	√
Mrs J Foster	√	√	0	0	√	√	0	√	0
Mr R Harrison	√	0	√	√	√	0	√	√	√
Dr D Scullion	√	√	√	√	√	√	√	√	√
Ms A Wilkinson	√	√	√	√	√	√	√	√	√

\* Mr C Thompson left the Trust on 29 February 2020

\*\* Mrs L Webster left the Trust on 31 December 2019

\*\*\* Mr J Cross joined the Trust on 1 January 2020

\*\*\*\* Mr A Papworth joined the Trust on 1 March 2020

\*\*\*\*\* Mr W Sampson joined the Trust on 1 March 2020

#### 4.4.2.2 Council of Governors

The Council of Governors (the Council) represent the interests of the Foundation Trust members and the general public. They have an important role to play in acting as the eyes and ears of the membership, keeping a watchful eye over how the Trust is managed and being assured about the way services are being delivered.

The Council act as a vital link between members, patients, the public and the Board of Directors; they have an ambassadorial role in representing and promoting the Trust and do not have any operational management responsibilities. The Council's primary statutory duty is to hold the Non-Executive Directors individually and collectively to account for the performance of the Board, and to represent the interests of the members of the Trust as a whole including the interests of the public. The Council is responsible for regularly reporting on information about the Trust's vision, strategy, and performance to their constituencies and the stakeholder organisations that appointed them.

Governors are elected by staff (Staff Governors) and the membership (Public Governors), or nominated by partner organisations, for example, North Yorkshire County Council (Stakeholder Governors). The Council of Governors consists of 18 elected and six nominated Governors.<sup>1</sup>

Elections held during the year resulted in a number of changes to the Council of Governors, which is found below:

Constituency and Class	Number of seats	Elected Governor
16 July 2019		
Public – Harrogate and Surrounding Villages	2	Samantha James, Dave Stott
Public – Wetherby & Harewood	1	Doug Masterton
Staff - Nursing & Midwifery	1	Heather Stuart
Staff – Medical Practitioners	1	Dr Loveena Kunwar
7 December 2019		
Public – Harrogate and Surrounding Villages	1	William Fish
Public – Ripon & West District	1	Sue Eddleston
Public – Wetherby & Harewood	1	Steve Treece
Staff – Nursing and Midwifery	1	Kathy McClune
Staff– Non-Clinical	1	Sam Marshall

The Council of Governors statutory responsibilities include the following:

- Hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors.
- Represent the interests of the members of the Trust as a whole and the interests of the public.
- Appoint, or remove the Chairman and the other Non-Executive Directors.
- Decide the remuneration of the Chairman and Non-Executive Directors.
- Approve the appointment (by the Non-Executive Directors) of the Chief Executive.
- Appoint, reappoint or remove the Trust's external auditor.
- Consider the Trust's annual accounts, auditor's report and annual report.
- Bring their perspective in determining the strategic direction of the Trust.
- Be involved in the Trust's forward planning processes.
- Approve any merger, acquisition, separation or dissolution application and the entering into of any significant transactions.
- Approve any proposals to increase by 5% or more of the Trust's proportion of its total income in any financial year attributable to activities other than the provision of goods and services for the purposes of the health service in England.
- Approve any amendments to the Trust's Constitution

The following table highlights the composition of the Council of Governors and includes each Governor's term of office and attendance at the quarterly public Council of Governor meetings held during the year 1 April 2019 to 31 March 2020.

#### Elected Public Governors

Constituency	Name	Term of office	May 2019	August 2019	November 2019	January 2020
Harrogate and surrounding villages	Mrs Pat Jones	January 2011 to December 2013				
		January 2014 to December 2016				
		January 2017 to December 2019	√	√	√	N/A
	Mr Martin Dennys	January 2019 to December 2021	√	√	-	√
	Mr Tony Doveston	January 2016 to December 2018				
		January 2019 to December 2021	√	-	√	√
	Samantha James	July 2019 to June 2022	N/A	√	√	√
Dave Stott	July 2019 to June 2022	N/A	√	√	-	
William Fish	January 2020 to December 2022	N/A	N/A	N/A	√	
Knaresborough and East District	Mr John Batt	January 2019 to December 2021	√	√	-	√
	Mr Robert Cowans	July 2018 to June 2021	√	√	√	-

**Elected Public Governors**

Constituency	Name	Term of office	May 2019	August 2019	May 2019	January 2020
Rest of North Yorkshire and York	Mrs Cath Clelland	January 2015 to December 2017				
		January 2018 to December 2020	√	-	-	√
Ripon and West District	Miss Sue Eddleston	January 2017 to December 2019				
		January 2020 to December 2022	√	√	-	√
	Dr Christopher Mitchell	July 2018 to June 2021	√	√	√	-
Wetherby and Harewood including Otley and Yeadon, Adel and Wharfedale and Alwoodley Wards	Dr Sheila Fisher	January 2018 to December 2020	√	-	-	-
	Mr Steve Treece	January 2017 to December 2019	√	√	√	√
	Doug Masterton	July 2019 to June 2022	N/A	√	√	√
Rest of England	Mr Ian Barlow	July 2018 to June 2021	-	-	√	√

**Elected Staff Governors**

<b>Staff Constituency</b>	<b>Name</b>	<b>Term of office</b>	<b>May 2019</b>	<b>August 2019</b>	<b>November 2019</b>	<b>January 2020</b>
Medical Practitioners Staff Class	Dr Loveena Kunwar	July 2019 to June 2022	N/A	0	0	0
Non-Clinical Staff Class	Mrs Mikalie Lord	January 2018 to December 2020	√	√	0	N/A
	Sam Marshall	December 2019 to November 2022	N/A	N/A	N/A	√
Nursing and Midwifery Staff Class	Mrs Emma Edgar	January 2011 to December 2013				
		January 2014 to December 2016				
		January 2017 to December 2019	√	√	√	N/A
	Kathy McClune	January 2020 to December 2022	N/A	N/A	N/A	0
	Mrs Helen Stewart	January 2019 to December 2021	-	N/A	N/A	N/A
Heather Stuart	July 2019 to December 2021 (remainder of term)	N/A	√	√	0	
Other Clinical Staff Class	Mr Neil Lauber	July 2018 to June 2021	√	0	√	√

### Nominated Governors

Nominating Organisation	Name	Term of office	May 2019	August 2019	November 2019	January 2020
North Yorkshire County Council	Cllr. John Mann	Nominated from 23 May 2017 to 31 December 2019 (remainder of term)	0	√	0	0
Harrogate Borough Council	Cllr Samantha Mearns	Nominated from 1 July 2018 to 31 May 2020 (remainder of term)	0	√	0	√
University of Bradford	Dr Pamela Bagley	Nominated from 19 June 2017 to 31 December 2019 (remainder of term)	0	√	0	√
Patient Experience	Ms Carolyn Heaney	Nominated from 21 September 2017 to 20 September 2020	√	√	0	0
Harrogate Healthcare Facilities Management (new Stakeholder organisation approved in Constitution August 2018)	Ms Clare Cressey	Nominated from 1 August 2018 to 31 July 2021	√	√	√	√
Voluntary sector	Position vacant					

A Register of Interests for all members of the Council of Governors is held by the Foundation Trust Office and is continually updated. This is available to view by contacting the Foundation Trust Office.

Council of Governor meetings are Chaired by the Trust's Chairman, and attended by the Chief Executive and at least two Executive Directors. In addition, there is also regular attendance by Non-Executive Directors.

The following table highlights the attendance of each Executive Director and Non-Executive Director at the quarterly public Council of Governor meetings held during the year April 2019 to March 2020.



Non-executive Director individual attendance	Position	Council of Governor Meetings 2019/20			
		May 2019	August 2019	November 2019	January 2020
Mrs Angela Schofield	Chairman	√	√	√	√
Mrs Sarah Armstrong	Non-Executive Director	√	√	√	√
Ms Laura Robson	Non-Executive Director	√	√	√	√
Mr Richard Stiff	Non-Executive Director	√	√	√	√
Mrs Maureen Taylor	Non-Executive Director	√	√	√	√
Mr Chris Thompson*	Non-Executive Director /Vice Chair	√	√	√	√
Mrs Lesley Webster**	Non-Executive Director	N	√	N	N/A
Mr Jeremy Cross***	Non-Executive Director	N/A	N/A	N/A	√

\*Mr Chris Thompson's term of office ended on 29 February 2020

\*\*Mrs Lesley Webster's term of office ended on 31 December 2019

\*\*\*Mr Jeremy Cross' term of office commenced on 1 January 2020

Executive Director individual attendance	Position	Council of Governor Meetings 2019/20			
		May 2019	August 2019	November 2019	January 2020
Mr Steve Russell	Chief Executive	√	√	√	√
Mr Jonathan Coulter	Deputy Chief Executive/ Finance Director	√	√	√	0
Dr David Scullion	Medical Director	√	√	√	√
Mrs Jill Foster	Chief Nurse	√	0	0	√
Mr Robert Harrison	Chief Operating Officer	√	0	√	√
Ms Angela Wilkinson	Director of Workforce and Organisational Development	√	√	0	0

### **Remuneration, Nominations and Conduct Committee**

The Remuneration, Nominations and Conduct Committee (the Committee) was formed following a review, and approval, of the Trust's Constitution on 1 August 2018. This Committee is Chaired by the Trust's Chairman, unless the Chairman is conflicted then the Vice Chairman would Chair such meetings. The Chairman carries out Non-executive Directors appraisals with the support of the Senior Independent Director and Lead Governor. The Senior Independent Director carries out the appraisal of the Chairman with the support by the Lead Governor and Company Secretary. The Lead Governor meets with the Governors separately to gain their views and consults and engages with them on such things as annual appraisals.

## Membership Development and Engagement

- **Our membership**

The Trust is accountable to the local population that it serves through the Council of Governors and encourages local ownership of health services through its membership. On 31 March 2020 the Trust had 17,173 members; these are people who have chosen to become a member, who are interested in the NHS and want the opportunity to get more involved in their local health services. Members can become involved in a variety of different ways; by receiving updates and newsletters, attending meetings and events, volunteering, and being consulted on with plans for future developments, to name just a few.

The Foundation Trust Office manages an in-house membership database containing members' areas of interest. As services are developed or reviewed, members can be contacted and encouraged to participate via consultations, surveys and discussion groups.

- **Eligibility to be a Member**

As of 1 March 2016, public membership by constituency applies to residents aged 16 or over across the whole of England. As the Trust is providing services further afield, and patients have the right to choose where to receive treatment, we hope to continue encouraging a membership which reflects the wider population.

Public constituencies are:

- Harrogate and surrounding villages.
- Ripon and west district.
- Knaresborough and east district.
- The electoral wards of Wetherby and Harewood including Otley and Yeadon, Adel and Wharfedale and Alwoodley wards.
- Rest of North Yorkshire and York.
- Rest of England.

The Rest of England constituency represents those people who access Trust services but do not live in the Trust's previous (local) catchment area (as displayed on the map below):



The Trust has no patient constituency.

Staff membership applies to any employee of the Trust holding a permanent contract of employment or a fixed term contract of at least 12 months.

The Staff Constituency includes the following Staff Classes:

- Medical Practitioners.
- Nursing and Midwifery.
- Other Clinical.
- Non-Clinical.

**Membership by constituency and number**

Through the work of the Governor Working Group for Membership Development and Engagement, a sub-committee of the Council of Governors responsible for the delivery of the Membership Development Strategy, we continue to aim towards a representative and vibrant membership, offering innovative and active engagement across the organisation.

Throughout 2019-20 we have continued to engage actively with, and recruit, members between the ages of 16 and 21 years, through our unique Education Liaison Programme, Work Experience Scheme, Youth Forum, and with our young volunteers.

Whilst it is important to the Trust to continue to recruit a wide and diverse membership in a representative and inclusive manner, the Membership Development Strategy continues to drive the focus on quality membership engagement activity.

The public membership profile		Rep. of public	
Harrogate	5,673	82,599	6.9%
Ripon and west district	1,762	37,571	4.7%
Knaresborough and east district	2,085	37,699	5.5%
Wetherby and Harewood including Otley and Yeadon, Adel and Wharfedale and Alwoodley wards	1,868	102,771	1.8%
Rest of North Yorkshire and York	442	638,559	0.07%
Rest of England	943	52.1m*	
<b>TOTAL</b>	<b>12,773</b>	<b>899,199**</b>	<b>1.42%**</b>

\* <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/populationandhouseholdestimatesfortheunitedkingdom/2011-03-21>

\*\* Figures based on Trust catchment area not including Rest of England.

The staff constituency membership profile		Rep. of total staff	
<b>TOTAL</b>	<b>4,400</b>	<b>4,556</b>	<b>96.6%</b>

Both the Board of Directors and Council of Governors agree that an active and engaged membership will continue to enhance the development of the Trust's strategic objectives to:

- Deliver high quality healthcare
- To work with partners to deliver integrated care
- To ensure clinical and financial sustainability

During the forthcoming year, the Trust will continue to actively recruit members across the catchment area, and where possible, encourage membership to those people residing in the rest of North Yorkshire and York where our membership representation is at its lowest. In terms of membership from people residing in the Rest of England constituency, the focus will be on areas where the Trust provides children's services in County Durham, Darlington and Teesside, Middlesbrough, Sunderland, Stockton-on-Tees, Gateshead and in North and West Leeds and this can be promoted through our established Youth Forum. These plans will be overseen by the Governor Working Group for Membership Development and Engagement and will form part of the Membership Development Strategy. Membership recruitment plans include promoting membership to local employers and schools, attendance at community events, communicating with GP practices, publicising membership at local community premises such as libraries and voluntary organisations, and through social media platforms. The focus will also be to promote membership and active inclusion to people from protected characteristics and disadvantaged groups alongside the Trust's Equality and Diversity work streams.

### Gender and ethnicity

The public membership is made up of 52.1% females and 47.7% males, with 0.1% unknown; these figures continue to demonstrate a similar balance to the female/male population in England (50.8% females and 49.2% males, Office for National Statistics, Census 2011).

Gender	Number of Members	*Eligible membership	Percentage
Male	6,097	*440,383	*1.4%
Female	6,660	*458,816	*1.5%
Not specified	16		
<b>Total</b>	<b>12,773</b>	<b>*899,199</b>	<b>*1.4%</b>

\* Figures based on Trust catchment area not including Rest of England.

#### Ethnic origin of the public membership

Ethnicity	Number of Members	*Eligible membership
White	2,786	*863,226
Mixed	25	*9,110
Asian or Asian British	67	*19,196
Black or Black British	27	*4,599
Unknown	9,868	*3,068
<b>Total</b>	<b>12,773</b>	<b>*899,199</b>

\* Figures based on Trust catchment area not including Rest of England.

The ethnicity of all new members is captured from the membership application form. It would be challenging to update the ethnicity of the majority of members who joined prior to the development of this data capture.

#### **How we develop our Membership**

Our Membership Development plan is to drive forward targeted recruitment in under-represented areas and innovative high quality membership engagement activity in line with the Trust's strategic objectives.

Recruitment, communication and membership activities are delivered in the following ways:

- On joining, a welcome pack is sent out which includes a welcome letter from the members' elected Governor(s), a questionnaire, and details about a discount card which can be used with local and national companies.
- 'Foundation News' membership newsletter.
- Notification of meetings and events on the Trust's website.
- Social media platforms.
- Media.
- Invitations to membership events, for example 'Medicine for Members' lectures.
- Invitations to community events in partnership with stakeholders.
- Public Council of Governor meetings.
- Governor public sessions, for example speaking at local committees and groups.

- Annual Members' Meeting.
- Elections to the Council of Governors.
- Members' notice board.
- Access to Trust strategic documents, including the Annual Report and Accounts, Quality Report and Annual Plan.
- Internal staff communications, for example, staff induction and Team Brief (a monthly briefing session for staff focusing on key topics, including developments in services, the Trust's performance against its targets and finance).
- Posters in community premises and in GP practices.
- Invitations to be involved with consultations, to take part in surveys and to be involved on focus groups.

The Education Liaison and Work Experience Programmes, Youth Forum, and Young Volunteers continue to be highly successful and are an extremely effective vehicle to enable the Trust to recruit young people and provide high quality membership engagement. These projects are overseen by the Governor Working Group for Membership Development and Engagement.

#### **The Foundation Trust Office**

The Foundation Trust office continues to be a central point of contact for all members and the general public to make contact with the Trust, the Council of Governors and Board of Directors. The Foundation Trust Office is open during office hours, Monday to Friday on 01423 554489 or by email to [hdftmembership@nhs.net](mailto:hdftmembership@nhs.net)

#### **4.4.3 Statement of Compliance with the NHS Foundation Trust Code of Governance**

Harrogate and District NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. The Trust has applied the principles of the NHS Foundation Trust Code of Governance (2006) which was updated in July 2014.

Information relating to quality governance systems and process is detailed throughout the Annual Report, but in particular in the Annual Governance Statement and Quality Account.

NHS Foundation Trusts are required to provide a specific set of disclosures in relation to the provisions within schedule A of the NHS Code of Governance. The Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply and explain basis and has complied with the Code during 2019/20. Evidence to support compliance is included below:



## Compliance with the NHS Foundation Trust Code of Governance

The Board of Directors and Council of Governors are committed to continuing to operate according to the highest corporate governance standards. Whilst doing this the Board:

- Meets formally at least bi-monthly in order to discharge its duties effectively. Systems and processes are maintained to measure and monitor the Trust's effectiveness, efficiency and economy as well as the quality, of its healthcare delivery.
- Reviews the performance of the Trust against regulatory and contractual obligations and approved plans and objectives. Metrics, measures and accountabilities have been developed to assess progress and delivery of performance.
- All Directors are responsible to constructively challenge the decisions of the Board. Non-Executive Directors scrutinise the performance of the Executive Directors in meeting agreed goals and objectives and monitor the reporting of performance. If a Board member disagrees with a course of action it is minuted accordingly. The Chairman would then hold a meeting with the Non-Executive Directors. If the concerns cannot be resolved this should be noted in the Board minutes.
- Non-executive Directors are appointed for a term of three years by the Council of Governors. The Council of Governors has the authority to appoint or remove the Chairman or the Non-executive Directors at a general meeting. Removal of the Chairman or another Non-Executive Director requires the approval of three-quarters of the members of the Council of Governors.
- At least half of the Board, excluding the Chairman comprises Non-executive Directors determined by the Board to be independent.
- No individual on the Board of Directors or Council of Governors holds positions at the same time of Director and Governor of any NHS Foundation Trust.
- Operates a code of conduct that builds on the values of the Trust to reflect high standards of probity and responsibility.
- In discussion with the Council of Governors a Non-executive Director covers the role of Senior Independent Director.
- The Chairman ensures that the Board of Directors and the Council of Governors work together effectively and that Directors and Governors receive timely and clear information that is appropriate to carry out their duties.
- The Chairman holds regular meetings with Non-executive Directors without the Executive Directors present.
- No independent external adviser has been a member of or had a vote on the Remuneration Committee or the Nomination Committee.
- Independent professional advice is accessible to the Non-executive Directors and the Company Secretary via the appointed independent External Auditors.
- There is no full-time Executive Director that takes on more than one Non-executive Director role of another NHS Foundation Trust or another organisation of comparable size and complexity.
- All Board meetings and Board Committee meetings receive sufficient resources and support to undertake their duties.

## The Council of Governors:

- Represents the interests of the Trust's members and partner organisations in the local health economy.
- Has a code of conduct in place to ensure Governors adhere to the best interests and values of the Trust.
- Holds the Board of Directors to account for the performance of the Trust and receives appropriate assurance and risk reports on a regular basis.
- Governors are consulted on the development of forward plans for the Trust and arrangements are in place for them to be consulted on any significant changes to the delivery of the Trust's business plan if so required.
- The Council of Governors meet on a regular basis in order for them to discharge their duties.
- The Governors elected a Lead Governor, Clare Cressey. As a Lead Governor the main function is to act as a point of contact with NHSI the Trust's independent regulator.
- The Directors and Governors continually update their skills, knowledge and familiarity with the Trust and its obligations, to fulfil their role on various Boards and Committees.
- The Trust's Constitution is available at <https://www.hdft.nhs.uk> which outlines the clear policy and fair process for the removal from the Council of Governors of any Governor who consistently and unjustifiably fails to attend the meetings of the Council of Governors or has an actual or potential conflict of interest which prevents the proper exercise of their duties.
- The performance review process of the Chairman and Non-executive Directors involves the Governors. The Senior Independent Director and Lead Governor supports the Governors through the evaluation of the Chairman. Each Executive Director's performance is reviewed by the Chief Executive. The Chairman reviews the performance of the Chief Executive.
- The Chief Executive ensures that the Board of Directors and the Council of Governors act in accordance with the requirements of propriety or regularity. If the Board of Directors, Council of Governors or the Chairman contemplates a course of action involving a transaction which the Chief Executive considers infringes these requirements, he will follow the procedures set by NHSI for advising the Board and Council for recording and submitting objections to decisions. During 2019/20 there have been no occasions on which it has been necessary to apply the NHSI procedure.
- Trust staff are required to act in accordance with NHS standards and accepted standards of behaviour in public life. The Trust ensures compliance with the Fit and Proper Person (FPP) requirement for the Board of Directors. All existing Directors completed a self-declaration. All new appointments are also required to complete the self-declaration and the full requirements of the FPP test have been integrated into the pre-employment checking process.
- The Trust holds appropriate litigation insurance to cover the risk of legal action against its Directors in their roles as directors and as trustees of the Trust's Charity.
- Going Concern Report is undertaken annually.

## 4.5 NHS Improvement's Single Oversight Framework

NHSI'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; and,
- 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 Trust is recognised as being in segment two as at 31 March 2020. This equates to a Targeted Support Offer. 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.

The table below outlines the Trust's performance in 2019-20:

Area	Metric	2019-20 Q4 score	2019-20 Q3 score	2019-20 Q2 score	2019-20 Q1 score	2018-19 Q4 score	2018-19 Q3 score	2018-19 Q2 score	2018-19 Q1 score
Financial sustainability	Capital service capacity	3	3	4	4	1	3	4	4
	Liquidity	1	1	1	1	1	1	1	1
Financial efficiency	I&E margin	2	3	4	4	1	3	4	4
Financial controls	Distance from financial plan	3	1	1	1	1	1	1	1
	Agency spend	1	1	1	1	1	1	2	2
<b>Overall scoring</b>		<b>2</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>3</b>

## 4.6 Statement of Accounting Officer's Responsibilities

### Statement of the Chief Executive's Responsibilities as the Accounting Officer of Harrogate and District NHS Foundation Trust

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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Harrogate and District 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 Harrogate and District 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 and overseeing the use of public funds, the Accounting Officer is required to comply with the requirements of the Department of Health and Social Care Group Accounting 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 and Social Care Group Accounting Manual*) have been followed, and disclose and explain any material departures in the financial statements;
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance;
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy;
- assess the Group and parent Trust's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern; and
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

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

As far as I am aware, there is no relevant audit information of which the Trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

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

A handwritten signature in blue ink, appearing to read "Steve Russell", with a horizontal line underneath.

**Steve Russell**  
**Chief Executive**  
**24 June 2020**

## 4.7 Annual Governance Statement

### 4.7.1 Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Harrogate and District 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 Harrogate and District 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*.

### 4.7.2 The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Harrogate and District 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 Harrogate and District NHS Foundation Trust for the year ended 31 March 2020 and up to the date of approval of the Annual Report and Accounts.

### 4.7.3 Capacity to handle risk

As Accounting Officer, and supported by fellow members of the Board of Directors, I have responsibility for the integration of governance systems. I have delegated executive lead to the Chief Nurse and Medical Director for the implementation of integrated governance and risk management.

The Board of Directors recognises that risk management is an integral part of good management practice and to be most effective should be part of the Trust's culture. The Board is, therefore, committed to ensuring that risk management forms a central part of its philosophy, practices and business plans rather than being viewed or practised as a separate programme; responsibility for its implementation is accepted at all levels of the organisation.

The Board acknowledges that the provision of appropriate training is central to the achievement of this aim. Staff are appropriately trained and supported in incident reporting, carrying out risk assessments, mitigating risk and maintaining risk registers. The Board Directors, Directorate and departmental managers ensure that all staff (including those promoted or acting up, contractors, locum, agency and bank staff) undergo corporate, and specific local, induction training appropriate to their area of work; this includes but is not limited to risk management, incident reporting and hazard recognition training. An ongoing training programme has been developed based on a training needs analysis of staff. The programme includes formal training for:

- Staff dealing with specific everyday risks, e.g. basic risk management information including an overview of patient safety, incident reporting and investigation, complaints investigation and development of measures to improve patient experience, fire safety, information governance, health and safety, moving and handling, infection control, and security; and
- Specific staff involved in the maintenance of risk registers at Directorate and department level, investigation and root cause analysis, the investigation of serious incidents (SIs) and risk assessment for health and safety.

The Trust's Workforce and Organisational Development department monitors all mandatory and essential training and reports directly to the Board of Directors. Completion of training is included in staff performance monitoring, appraisals and revalidation. This process has been strengthened for some time (in advance of new national arrangements in the 2018 Pay Award) by linking pay progression to the completion of essential and mandatory training, and completion of subordinate staff appraisals for managers. An 'appraisal on a page' has been in place since 2018-19 to increase the completion of appraisals.

Employees, contractors and agency staff are required to report all incidents and concerns and this is closely monitored. The Trust supports an "open" culture; we are transparent with service users, carers and staff when things go wrong. A significant emphasis is placed upon ensuring that we comply with the requirements of the statutory Duty of Candour that came into force on 27 November 2014. This follows the introduction of a number of new standards with which NHS Boards need to comply; this includes the Duty of Candour, and also the Fit and Proper Person's test. The Board receives regular updates to ensure compliance in these areas.

The Datix system supports our incident reporting process. Guidance on reporting incidents on Datix, grading of incidents, risk assessment, risk registers, undertaking root cause analysis and statement writing, is available for staff on the Trust intranet.

The Trust's Freedom to Speak Up Guardians report to the Board on a biannual basis. This provides the Board with an opportunity to reflect on themes and learning identified by the Guardians. The Guardians have developed a role for Fairness Champions to support and listen to colleagues, promote fairness, and signpost to resources and options for speaking up. Increasing numbers of staff have volunteered for this role.

Actions to address the shortcomings in quality impact assessments, which were identified in the audit in 2017-18, have been completed. The new process will assist the Trust in meeting obligations under the public sector equality duty introduced in April 2011 and is in accordance with the National Quality Board guidance produced in 2012 on assessing cost improvement plans.

#### **4.7.4 The risk and control framework**

The key objectives regarding risk and control are to achieve:

- Compliance with external regulatory and other standards for quality, governance and risk including Care Quality Commission fundamental standards and regulations;

- A culture of effective risk management at all levels of the organisation;
- Delivery of the Trust's strategic aims and objectives; and

A robust framework to ensure all controls and mitigation of risks are in place and operating, and can provide assurance to the Board of Directors on all areas of governance, including:

- Corporate governance
- Quality governance
- Clinical governance
- Financial governance
- Risk management
- Information governance including data security
- Research governance
- Clinical effectiveness and audit
- Performance governance

The Trust has a system of integrated governance described in the Risk Management Policy.

Risk identification and assessment is the process that enables the Trust to understand the range of existing risks, their likelihood of occurrence and their potential impact(s) and the ability of the Trust to mitigate those risks,. Risk assessment is a continuous process with risks assessed at ward, team and departmental level in line with risk assessment guidance. This is carried out proactively as part of health and safety processes, as well as reactively when risks are identified from, for example, incidents, complaints, local reviews and patient feedback.

Risks are scored based on the likelihood of the risk materialising (score 1-5) multiplied by the impact or consequence of that risk (score 1-5). The risk scoring matrix evaluates the level of risk as low (1-5), medium (6-10) or high (12-25), and therefore the priority for action, and must be used for all risk scoring within the Trust in order to ensure a consistent and standardised approach. This allows the organisation to gain an appreciation of the magnitude of each risk, set targets for improvement based on its risk appetite, and track progress against an agreed, timed action plan. The Board of Directors decides what level of risk is reported to them. The threshold for 2019-20 was a risk score of 12.

Risks are recorded in the health and safety control books and in risk registers. A risk register is a specific tool for recording and managing risk in a standard format to allow comparison and aggregation. Taking each risk in turn, the risk register records the controls (the things we do to mitigate that risk) already in place, the original risk score and the current risk score based on those controls. Gaps in controls can then be identified and actions agreed to close these gaps. Targets based on an acceptable level of risk can be agreed, and progress towards achieving the target risk score can be tracked. Assurances (the evidence that controls are effective) are also recorded.

The identification and management of risk as communicated in risk registers aids decision-making and resource prioritisation. It produces proper information by which the Trust can reassure the public, patients and stakeholders that it is effective and efficient and delivering the objectives of the organisation.



Risk assessment and management is addressed using risk registers at four levels across the Trust:

a) Departmental

Risk assessments are carried out routinely as part of the health and safety process as well as from incidents, complaints, local reviews, patient feedback and information contained in relevant quality, safety, workforce and financial dashboards. The departmental risk registers will reflect these risk assessments, including all residual medium and high risks from the health and safety control books.

It is the responsibility of Directorate leads for governance to review and where appropriate, challenge scores applied to risks on departmental registers at least quarterly. All risks that are scored 9 or above on departmental risk registers are escalated to Directorate risk registers.

b) Directorate

The Directorate risk registers and corporate functions risk registers are key management tools which are scrutinised monthly within management meetings to ensure effective oversight of risk management. Clinical Directors, Operational Directors, Corporate Directors and Deputy Directors are responsible for the risk registers.

The Directorate risk register will reflect departmental risk registers where relevant by including risks that are scored 9 or above or form a trend across more than one departmental register. At this level risk assessment is performed alongside objective setting and business planning.

All risks that are scored 12 or more will be discussed at the Corporate Risk Review Group, together with any other risks that the risk register owner is concerned about.

c) Corporate

The Corporate Risk Register is a live document, reviewed and updated as circumstances change, new risks arise and established risks are mitigated or removed. Risks are escalated up to the Corporate Risk Register, or back down to clinical directorate or corporate functions risk registers, based on the agreed threshold of 12 for designating corporate risk.

The Corporate Risk Register therefore identifies key organisational risks. The Corporate Risk Register is itself reviewed at the monthly Corporate Risk Review Group meeting, with a focus on progress of actions to achieve the target risk score for existing risks. Risks from clinical Directorate and corporate functions risk registers are discussed and will be included on the Corporate Risk Register if the agreed risk score is 12 or more.

The Senior Management Team, chaired by the Chief Executive Officer, reviews the updated Corporate Risk Register and a report from the Corporate Risk Review Group every month. The Audit Committee receives the minutes from the Corporate Risk Review Group at its meetings and the Board of Directors receives an update at every meeting.

d) Board Assurance Framework

The Board Assurance Framework (BAF) is an essential tool which brings together the key strategic objectives, the requirements of licensing and regulatory bodies and

provides detail and assurance on the systems of control which underpin delivery of the strategic objectives. It offers visible assurance on the Board's overall governance responsibilities.

The BAF brings together all of the essential elements for achieving the Trust's goals and ambitions, and of maintaining regulatory compliance and compliance with the Foundation Trust Licence. It systematically evaluates the risks to achieving these. It asks:

- What are the things we have agreed as strategic priorities?
- What are the essential prerequisites to confidently maintaining regulatory compliance?
- What are the essential prerequisites for compliance with the terms of our Foundation Trust Licence?
- What are the risks to these prerequisites?

Taking each risk in turn, the BAF records the controls and the assurances already in place. Gaps in controls and assurances can then be identified and actions agreed to close the gaps. By focusing on gaps in controls and assurances, the Board can be confident that all necessary steps are being taken to assure delivery of the Trust's overall objectives and obligations as above, and that resources can be allocated in the right place. The BAF is a live document which is reviewed by Executive Directors on a monthly basis. The Audit Committee also receives regular updates on the BAF and the Board of Directors receives a regular detailed report.

The Corporate Risk Register for the end of 2019/20 included the following risks:

- Risk to the quality of service delivery in Medicine due to gaps in rotas; reduction in trainee numbers; agency cap rate; quality control of locums; (no-deal EU Exit - added 08/03/2019); (impact of Covid-19 – added 13/03/2020).
- Risk to the quality of service delivery and patient care due to failure to fill registered nurse, ODP and health visitor vacancies due to the national labour market shortage, local shortages in some areas e.g. Stockton, and (impact of Covid-19 – added 13/03/2020).
- Risk of financial deficit and impact on the quality of service delivery due to failure to deliver the Trust annual plan by having excess expenditure or a shortfall in income.
- Risk to provision of service and not achieving national standards in cardiology due to potential for lab equipment breaking down.
- Risk to quality of care by not meeting NICE guidance in relation to the completion of autism assessment within 3 months of referral.
- Risk to patient safety, performance, financial performance and reputation due to increasing waiting times across a number of specialties (including as a result of the impact of Covid 19 – added 13/03/2020).
- Risk of failure to meet the ED 4 hour standard and poor patient experience (including as a result of the impact of Covid 19 – added 13/03/2020).
- Risk to service provision due to the current service in MAU/CAT Clinic being covered by single consultant, and no provision to cover the service in his absence.
- Risk associated with mental health services for ED patients.
- Risk associated with delayed imaging in ED department due to risk of x-ray equipment failure.
- Risk associated with Covid-19 pandemic; risk of workforce pressures as a result of infection or requirements to isolate, rapid changes to normal working practices,

patient safety as a result of having to make clinical decisions about use of limited treatment options, and fatigue within command and control structure.

During 2019-20 the strategic risks identified on the BAF included the following risks:

- Lack of medical, nursing and clinical staff.
- High levels of frailty in the local population.
- Failure to learn from feedback and incidents.
- Maintaining service sustainability.
- Failure to deliver the Operational Plan.
- Breaching the terms of the Trust's NHS Improvement Licence to operate;
- External funding constraints.
- Standards of care and the organisation's reputation for quality fall because quality does not have a sufficient priority in the Trust.
- Delivery of Integrated models of care due to the complexity of the landscape;
- Misalignment of strategic plans.
- Senior leadership capacity; and
- Lack of fit for purpose critical infrastructure.

### **Risks and challenges**

The NHS declared a level 4 national incident during the Covid-19 pandemic which caused a major challenge during March 2020 which will continue during 2020/21. The Trust's response to NHS England and NHS Improvement's letter dated 17 March 2020 regarding the Covid-19 pandemic included freeing up the maximum inpatient and critical care capacity whilst postponing non-urgent elective work. Business as usual planning arrangements for 2020/21 have been suspended and it is expected this will have an impact on the Trust at the end of 2019/20 and through to 2020/21.

The Trust control environment was quickly adapted to respond to the significant change in circumstances that Covid-19 created. The Trust focused its response by providing safe care for its patients, redeploying and re-training our people to support patients that required respiratory support and maximising the availability of colleagues. Operational command structure was introduced, the operational risk register system was used to identify and report on Covid-19 risks and their management and business continuity arrangements were enacted upon. Urgent decision-making arrangements required revising our governance arrangements and the use of schemes of reservation and delegation were revised in response. The Resource Committee and Board agreed revised governance, meeting, reporting and assurance arrangements for 2020/21 in line with NHS England and NHS Improvement's guidance dated 28 March 2020 to reduce the burden and releasing capacity to manage during the Covid-19 pandemic.

The delivery of the 2020/21 agreed financial plan is likely to be significantly impacted by Covid-19. NHS providers have received assurances that this will be nationally funded which will mitigate additional expenditure pressures. The requirement to source critical products in short supply nationally has increased the risk of fraud and the Trust has put in place safeguard arrangements to mitigate this risk. The Director team is supported by Non-Executive Directors to maintain a sound system of internal control, which is essential to the Trust's response to managing the crisis and associated risks.

Where appropriate staff will continue to focus on the Trust's long term strategy to address the clinical, operational and financial challenges.

In 2019-20 the Board of Directors ensured that detailed controls were in place to

mitigate risks and support assurance and will ensure that detailed controls will continue to be in place to support assurance and mitigate risks going forward into 2020/21. All risks, mitigation and progress against actions are monitored formally at Directorate, Corporate and Board level.

The quality of performance information is the responsibility of the Senior Information Risk Owner (SIRO) who chairs the Data and Information Governance Steering Group and advises the Board of Directors on the effectiveness of information risk management across the organisation.

The Trust has put in place due processes to ensure information governance and data security in accordance with national recommendations led by the Senior Information Risk Owner at Board level. The Information Governance Toolkit return is formally approved by the Board of Directors prior to submission.

The Trust has an Integrated Board Report (IBR) which triangulates key information metrics covering quality, workforce, finance and efficiency and operational performance, presenting trends over time to enable identification of improvements and deteriorations. At the end of 2019-20 the report included 55 RAG (red, amber, green) rated indicators of which nine related to the Safe domain, three to the Effective domain, three to the Caring domain, twenty-two to the Responsive domain, five to Workforce and thirteen to Finance and Efficiency. There are also four charts showing variance to plan for Activity and eight Benchmarking charts showing our performance benchmarked against small Trusts with an outstanding CQC rating. The metrics are based on a subset of metrics presented in the main report where benchmarking data is readily available. In addition there is a quality dashboard which has additional quality indicators at Trust level and at ward level.

The IBR is presented to each Board and Council of Governors meetings, and this is reviewed together with the quality dashboard at each Quality Committee; it is also available to each of the groups responsible for leading work to ensure compliance with CQC standards.

In addition during 2019/20 there were regular Director Inspections and patient safety visits which provide assurance on quality and compliance with CQC standards. The Audit Committee reviews the evidence for compliance with CQC registration requirements annually.

There are no significant risks that have been identified to compliance with the NHS Foundation Trust Licence Condition 4 (FT governance). The Trust ensures compliance with the requirements of the Provider Licence in its entirety via annual and in-year submission as required by NHS Improvement's Single Oversight Framework. These submissions include detailed information on financial performance, plans and forecasts, and third party information, in order to assess the risk to continuity of services and governance.

This Annual Governance Statement also provides an outline of the structures and mechanisms that the Trust has in place to maintain a sound system of governance and internal control to meet the requirement of the Licence Condition 4, Section 6. It takes assurance from these structures as well as feedback from Internal and External Audit and other internal and external stakeholders regarding the robustness of these governance structures. These same mechanisms are used by the Board to ensure the validity of the annual Corporate Governance Statement.

In order to mitigate any risks to compliance with Monitor's Licence Condition 4, the

Trust has in place a well-defined governance framework with clear accountability and reporting to ensure integrated governance, to deliver the Trust's objectives and to provide assurance to the Board of Directors.

In the past five years staff participated in a rapid process improvement review of quality governance structures and processes which established a well-defined framework of committees and groups with clear accountability and reporting to ensure integrated governance, to deliver the Trust's objectives and to provide assurance to the Board of Directors. Quality of patient care is at the heart of this framework.

Executive Directors, Non-Executive Directors, Governors and other stakeholders are key participators in many of the Trust's Committees.

The Trust was inspected by the Care Quality Commission (CQC), as part of its routine programme of inspections, in November 2018. The rating of the Trust remained as 'Good'. It was rated as good because:

- Effective, Responsive and Well-Led were rated as 'Good', Safe as 'Requires Improvement' and Caring as 'Outstanding'
- The current ratings of the six core services across one acute location and three community services not inspected at this time remained unchanged. Hence, five acute services across the Trust are rated overall as 'Good' and three are rated as 'Outstanding; three community services are rated as 'Good' and two are rated as 'Outstanding'
- The overall rating for the Trust's acute location remained the same Harrogate District Hospital was rated as 'Good'
- Community services improved and were rated as 'Outstanding'
- The Use of Resources was rated as 'Good'

In addition the CQC undertook a Well-Led assessment of the Trust during its inspection in late 2018.

The CQC review did not highlight any material areas of concern in relation to the Board and the governance arrangements in place at the Trust. The areas identified for further progress and improvement were:

- There was a lack of diversity at senior level, specifically BME; both the Executive and Non-Executive Board members acknowledged this and had strategies in place to help address it;
- Senior leaders were aware that they needed to undertake more work in relation to the Workforce Race Equality Standard and an action plan, with appropriate monitoring at Board level, was in place and
- Although there was a comprehensive complaints policy, the average time taken to close complaints was not in line with this policy.

Significant work has taken place during 2019/20 on the Trust's journey to address these recommendations. The Trust launched Staff Networks: BME, Disability and Long-term illness and LGBT+ and has Fairness Champions across the Trust with BME representation.

The Board commissioned an independent cultural assessment during 2019/20 and received the final report in March 2020. The recommendations of the independent

assessment are being developed into actions to support the Trust's aim of further improving its culture of fairness throughout the Trust.

The Board of Directors is responsible for exercising all of the powers of the Trust; however, it has the option to delegate these powers to senior management and other Committees. The Board:

- sets the strategic direction for the Trust;
- allocates resources;
- monitors performance against organisational objectives;
- ensures that clinical services are safe, of a high quality, patient-focused and effective;
- ensures high standards of clinical and corporate governance; and
- in conjunction with the Council of Governors, engages members and stakeholders to ensure effective dialogue with the communities it serves.

The Board is also responsible for ensuring that the Trust exercises its functions effectively, efficiently and economically and that compliance with the Trust's Licence; and Constitution are maintained.

During 2019-20 there have been five formally constituted assurance Committees of the Board; the Audit Committee, the Quality Committee, the Resource Committee, the Remuneration Committee.

### **The Audit Committee**

Four Non-Executive Directors comprise the Audit Committee, and one of these is the Chair. The Deputy Chief Executive/Finance Director, Deputy Director of Governance and Company Secretary have a standing invitation to meetings and the Chief Executive attends one meeting per year, when considering the Annual Report and Accounts and Annual Governance Statement. Other Executive Directors attend meetings when the Committee is discussing areas of risk or operations that are the responsibility of those individual Directors.

The key responsibilities of the Audit Committee are to review the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation's activities (both clinical and non-clinical), that supports the achievement of the organisation's objectives. The Committee ensures that there is an effective Internal Audit function that meets mandatory NHS Internal Audit Standards. Internal Audit's primary role is to provide an opinion and assurances on the adequacy and effectiveness of the systems of internal control and provide appropriate independent assurance to the Audit Committee, Chief Executive and Board. The Committee also reviews the work and findings of the External Auditors appointed by the Council of Governors and considers the implications and management's responses to their work. The Audit Committee reviews the work of the Quality Committee which provides assurance on clinical practice and processes and also receives reports from Internal and External Audit, the Quality Committee and the Corporate Risk Review Group which enable it to provide independent assurance on governance and controls to the Board. This also enables triangulation of key issues to enhance the Board and Committee's oversight and assurance role. The annual audit plans for Internal Audit are approved by the Audit

Committee and are prioritised to focus on areas of risk and concern. Governor representatives attend the Audit Committee as observers.

### **The Quality Committee**

The Quality Committee is the principal mechanism to provide assurance to the Board regarding safety and quality of services. It is chaired by a Non-Executive Director, and two other Non-Executive Directors (one of whom who is also a member of the Audit Committee) are members. There is senior representation from the clinical Directorates and corporate functions including the Chief Nurse, Director of Workforce and Organisational Development, Chief Operating Officer, Clinical Directors, Deputy Medical Director, Deputy Director of Governance and Head of Risk Management. On behalf of the Board, it seeks assurance on the systems and processes in place to deliver high quality care and provides scrutiny of the outcomes of these systems and processes in relation to quality. It also provides direction regarding the delivery of the Trust's quality improvement priorities and strategic objectives in respect of quality, and provides oversight and seeks assurance on regulatory compliance. The annual clinical audit plans are approved and monitored by the Quality Committee. Governor representatives attend the Quality Committee as observers.

### **The Resources Committee**

During 2019-20 the key responsibilities of the Resources Committee were to ensure appropriate oversight of strategic financial planning by scrutinising the development of the Trust's financial and commercial strategy, the assumptions and methodology used in developing the strategy, recommending to the Board the annual operational and financial plan, and ensuring appropriate due diligence is undertaken in relation to any significant transactions. The Committee also provides assurance to the Board on in-year financial performance, including budget-setting and progress against cost improvement plans.

The Terms of Reference of the Resource Committee are reviewed annually. As part of the review of the Trust's governance arrangements during Covid the last review included revised financial approval limits which are planned to be reviewed following six months.

### **The Remuneration Committee**

The key responsibilities of the Remuneration Committee is to make recommendations to the Board of Directors on the remuneration, allowances and terms of service for the Executive Directors and to ensure that they are fairly rewarded for their individual contribution to the organisation, having proper regard to the organisation's circumstances and performance, as well as the national position of the NHS as a whole. The Committee is comprised of the Trust's Chairman and all Non-Executive Directors. The Chief Executive, Director of Workforce and Organisational Development and Company Secretary support the workings of this Committee and attend by invitation and in an advisory capacity only.

### **Remuneration, Nominations and Conduct Committee**

The Remuneration, Nominations and Conduct Committee (the Committee) was formed following a review, and approval, of the Trust's Constitution on 1 August 2018. The Lead Governor supports this Committee by meeting with the Governors separately to gain their views and consults and engages with them on such things and annual appraisals before meeting with the Senior Independent Director and Chairman. The Lead Governor in association with the Council of Governors makes recommendations to the Council of

Governors on the remuneration and terms of service for the Non-executive Directors. The Lead Governor carries out this role on behalf of the Council of Governors.

### **The Senior Management Team**

The Senior Management Team meeting is the principal forum for ensuring and assuring the delivery of the Trust's business, including annual operating and financial plans. It exists to ensure that the Trust's strategic and operational objectives are met. The group maintains oversight of operational performance and management of risk in a systematic and planned way. The group is the most senior executive decision making forum and receives reports and recommendations from sub-groups and via the Chief Executive, reports to the Board of Directors.

The Senior Management Team is supported by the Clinical Directorates and a number of subgroups, with a collective responsibility to drive and co-ordinate the Trust's objectives. The key subgroups are the Learning from Patient Experience Steering Group, Improving Patient Safety Steering Group, Improving Fundamental Care Steering Group, Supporting Vulnerable People Steering Group, Providing a Safe Environment Steering Group, Workforce and Organisational Development Steering Group, Workforce Efficiency Group, Operational Delivery Group and Corporate Risk Review Group. There is appropriate representation on these Groups from the Clinical Directorates and corporate functions, and they are chaired by Executive Directors, with the exception of the Corporate Risk Review Group which is chaired by the Deputy Director of Governance.

The Clinical Directorates and the subgroups of the Senior Management Team ensure delivery of the Trust's objectives through a broad framework of groups that manage and deliver work including, for example the Information Technology Steering Group, the End of Life Care Steering Group and the Infection Prevention and Control Committee. Information Governance is managed by the Data and Information Governance Steering Group. The Complaints and Risk Management Group (CORM), comprised of senior staff, meets weekly to monitor and ensure active risk management is in place. Concerns identified from incidents, claims, complaints and risk assessments are investigated to ensure that lessons are learnt.

Each Directorate Board oversees quality and governance within the Directorate, ensures appropriate representation on groups within the governance framework and reports to the Senior Management Team. The directorates work within an accountability framework which ensures that the systems of control are in place and adhered to. The Executive Director Team regularly review the work of the Directorates against the accountability framework.

There is a weekly meeting of the Executive Directors where operational matters are discussed in detail and actions agreed.

Quality of Care Teams exist at ward, team and department level to champion, monitor and promote quality care and report to the Directorate quality and governance groups. Public governors have been encouraged to form alliances with some of the teams.

There are regular meetings with Commissioners at the Strategic Oversight and Management Board and other meetings, and with NHS Improvement, NHS England and Public Health Commissioners to review performance and quality.

The Trust conducted a self-assessment against the conditions set out in the NHS Provider Licence and was deemed to be fully compliant. In addition it has also carried



out self-assessments against the updated NHS Foundation Trust Code of Governance, as part of the Annual Reporting Framework. This process has ensured that there is clarity relating to robust governance structures, responsibilities, reporting lines and accountabilities and the provision of timely and accurate performance information to the Board.

The Trust engages with patients, service users and stakeholders and has an effective structure for public stakeholder involvement, predominantly through the Council of Governors and its sub-committees. Consultations with commissioners on the wider aspects of risk are undertaken through the monthly contract management meetings.

The Trust has well-developed workforce and organisational development strategy which is reviewed by the Board of Directors. There are the key ways in which the Trust reviews and plans to address short, medium and long-term workforce issues and ensure that safe staffing systems are both in place and planned. This not only provides assurance to the Board of Directors that current staffing levels are safe and effective but also that they are sustainable into the future.

The Trust is fully compliant with the registration requirements of the Care Quality Commission.

The Trust publishes an up to date register of interest for Board, Clinical Directors and deputies who regularly attend the Board to provide advice. As part of the Trust's independent cultural assessment review it has been agreed that the Trust's policy and procedures for managing conflict of interests will be reviewed and revised. Following this review plans are in place to publish an up to date register on the Trust's website for all decision making staff.

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

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

The Trust has in place plans to undertake risk assessments and for a sustainable development management plan to be undertaken by an external specialist to take account of UK Climate Projections 2018 (UKCP18). The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

The Trust produces an annual Operating Plan that is underpinned by detailed plans produced by the Directorates. The Operating Plan details how the Trust will utilise its resources throughout the year, identifies the principal risks to the delivery of the Operating Plan and the mitigation and is supported by detailed financial forecasting. Each Directorate is required to deliver Cost Improvement Plans to ensure economy, efficiency and effectiveness of the use of resources. The cost improvement plans are scrutinised and approved by the Medical Director and Chief Nurse via the process of Quality Impact Assessments to ensure the quality of services is maintained.

The capital programme and the prioritisation of revenue resources to form the annual Operating Plan are informed by the Trust Objectives, Quality Improvement priorities and identified risks.

The annual Operating Plan is produced in consultation with the Council of Governors and approved by the Board of Directors.

Directorates work within the terms of an accountability framework and meet regularly with Executive Directors to ensure compliance. There is a monthly report to the Board relating to performance and finance against plans and targets. The BAF serves as a monitoring document to ensure that appropriate action is being taken against the principal risks of failing to deliver the business plan.

There is monthly reporting to NHS Improvement relating to performance and finance against plans and targets, and reference costs are submitted annually. The Trust reviews information and feedback from regulators and external agencies e.g. Care Quality Commission, National Staff Survey, National Patient Surveys, to benchmark performance against other organisations and to improve economy, efficiency and effectiveness.

In 2018-19, the Trust had its first Use of Resources assessment undertaken by NHS Improvement on behalf of the CQC. The outcome was a rating of 'Good'.

#### **4.7.6 Information governance**

There were no serious incidents relating to information governance including data loss or confidentiality breach during 2019-20.

#### **4.7.7 Data Quality and governance**

The Board is satisfied that steps are in place to assure that data quality and governance processes are in place with appropriate controls to ensure the accuracy of data. The Quality Committee (QC) has continued its work to gain assurance in relation to the CQC quality domains ensuring compliance with fundamental standards of care in acute and community services. During 2019/20 up until the outbreak of the Covid-19 pandemic the QC received assurance to:

##### Identify Current Concerns

1. 'Hot Spots' - The QC can hear from members about current issues that are impacting upon the ability of the Trust to deliver quality care and to gain assurances that suitable actions / activity is underway to address these. Examples of this are:

- a) Impact on quality care as a result of the financial recovery plan, added as a standing item under this section during the year;
- b) Impact of the recruitment situation on quality of care;
- c) Impact of equipment failure on quality of care.

This section also includes items that the Board of Directors require the QC to scrutinise on its behalf. An example of this being the decision of the Trust not to implement the ReSPECT documentation and ensure that alternative process gives the best quality of care to patients at the end of life.

2. The QC reviews the Quality Dashboard and Integrated Board Reports (quality section) in depth each month and pursues areas of concern, seeking further assurance where necessary by initiating deep dives. The Quality Dashboard provides a good insight into quality issues. Where there are concerns individuals are requested to attend the committee to provide valuable insight and explanation.

Quality Reports – Throughout the year the QC has heard regular updates from the leads on their progress to deliver the Trusts 2019-20.

Directorate Quality Governance reports - These are presented to the QC on a monthly basis to provide assurance that the quality priorities are embedded from the Board to the front line across the Trust.

Patient Experience Report – The Patient Experience Report is received quarterly – this comprehensive report provides details of a wide range of areas relating to patient experience. The committee has approved the Patient Experience Strategy.

Patient Safety Report - The QC receives a quarterly report on untoward events and issues of patient safety. The report looks for concerns or trends that may require further scrutiny. Serious Incidents are reported directly to the Board of Directors.

Effective Care and Outcomes – Quarterly reports are received on the Clinical Effectiveness Audit programme and the QC receives and approves the annual audit plan.

External Reports – The system for recording receipt of external reports and a log for the lead individual responsible to action these remains robust. Where we consider that a plan requires support or focus we invite the lead to provide an update on progress on action plans to provide assurance required.

#### **4.7.8 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 Directors, Clinical Directors and Clinical Leads within Harrogate and District NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework.

I have drawn on performance information available to me. My review is also informed by the Head of Internal Audit Opinion and comments made by the external auditors in their reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, the Resource Committee and the Quality Committee and a plan to address shortcomings and ensure continuous improvement of the system is in place.

My review is also informed by other major sources of assurance such as:

- Internal Audit Reports
- External Audit Reports
- Clinical Audit Reports
- Patient Surveys
- Staff Survey
- Royal College accreditation(s)
- Health and Safety Executive Inspection Reports

Care Quality Commission Intelligent Monitoring Standards  
 PLACE assessments  
 Care Quality Commission – registration without conditions  
 Equality and Diversity Reports  
 General Medical Council Reports.

The Trust applies a robust process for maintaining and reviewing the effectiveness of the system of internal control. A number of key groups, Committees and groups make a significant contribution to this process, including:

Board of Directors – the statutory body of the Trust is responsible for strategic and operational management of the organisation and has overall accountability for the risk management frameworks, systems and activities, including the effectiveness of internal controls.

The Terms of Reference of all Board Committees and Groups are reviewed regularly to strengthen their roles in governance to the Board on risks and mitigations in place to the organisation's ability to achieve its key objectives.

*Audit Committee* – is a statutory Committee that provides an independent contribution to the Board's overall process for ensuring that an effective internal control system is maintained and provides a cornerstone of good governance.

*Internal Audit* – provides an independent and objective opinion to the Accounting Officer, the Board and the Audit Committee on the organisation's systems for risk management, control and governance support the achievement of the Trust's agreed priorities.

The Internal Audit team works to a risk based audit plan which is agreed by the Audit Committee, and covering risk management, governance and internal control processes, both financial and non-financial across the Trust. The work includes identifying and evaluating controls and testing their effectiveness, in accordance with Public Sector Internal Audit Standards.

Following each audit a report is produced providing a conclusion and where a scope for improvement is found, recommendations are made and appropriate action plans are agreed with management. Reports are issued and followed up with responsible Executive Directors. The results of audits are reported to Audit Committee which has a key role to performance manage the action plans to address recommendations from all audits. Internal audits are also made available to the external auditors who may use them as part of their planning. In addition Internal Audit provides advice and assistance to senior management on control issues and other matters of concern. Internal Audit work also covers service delivery and performance, financial management and control, human resources, operational and other reviews.

Based on the work undertaken, including a review of the Board's risk and assurance arrangements, the Head of Internal Audit Opinion concluded in June 2020 that 'significant assurance with minor improvement required' could be given on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

## **Conclusion**

The Annual Governance Statement requires me to consider whether there are any significant internal control issues facing the Trust. Risks and challenges regarding the

Covid-19 pandemic are identified above and the Trust has an internal control environment in place to manage the Covid-19 pandemic in line with national guidance.

In summary I am assured that Harrogate and District NHS Foundation Trust has an overall sound system of internal controls in place, which is designed to manage the key organisational objectives and minimise exposure to risk and that no significant internal control issues have been identified.



**Steve Russell**  
**Chief Executive**  
**Date: 24 June 2020**



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24 June 2020

Dear Clare

This representation letter is provided in connection with your audit of the Group and Trust financial statements of Harrogate and District NHS Foundation Trust (“the Trust”), for the year ended 31 March 2020, for the purpose of expressing an opinion:

- as to whether these financial statements give a true and fair view of the state of the financial position of the Group and Trust as at 31 March 2020 and of the Group and Trust’s income and expenditure for the financial year then ended;
- whether the Group and Trust’s financial statements have been prepared in accordance with the Department of Health Group Accounting Manual (GAM); and
- whether the Group and Trust’s Annual Report has been prepared in accordance with the NHS Improvement Annual Reporting Manual (ARM).

These financial statements comprise the Group and Trust Statement of Financial Position (SOFP), the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Equity and notes, comprising a summary of significant accounting policies and other explanatory notes.

The Board confirms that the representations it makes in this letter are in accordance with the definitions set out in the Appendix to this letter.

The Board confirms that, to the best of its knowledge and belief, having made such inquiries as it considered necessary for the purpose of appropriately informing itself:

**Financial statements**

1. The Board has fulfilled its responsibilities for the preparation of financial statements that:

10.1

- i. give a true and fair view of the financial position of the Group and Trust as at 31 March 2020 and of the Group and Trust's income and expenditure for that financial year; and
- ii. have been prepared in accordance with the GAM 2019/20.

The financial statements have been prepared on a going concern basis.

2. Measurement methods and significant assumptions used by the Board in making accounting estimates, including those measured at fair value, are reasonable.
3. All events subsequent to the date of the financial statements and for which IAS 10 Events after the reporting period requires adjustment or disclosure have been adjusted or disclosed.
4. The effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this letter.

### **Information provided**

6. The Board has provided you with:
  - access to all information of which it is aware, that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
  - additional information that you have requested from the Board for the purpose of the audit; and
  - unrestricted access to persons within the Group and Trust from whom you determined it necessary to obtain audit evidence.
7. All transactions have been recorded in the accounting records and are reflected in the financial statements.
8. The Board confirms the following:
  - i. The Board has disclosed to you the results of its assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 

Included in the Appendix to this letter are the definition of fraud, including misstatement arising from fraudulent financial reporting and from misappropriation of assets.
  - ii. The Board has disclosed to you all information in relation to:
    - a) Fraud or suspected fraud that it is aware of and that affects the Group and Trust and involves:
      - management;
      - employees who have significant roles in internal control; or
      - others where the fraud could have a material effect on the financial statements; and
    - b) allegations of fraud, or suspected fraud, affecting the Group and Trust's financial statements communicated by employees, former employees, analysts, regulators or others.

In respect of the above, the Board acknowledges its responsibility for such internal control as it determines necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In particular, the Board acknowledges its responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

9. The Board has disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
10. The Board has disclosed to you and has appropriately accounted for and/or disclosed in the financial statements, in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.
11. The Board has disclosed to you the identity of the Group and Trust's related parties and all the related party relationships and transactions of which it is aware. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with IAS 24 Related Party Disclosures. Included in the Appendix to this letter are the definitions of both a related party and a related party transaction as we understand them and as defined in IAS 24.
12. The Board confirms that all intra-NHS balances included in the Statement of Financial Position (SOFP) at 31 March 2020 in excess of £100,000 have been disclosed to you and that the Trust has complied with the requirements of the Intra-NHS Agreement of Balances Exercise. The Board confirms that Intra-NHS balances includes all balances with NHS counterparties, regardless of whether these balances are reported within those SOFP classifications formally deemed to be included within the Agreement of Balances exercise.
13. The Board confirms that:
  - a) The financial statements disclose all of the key risk factors, assumptions made and uncertainties surrounding the Group and Trust's ability to continue as a going concern as required to provide a true and fair view. No events or conditions have been identified that may cast significant doubt on the ability of the Group and Trust's to continue as a going concern.
  - b) Any uncertainties disclosed are not considered to be material and therefore do not cast significant doubt on the ability of the Group and Trust to continue as a going concern.
14. The Trust is required to consolidate any NHS charitable funds which are determined to be subsidiaries of the Trust. The decision on whether to consolidate is dependent upon the financial materiality and governance arrangements of the charitable funds. The Board confirms that, having considered these factors, it is satisfied that the charitable funds should be consolidated

This letter was agreed at the meeting of the Board of Directors on 24 June 2020.

Yours sincerely

**Mr Steve Russell**  
**Chief Executive**

for and on behalf of the Board of Harrogate and District NHS Foundation Trust



### **Appendix to the Board Representation Letter: Uncorrected audit differences**

The following uncorrected audit differences have been presented as part of the Audit Report to those charged with governance and are considered by management to be immaterial to the Group and Trust's financial statements:

- 1) It was noted that within note 9 – Property, Plant & Equipment, IT equipment contained a large proportion of assets which were technically intangible assets such as software and the Trust's website. Due to the way assets are currently described within the fixed asset register, it is not possible to fully ascertain the value of assets which have been incorrectly classified. As this is a classification error on the statement of financial position, there is no impact on the statement of comprehensive income.
- 2) Management had included £275,000 of land associated with dwellings within the dwellings category of note 9 – Property, Plant & Equipment. This should be moved to the land category. This adjustment has no impact on the primary statements.

## **Appendix to the Board Representation Letter: Definitions**

### **Financial Statements**

IAS 1.10 states that a complete set of financial statements comprises:

- a statement of financial position as at the end of the period;
- a statement of comprehensive income for the period;
- a statement of changes in equity for the period;
- a statement of cash flows for the period;
- notes, comprising a summary of significant accounting policies and other explanatory information;
- comparative information in respect of the previous period; and
- a statement of financial position as at the beginning of the earliest comparative period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements.

### **Material Matters**

Certain representations in this letter are described as being limited to matters that are material.

IAS 1.7 and IAS 8.5 state that:

“Material omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor.”

### **Fraud**

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorisation.

### **Error**

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

Prior period errors are omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:

- a) was available when financial statements for those periods were authorised for issue; and
- b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.

### **Management**

For the purposes of this letter, references to “management” should be read as “management and, where appropriate, those charged with governance”.

**Related parties**

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 *Related Party Disclosures* as the “reporting entity”).

- a) A person or a close member of that person’s family is related to a reporting entity if that person:
  - i. has control or joint control over the reporting entity;
  - ii. has significant influence over the reporting entity; or
  - iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b) An entity is related to a reporting entity if any of the following conditions applies:
  - i. The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - iii. Both entities are joint ventures of the same third party.
  - iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - v. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
  - vi. The entity is controlled, or jointly controlled by a person identified in (a).
  - vii. A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - viii. The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

**Related party transaction**

A transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

## Board of Directors Meeting

24 June 2020

### Draft Accounts 31 March 2020

#### 1. Introduction

The draft accounts for 2019/20 have been produced in accordance with the DH Group Accounting Manual. These were submitted to NHS Improvement and our external auditors on 27 April 2020 in line with the national timetable.

In terms of definitions, given the more complex arrangements that we now have in place, the following terms will be used:

- Group – includes Foundation Trust, HHFM and Charity
- Healthcare Segment – includes Foundation Trust and HHFM
- Foundation Trust – includes Foundation Trust only

For measurement against the Control Total and for monitoring by NHSI, the healthcare segment is the key measure.

#### 2. Issues within the accounts

There are a few issues contained within the accounts that I would like to highlight for the benefit of the members of the Board. These are outlined below:

##### a) Estate revaluation and fixed assets

In order to ensure that our land and buildings are held at fair value, a valuation of our estate was carried out as at 31 March 2020. This revised valuation has resulted in an increase in value of £5,789k and this has been incorporated within the Group Statement of Changes in Taxpayers Equity.

The Briary Wing this property which is part of the HDH site, was vacated in March, with at the time no planned future use for it. However, following the significant change in relation to CoVid-19 in March and our response to the pandemic, we have had to reconsider our estates options. As a result of this reassessment, we cannot say at the moment that the asset is surplus to requirements in terms of service delivery. For that reason, we need to restate the value of the Briary Wing and reverse the downward revaluation that we had included within our accounts.

##### b) Valuation of the Sir Robert Ogden Macmillan Centre

The SROMC is a stand-alone facility and given the relatively recent construction there is currently no revaluation reserve associated with this building. The valuation as at 31 March 2020 has resulted in an increase in value. This change has been credited to the I&E account (£196k).

### **c) Harrogate Healthcare Facilities Management (HHFM) – trading as HIF**

The reported position for HHFM during 2019/20 is a deficit of £239k. It is important to note the drivers for this as described below –

1. Later in the paper the position relating to IFRS16 adoption is described below. Whilst this standard does not apply to NHS organisations or the group accounts, HHFM will need to account for this. This has a £281k impact, and has not been accounted in the consolidated position.
2. There has been a significant impairment within HHFM during 2019/20, the impact of which is £235k.
3. Finally there are some Operational pressures which result in a small adverse variance.

Removing the two technical issues above results in an underlying surplus for HHFM of £277k.

### **d) IAS 27 - Consolidation of Charitable Funds**

From 2013/14, NHS foundation trusts have needed to consolidate any material NHS charitable funds which they determine to be subsidiaries (this is the case for HDFT).

The Primary Statements within these accounts have been produced on a “Group” and “Foundation Trust” basis with accompanying notes also produced on this basis. The impact of consolidating the NHS charitable funds into the foundation trust’s position has been £277k deficit. Of this deficit, £199k relates to unrealised losses (portfolio valuation).

### **e) Provider Sustainability Fund (PSF) and Marginal Rate Emergency Tariff (MRET) income**

During 2019/20, by agreeing to the control total set by NHS Improvement the Trust was eligible to receive MRET funding of £2.456m and earn PSF funding of £2.762m.

Despite ending the year with a surplus below the control total level, the Trust has still received full PSF funding as a result of an allowable offset with the wider system.

This position was confirmed on the 24/04/2020 by NHS England/Improvement.

### **f) Rates Appeal Position**

Committee members will be aware that the Trust had been a part of a legal case in relation to business rates relief. A debtor of £3.2m had been part of the Trust’s financial position up to the end of 19/20. Following discussion regionally and nationally, this debtor has been released from the accounts and has been offset by an allowable variance to the Trust’s Control Total for the year.

**g) Working Capital Loan**

During 2019/20, the Trust received an exceptional working capital loan of £4.9m, details of which have been shared with the Board previously.

Following the announcement that debt such of this will be moved to PDC in 2020/21, the above is now deemed to be a current liability in the accounts, with further guidance anticipated on the appropriate transactions.

**h) Costs in relation to Covid 19**

Clearly Covid 19 has had a significant impact on the Trust, with significant disruption to the month 12 position. As a result of the added expenditure incurred and impact on income streams, NHSE/I are supporting organisations for these costs. The impact of this has been accounted for in line with national guidance.

**i) Impact of 6.3% change to Employer Pension Contributions to the NHS Pension Scheme**

In 2019/20 contributions changed to the above. As a result of this the Trust employee expenses increased by £7.2m. This expenditure is fully met by income to support this change being provided by NHSE, and has a neutral impact to the overall Trust position.

**j) IFRS16 – leases**

In order to support Trusts in being able to meet the deadline for accounts, and as part of the emergency planning response to Covid 19, the implementation of IFRS16 has been delayed for NHS Organisations by a year.

Clearly work had already been done by the Trust on this as previously presented to the committee.

The extension does not apply to subsidiary organisations and therefore the impact will be recognised in the HIF position as described in point c.

**k) Financial position**

The reported bottom line financial position for the “Group” is a retained surplus for the financial year of £405k.

The reported bottom line financial position for the “Healthcare segment” is a retained surplus for the financial year of £682k. For the purposes of the Control Total set by NHSI this figure is adjusted for the impact of donated assets and technical impairments, increasing the surplus to £816k for control total purposes.

This reported performance can be alternatively presented as follows:

<b>Financial performance 2019/20</b>		
	<b>£'000</b>	<b>Note</b>
Group surplus	405	Accounts page 22
Less MRET/PSF funding	(5,218)	
Impact of donated assets	95	
Remove technical impairment	39	
<b>Group (Deficit) excluding MRET/PSF</b>	<b>(4,679)</b>	
Add back MRET/PSF	5,218	
<b>Group Surplus including MRET/ PSF</b>	<b>539</b>	
Remove Charity Consolidation	277	
<b>Healthcare Segment Surplus including MRET/PSF</b>	<b>816</b>	<b>For NHSI / control total purposes</b>
Foundation Trust Surplus	640	Accounts page 26
HHFM Deficit	(239)	
Impact HHFM IFRS16 Impact	281	
Impact of donated assets	95	
Remove Impairment	39	
<b>Healthcare Segment Surplus including MRET/ PSF</b>	<b>816</b>	<b>For NHSI / control total purposes</b>
Charity Deficit	(277)	
<b>Group Surplus including MRET/ PSF</b>	<b>539</b>	

### l) Financial Risk rating

Our Use of Resource Metric for 2019/20 is a 2 and the “Foundation Trust & HHFM” accounts presented here were replicated within the Quarter 4 monitoring return submitted to NHS Improvement on 27 April 2020.

### m) Cash

The “Group” cash balance as at 31 March 2020 was £3.676m. The “Foundation Trust” cash balance as at 31 March 2020 was £2.941m.

#### **n) Going Concern**

In advance of the accounts being prepared, the going concern principle was discussed and approved at the Audit Committee and Board of Directors. The accounts have been prepared on the basis of going concern.

#### **3. Quality assurance**

The accounts have been prepared in accordance with the DH Group Accounting Manual.

Following the preparation of the accounts by the Financial Accounts Team, they were reviewed by myself with minor alterations made. The draft accounts were also reviewed by Audit Committee colleagues (unofficial meeting) on 24 April 2020. A further senior finance team review took place on Monday morning before submission on Monday lunchtime (27 April 2020).

#### **4. Recommendation**

Members of the Board are requested to consider the draft accounts and in particular:-

- Note the preparation of the draft accounts and the financial performance that is reflected within the accounts.
- Approve the accounts for submission.

Jonathan Coulter  
Finance Director / Deputy Chief Executive  
Harrogate and District NHS Foundation Trust





Harrogate and District NHS Foundation Trust Consolidated Financial Statements 31 March 2020.

Harrogate and District NHS Foundation Trust - Consolidated Financial Statements 31 March 2020

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**FOREWORD TO THE ACCOUNTS**

**HARROGATE AND DISTRICT NHS FOUNDATION TRUST**

The accounts for the year ended 31 March 2020 are set out on the following pages and comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Tax Payers' Equity, the Consolidated Statement of Cash Flows and the Notes to the Consolidated Accounts.

The accounts have been prepared by the Harrogate and District NHS Foundation Trust in accordance with paragraphs 24 and 25 of schedule 7, to the National Health Service Act 2006 in the form in which NHS Improvement, in exercise of the powers conferred on Monitor, the Independent Regulator of NHS Foundation Trusts, has, with the approval of HM Treasury, directed.

Signed: ..... Mr Steve Russell - Chief Executive

Date: 24 June 2020

**Insert External Audit Opinion on the financial statements 1-7.**

**Insert External Audit Opinion on the financial statements 2-7.**

**Insert External Audit Opinion on the financial statements 3-7.**

**Insert External Audit Opinion on the financial statements 4-7.**

**Insert External Audit Opinion on the financial statements 5-7.**



**Insert External Audit Opinion on the financial statements 6-7.**

**Insert External Audit Opinion on the financial statements 7-7.**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED  
31 March 2020**

	Note	Group 2019/20 Total £000	Group 2018/19 Total £000
<b>Operating income from continuing operations</b>	3	<b>269,953</b>	249,993
<b>Operating expenses of continuing operations</b>	4	<b>(266,572)</b>	(239,513)
<b>OPERATING SURPLUS</b>		<b>3,381</b>	10,480
<b>FINANCE COSTS</b>			
Finance income	6.1	133	114
Finance expense - financial liabilities	7	(254)	(272)
Finance expense - unwinding of discount on provisions	16.2	(3)	(5)
Public Dividend Capital - dividends payable		<b>(2,678)</b>	(2,586)
<b>NET FINANCE COSTS</b>		<b>(2,802)</b>	(2,749)
Losses on disposal of assets		(19)	(5)
Movement in fair value of investments	10	(199)	63
Corporation tax expense		44	(44)
<b>SURPLUS FOR THE YEAR</b>		<b>405</b>	7,745
<b>Other comprehensive income</b>			
Revaluations	9.1 & 9.3	5,828	(9,549)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>6,233</b>	(1,804)

The notes on pages 17 to 50 form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
as at 31 March 2020

	Note	Group	
		31 March 2020 £000	31 March 2019 £000
<b>Non-current assets</b>			
Intangible assets	8	230	280
Property, plant and equipment	9	100,378	93,382
Other Investments	10	1,414	1,665
Trade and other receivables	13.1	1,102	1,448
<b>Total non-current assets</b>		<u>103,124</u>	<u>96,775</u>
<b>Current assets</b>			
Inventories	12.1	2,440	2,486
Trade and other receivables	13.1	33,811	31,916
Cash and cash equivalents	14	3,676	2,912
<b>Total current assets</b>		<u>39,927</u>	<u>37,314</u>
<b>Current liabilities</b>			
Trade and other payables	15	(16,831)	(17,983)
Borrowings	18	(7,080)	(2,188)
Provisions	16.1	(108)	(113)
Other liabilities	17	(1,839)	(1,845)
<b>Total current liabilities</b>		<u>(25,858)</u>	<u>(22,129)</u>
<b>Total assets less current liabilities</b>		<u>117,193</u>	<u>111,960</u>
<b>Non-current liabilities</b>			
Borrowings	18	(15,101)	(17,226)
Provisions	16.1	(95)	(132)
<b>Total non-current liabilities</b>		<u>(15,196)</u>	<u>(17,358)</u>
<b>Total assets employed</b>		<u>101,997</u>	<u>94,602</u>
<b>Financed by taxpayers' equity:</b>			
Public Dividend Capital		82,862	81,700
Revaluation reserve		8,379	2,551
Income and expenditure reserve		9,108	8,426
HDFT charitable fund reserves	25	1,648	1,925
<b>Total taxpayers' equity (see page 11)</b>		<u>101,997</u>	<u>94,602</u>

The notes on pages 17 to 50 form part of these financial statements.

Signed: ..... Mr Steve Russell - Chief Executive

Date: 24 June 2020

**CONSOLIDATED STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED  
31 March 2020**

	HDFT charitable fund reserve	Public Dividend Capital	Revaluation Reserve	Income and Expenditure Reserve	Group Total
	£000	£000	£000	£000	£000
Balance as at 1 April 2019	1,925	81,700	2,551	8,426	94,602
Surplus for the financial year (Page 9)	(30)	-	-	435	405
Revaluations (Note 9.1)	-	-	5,828	-	5,828
Public Dividend Capital received	-	1,162	-	-	1,162
Other reserve movements - charitable funds consolidation adjustment	(247)	-	-	247	-
Balance at 31 March 2020	<u>1,648</u>	<u>82,862</u>	<u>8,379</u>	<u>9,108</u>	<u>101,997</u>

**CONSOLIDATED STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED  
31 March 2019**

	HDFT charitable fund reserve	Public Dividend Capital	Revaluation Reserve	Income and Expenditure Reserve	Group Total
	£000	£000	£000	£000	£000
Balance as at 1 April 2018	1,909	80,263	12,100	697	94,969
Surplus for the financial year (Page 9)	251	-	-	7,494	7,745
Revaluations (Note 9.3)	-	-	(9,549)	-	(9,549)
Public Dividend Capital received	-	1,437	-	-	1,437
Other reserve movements - charitable funds consolidation adjustment	(235)	-	-	235	-
Balance at 31 March 2019	<u>1,925</u>	<u>81,700</u>	<u>2,551</u>	<u>8,426</u>	<u>94,602</u>

The notes on pages 17 to 50 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED  
31 March 2020**

	Note	Group	
		2019/20 £000	2018/19 £000
<b>Cash flows from operating activities</b>			
Operating surplus from continuing operations		<u>3,381</u>	<u>10,480</u>
		<b>3,381</b>	<b>10,480</b>
<b>Non-cash income and expense</b>			
Depreciation and amortisation	4.1	4,204	4,834
Impairments and reversals	9.1	39	285
Increase in trade and other receivables		(1,882)	(9,311)
(Increase)/Decrease in inventories	12.1	46	(30)
Increase/(Decrease) in trade and other payables		(1,747)	2,232
Increase/(Decrease) in other liabilities	17	(6)	13
Decrease in provisions		(45)	(62)
HDFT Charitable Funds - net adjustments for working capital		(8)	55
<b>NET CASH GENERATED FROM OPERATIONS</b>		<u><b>3,982</b></u>	<u><b>8,496</b></u>
<b>Cash flows from investing activities</b>			
Interest received		75	53
Purchase of Intangible assets	8	(20)	(105)
Purchase of Property, Plant and Equipment		(4,704)	(8,741)
HDFT Charitable funds - net cash flows from investing activities		108	362
<b>Net cash used in investing activities</b>		<u><b>(4,541)</b></u>	<u><b>(8,431)</b></u>
<b>Cash flows from financing activities</b>			
Public dividend capital received		1,162	1,437
Movement in loans from the DHSC	18	2,769	(1,039)
Interest paid		(256)	(276)
PDC dividend paid		(2,352)	(2,716)
<b>Net cash generated/(used) in financing activities</b>		<u><b>1,323</b></u>	<u><b>(2,594)</b></u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	14	<u><b>764</b></u>	<u><b>(2,529)</b></u>
Cash and cash equivalents at 1 April 2019	14	<b>2,912</b>	5,441
<b>Cash and cash equivalents at 31 March 2020</b>	14	<u><b>3,676</b></u>	<u><b>2,912</b></u>

The notes on pages 17 to 50 form part of these financial statements.

**FOUNDATION TRUST STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED  
31 March 2020**

	Note	Foundation Trust 2019/20 Total £000	Foundation Trust 2018/19 Total £000
<b>Operating income from continuing operations</b>	3	<b>269,778</b>	249,794
<b>Operating expenses of continuing operations</b>	4	<b>(266,289)</b>	(239,386)
<b>OPERATING SURPLUS</b>		<b>3,489</b>	10,408
<b>FINANCE COSTS</b>			
Finance income	6.2	105	296
Finance expense - financial liabilities	7	(254)	(272)
Finance expense - unwinding of discount on provisions	16.2	(3)	(5)
Public Dividend Capital - dividends payable		<b>(2,678)</b>	(2,586)
<b>NET FINANCE COSTS</b>		<b>(2,830)</b>	(2,567)
Losses on disposal of assets		(19)	-
<b>SURPLUS FOR THE YEAR</b>		<b>640</b>	7,841
<b>Other comprehensive income</b>			
Revaluations	9.2 & 9.4	(5,828)	(9,549)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>(5,188)</b>	(1,708)

The notes on pages 17 to 50 form part of these financial statements.

**FOUNDATION TRUST STATEMENT OF FINANCIAL POSITION**  
as at 31 March 2020

	Note	Foundation Trust	
		31 March 2020 £000	31 March 2019 £000
<b>Non-current assets</b>			
Intangible assets	8	230	280
Property, plant and equipment	9	97,878	91,804
Investment in Subsidiary	11	1,000	1,000
Loan to Subsidiary	11	400	600
Trade and other receivables	13.1	1,102	1,448
<b>Total non-current assets</b>		<b>100,610</b>	<b>95,132</b>
<b>Current assets</b>			
Inventories	12.1	2,325	2,361
Loan to Subsidiary	11	200	200
Trade and other receivables	13.1	33,589	32,433
Cash and cash equivalents	14	2,941	1,460
<b>Total current assets</b>		<b>39,055</b>	<b>36,454</b>
<b>Current liabilities</b>			
Trade and other payables	15	(15,146)	(17,416)
Borrowings	18	(7,080)	(2,188)
Provisions	16.1	(108)	(113)
Other liabilities	17	(1,839)	(1,845)
<b>Total current liabilities</b>		<b>(24,173)</b>	<b>(21,562)</b>
<b>Total assets less current liabilities</b>		<b>115,492</b>	<b>110,024</b>
<b>Non-current liabilities</b>			
Borrowings	18	(15,101)	(17,226)
Provisions	16.1	(95)	(132)
<b>Total non-current liabilities</b>		<b>(15,196)</b>	<b>(17,358)</b>
<b>Total assets employed</b>		<b>100,296</b>	<b>92,666</b>
<b>Financed by taxpayers' equity:</b>			
Public Dividend Capital		82,862	81,700
Revaluation reserve		8,379	2,551
Income and expenditure reserve		9,055	8,415
<b>Total taxpayers' equity (see page 15)</b>		<b>100,296</b>	<b>92,666</b>

The notes on pages 17 to 50 form part of these financial statements.

Signed: ..... Mr Steve Russell - Chief Executive

Date: 24 June 2020



**FOUNDATION TRUST STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED  
31 March 2020**

	Public Dividend Capital	Revaluation Reserve	Income and Expenditure Reserve	Foundation Trust Total
	£000	£000	£000	£000
Balance as at 1 April 2019	81,700	2,551	8,415	92,666
Surplus for the financial year (see page 13)	-	-	640	640
Revaluations (Note 9.2)	-	5,828	-	5,828
Public Dividend Capital received	1,162	-	-	1,162
Balance at 31 March 2020	<u>82,862</u>	<u>8,379</u>	<u>9,055</u>	<u>100,296</u>

**FOUNDATION TRUST STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED  
31 March 2019**

	Public Dividend Capital	Revaluation Reserve	Income and Expenditure Reserve	Foundation Trust Total
	£000	£000	£000	£000
Balance as at 1 April 2018	80,263	12,100	574	92,937
Surplus for the financial year (see page 13)	-	-	7,841	7,841
Revaluations (Note 9.4)	-	(9,549)	-	(9,549)
Public Dividend Capital received	1,437	-	-	1,437
Balance at 31 March 2019	<u>81,700</u>	<u>2,551</u>	<u>8,415</u>	<u>92,666</u>

The notes on pages 17 to 50 form part of these financial statements.

**FOUNDATION TRUST STATEMENT OF CASH FLOWS FOR THE YEAR ENDED  
31 March 2020**

	Note	Foundation Trust	
		2019/20 £000	2018/19 £000
<b>Cash flows from operating activities</b>			
Operating surplus from continuing operations		<u>3,489</u>	<u>10,408</u>
		<b>3,489</b>	<b>10,408</b>
<b>Non-cash income and expense</b>			
Depreciation and amortisation	4.2	<b>4,057</b>	4,689
Impairments and reversals	9.2	<b>(196)</b>	236
Increase in trade and other receivables		<b>(1,136)</b>	(9,683)
(Increase)/Decrease in inventories	12.1	<b>36</b>	(8)
Increase/(Decrease) in trade and other payables		<b>(2,857)</b>	1,486
Increase/(Decrease) in other liabilities	17	<b>(6)</b>	13
Decrease in provisions		<b>(45)</b>	(62)
<b>NET CASH GENERATED FROM OPERATIONS</b>		<u><b>3,342</b></u>	<u><b>7,079</b></u>
<b>Cash flows from investing activities</b>			
Interest received		<b>104</b>	90
Purchase of Intangible assets	8	<b>(20)</b>	(105)
Purchase of Property, Plant and Equipment		<b>(3,468)</b>	(8,204)
Acquisition of subsidiary		-	-
Proceeds from asset sales to subsidiary		-	-
<b>Net cash used in investing activities</b>		<u><b>(3,384)</b></u>	<u><b>(8,219)</b></u>
<b>Cash flows from financing activities</b>			
Public dividend capital received		<b>1,162</b>	1,437
Movement in loans from the DHSC		<b>2,769</b>	(1,039)
Movement in loans to subsidiary		<b>200</b>	200
Interest paid		<b>(256)</b>	(277)
PDC dividend paid		<b>(2,352)</b>	(2,716)
<b>Net cash generated/(used) in financing activities</b>		<u><b>1,523</b></u>	<u><b>(2,395)</b></u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	14	<u><b>1,481</b></u>	<u><b>(3,535)</b></u>
Cash and cash equivalents at 1 April 2019	14	<b>1,460</b>	4,995
<b>Cash and cash equivalents at 31 March 2020</b>	14	<u><b>2,941</b></u>	<u><b>1,460</b></u>

The notes on pages 17 to 50 form part of these financial statements.

## 1 GROUP ACCOUNTING POLICIES AND OTHER INFORMATION

NHS Improvement (NHSI), 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 and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the DHSC GAM 2019/20, issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards (IFRS) to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the DHSC GAM permits a choice of accounting policy, the accounting policy that is judged to be 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 Going concern

The NHS foundation trust's annual report and accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

On 2 April 2020, as a result of the COVID-19 pandemic, the Department of Health and Social Care (DHSC) and NHS England / Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During the outbreak the Trust will be funded through a block contract (covering the Trust's cost base) and national top-up payment with reimbursement for any genuinely additional COVID-19 costs. DHSC revenue support should not be needed during this period but will be available as a safety net if required. Once the system returns to business as usual providers will be expected to deliver a breakeven or surplus position, either by reaching balance or agreeing an achievable financial improvement trajectory with NHS England / Improvement to make reasonable progress towards this goal before the start of each financial year. This is temporarily suspended for the duration of the COVID-19 response but will be re-established once the threat has passed. Upon this return to a normal operating environment the Trust is satisfied that it has the ability to deliver the requirements set out by NHS England / Improvement.

### 1.2 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property and investments.

### 1.3 Consolidation

The NHS foundation trust is the corporate trustee to the Harrogate and District NHS Foundation Trust Charitable Fund (registered charity number 1050008). The NHS foundation trust has assessed its relationship with the charitable fund and determined it to be a subsidiary because the NHS foundation trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The charitable funds statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- recognise and measure them in accordance with the NHS foundation trust's accounting policies; and
- eliminate intra-group transactions, balances, gains and losses.

The NHS foundation trust launched Harrogate Healthcare Facilities Management Ltd (HHFM) a wholly owned subsidiary with effect from the 1 March 2018 (registered company number 11048040). The income, expenses, assets, liabilities, equity and reserves of HHFM are consolidated in full into the appropriate financial statement lines.

### 1.4 Operating segments

Income and expenditure are analysed in the Operating Segments note (2.1) and are reported in line with management information used within the NHS foundation trust.

### 1.5 Revenue

The transition to IFRS 15 has been completed in accordance with paragraph C3 (b) of the Standard, applying the Standard retrospectively recognising the cumulative effects at the date of initial application.

## 1.5 Revenue (continued)

In the adoption of IFRS 15 a number of practical expedients offered in the Standard have been employed. These are as follows;

- As per paragraph 121 of the Standard the NHS foundation trust will not disclose information regarding performance obligations part of a contract that has an original expected duration of one year or less.
- The NHS foundation trust is to similarly not disclose information where revenue is recognised in line with the practical expedient offered in paragraph B16 of the Standard where the right to consideration corresponds directly with value of the performance completed to date.
- HM Treasury's Financial Reporting Manual (FRM) has mandated the exercise of the practical expedient offered in C7(a) of the Standard that requires the NHS foundation trust to reflect the aggregate effect of all contracts modified before the date of initial application.

The main source of revenue for the NHS foundation trust is contracts with commissioners in respect of healthcare services. Revenue in respect of services provided is recognised when (or as) performance obligations are satisfied by transferring promised services to the customer, and is measured at the amount of the transaction price allocated to that performance obligation. At the year end, the NHS foundation trust accrues income relating to performance obligations satisfied in that year. Where a patient care spell is incomplete at the year end, revenue relating to the partially complete spell is accrued in the same manner as other revenue.

Where income is received for a specific performance obligation that is to be satisfied in the following year, that income is deferred. The method adopted to assess progress towards the complete satisfaction of a performance obligation is determined by reviewing key milestones/deliverables determined at inception.

The NHS 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, for instance by an insurer. The NHS foundation trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. 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 in line with IFRS 9 requirements or measuring expected credit losses over the lifetime of the asset.

Income from the sale of non-current assets is recognised only when all material conditions of sales have been met, and is measured as the sums due under the sale contract.

## 1.6 Expenditure on employee benefits

### Short term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

### Pension costs - NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension 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 (consistent with all participating members of the scheme) 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 NHS foundation trust commits itself to the retirement, regardless of the method of payment.

**1.6 Expenditure on employee benefits (continued)****Pension costs - National Employment Savings Trust (NEST) Pension Scheme**

The Pensions Act 2008 requirements created a duty for the NHS foundation trust to provide a pension scheme for employees who are ineligible to join the NHS Pension Scheme. The NHS foundation trust selected NEST as its partner to meet this duty. The scheme operated by NEST on the NHS foundation trust's behalf is a defined contribution scheme and employers contributions are charged to operating expenses as and when they become due.

**Pension costs - HHFM defined contribution scheme (The People's Pension)**

A defined contribution plan is a post employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

A number of the HHFM employees remain within the NHS Pension Scheme, however HHFM also operates a defined contribution pension scheme, The assets of the scheme are held separately from those of the Group in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

**1.7 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 the consideration payable. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

**1.8 Value Added Tax**

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

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

Capitalised set up costs and grouped assets are reviewed annually and if fully depreciated are removed from the Fixed Asset Register and the Accounts. 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.

## 1.9 Property, plant and equipment (continued)

### Valuation

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

Land and specialised buildings – depreciated replacement cost  
 Non specialised buildings – existing use value

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. All valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS). The NHS foundation trust had a full valuation of its land and buildings carried out as at 31 March 2017 based on an alternative site in line with HM Treasury's approach. The NHS foundation trust's management having taken advice from professionally qualified valuers, determined that a desktop valuation should be carried out as at 31 March 2020 ensuring that land and buildings are held at fair value. The desktop valuation was also based on an alternative site in line with HM Treasury's approach, this revised valuation has been incorporated in the financial statements.

An item of property, plant and equipment which is surplus with no plan to bring back into use is valued at fair value under IFRS 13.

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

Fixtures and equipment are carried at depreciated historic cost as a proxy for fair value.

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income. Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses. Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of "Other Comprehensive Income".

In accordance with the DoH GAM, impairments that arise from a clear consumption of economic benefits or 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. Other impairments are treated as revaluation losses. Reversals of other impairments are treated as revaluation gains.

An impairment that arises from a clear consumption of economic benefit or 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 expenditure 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.

### Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably.

Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

## 1.9 Property, plant and equipment (continued)

### Depreciation

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.

Property, Plant and Equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use.

Plant and equipment assets are depreciated on a straight line basis over the following asset life ranges:

	Years
Plant and machinery	5-16
Transport equipment	11
Information technology	5-11
Furniture and fittings	5-11
Buildings and Dwellings (Assessed by a RICS qualified valuer when a valuation takes place)	1-90

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 is 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;
  - 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.

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.

### Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor 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.

## 1.10 Intangible assets

Intangible assets are capitalised when they have a cost of at least £5,000. Intangible assets acquired separately are initially recognised at fair value. The NHS foundation trust does not recognise any internally generated assets and associated expenditure is charged to the statement of comprehensive income in the period in which it is incurred. Expenditure on research activities is recognised as an expense in the period in which it is incurred.

**1.10 Intangible assets (continued)**

Following initial recognition, intangible assets are carried at amortised historic cost as this is not considered to be materially different from fair value. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13. The NHS foundation trust's intangible fixed assets are wholly software licences which are purchased and are deemed to have a finite life determined by the licence agreement. The NHS foundation trust does not hold a revaluation reserve for intangible assets.

**1.11 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 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.

**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.

**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.

**1.12 Inventories**

Pharmacy inventories are valued at weighted average historical cost. Other inventories are valued at the lower of cost and net realisable value using the first in, first out method.

**1.13 Cash and cash equivalents**

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

**1.14 Provisions**

The NHS foundation trust provides for legal or constructive obligations that are of uncertain timing or amount at the Statement of Financial Position date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted at a discount rate of 2.9% in real terms.

**1.15 Clinical negligence costs**

NHS Resolution operates a risk pooling scheme under which the NHS foundation trust pays an annual contribution to NHS Resolution which in return settles all clinical negligence claims. The contribution is charged to operating expenses. Although NHS Resolution 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 NHS Resolution on behalf of the NHS foundation trust is disclosed in note 16.



**1.16 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 NHS foundation trust pays an annual contribution to NHS Resolution and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses as and when they become due.

**1.17 Contingencies**

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in the financial statements, 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.

**1.18 Foreign currencies**

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange profits and losses are taken to the Statement of Comprehensive Income. At the Statement of Financial Position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing.

**1.19 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 given in note 21 to the accounts.

**1.20 Public Dividend Capital (PDC) and PDC dividend**

Public Dividend Capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of International Accounting Standard (IAS) 32.

A charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable as PDC dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS foundation trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for donated assets, cash held with the Government Banking Service (GBS), excluding cash balances held in GBS accounts that relate to a short term working capital facility and any PDC dividend balance receivable or payable. In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average net assets as set out in the "pre-audit" version of the annual accounts. The dividend so calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

**1.21 Corporation Tax**

The NHS foundation trust is a Health Service Body within the meaning of s519A ICTA 1988 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this but the trust is potentially within the scope of corporation tax in respect of activities where income is received from a non public sector source.

The NHS foundation trust has determined that it has no corporation tax liability, as all activities are either ancillary to healthcare or below the de minimus level of profit at which tax is payable. However Harrogate Healthcare Facilities Management Ltd is a wholly owned subsidiary of NHS foundation trust and is subject to corporation tax on its profits.

## 1.22 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the Statement of Comprehensive Income 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 note on losses and special payments is compiled directly from the losses and compensations register which is prepared on a cash basis.

## 1.23 Financial instruments and financial liabilities

### Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the NHS foundation trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described in note 1.8 above.

Purchase or sales are recognised and derecognised, as applicable, using the trade date.

All other financial assets and financial liabilities are recognised when the NHS foundation trust becomes party to the contractual provisions of the instrument.

### De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the NHS foundation trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

### Classification and measurement

Financial assets are categorised as loans and receivables.

Financial liabilities are classified as other financial liabilities.

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The NHS foundation trust's loans and receivables comprise: cash and cash equivalents, NHS receivables and other receivables.

Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income. Loans from the Department of Health are not held for trading and are measured at historic cost with any unpaid interest accrued separately.

**1.23 Financial instruments and financial liabilities (continued)***Other financial liabilities*

All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

**Determination of fair value**

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from discounted cash flow analysis.

**Impairment of financial assets**

At the Statement of Financial Position date, the NHS foundation trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset. For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the assets 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 the use of a bad debt provision. Bad debt provisions are used when there is some uncertainty that the debt will be paid. Bad debts are written off directly only when there is certainty that the debt will not be paid.

**1.24 Critical accounting estimates and judgements**

The preparation of financial statements under IFRS requires the trust to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be relevant.

Revisions to accounting estimates are recognised in the period that 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.

Although the NHS foundation trust makes estimates within these financial statements such as incomplete patient spells, accrued income, annual leave accrual and provisions e.g. early retirements, the amounts involved would not cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

In relation to incomplete patient spells the NHS foundation trust makes an assessment of activity for work in progress at 31 March, based on bed occupancy at midnight. The methodology used is to assess the value of income due, to be accounted for in the period between admission and month end, based on an average daily price at speciality/point of delivery, this is calculated and used as the basis of the accrual.

In relation to estimations for uncoded NHS income at the financial yearend, the NHS foundation trust runs a forecast for income relating to March based on the average income received by specialty and point of delivery, all uncoded activity is then priced using an average. This methodology is used throughout the year and has proven to be robust with only very minor variances showing once the activity is coded and then costed.

**1.24 Critical accounting estimates and judgements (continued)**

In addition, a revaluation of the NHS foundation trust's land and buildings was undertaken at a prospective date of 31 March 2020, the valuation excludes the cost of VAT. Since the NHS foundation trust created a subsidiary company "Harrogate Healthcare Facilities Management Ltd". The subsidiary company became responsible for the provision of a Managed Healthcare Facility to the NHS foundation trust, a consequence of this was that VAT became recoverable under an MEA alternative site valuation (see 1.9). The NHS foundation trust relies on the professional services of the Valuation Office for the accuracy of such valuations.

**1.25 Non current investments**

Investments are stated at market value as at the statement of financial position date. The statement of comprehensive income includes the net gains and losses arising on revaluation and disposals throughout the year.

**1.26 Accounting standards and amendments that have been issued but have not yet been adopted**

The DHSC GAM does not require the following IFRS Standards and Interpretations to be applied in 2019-20. These Standards are still subject to HM Treasury FReM adoption, with IFRS 16 being for implementation in 2020-21, and the government implementation date for IFRS 17 still subject to HM Treasury consideration.

**Change published**

IFRS 16 Leases	The standard is effective for the NHS foundation trust with effect from the 1 April 2021. However the standard was effective for the Trust's wholly owned subsidiary with effect from 1 April 2019.
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.
IFRS 14 Regulatory Deferral Accounts	Not EU-endorsed. Applies to the first time adopters of IFRS after the 1 January 2016. Therefore not applicable to DHSC group bodies.

It is not practical to assess the impact on the NHS foundation trust of the above Accounting Standards and Amendments until HM Treasury adopts them within the FReM.

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**2 Operating segments****2.1 Group operating segments**

The NHS foundation trust's management has reviewed IFRS 8 (Operating Segments) and has determined that the consolidated financial statements consist of two segments "Healthcare" and "Charity".

	Group		Group	
	Healthcare 2019/20 £000	Charity 2019/20 £000	Healthcare 2018/19 £000	Charity 2018/19 £000
Operating Surplus/(Deficit)	<u>3,517</u>	<u>(136)</u>	10,586	(106)
Net Finance (Costs)/Income	<u>(2,860)</u>	<u>58</u>	(2,808)	59
Movement in fair value of investments/Loss on disposal of assets/Corporation tax expenses	<u>25</u>	<u>(199)</u>	(49)	63
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>	<u><b>682</b></u>	<u><b>(277)</b></u>	<u>7,729</u>	<u>16</u>
Non-current assets	<u>101,710</u>	<u>1,414</u>	95,110	1,665
Current assets	<u>39,642</u>	<u>285</u>	36,986	328
Current liabilities	<u>(25,807)</u>	<u>(51)</u>	(22,061)	(68)
Non-current liabilities	<u>(15,196)</u>	<u>-</u>	(17,358)	-
<b>TOTAL ASSETS EMPLOYED</b>	<u><b>100,349</b></u>	<u><b>1,648</b></u>	<u>92,677</u>	<u>1,925</u>
Financed by taxpayers' equity:				
Public Dividend Capital	82,862	-	81,700	-
Revaluation reserve	8,379	-	2,551	-
Income and expenditure reserve	9,108	-	8,426	-
HDFT Charitable fund reserves	-	1,648	-	1,925
<b>TOTAL TAXPAYERS' EQUITY</b>	<u><b>100,349</b></u>	<u><b>1,648</b></u>	<u>92,677</u>	<u>1,925</u>



## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**3.1 Analysis of operating income (continued)**

	<b>Foundation Trust</b>	
	<b>2019/20</b>	2018/19
	<b>£000</b>	£000
<b>Total income from activities</b>	<b>245,435</b>	221,906
<b>Foundation Trust other operating income:</b>		
Research and development	1,297	1,165
Education and training	6,912	8,120
Education and training - notional income from apprenticeship fund	241	147
Received from NHS charities: Receipt of grants/donations for capital acquisitions	150	100
Non-patient care services to other bodies	3,779	3,204
Provider sustainability fund / Financial recovery fund / Marginal rate emergency tariff funding (PSF/FRF/MRET)	5,218	7,853
Rental revenue from operating leases (see note 3.5)	1,268	1,272
Staff recharges (secondments)	2,970	756
Other	2,508	5,271
<b>Foundation Trust total other operating income</b>	<b>24,343</b>	27,888
<b>Foundation Trust total operating income</b>	<b>269,778</b>	249,794

**3.2 Overseas visitors (relating to patients charged directly by the foundation trust)**

Income recognised in year relating to overseas visitors was £73k (2019 £190k), payments received in year (relating to invoices raised in current and previous years) was £68k (2019 £40k) and amounts written off in year (relating to invoices raised in current and previous years) was £6k (2019 £1k).

**3.3 Analysis of income from activities by Commissioner Requested Services (CRS) and Non-Commissioner Requested Services (Non-CRS).**

	<b>Foundation Trust &amp; Group</b>	
	<b>2019/20</b>	2018/19
	<b>£000</b>	£000
Commissioner Requested Services	143,597	136,244
Non-Commissioner Requested Services	101,838	85,662
<b>Total</b>	<b>245,435</b>	221,906

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**3.4 Operating lease income and future annual lease receipts**

	<b>Group</b>	
	<b>2019/20</b>	2018/19
	<b>£000</b>	£000
Operating lease income	<b>149</b>	148
	<u><b>149</b></u>	<u>148</u>
Future minimum lease receipts due on buildings expiring		
- not later than one year;	<b>148</b>	160
- later than one year and not later than five years;	<b>486</b>	487
- later than five years.	<b>424</b>	87
	<u><b>1,058</b></u>	<u>734</u>

**3.5 Operating lease income and future annual lease receipts**

	<b>Foundation Trust</b>	
	<b>2019/20</b>	2018/19
	<b>£000</b>	£000
Operating lease income	<b>1,268</b>	1,272
	<u><b>1,268</b></u>	<u>1,272</u>
Future minimum lease receipts due on buildings expiring		
- not later than one year;	<b>1,267</b>	1,279
- later than one year and not later than five years;	<b>4,962</b>	4,962
- later than five years.	<b>20,566</b>	21,253
	<u><b>26,795</b></u>	<u>27,494</u>



## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**4. Operating Expenses from continuing operations****4.1 Group operating expenses comprise:**

	<b>Group</b>	
	<b>2019/20</b>	2018/19
	<b>£000</b>	£000
Purchase of healthcare from NHS and DHSC bodies	1,539	2,592
Purchase of healthcare from non-NHS and non-DHSC bodies	680	509
Staff and executive directors costs	190,813	173,172
Non-executive directors	173	165
Drug costs (see note 12.2)	15,737	16,112
Supplies and services - clinical	19,617	16,544
Supplies and services - general	2,692	2,992
Establishment	2,043	1,999
Research and development	31	1
Transport (including Patients' travel)	704	632
Premises - business rates payable to local authorities	3,813	278
Premises - other	7,795	6,963
Increase in provision for irrecoverable debts	91	75
Rentals under operating leases	5,882	4,606
Depreciation on property, plant and equipment (see note 9.1)	4,134	4,732
Amortisation on intangible assets (see note 8)	70	102
Impairments of property, plant and equipment	39	285
Audit services- statutory audit	116	73
NHS Resolution contribution - Clinical Negligence	5,255	5,232
Legal fees	104	88
Consultancy costs	440	473
Internal audit costs	174	150
Education and training	2,806	777
Education and training - notional expenditure funded from apprenticeship fund	241	147
Redundancy	24	4
Early retirements	16	14
Hospitality	1	1
Insurance	353	380
Losses, ex gratia and special payments (see note 20)	47	31
Other	621	(18)
HDFT Charitable funds: Other resources expended	521	402
<b>Group total operating expenses</b>	<b>266,572</b>	<b>239,513</b>

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**4. Operating Expenses from continuing operations (Continued)****4.2 Foundation Trust operating expenses comprise:**

	<b>Foundation Trust</b>	
	<b>2019/20</b>	<b>2018/19</b>
	<b>£000</b>	<b>£000</b>
Purchase of healthcare from NHS and DHSC bodies	1,538	2,692
Purchase of healthcare from non-NHS and non-DHSC bodies	680	153
Staff and executive directors costs	182,629	165,267
Non-executive directors	157	155
Drug costs (see note 12.2)	15,737	16,112
Supplies and services - clinical	18,050	15,010
Supplies and services - general	16,648	16,295
Establishment	1,996	1,916
Research and development	31	-
Transport (including Patients' travel)	642	606
Premises - business rates payable to local authorities*	3,813	278
Premises - other	4,553	4,210
Increase in provision for irrecoverable debts	91	75
Rentals under operating leases	5,864	4,558
Depreciation on property, plant and equipment (see note 9.2)	3,987	4,587
Amortisation on intangible assets (see note 8)	70	102
Impairments of property, plant and equipment	(196)	236
Audit services- statutory audit	107	61
NHS Resolution contribution - Clinical Negligence	5,255	5,232
Legal fees	104	88
Consultancy costs	406	399
Internal audit costs	153	147
Education and training	2,756	735
Education and training - notional expenditure funded from apprenticeship fund	241	147
Redundancy	24	4
Early retirements	15	14
Hospitality	1	1
Insurance	301	310
Losses, ex gratia and special payments (see note 20)	47	31
Other	589	(35)
<b>Foundation Trust total operating expenses</b>	<b><u>266,289</u></b>	<b><u>239,386</u></b>

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**4.3 Operating lease expenditure and future annual lease payments**

	<b>Group</b>	
	<b>2019/20</b>	2018/19
	<b>£000</b>	£000
Minimum lease payments	<b>5,882</b>	4,606
	<b><u>5,882</u></b>	<u>4,606</u>
Future minimum lease payments due expiring;		
Within 1 year	<b>4,294</b>	1,429
Between 1 and 5 years	<b>1,060</b>	1,015
Later than five years	<b>549</b>	614
	<b><u>5,903</u></b>	<u>3,058</u>

**4.4 Operating lease expenditure and future annual lease payments**

	<b>Foundation Trust</b>	
	<b>2019/20</b>	2018/19
	<b>£000</b>	£000
Minimum lease payments	<b>5,864</b>	4,558
	<b><u>5,864</u></b>	<u>4,558</u>
Future minimum lease payments due expiring;		
Within 1 year	<b>4,294</b>	1,429
Between 1 and 5 years	<b>1,060</b>	1,015
Later than five years	<b>549</b>	614
	<b><u>5,903</u></b>	<u>3,058</u>

**4.5 Limitation on external auditor's liability**

	<b>Foundation Trust &amp; Group</b>	
	<b>2019/20</b>	2018/19
	<b>£000</b>	£000
Limitation on external auditor's liability	<b>1,000</b>	1,000
	<b><u>1,000</u></b>	<u>1,000</u>

**5. Employee costs and numbers****5.1 Employee costs**

	<b>Group</b>			Total 2018/19 £000	<b>Group</b>	
	<b>Total</b>	<b>Permanently</b>	<b>Other</b>		<b>Permanently</b>	<b>Other</b>
	<b>2019/20</b>	<b>Employed</b>	<b>£000</b>	<b>£000</b>	<b>Employed</b>	<b>£000</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Salaries and wages	<b>148,602</b>	<b>146,053</b>	<b>2,549</b>	139,294	136,656	2,638
Social Security costs (Employers NI costs)	<b>13,091</b>	<b>13,091</b>	-	12,384	12,384	-
Apprenticeship levy	<b>693</b>	<b>693</b>	-	655	655	-
Employer contributions to NHS Pensions Agency	<b>16,919</b>	<b>16,919</b>	-	16,469	16,469	-
Pension cost - employer contributions paid by NHSE on provider's behalf (6.3%)	<b>7,217</b>	<b>7,217</b>	-	-	-	-
Pension cost - other	<b>150</b>	<b>150</b>	-	20	20	-
Termination benefits	<b>40</b>	<b>40</b>	-	18	18	-
Agency/contract staff	<b>4,860</b>	-	<b>4,860</b>	4,784	-	4,784
Total employee expenses	<b><u>191,572</u></b>	<b><u>184,163</u></b>	<b><u>7,409</u></b>	173,624	166,202	7,422
Less costs capitalised as part of assets	<b>(719)</b>	<b>(719)</b>	-	(434)	(434)	-
Total employee costs excluding capitalised costs	<b><u>190,853</u></b>	<b><u>183,444</u></b>	<b><u>7,409</u></b>	173,190	165,768	7,422

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**5. Employee costs and numbers (continued)****5.2 Employee costs**

	Foundation Trust			Foundation Trust		
	Total 2019/20 £000	Permanently Employed £000	Other £000	Total 2018/19 £000	Permanently Employed £000	Other £000
Salaries and wages	141,973	139,424	2,549	133,515	130,877	2,638
Social Security costs (Employers NI costs)	12,584	12,584	-	11,934	11,934	-
Apprenticeship levy	660	660	-	627	627	-
Employer contributions to NHS Pensions Agency	16,400	16,400	-	15,510	15,510	-
Pension cost - employer contributions paid by NHSE on provider's behalf (6.3%)	7,217	7,217	-	-	-	-
Pension cost - other	80	80	-	-	-	-
Termination benefits	39	39	-	18	18	-
Agency/contract staff	4,205	-	4,205	4,115	-	4,115
Total employee expenses	183,158	176,404	6,754	165,719	158,966	6,753
Less costs capitalised as part of assets	(490)	(490)	-	(434)	(434)	-
Total employee costs excluding capitalised costs	182,668	175,914	6,754	165,285	158,532	6,753

**5.3 Average number of employees (WTE basis)**

	Group			Group		
	Total 2019/20 Number	Permanently Employed Number	Other Number	Total 2018/19 Number	Permanently Employed Number	Other Number
Medical and dental	372	351	21	363	333	30
Ambulance staff	2	2	-	1	1	-
Administration and estates	683	683	-	684	674	10
Healthcare assistants and other support staff	411	393	18	396	372	24
Nursing, midwifery and health visiting staff	1,830	1,795	35	1,768	1,734	34
Nursing, midwifery and health visiting learners	39	39	-	35	35	-
Scientific, therapeutic and technical staff	473	464	9	452	452	-
Healthcare science staff	110	94	16	104	97	7
Other	17	5	12	7	4	3
Total	3,937	3,826	111	3,810	3,702	108
Less capitalised employees	(20)	(20)	-	(13)	(13)	-
Total excluding capitalised WTE	3,917	3,806	111	3,797	3,689	108

**5.4 Average number of employees (WTE basis)**

	Foundation Trust			Foundation Trust		
	Total 2019/20 Number	Permanently Employed Number	Other Number	Total 2018/19 Number	Permanently Employed Number	Other Number
Medical and dental	372	351	21	363	333	30
Ambulance staff	2	2	-	1	1	-
Administration and estates	628	628	-	632	622	10
Healthcare assistants and other support staff	190	189	1	176	176	-
Nursing, midwifery and health visiting staff	1,828	1,793	35	1,767	1,733	34
Nursing, midwifery and health visiting learners	39	39	-	35	35	-
Scientific, therapeutic and technical staff	473	464	9	452	452	-
Healthcare science staff	109	94	15	104	97	7
Other	6	2	4	4	4	-
Total	3,647	3,562	85	3,534	3,453	81
Less capitalised employees	(15)	(15)	-	(13)	(13)	-
Total excluding capitalised WTE	3,632	3,547	85	3,521	3,440	81

WTE = Whole time equivalents

**5.5 Pensions costs**

Past and present employees are covered by the provisions of the two NHS Pensions 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 for Health 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 Financial Reporting Manual (FRM) requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

**a) Accounting valuation**

A valuation of the scheme liability is carried out annually by the scheme actuary (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 2020, is based on valuation data as 31 March 2019, updated to 31 March 2020 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FRM 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 latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6%, and the Scheme Regulations were amended accordingly.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgement from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**5.6 Retirements due to ill-health**

During the year ended 31 March 2020 there were 3 (2019: 5) early retirements from the NHS foundation trust agreed on the grounds of ill-health. The estimated additional pension liability of the ill-health retirement is £170,000 (2019: £277,000). The cost of ill-health retirements are borne by the NHS Business Services Authority Pensions Division.

**5.7 Staff exit costs**

NHS Improvement requires NHS foundation trusts to disclose summary information regarding redundancy and other departures in staff costs agreed in the financial year.

Exit cost band	Foundation Trust & Group		Foundation Trust & Group	
	2019/20 Number of compulsory redundancies	2019/20 Number of other departures agreed	2018/19 Number of compulsory redundancies	2018/19 Number of other departures agreed
<£10,000	-	-	1	-
£10,001 - £25,000	1	-	-	2
£25,001 - £50,000	-	-	-	-
£50,001 - £100,000	-	-	-	-
£100,001 - £150,000	-	-	-	-
£150,001 - £200,000	-	-	-	-
>£200,000	-	-	-	-
Total number of exits by type	-	-	-	-
Total resource cost	<b>£24,000</b>	-	£4,000	£31,000

**5.8 Analysis of termination benefits**

	Foundation Trust & Group		Foundation Trust & Group	
	2019/20 Number	2019/20 £000	2018/19 Number	2018/19 £000
No of Cases	1	-	3	-
Cost of Cases	-	24	-	35
	<u>1</u>	<u>24</u>	<u>3</u>	<u>35</u>

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**6. Finance revenue****6.1 Group finance revenue received during the year is as follows:**

Finance revenue received during the year is as follows:

	<b>Group</b>	
	<b>2019/20</b>	2018/19
	<b>£000</b>	£000
<b>Interest income:</b>		
Interest on bank accounts	75	55
HDFT Charitable funds: investment income	58	59
	<u>133</u>	<u>114</u>

**6.2 Foundation Trust finance revenue received during the year is as follows:**

Finance revenue received during the year is as follows:

	<b>Foundation Trust</b>	
	<b>2019/20</b>	2018/19
	<b>£000</b>	£000
<b>Interest income:</b>		
Interest on bank accounts	75	54
Interest on working capital loan to HHFM	30	38
Dividend from HHFM	-	204
	<u>105</u>	<u>296</u>

**7. Finance expenses**

Finance expenses incurred during the year are as follows:

	<b>Foundation Trust &amp; Group</b>	
	<b>2019/20</b>	2018/19
	<b>£000</b>	£000
<b>Interest expense:</b>		
Capital Loans from the Department of Health (formerly ITFF see note 18)	254	272
	<u>254</u>	<u>272</u>

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**8. Current year intangible fixed assets**

	<b>Foundation Trust &amp; Group</b>	
	<b>Software</b>	<b>Total</b>
	<b>Licences</b>	
	<b>£000</b>	<b>£000</b>
Gross cost at 1 April 2019	853	853
Additions - purchased	20	20
Disposals	-	-
<b>Gross cost at 31 March 2020</b>	<b>873</b>	<b>873</b>
Amortisation at 1 April 2019	573	573
Provided during the year	70	70
Disposals	-	-
<b>Amortisation at 31 March 2020</b>	<b>643</b>	<b>643</b>
<b>Net book value</b>		
- Purchased at 31 March 2020	230	230
<b>- Total at 31 March 2020</b>	<b>230</b>	<b>230</b>

**8.1 Prior year intangible fixed assets**

	<b>Foundation Trust &amp; Group</b>	
	<b>Software</b>	<b>Total</b>
	<b>Licences</b>	
	<b>£000</b>	<b>£000</b>
Gross cost at 1 April 2018	767	767
Additions - purchased	105	105
Disposals	(19)	(19)
<b>Gross cost at 31 March 2019</b>	<b>853</b>	<b>853</b>
Amortisation at 1 April 2018	490	490
Provided during the year	102	102
Disposals	(19)	(19)
<b>Amortisation at 31 March 2019</b>	<b>573</b>	<b>573</b>
<b>Net book value</b>		
- Purchased at 31 March 2019	280	280
<b>- Total at 31 March 2019</b>	<b>280</b>	<b>280</b>



**9. Property, plant and equipment****9.1 Current year property, plant and equipment comprises of the following elements:**

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings	Group Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2019	3,200	73,865	1,475	754	20,946	159	11,222	689	112,310
Additions - purchased	-	650	41	1,913	1,090	-	1,637	28	5,359
Impairments charged to operating expenses	-	(39)	-	-	-	-	-	-	(39)
Reclassifications	-	221	50	(752)	186	-	282	13	-
Transfer to revaluation reserve	25	3,623	134	-	-	-	-	-	3,782
Disposals	-	-	-	-	(225)	-	-	-	(225)
<b>Cost or valuation At 31 March 2020</b>	<b>3,225</b>	<b>78,320</b>	<b>1,700</b>	<b>1,915</b>	<b>21,997</b>	<b>159</b>	<b>13,141</b>	<b>730</b>	<b>121,187</b>
Depreciation at 1 April 2019	-	-	-	-	12,255	91	6,257	325	18,928
Provided during the year (see note 4.1)	-	1,962	84	-	1,221	11	810	46	4,134
Impairments charged to operating expenses	-	-	-	-	-	-	-	-	-
Transfer to revaluation reserve	-	(1,962)	(84)	-	-	-	-	-	(2,046)
Disposals	-	-	-	-	(207)	-	-	-	(207)
<b>Depreciation at 31 March 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,269</b>	<b>102</b>	<b>7,067</b>	<b>371</b>	<b>20,809</b>
<b>Net book value</b>									
- Purchased at 31 March 2020	3,225	73,931	1,700	1,915	7,916	57	6,046	339	95,129
- Donated at 31 March 2020	-	4,389	-	-	812	-	28	20	5,249
<b>Net book value at 31 March 2020</b>	<b>3,225</b>	<b>78,320</b>	<b>1,700</b>	<b>1,915</b>	<b>8,728</b>	<b>57</b>	<b>6,074</b>	<b>359</b>	<b>100,378</b>

At 31 March 2019, of the Net Book Value £3,200,000 related to land valued at open market value and £73,865,000 related to buildings valued at open market value and £1,475,000 related to dwellings valued at open market value. The land and buildings (including dwellings) of the trust were revalued by the Valuation Office Agency which is a government agency of Her Majesty's Revenue and Customs (RICS qualified) as at 31 March 2020. This desktop valuation, in line with the NHS foundation trust's accounting policies and using the best practice Modern Equivalent Asset valuation methodology, resulted in a increase in value of £5,789,000.00.

The valuation exercise was carried out in March 2020 with a valuation date of 31 March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has declared a 'material valuation uncertainty' in the valuation report. This is on the basis of uncertainties in markets caused by COVID-19. The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. With the valuer having declared this material valuation uncertainty, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust.

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**9. Property, plant and equipment****9.2 Current year property, plant and equipment comprises of the following elements:**

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings	Foundation Trust Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2019	3,200	73,456	1,475	556	19,211	-	11,221	686	109,805
Additions - purchased	-	321	-	1,171	921	-	1,636	6	4,055
Impairments charged to operating expenses	-	196	-	-	-	-	-	-	196
Reclassifications	-	101	-	(548)	164	-	282	1	-
Transfer to revaluation reserve	25	3,537	240	-	-	-	-	-	3,802
Disposals	-	-	-	-	(225)	-	-	-	(225)
<b>Cost or valuation At 31 March 2020</b>	<b>3,225</b>	<b>77,611</b>	<b>1,715</b>	<b>1,179</b>	<b>20,071</b>	<b>-</b>	<b>13,139</b>	<b>693</b>	<b>117,633</b>
Depreciation at 1 April 2019	-	-	-	-	11,420	-	6,256	325	18,001
Provided during the year (see note 4.2)	-	1,949	77	-	1,105	-	811	45	3,987
Transfer to revaluation reserve	-	(1,949)	(77)	-	-	-	-	-	(2,026)
Disposals	-	-	-	-	(207)	-	-	-	(207)
<b>Depreciation at 31 March 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,318</b>	<b>-</b>	<b>7,067</b>	<b>370</b>	<b>19,755</b>
<b>Net book value</b>									
- Purchased at 31 March 2020	3,225	73,222	1,715	1,179	6,941	-	6,044	303	92,629
- Donated at 31 March 2020	-	4,389	-	-	812	-	28	20	5,249
<b>Net book value at 31 March 2020</b>	<b>3,225</b>	<b>77,611</b>	<b>1,715</b>	<b>1,179</b>	<b>7,753</b>	<b>-</b>	<b>6,072</b>	<b>323</b>	<b>97,878</b>

At 31 March 2019, of the Net Book Value £3,200,000 related to land valued at open market value and £73,456,000 related to buildings valued at open market value and £1,475,000 related to dwellings valued at open market value. The land and buildings (including dwellings) of the trust were revalued by the Valuation Office Agency which is a government agency of Her Majesty's Revenue and Customs (RICS qualified) as at 31 March 2020. This desktop valuation, in line with the NHS foundation trust's accounting policies and using the best practice Modern Equivalent Asset valuation methodology, resulted in a increase in value of £6,024,000.00.

The valuation exercise was carried out in March 2020 with a valuation date of 31 March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has declared a 'material valuation uncertainty' in the valuation report. This is on the basis of uncertainties in markets caused by COVID-19. The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. With the valuer having declared this material valuation uncertainty, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust.

**9. Property, plant and equipment (continued)****9.3 Prior year property, plant and equipment comprises of the following elements:**

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings	Group Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2018	3,200	78,406	1,670	5,981	19,908	141	9,085	798	119,189
Additions - purchased	-	2,720	-	671	1,530	24	1,377	120	6,442
Impairments charged to operating expenses	-	(290)	-	-	-	-	-	-	(290)
Reclassifications	-	4,197	-	(5,898)	210	-	1,471	20	-
Transfer to revaluation reserve	-	(11,168)	(195)	-	-	-	-	-	(11,363)
Disposals	-	-	-	-	(702)	(6)	(711)	(249)	(1,668)
<b>Cost or valuation At 31 March 2019</b>	<b>3,200</b>	<b>73,865</b>	<b>1,475</b>	<b>754</b>	<b>20,946</b>	<b>159</b>	<b>11,222</b>	<b>689</b>	<b>112,310</b>
Depreciation at 1 April 2018	-	-	-	-	11,223	82	5,866	507	17,678
Provided during the year (see note 4.1)	-	1,734	85	-	1,734	10	1,102	67	4,732
Impairments charged to operating expenses	-	(5)	-	-	-	-	-	-	(5)
Transfer to revaluation reserve	-	(1,729)	(85)	-	-	-	-	-	(1,814)
Disposals	-	-	-	-	(702)	(1)	(711)	(249)	(1,663)
<b>Depreciation at 31 March 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,255</b>	<b>91</b>	<b>6,257</b>	<b>325</b>	<b>18,928</b>
<b>Net book value</b>									
- Purchased at 31 March 2019	3,200	69,327	1,475	754	7,850	68	4,932	342	87,948
- Donated at 31 March 2019	-	4,538	-	-	841	-	33	22	5,434
<b>Net book value at 31 March 2019</b>	<b>3,200</b>	<b>73,865</b>	<b>1,475</b>	<b>754</b>	<b>8,691</b>	<b>68</b>	<b>4,965</b>	<b>364</b>	<b>93,382</b>

At 31 March 2018, of the Net Book Value £3,200,000 related to land valued at open market value and £78,406,000 related to buildings valued at open market value and £1,670,000 related to dwellings valued at open market value. The land and buildings (including dwellings) of the trust were revalued by the Valuation Office Agency which is a government agency of Her Majesty's Revenue and Customs (RICS qualified) as at 31 March 2019. This desktop valuation, in line with the NHS foundation trust's accounting policies and using the best practice Modern Equivalent Asset valuation methodology, resulted in a decrease in value of £9,834,000.00.

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**9. Property, plant and equipment****9.4 Prior year property, plant and equipment comprises of the following elements:**

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings	Foundation Trust Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2018	3,200	78,406	1,670	5,982	18,270	-	9,084	797	117,409
Additions - purchased	-	2,257	-	472	1,433	-	1,377	118	5,657
Impairments charged to operating expenses	-	(236)	-	-	-	-	-	-	(236)
Reclassifications	-	4,197	-	(5,898)	210	-	1,471	20	-
Transfer to revaluation reserve	-	(11,168)	(195)	-	-	-	-	-	(11,363)
Disposals	-	-	-	-	(702)	-	(711)	(249)	(1,662)
<b>Cost or valuation At 31 March 2019</b>	<b>3,200</b>	<b>73,456</b>	<b>1,475</b>	<b>556</b>	<b>19,211</b>	<b>-</b>	<b>11,221</b>	<b>686</b>	<b>109,805</b>
Depreciation at 1 April 2018	-	-	-	-	10,518	-	5,865	507	16,890
Provided during the year (see note 4.2)	-	1,729	85	-	1,604	-	1,102	67	4,587
Transfer to revaluation reserve	-	(1,729)	(85)	-	-	-	-	-	(1,814)
Disposals	-	-	-	-	(702)	-	(711)	(249)	(1,662)
<b>Depreciation at 31 March 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,420</b>	<b>-</b>	<b>6,256</b>	<b>325</b>	<b>18,001</b>
<b>Net book value</b>									
- Purchased at 31 March 2019	3,200	68,918	1,475	556	6,950	-	4,932	339	86,370
- Donated at 31 March 2019	-	4,538	-	-	841	-	33	22	5,434
<b>Net book value at 31 March 2019</b>	<b>3,200</b>	<b>73,456</b>	<b>1,475</b>	<b>556</b>	<b>7,791</b>	<b>-</b>	<b>4,965</b>	<b>361</b>	<b>91,804</b>

At 31 March 2018, of the Net Book Value £3,200,000 related to land valued at open market value and £78,406,000 related to buildings valued at open market value and £1,670,000 related to dwellings valued at open market value. The land and buildings (including dwellings) of the trust were revalued by the Valuation Office Agency which is a government agency of Her Majesty's Revenue and Customs (RICS qualified) as at 31 March 2019. This desktop valuation, in line with the NHS foundation trust's accounting policies and using the best practice Modern Equivalent Asset valuation methodology, resulted in a decrease in value of £9,785,000.00.

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**10. Investments**

	<b>Group</b>	
	<b>2019/20</b>	2018/19
	<b>£000</b>	£000
Carrying value at 1 April 2019	1,665	1,905
Acquisitions in year - other	203	84
Movement in fair value of investments	(199)	63
Disposals	(255)	(387)
Carrying value at 31 March 2020	<u>1,414</u>	<u>1,665</u>

Investments held are wholly attributable to the Harrogate and District NHS Foundation Trust Charitable Fund (registered charity number 1050008), for further information please see the charity's Annual Report and Accounts.

**11. Subsidiary Undertaking - Harrogate Healthcare Facilities Management Ltd.**

	<b>Foundation Trust</b>	
	<b>2019/20</b>	2018/19
	<b>£000</b>	£000
<b>Non-current assets</b>		
Shares in Subsidiary	1,000	1,000
Loan to Subsidiary	400	600
	<u>1,400</u>	<u>1,600</u>
<b>Current assets</b>		
Loan to Subsidiary	200	200
	<u>1,600</u>	<u>1,800</u>

The shares in the subsidiary company Harrogate Healthcare Facilities Management Ltd comprises a 100% holding of the share capital.

The principal activity of Harrogate Healthcare Facilities Management Ltd is to provide estate management and facilities services.

**12. Inventories****12.1 Analysis of inventories**

	<b>Group</b>		<b>Foundation Trust</b>	
	<b>2019/20</b>	2018/19	<b>2019/20</b>	2018/19
	<b>£000</b>	£000	<b>£000</b>	£000
Drugs	740	660	740	660
Consumables	1,700	1,826	1,585	1,701
Total	<u>2,440</u>	<u>2,486</u>	<u>2,325</u>	<u>2,361</u>

**12.2 Inventories recognised in expenses**

	<b>Foundation Trust &amp; Group</b>	
	<b>2019/20</b>	2018/19
	<b>£000</b>	£000
Drug Inventories recognised as an expense in the year	15,737	16,112
Total	<u>15,737</u>	<u>16,112</u>

10.1

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**13. Trade and other receivables****13.1 Trade and other receivables are made up of:**

	<b>Group</b>	
	<b>2019/20</b>	<b>2018/19</b>
<b>Current</b>	<b>£000</b>	<b>£000</b>
Contract receivables (IFRS 15): invoiced	20,476	13,617
Contract receivables (IFRS 15): not yet invoiced / non-invoiced	9,898	15,243
PDC Dividend receivable (Department of Health)	159	485
Deposits and advances	17	-
Provision for the impairment of contract receivables (see note 13.2)	(474)	(474)
Interest receivable	4	4
Prepayments	1,833	1,093
VAT receivables	1,327	1,334
Other receivables	571	614
<b>Total</b>	<b>33,811</b>	<b>31,916</b>

	<b>Foundation Trust</b>	
	<b>2019/20</b>	<b>2018/19</b>
<b>Current</b>	<b>£000</b>	<b>£000</b>
Contract receivables (IFRS 15): invoiced	20,409	13,564
Contract receivables (IFRS 15): not yet invoiced / non-invoiced	9,874	15,665
PDC Dividend receivable (Department of Health)	159	485
Provision for the impairment of contract receivables (see note 13.2)	(474)	(474)
Interest receivable	4	4
Prepayments	1,597	1,033
VAT receivables	1,392	1,585
Other receivables	628	571
<b>Total</b>	<b>33,589</b>	<b>32,433</b>

	<b>Foundation Trust &amp; Group</b>	
	<b>2019/20</b>	<b>2018/19</b>
<b>Non-Current</b>	<b>£000</b>	<b>£000</b>
Other receivables	313	358
VAT receivables	857	1,168
Provision for the impairment of receivables (see note 13.2)	(68)	(78)
<b>Total</b>	<b>1,102</b>	<b>1,448</b>

The majority of the NHS foundation trust's trade is with Commissioners for NHS patient care services which are funded by the Government to buy NHS patient care services therefore no credit scoring for them is considered necessary.

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**13. Trade and other receivables (continued)**

<b>13.2 Allowances for credit losses (doubtful debts)</b>	<b>Foundation Trust &amp; Group</b>	
	<b>2019/20</b>	<b>2018/19</b>
	<b>£000</b>	<b>£000</b>
Allowance for credit losses at 1 April 2019	<b>552</b>	577
New allowances arising	<b>91</b>	75
Utilisation of allowances (where receivable is written off)	<b>(101)</b>	(100)
Balance at 31 March 2020	<b><u>542</u></b>	<u>552</u>

NHS Injury Benefit Scheme income is subject to a provision for impairment of 21.79% (2019: 21.89%) to reflect expected rates of collection. Other debts are assessed by management considering age of debt and the probability of collection.

**14. Cash and cash equivalents**

	<b>Group</b>		<b>Foundation Trust</b>	
	<b>2019/20</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2018/19</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Balance at 1 April 2019	<b>2,912</b>	5,441	<b>1,460</b>	4,995
Net change in year	<b>764</b>	(2,529)	<b>1,481</b>	(3,535)
Balance at 31 March 2020	<b><u>3,676</u></b>	<u>2,912</u>	<b><u>2,941</u></b>	<u>1,460</u>
Made up of:				
Cash with Government Banking Service	<b>3,118</b>	1,725	<b>2,919</b>	1,438
Cash at commercial banks and in hand	<b>488</b>	1,169	<b>22</b>	22
Other current investments	<b>70</b>	18	-	-
Cash and cash equivalents	<b><u>3,676</u></b>	<u>2,912</u>	<b><u>2,941</u></b>	<u>1,460</u>

**15. Trade and other payables**

	<b>Group</b>		<b>Foundation Trust</b>	
	<b>2019/20</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2018/19</b>
<b>Current</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Receipts in advance	<b>29</b>	38	<b>29</b>	38
Trade payables	<b>8,452</b>	9,805	<b>7,918</b>	10,987
Other trade payables - capital	<b>1,506</b>	851	<b>1,190</b>	603
Social Security costs	<b>1,950</b>	1,872	<b>1,871</b>	1,801
Other tax payable	<b>1,635</b>	1,634	<b>1,584</b>	1,583
Other payables	<b>2,496</b>	2,112	<b>2,378</b>	1,931
Accruals	<b>763</b>	1,671	<b>176</b>	473
<b>Total</b>	<b><u>16,831</u></b>	<u>17,983</u>	<b><u>15,146</u></b>	<u>17,416</u>

**10.1**

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**16. Provisions****16.1 Provisions current and non current**

	Foundation Trust & Group Current		Foundation Trust & Group Non current	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
Pensions relating to the early retirement of staff pre 1995	38	40	51	70
Legal claims	49	53	-	-
Pensions - Injury benefits	21	20	44	62
	<b>108</b>	<b>113</b>	<b>95</b>	<b>132</b>

**16.2 Provisions by category**

	Pensions relating to the early retirement of staff pre 1995	Legal claims	Pensions - Injury benefits	Foundation Trust & Group Total
	£000	£000	£000	£000
At 1 April 2019	110	53	82	245
Arising during the year	20	62	2	84
Utilised during the year	(37)	(10)	(20)	(67)
No longer required	(6)	(56)	-	(62)
Unwinding of discount	2	-	1	3
At 31 March 2020	<b>89</b>	<b>49</b>	<b>65</b>	<b>203</b>

**16.3 Expected timing of cashflows by category:**

	Pensions relating to the early retirement of staff pre 1995	Legal claims	Pensions - Injury benefits	Foundation Trust & Group Total
	£000	£000	£000	£000
Within one year	38	49	21	108
Between one and five years	36	-	44	80
After five years	15	-	-	15
	<b>89</b>	<b>49</b>	<b>65</b>	<b>203</b>

£113,880,000 is included in the provisions of NHS Resolution (formerly the NHS Litigation Authority) at 31 March 2020 in respect of clinical negligence liabilities of the NHS foundation trust (31 March 2019 - £93,816,000). Please see note 1.15.



## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**17. Other liabilities**

	Foundation Trust & Group	
	2019/20 £000	2018/19 £000
<b>Current</b>		
Deferred income	1,839	1,845
<b>Total</b>	<b>1,839</b>	<b>1,845</b>

**18. Borrowings**

	Foundation Trust & Group	
	2019/20 £000	2018/19 £000
<b>Current</b>		
Capital loans from DHSC (formerly ITFF)*	2,183	2,188
Revenue support / working capital loans from DHSC**	4,897	-
<b>Total</b>	<b>7,080</b>	<b>2,188</b>
<b>Non-Current</b>		
Capital loans from DHSC (formerly ITFF)*	15,101	17,226
<b>Total</b>	<b>15,101</b>	<b>17,226</b>

\*During 2012/13, the Trust signed a 10 year loan agreement for £3.4m from the Independent Trust Financing Facility (ITFF) to fund the provision of additional theatre capacity, the loan was drawn down in full during the financial year. During 2013/14, the Trust signed an additional 10 year loan for £1.5m from the ITFF to fund the replacement of an MRI Scanner. The loan was drawn down in full during the financial year. During 2014/15 the NHS foundation trust did not undertake any additional borrowing. During 2015/16 the Trust signed a 25 year loan agreement from the Department of Health for £7.5m to fund a Carbon Efficiency capital scheme and a 10 year loan agreement from the Department of Health for £1.5m to fund the purchase of a Mobile MRI Scanner, both of these loans were drawn down in full during the financial year. The NHS foundation trust did not undertake any additional borrowing during 2016/17. During 2017/18, the Trust signed two loan agreements (both with 10 year terms). Replacement of automatic endoscope reproprocessors for £3.8m and a modular build endoscopy suite for £6.9m.

\*\*During 2019/20 the NHS foundation trust borrowed £4.9m as a working capital loan from DHSC (see note 27).

The interest rates on the NHS foundation trust's loans are:-

Additional theatre capacity loan £3.4m is fixed at 0.93% per annum (10 year term).  
 Replacement MRI loan £1.5m is fixed at 1.75% per annum (10 year term).  
 Carbon efficiency capital scheme loan £7.5m is fixed at 2.5% per annum (25 year term).  
 Mobile MRI Scanner loan £1.5m is fixed at 0.90% per annum (10 year term).  
 Replacement of Automated Endoscope Reprocessors scheme loan £3.8m is fixed at 0.76% per annum (10 year term).  
 Modular Build Endoscopy Suite loan £6.9m is fixed at 0.56% per annum (10 year term).  
 Working capital loan £4.9m is fixed at 1.5% per annum (3 year term - see note 27).

Interest accrued is paid every six months see finance expense note 7.

There have been no defaults or breaches in relation to the DHSC (formerly ITFF) loans.

**19. Finance lease obligations**

The NHS foundation trust does not have any finance leases obligations either as a lessee or lessor.

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**20. Losses and special payments**

	2019/20 Total number of cases	Foundation Trust & Group		2018/19 Total value of cases £000
		2019/20 Total value of cases £000	2018/19 Total number of cases	
<b>Losses:</b>				
Bad debts private patients	37	7	19	3
Bad debts overseas visitors	7	6	3	1
Bad debts other	377	7	354	8
Total losses	<u>421</u>	<u>20</u>	<u>376</u>	<u>12</u>
<b>Special payments:</b>				
Ex gratia payment loss of personal effects	12	4	17	5
Compensation under court order or legally binding arbitration award	1	-	-	-
Ex gratia payment personal injury with advice	3	22	4	14
Ex gratia payment other	1	1	-	-
Total special payments	<u>17</u>	<u>27</u>	<u>21</u>	<u>19</u>
<b>Total losses and special payments</b>	<u><u>438</u></u>	<u><u>47</u></u>	<u><u>397</u></u>	<u><u>31</u></u>

**21. Third Party Assets**

The NHS foundation trust held £1,073 cash at bank and in hand at 31 March 2020 which related to monies held by the NHS foundation trust on behalf of patients (31 March 2019: £95).

**22. Contractual Capital Commitments**

Commitments under capital expenditure contracts at 31 March 2020 were £2,911,000 (31 March 2019: £1,079,000).

## 23. Related Party Transactions

### 23.1 Transactions with key management personnel

IAS 24 requires disclosure of transactions with key management personnel during the year. Key management personnel is defined in IAS 24 as "those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity". The Trust has deemed that its key management personnel are the board members (voting and non-voting directors and non-executive directors) of the NHS foundation trust.

However the DH GAM states the requirement in IAS 24 to disclose the compensation paid to management, expenses allowances and similar items paid in the ordinary course of an entity's operations will be satisfied with the disclosures in the Remuneration Report. There were no transactions with board members or parties related to them other than those from the ordinary course the NHS foundation trust's operations.

### 23.2 Transactions with other related parties

The Department of Health and Social Care is the parent department of Harrogate and District NHS Foundation Trust, paragraph 25 of IAS 24 allows entities which are related parties because they are under the same government control to reduce the volume of detailed disclosures.

The DH GAM interprets this as requiring the disclosure of the main entities within the public sector with which the NHS foundation trust has had dealings, but no information needs to be given about these transactions. These entities are listed below:-

County Durham Unitary Authority  
 Darlington Borough Council  
 Middlesbrough Council  
 Sunderland City Metropolitan Borough Council  
 Gateshead Council  
 North Yorkshire County Council  
 Stockton-on-Tees Borough Council  
 HMRC  
 Leeds Teaching Hospitals NHS Trust  
 NHS Airedale, Wharfedale And Craven CCG  
 NHS England  
 NHS Hambleton, Richmondshire And Whitby CCG  
 NHS Harrogate And Rural District CCG  
 NHS Leeds CCG  
 Department of Health (PDC dividend only)  
 Health Education England  
 NHS Resolution  
 NHS Pension Scheme  
 NHS Property Services  
 NHS Scarborough And Ryedale CCG  
 NHS Vale Of York CCG  
 Tees, Esk And Wear Valleys NHS Foundation Trust  
 York Hospitals NHS Foundation Trust

## Harrogate and District NHS Foundation Trust - Notes To Consolidated Financial Statements 31 March 2020

**24. Financial instruments.**

	Group		Foundation Trust	
	2019/20 £000	2018/19 £000	2019/20 £000	2018/19 £000
<b>Financial assets</b>				
Loans and receivables (including cash and cash equivalents)	34,111	31,277	33,627	30,499
Investments	-	-	1,000	1,000
Consolidated NHS Charitable fund financial assets	1,699	1,993	-	-
	<u>35,810</u>	<u>33,270</u>	<u>34,627</u>	<u>31,499</u>
<b>Financial liabilities</b>				
Loans and payables	32,987	31,865	31,465	33,408

Management consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate to their fair value.

The majority of the NHS foundation trust's income is from NHS Commissioners of patient care services which are funded by the Government to purchase NHS patient care therefore NHS foundation trusts are 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. The NHS foundation 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 foundation trust in undertaking its activities.

**25. Charitable funds reserve.**

Unrestricted income funds comprise those funds which the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds, where the donor has made known their non binding wishes or where the Corporate Trustee, at its discretion, has created a fund for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

The charity has one permanent endowment fund. The income of the Elsie Sykes Endowment Fund can be used for medical equipment or medical research (excluding transplant or vivisection work).

	Group	
	2019/20 £000	2018/19 £000
Unrestricted income funds	151	262
Restricted funds	59	51
Endowment fund	1,438	1,612
	<u>1,648</u>	<u>1,925</u>

**26. Ultimate parent.**

As an entity operating in the National Health Service in England, the ultimate parent holding is considered as the Department of Health and Social Care.

**27. Events after the reporting period.**

On 2 April 2020, the Department of Health and Social Care (DHSC), NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. Given this relates to liabilities that existed at 31 March 2020, DHSC has updated its Group Accounting Manual to advise this is considered an adjusting event after the reporting period for providers. Outstanding interim loans totalling £4.9m (interim loan principal and interest accrued) as at 31 March 2020 in these financial statements have been classified as current as they will be repayable within 12 months (see note 18).

## Quality Committee Report to the Board of Directors

<b>Committee Name:</b>	Quality Committee
<b>Committee Chair:</b>	Laura Robson
<b>Date of meeting:</b>	3 June 2020
<b>Date of Board meeting this report is to be presented</b>	24 June 2020

### Summary of key issues

- The Quality Committee met via teleconference. All Non-Executive Directors were in attendance. The meeting was observed by Dave Stott public governor.
- Two Hot Spots were identified by Clinical Directors. An increase in Covid-19 cases on one ward in the hospital. This is under active investigation and immediate action had been taken. The Chief Nurse confirmed that beds had been closed on the ward. Also a perceived rise in the number of Caesarean Sections being performed. This is being audited to establish if it was an increase in patient choice or any other reason. Discussion also took place regarding the isolation of new parents at home, where there is lack of family support and little opportunity for education of the whole family unit in the care of the new born baby. The CCG are monitoring incidents of harm as are the safeguarding team.
- In response to matters arising from the previous meeting the Quarterly Patient Safety report and the Patient Experience reports were presented.
- The time required to respond to complaints has not yet reached target and although progress had been made the speed of improvement has slowed. The Committee will continue to monitor progress whilst acknowledging the difficulties of the current situation.
- The Trust continues to be an outlier for reported incidents and the ratio of harm to no harm. The patient experience team have been investigating and discussing with others and it would appear that reporting of incidents is not standard across all Trusts. It is therefore difficult to make direct comparison. The CCG is having discussions with other Trusts in their area about this and invited HDFT to join a discussion in order to agree the standards for reporting, thereby ensuring consistent reporting across the CCG Trusts
- The minutes of the Clinical Advisory Group were presented and provided an excellent opportunity to see the decisions that had been taken and the breadth of discussion. A number of significant issues

<p>were discussed and members of the committee were interested and impressed with the speed of decision making and the resolution to difficult problems. The CAG had a lessons learned session and this provided them with the opportunity to evaluate their performance and consider ways of taking forward some of the learning. It was observed that leadership and decision making had been very different during the pandemic to enable rapid change.</p> <ul style="list-style-type: none"> <li>• The IBR and quality dashboard for March were considered by the group. Concern was expressed regarding the % of people who would recommend the hospital in the FFT responses. These will be investigated as they appear extremely low. Since the meeting an error in this report has been identified and corrected.</li> </ul>
<p><b>Any significant risks for noting by Board? (list if appropriate)</b></p>
<p>The Board is clearly sighted on the current risks and will be updated on the increases in Covid -19 patients on the specific ward and also Caesarean section rates.</p>
<p><b>Any matters of escalation to Board for decision or noting (list if appropriate)</b></p>
<p>To note the action taken concerning incident reporting and time to respond to complaints</p>

<b>Date of Meeting:</b>	24 June 2020	<b>Agenda item:</b>	11.1		
<b>Report to:</b>	Board of Directors				
<b>Title:</b>	Chief Nurse Report				
<b>Sponsoring Director:</b>	Jill Foster, Chief Nurse				
<b>Author(s):</b>	Jill Foster, Chief Nurse				
<b>Report Purpose:</b>	<b>Decision</b>	<b>Discussion/ Consultation</b>	<b>Assurance</b>	<b>Information</b>	
		✓	✓	✓	
<b>Executive Summary:</b>	<p>This paper is to provide the Trust Board with assurance regarding patient safety and quality of care during the response to the Covid 19 pandemic. The paper specifically refers to</p> <ul style="list-style-type: none"> <li>• Complaints</li> <li>• Safeguarding Week – June 22<sup>nd</sup> – June 26<sup>th</sup></li> <li>• Learning Disability Mortality Review (LeDeR) Programme: Action from Learning</li> <li>• Incident Reporting in relation to Covid Issues</li> <li>• Freedom to Speak Up Guardian Arrangements</li> <li>• Jervaulx Outbreak of SARS-CoV-2 (COVID- 19)</li> </ul>				
<b>Related Trust Objectives</b>					
<b>To deliver high quality care</b>	✓	<b>To work with partners to deliver integrated care:</b>	✓	<b>To ensure clinical and financial sustainability:</b>	✓
<b>Key implications</b>					
<b>Risk Assessment:</b>	Risks associated with the content of the report are reflected in the Board Assurance Framework BAF 13: risk of insufficient focus on quality in the Trust.				
<b>Legal / regulatory:</b>	None identified.				
<b>Resource:</b>	None identified.				
<b>Impact Assessment:</b>	Not applicable.				
<b>Conflicts of Interest:</b>	None identified.				
<b>Action Required by the Board of Directors:</b>					
<p>This paper requires the Trust Board to be informed and assured about quality of care in relation to</p> <ul style="list-style-type: none"> <li>• Complaints</li> <li>• Safeguarding Week – June 22<sup>nd</sup> – June 26<sup>th</sup></li> <li>• Learning Disability Mortality Review (LeDeR) Programme: Action from Learning</li> <li>• Incident Reporting in relation to Covid Issues</li> <li>• Freedom to Speak Up Guardian Arrangements</li> <li>• Jervaulx Outbreak of SARS-CoV-2 (COVID- 19)</li> </ul>					

11.1

## Chief Nurse Report – June 2020

This Chief Nurse report provides an overview and assurance of care quality during the response to challenging and evolving Covid 19 pandemic. More details on key performance metrics are provided in the Integrated Board Report.

### 1. Complaints

1.1 The number of complaints received in May 2020 is 11. The number of complaints received continues to be lower than normal. The complaints received span 9 different service areas and have been graded either yellow or green.

### 2. Safeguarding Week

2.1 June 22<sup>nd</sup> – June 26<sup>th</sup> 2020 is Adult and Children’s Safeguarding Week across North Yorkshire.

2.2 The theme this year is #Tell Us Your Concern each day features a different issue and is being conducted online.

Date	Theme
<b>Mon. 22</b>	<i>How to report a safeguarding concern (Twitter and Social Media, <b>each day #TellUsYourConcerns</b> Domestic Abuse (Inc. physical and emotional abuse)</i>
<b>Tues. 23</b>	Keeping Safe Online: Fraud/ Scamming and online abuse
<b>Weds. 24</b>	Radicalisation, Extremism and Prevent
<b>Thurs. 25</b>	County Lines/ Cuckooing
<b>Fri. 26</b>	Mental health and Wellbeing

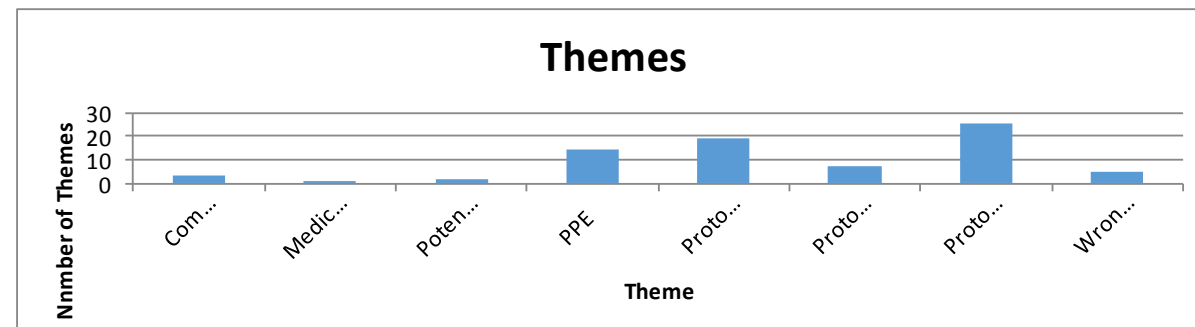
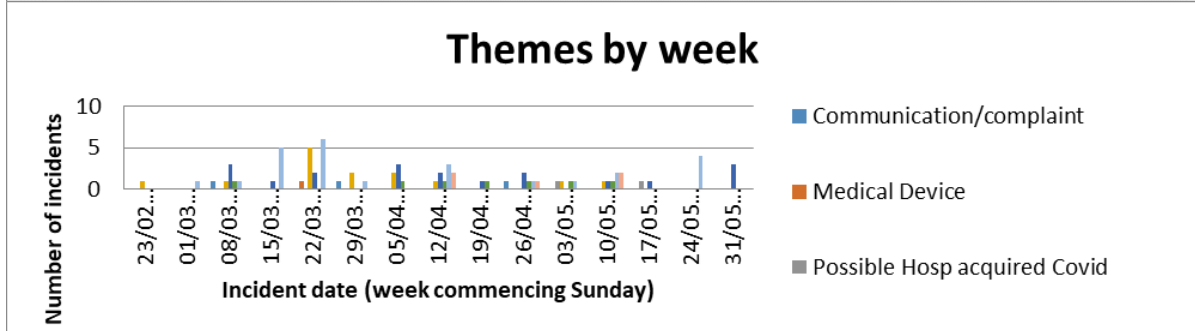
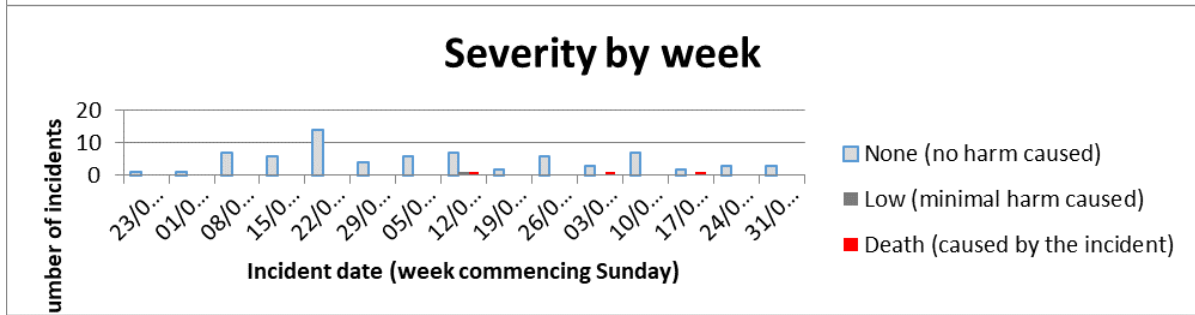
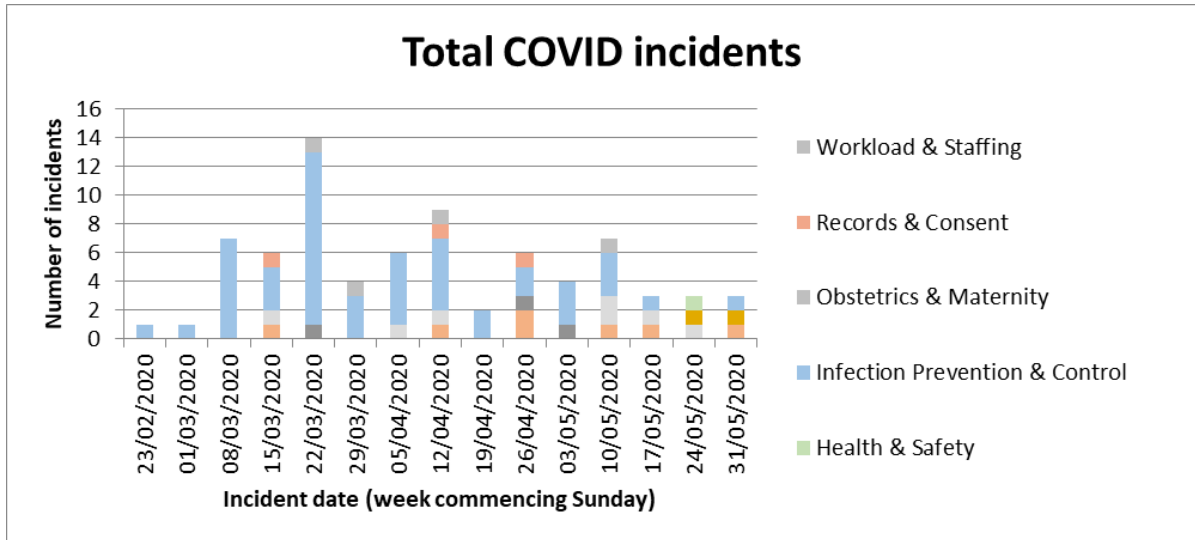
### 3. Learning Disability Mortality Review (LeDeR) Programme: Action from Learning

3.1 The Learning Disability Mortality Review (LeDeR) programme was commissioned in 2016 to improve the standard and quality of care for people with a learning disability. In North Yorkshire from March 1<sup>st</sup> to May 31<sup>st</sup> 2020 deaths involving people with a Learning disability is recorded as 25. On average the number of deaths would, on average be 11. In 11 cases, it is understood that people have died having tested as positive for COVID-19. A rapid review panel is being set up to examine each of the 25 deaths. Ben Haywood-Noble, our Acute Liaison Nurse – Learning Disabilities, MCA and DoLs is participating on this panel.

This increase in deaths of people with a learning disability during the national pandemic has been seen throughout the country and NHS England are conducting rapid reviews the 4 areas with the highest reported number of deaths.



#### 4. Incident reporting in relation to COVID -19



11.1

#### 4.1 Number of Incidents related to COVID – 19 in May is 20

##### Incidents main themes

- Protocol – work process issues
- PPE (eg clarification over fit testing, ordering and PPE to use on different wards)
- Admission/discharge/transfer

#### 4.2 Number of Concerns related to COVID – 19 in May is 24

##### Concerns main themes

- Missing property
- Social distancing by staff (often in public)
- Communication and queries around when surgery or OP appointment will be rescheduled

### 5. Freedom to Speak Up Guardian (FTSU) Arrangements

5.1 The Freedom to Speak Up Guardians (FTSUG) have an important role for ensuring colleagues have a safe route for being listened to and supported in speaking up about patient safety, quality of care and their experience of working in our organisations.

As one of the recommendations from the Deloitte neutral review of our culture we have been reviewing our current Freedom to Speak Up arrangements to ensure there are no material barriers to encouraging people to speak up. The Trust has two FTSU's, Dr Sylvia Wood, Deputy Director of Governance and Shona Kerr, Health Visitor. From the Deloitte Review Summary report and recommendation, it became clear Dr Wood could not continue in the role of FTSUG and will not be a FTSU from 17<sup>th</sup> June 2020.

Dr Wood was the first Trust's first Guardian and has worked tirelessly to ensure colleagues have been supported through difficult times, felt listened to and have had their concerns resolved. At the time Sylvia was asked by the Board to take up the role, it was known that she was married to the Trust's Medical Director. Sylvia has undertaken the role with determination, passion and integrity, has always been open about this conflict of interest, and has been thoughtful in seeking to consider how to address such issues more broadly. However, it has become clear that despite Sylvia's personal efforts, a marital relationship with a senior colleague is seen by some as a barrier to speaking up. As Sylvia leaves the role of FTSUG I would like to say thank you on behalf of the organisation for her dedication in developing this very important route for colleagues to bring forward their concerns. I am looking forward to continuing to promote a fair and just culture with Sylvia in her role as Deputy Director of Governance.

In the short term Shona Kerr is continuing in the role of Freedom to Speak Up Guardian. In addition to Shona, two colleagues – Kath Banfield, Head of Nursing, and Alison Pedlingham, Head of Midwifery – have temporarily agreed to be Freedom to Speak Up Guardians. This is so the organisation can collectively agree to a permanent arrangement for our Freedom to Speak Up Guardians.

To help us decide our future Freedom to Speak Up structure I am asking all colleagues to participate in a survey. This survey is currently live.

## 6. Jervaulx Outbreak of SARS-CoV-2 (COVID- 19)

6. 1 Jervaulx is a mixed gender medical elderly care ward and comprises of 30 beds arranged as four 6-bedded bays and 6 side rooms. It is designated a “Yellow” area (low risk COVID-19) which means patients are not suspected of having COVID-19 upon admission to this ward.

On 23/5/20, two patients who had been in bay 2 were identified to have SARS-CoV-2. Over the course of the next two weeks a total number of 24 patient cases and 11 staff cases were identified. Out of the 24 patients affected, 5 patients tested positive for SARS-CoV-2 having been inpatients for  $\geq 15$  days therefore by definition were hospital-onset definite healthcare acquired cases. At the time of writing, a number of patients who had tested positive for SARS-CoV-2 had subsequently died.

The IPC approach taken at the start of the outbreak was to:

- Transfer the positive patient to a “red” ward (high risk COVID-19)
- Close the affected bay to admissions
- Identify significant patient contacts and ensure they were either cohorted together or placed into side rooms. Contacts were observed for 14 days and tested for SARS-CoV-2 if they developed symptoms of COVID-19.

As the outbreak developed and multiple bays were affected, IPC advised on 2/6/20 for the ward to be closed to admissions and to test significant contacts for SARS-CoV-2 at the point of identification. This was because it was becoming apparent that many of the positive results were identified in patients who were asymptomatic (and had been tested because they were awaiting discharge to a care facility).

On 4/6/20 an Outbreak Control Group met and the ward was officially closed. It had now become apparent that a single point source for the outbreak was unlikely. The most likely explanation was that there were multiple sources and that transmission had occurred from people who were asymptomatic. It cannot be proven, but transmission between staff, patient to staff and staff to patient was all-possible.

The outbreak meeting discussed:

Possible contributory factors including:

- High volume and frequent rotation of staff members (medical, nursing and allied)
- Difficulties in maintaining social distancing in staff rest and office areas
- Difficulties with finding adequate space to don/doff PPE
- Limited work space and computers so crowding at nurses station
- Difficulties in preventing PPE breeches given complexity and needs of patients on Jervaulx
- Elderly patients may present with atypical symptoms of COVID-19

The Outbreak Control Group took the following action:

- Opened Byland ward to take all new elderly admissions allowing Jervaulx to close
- Ensured all patient contacts had been identified, tested and observed for 14 days
- Ensured all symptomatic staff members were off work and tested
- Tested all staff who were going to be working on Jervaulx whilst closed

- Ensured that staff and domestic's decontaminated contacts points frequently
- Requested IT survey to address the IT infrastructure problems leading to overcrowding at workstations
- Provided additional IPC support and training
- Ensured that visitors to the ward were kept to a minimum

The outbreak was reported to the local Health Protection Unit on 8/6/20

By 7/6/20 all patients on Jervaulx ward had been discharged or transferred to alternative wards. The ward then underwent a deep clean with HPV of the patient areas.

## 6.2 Nosocomial rate of infection

We record the number of nosocomial infections with COVID but not the rate of infection. This is captured on a HCAI tracker and updated daily by the IPC team. This is not perfect at present; it needs to be modified to take into account that some patients have repeated tests. Their first test may have been positive say 2 days after admission (community onset) but they then may have repeated tests during their admission which if positive can be labelled as hospital onset cases. I need to work with the IPC team to get them to remove the duplicate tests.

The IPC team examine the tracker daily to anticipate potential outbreaks.

There is also a weekly sit rep submission outlining the number of nosocomial cases (indeterminate, probable and definite) the IT department does this, and they draw their data from the COVID-19 database.

## 6.3 Benchmarking

To date no regional reports include nosocomial infections.

6.4 It is difficult to quantify the implications of potential outbreaks of COVID – 19 for the ongoing management of the recovery.

## 7. Deputy Chief Nurse

After working for Harrogate and District Foundation Trust for almost 28 years Alison Mayfield, our Deputy Chief Nurse is retiring. Alison has worked tirelessly for this Trust, always putting patients and colleagues first, she has been the embodiment of our Trust values. Alison is the best example of what a nurse and public servant should be.

I would like to take this opportunity for the Trust Board to recognise and thank Alison for everything she has done for this organisation. She has always been a great support for me and whilst I will miss her enormously I hope you will join me in wishing her a very long and happy retirement.

**Jill Foster**  
**Chief Nurse**  
**June 2020**

*You matter most*

<b>Date of Meeting:</b>	24 June 2020	<b>Agenda item:</b>	12.0					
<b>Report to:</b>	Board of Directors							
<b>Title:</b>	Workforce & Organisational Development Update							
<b>Sponsoring Director:</b>	Ms Angela Wilkinson, Director of Workforce and Organisational Development							
<b>Author(s):</b>	Mrs Shirley Silvester, Deputy Director, Workforce & Organisational Development							
<b>Report Purpose:</b>	<table border="1"> <tr> <td><b>Decision</b></td> <td><b>Discussion/ Consultation</b></td> <td><b>Assurance</b></td> <td><b>Information</b></td> <td>✓</td> </tr> </table>			<b>Decision</b>	<b>Discussion/ Consultation</b>	<b>Assurance</b>	<b>Information</b>	✓
<b>Decision</b>	<b>Discussion/ Consultation</b>	<b>Assurance</b>	<b>Information</b>	✓				
<b>Executive Summary:</b>	<p>This paper provides an update on current priority areas as follows;</p> <ul style="list-style-type: none"> <li>• Health &amp; Wellbeing Support – Psychology Support</li> <li>• Providing positive support to BAME colleagues through COVID-19 – up-date on Individual Risk Assessments</li> <li>• COVID19 – HR Helpline and Inbox</li> <li>• Support for Leaders</li> </ul>							
<b>- Related Trust Objectives</b>								
<b>To deliver high quality care</b>	✓	<b>To work with partners to deliver integrated care:</b>	✓					
		<b>To ensure clinical and financial sustainability:</b>	✓					
<b>Key implications</b>								
<b>Risk Assessment:</b>	Any identified risks are included in the HR Directorate and Corporate Risk Registers							
<b>Legal / regulatory:</b>	None identified							
<b>Resource:</b>	None identified							
<b>Impact Assessment:</b>	Impact assessments for individual initiatives would be required in addition to considerations around recruitment practices to tackle recognised underrepresentation of protected groups.							
<b>Conflicts of Interest:</b>	None identified							
<b>Reference documents:</b>	None identified							
<b>Action Required by The Board of Directors:</b>								
The Board is asked to note the update on current priority areas.								

<p><b>Health &amp; Wellbeing Support – Update</b></p>	<p>Employee Health and Wellbeing remains at the centre of our priorities as a Trust and the importance of it is emphasised as one the goals of the Recovery Plan</p> <p>The Health &amp; Wellbeing support is starting to be increasingly utilised. This pattern of activity is being seen on both a national and regional basis. Below is an activity report from 2 elements of the support provided, the Employee Assistance Programme and the in-house Psychology Support:</p> <p><u>Employee Assistance Programme ('EAP')</u></p> <p>This is brand new service which was launched at speed at the outset of the emergency phase. The first activity report from our EAP providers (from 1 April 2020 to 31 May 2020) is shown in Appendix A in order to demonstrate the level of data and information we will receive on an ongoing basis. The analysis of this will be submitted to the People and Culture Committee going forward. Whilst initial numbers are low, use of this support is increasing.</p> <p><u>Psychology Face to Face Support Service/Working with Teams – Report by Georgina Caton, Consultant Clinical Psychologist, Psychology Services Lead/ Chronic Pain Team</u></p> <p>As a team of psychologists redeployed into staff support we thought about the potential emotional impact on staff delivering care during this time, and how this could best be managed.</p> <p>It was clear that there would inevitably be a psychological cost to health care staff, especially those tending to multiple patients suffering the most severe reactions to the coronavirus. We understood that the existing psychological resilience of most staff will allow them, with time, to recover. That said it was also probable that cumulative distress and trauma will persist for some. We were keen to minimise this where possible.</p> <p>Given the relatively small size of HDFT we decided the most effective way to address the needs of staff was to ask them what they were struggling with, and in what ways we might help. We heard from matrons and team leaders that stress and anxiety levels were high within teams.</p> <p>We therefore contacted and linked in with the matrons in the key COVID areas to find out what some of the issues were and what they felt would be the most effective way of supporting them.</p> <p>2 key requests emerged:</p> <ol style="list-style-type: none"> <li>1) The message from team leads was that uptake of support would be more likely if it was “human facing” rather than remote. To be visible and “present” seems important. Individual support for staff who were already seen a struggling was identified.</li> <li>2) Support for teams – help with how to bring well-being into huddles,</li> </ol>
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	<p>staff handover sessions etc.</p> <p>Therefore the work offered was:</p> <p><u>In-house Phone Helpline</u> - The in-house phone helpline took 74 calls in the period 6 April to 11 June 2020</p> <p><u>Face to Face Session Format</u> On Average 21 hours (0.6 wte) of Psychology time was offered for individual face to face work per week.</p> <p><u>Who could access the sessions</u> It was decided initially to offer the face to face support as a trial for 2 weeks to the staff working in the Red Covid Areas (Farndale, Wensleydale, Harlow, Swaledale, ICU/ACRU and A&amp;E, as well as the adult community teams) as it was felt that the majority of need would be from those areas.</p> <p><u>Purpose of sessions</u> One-off face-to-face sessions for all staff working in areas directly affected by the COVID-19 situation with issues relating to this. The aim was to provide a safe, confidential space where staff can talk through their experiences and any issues of worry or concern, and access a listening ear and some informal emotional support.</p> <p><u>Uptake</u> Approximately half of the slots were being booked out, with a handful of additional drop-ins. The uptake increased over time as word spread, and the service was normalised amongst staff groups. Occasionally staff would return for a second session if more time to reflect or discuss coping was needed. It was made clear that these were not 'therapy sessions', and staff were signposted elsewhere if it was felt they would benefit from specific services or had greater needs.</p> <p>Uptake in the community was lower, but requests have been made to continue support to them due to issues particularly around the supported discharge service (a newly formed service, without the usual means of peer support and large alterations to staff's usual ways of working)</p> <p>Feedback suggested that the need was increasing by the end of May, due to staff being less focused on the practical aspects of dealing with the COVID-19 situation, and having more awareness and time to reflect on the emotional impact.</p> <p><u>Themes</u></p> <ul style="list-style-type: none"> <li>• There was a fear amongst staff of catching the virus and dying.</li> <li>• Staff were afraid of carrying the virus into their homes and causing harm to loved ones.</li> <li>• Work environments, team structures, roles and expectations continued to change – often with little warning or preparation - meaning that uncertainty (and consequent anxiety) was ongoing.</li> <li>• Some individuals were missing the support and camaraderie from their teams of origin.</li> </ul>
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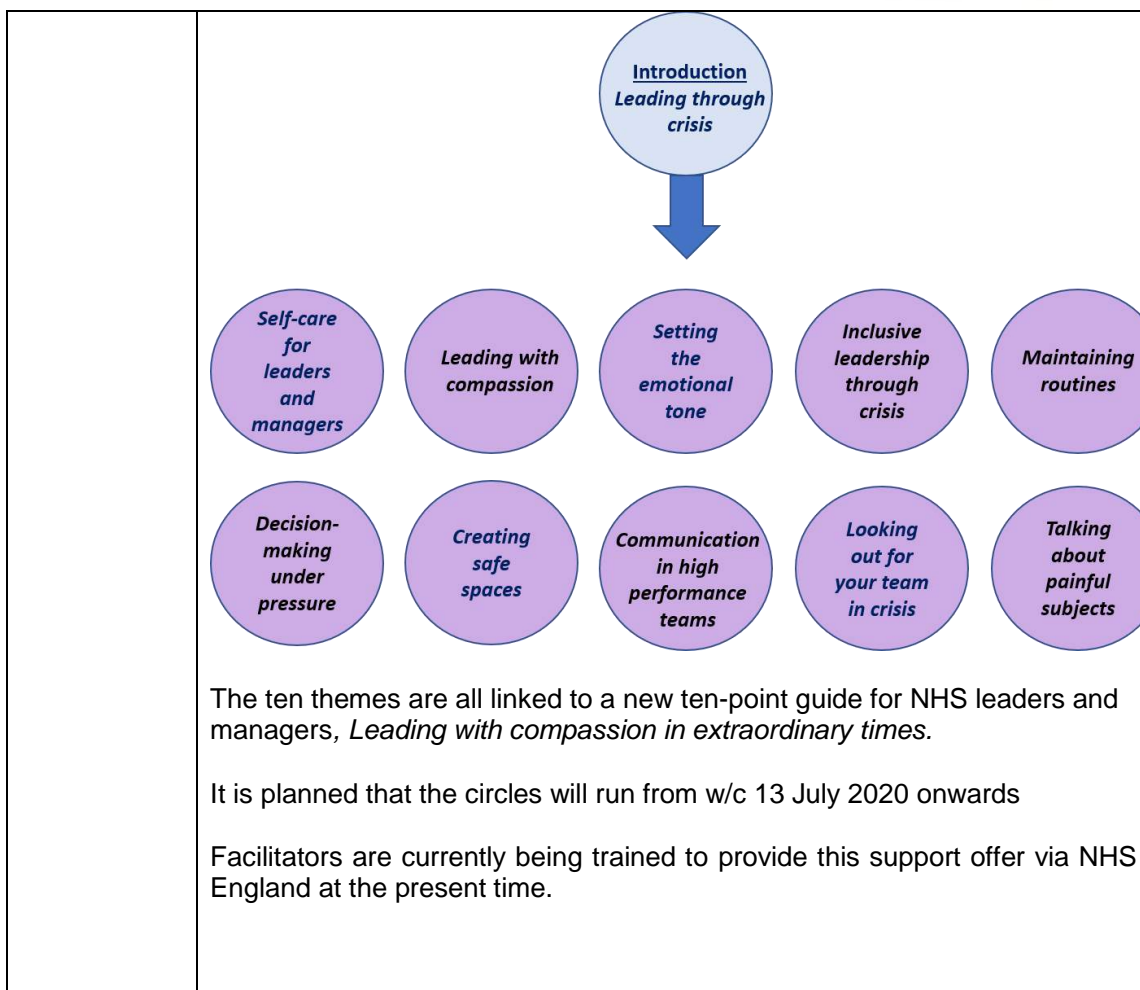
	<ul style="list-style-type: none"> <li>• Managing multiple deaths, in the absence of patient’s families, was distressing and emotionally wearing.</li> <li>• Working in new roles and teams meant that staff felt deskilled and unable to give the level of care they thought their patients deserved. We call this “moral distress”. They experienced it as stress, anger, sadness and guilt.</li> <li>• Home dynamics had also changed for staff – with children and partners being more present, there seemed to be less time and opportunity for reflection and digestion.</li> <li>• We heard how much staff cared about doing “a good job” and how hard it was, in the current situation, to feel that this was always possible. The title of “hero” the public had bestowed upon staff did not always sit comfortably. In fact in many ways it made it more difficult for staff to voice the discomfort and resentment some of them felt about working in ways that they “didn’t sign up for”.</li> <li>• Staff missed access to the usual means of diffusing or managing stress; contact and cuddles with loved ones, time at the gym, nights out with friends, and banter from longstanding colleagues. Staff who ordinarily saw themselves as pretty resilient had been wrong-footed by how a disturbing level of anxiety and increased sense of vulnerability had crept in.</li> <li>• Fatigue was also a factor as the intensity and conditions of work tired them. They worried about how long it would all “go on” and if they could sustain themselves. The initial energy that was around when the changes began had abated, and life felt like relentless “hard work”. Many felt there is little to look forwards to – both at home and work.</li> <li>• For senior staff, there was frustration at their inability to support staff in their usual ways.</li> <li>• Some of these issues increased/flared up previous mental health issues for staff (particularly anxiety and bereavement issues)</li> <li>• Anxiety around returning to their usual roles/work conditions.</li> </ul> <p><u>Team Support</u>                  In addition to the above, we also asked Leads/Matrons to email us with any team issues so that we could bring them to our weekly psychology meeting to discuss and pull resources in how best to respond. This included handouts and guides to teams on team well-being, as well as individual discussions with Leads/Matrons.</p> <p>We were requested to provide a psychology presence at Staff hand-over/huddles, but unfortunately we did not feel we had the resources/capacity to be able to do this for all ward areas.</p> <p>Small group support was provided in A&amp;E (2-4 staff members) for ten sessions by one psychologist who had previous links with that service.</p> <p><u>Feedback</u>                  No formal feedback has been gathered, but the informal feedback (particularly around the face to face session provision) has been all positive. “Thank you so much, it was nice to meet you and it definitely helped and it</p>
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<p><b>Providing Positive Support to BAME Colleagues through COVID-19</b></p>	<p>clarified some behaviours and feelings. I can't wait to look through the workbooks. Thank you again for all your help.”                  From a matron: “noting how valuable this support has been to staff and how much the update has increased particularly recently”                  “Many thanks to all the Clinical Psychology team, you have been so flexible and I know from staff that have taken some of your time, supremely effective. Thank you.”</p> <p><u>Psychology Support going forwards</u>                  As part of the Trust’s recovery plan HDFT Psychology staff have been asked to return to our own clinical areas with effect from 12 June 2020 and therefore to take a step back from our role in staff support. This has led to all the psychologists feeling uncomfortable; when the increasing need, uptake and appreciation of the face to face work has been apparent. So we are happy to support any short-term initiatives whilst the longer term wellbeing business case is being developed.</p> <p>Areas of demand which require consideration now the service is ceasing are;</p> <ul style="list-style-type: none"> <li>• That the offer to face to face was just for staff on Red Covid areas. We had hoped to review this situation (with recognition of the inequality, and also the fact that some staff who had worked on red areas were now back in green areas) and possibly open up the offer.</li> <li>• It did seem from our face to face sessions, that there was clearly a need for some staff to be able to access more than a one-off session. Trauma/PTSD issues weren’t the key problems seen (although may surface over the next few months), however bereavement and esteem issues tied in with work (for example sense of capability, or returning to work following isolation) as well as a low mood and anxiety, and flare ups of previous mental health issues were evident – which may possibly have an impact on sickness levels/absence in the immediate future. It was felt that for these staff they would benefit from around 10+ sessions of therapeutic treatment which possibly isn’t available via the EAP.</li> </ul> <p>The HR team are working through options for how to provide a service going forward that can meet these demands.</p> <p>As evidence emerged nationally about the disproportionate impact that COVID19 was having on the BAME population, we implemented an Individual Risk Assessment that all BAME colleagues should undertake with their line manager. The process of completing these Individual Risk Assessments is well underway. Shown below is the progress made on completion of these as of 12 June 2020:</p>
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	No of BAME colleagues	469
	No of IRAs completed	393
	No of IRAs outstanding	75
	No of Outstanding IRAs by Directorate	
	Corporate	5
	LTUC	24
	PSC	39
	HIF	8
	CCWCC	0 – all completed
	<b><u>COVID19 – HR Advice and Support</u></b>	<p>The 2 Listening Events for BAME colleagues took place on Friday 15 May and Monday 18 May, and were attended by Steve Russell, Angela Wilkinson and Jill Foster to provide our BAME colleagues with the opportunity to discuss their views and any concerns they have.</p> <p>A BAME Taskforce has been established to provide governance and organisational oversight of this important issue. The Taskforce reports into SMT. Three meetings have been held to date. The Terms of Reference are shown in Appendix B.</p> <p>Amongst the actions taken to date, at the last Taskforce it was agreed to take forward action to increase the voice of BAME staff at Bronze command/Directorate management team level. A process for doing this in conjunction with the BAME network has been agreed by the Directorates which is being enacted. It was also agreed to relook at the ‘reverse mentoring’ scheme with a focus on BAME colleagues being the focus. HDFT commenced a similar programme at the end of 2019 called Listening Partners which was due for restarting in February 2020 so will resume this with a renewed focus. There was strong support for this at SMT.</p> <p>A dedicated Human Resources Helpline and inbox has been established at the start of the global pandemic and this has proved to be a successful way of managing the additional queries and concerns from across the workforce. The team continue to handle on average 600 transactions/queries per week.</p> <p>Key Themes up to week ending 12th June</p> <ol style="list-style-type: none"> <li>1. Quarantine/isolation following annual leave abroad</li> <li>2. Facemask queries</li> <li>3. Test and trace</li> </ol> <p>National guidance is still awaited on some key areas of advice – RIDDOR, quarantine and shielding.</p>

<p><b>Support for Leaders</b></p>	<p>Supporting and developing our leaders is always a focus at HDFT as the role of our first line leaders in setting culture and tone and improving staff experience is clear and paramount. Leading through the current emergency and recovery phases however is difficult for those having to manage their own anxieties as well as leading their teams through the changes. We are refocussing our efforts to ensure we can offer as much support as possible;</p> <p><u>Line Manager drop-in webinars – practical advice</u></p> <p>With effect from w/c 21 June the Workforce &amp; OD team will be hosting ‘HR Drop-in Sessions’ on MS Teams for Leaders to join for guidance on any issues that require support. Each drop in session will start with a 5 to 10 minute up-date on topical issues, and then the session will be opened up for questions. Up-take will be monitored and the sessions evaluated to identify if this proves to be a useful support mechanism.</p> <p><u>Leadership support circles – psychological and development support</u></p> <p>Hosted and run by an in-house team via MS Teams, these circles are a space and an opportunity for leaders at all levels to come together, share their experiences and to be heard. Circles are multi-disciplinary, interactive and provide evidence based guidance/tools.</p> <p>This intervention is currently part of NHS England and Improvement’s programme to protect the wellbeing of NHS people working in response to the COVID-19 crisis.</p> <p>Circles provide;</p> <ul style="list-style-type: none"> <li>• A space for leaders to come together</li> <li>• ...to share experience</li> <li>• ...to be heard</li> <li>• ...and sometimes to work through complex challenges</li> </ul> <p>The overall structure of the Leadership Support Circle sessions are illustrated below: there is an <i>Introduction session</i> which should be the starting point for most, leading to a range of ten additional themed sessions where participating leaders can take a “pick and mix” approach.</p>
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<b>Date of Meeting:</b>	24 June 2020	<b>Agenda item:</b>	13.0
<b>Report to:</b>	Board of Directors		
<b>Title:</b>	Covid-19 assurance report		
<b>Sponsoring Director:</b>	Mr Robert Harrison, Chief Operating Officer		
<b>Author(s):</b>	Mike Forster – Operational Director LTUC Olivia Crispin – Management Trainee ICC & PSC		
<b>Report Purpose:</b>	<b>Decision</b>	<b>Discussion/ Consultation</b>	<b>Assurance</b> ✓ <b>Information</b> ✓
<b>Executive Summary:</b>	This report provides the Board with an update on the progress against the recovery phase (Phase 2) of the current Incident relating to Covid-19. It provides information on the overall activity related to the virus and an update on the plan which was presented and agreed at the May board.		
<b>Related Trust Objectives</b>			
To deliver high quality care	✓	To work with partners to deliver integrated care:	✓ To ensure clinical and financial sustainability: ✓
<b>Key implications</b>			
<b>Risk Assessment:</b>	Risks are included in the Corporate Risk Register		
<b>Legal / regulatory:</b>	This remains a national level 4 incident and our response is in line with the guidance provided		
<b>Resource:</b>	Cases are being reviewed and amended as part of the governance process.		
<b>Impact Assessment:</b>	Considered as part of the Incident		
<b>Conflicts of Interest:</b>	N/A		
<b>Reference documents:</b>	N/A		
<b>Assurance:</b>	Plans are being developed in line with national guidance		
<b>Action Required by the Board of Directors:</b>			
It is recommended that the Board of Directors notes items included in the report.			

## COVID-19 Assurance Report

June 2020

### 1. Overview

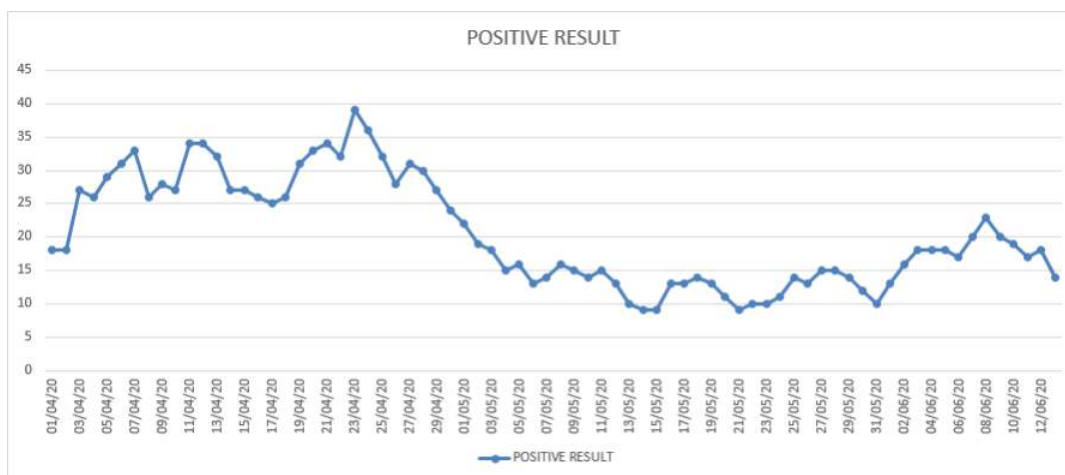
We are now in recovery phase (phase 2) of the Coronavirus pandemic and have been taking forward the approach that was agreed at the May Board.

### 2. Covid-19 within the Trust

As of Thursday 11<sup>th</sup> June, 125 inpatients have recovered from Covid-19 and been discharged. The below infographic is included in the daily communications bulletin each Thursday to provide an update to staff.



The chart below shows the number of Covid-19 positive patients in Harrogate hospital since the beginning on April 2020. Since the peak on the 23<sup>rd</sup> April, there was an almost consistent decline in the number of positive cases until a slight rise at the end of May and beginning of June. In June there was an outbreak Jervaulx Ward which is currently being investigated by Microbiology and infection prevention control. There are currently no members of NHS staff admitted who have tested positive.



To date (14/06/2020) 73 patients with positive Covid-19 results have died in the hospital. All deaths have been notified to NHS England so that they may be included within the national reporting.

### **3. Hospital Response & Recovery Planning**

In line with national guidance, the Trust continues to coordinate the incident response through the incident command centre (ICC). In line with the national and regional command centres the hours of the ICC have been reduced to 8am – 6pm, 7 days a week. Gold ICC meetings now take place on a Monday, Wednesday, and Friday to coordinate the development and implementation of the plan at recovery cell and directorate level.

### **4. Recovery planning**

Since the last Board the development and implementation of Phase 2 recovery has been progressed through the agreed governance structure with each sub group refining their plans and coordinating their implementation through the Operational Recovery Group.

The following is an update from each of the recovery cells;

#### **4.1 Urgent Care & Adult Community**

##### **Emergency Department**

The Emergency Department has been redesigned to move away from having 'red' and 'green' areas into the next stage of service delivery. From June 10th, the department has run as one single 'yellow' department over its expanded footprint (i.e. including fracture clinic). This allows ED to continue to support social distancing guidelines. The team now stream suspected Covid-19 patients to dedicated areas within the extended department.

By the end of July, works will have taken place to convert the Resus area to support Aerosol-generating procedures. This means that Day Surgery Unit (DSU) theatres, up to now used for AGPs, can be returned to Green Elective DSU to increase elective activity.

##### **Combined Assessment Unit**

From the beginning of July there will be increased on site Covid testing capacity which will support more rapid decision making and movement of patients to high risk and low risk Covid Wards. At this point we will move away from having both green and red assessment areas having a combined assessment unit on Farndale and Harlow, which consists of 27 single rooms, therefore all patients will be isolated pending the result of their antigen test.

##### **Community nursing**

Community nursing has continued to provide a near to normal service during the initial Covid-19 response period, with the exception of continence nursing and TVNs who have supported the community nursing teams throughout this period. Community and acute based therapy staff are working together with the supported discharge service to provide an enhanced community therapy and nursing service. The team has also benefited from redeployed staff who are now returning to their substantive posts.

Work within the community is impacted by trying to provide often complex care to patients whilst managing Covid-19 and infection control guidelines. The community is now seeing an increase in their planned activity which mirrors the increase in activity in other parts of the health system.

The service has introduced a twilight service to support the additional unplanned demand during the evening and overnight.

As part of Phase 2 we are currently working through the ongoing impact of managing patients with Covid-19 in the community over the coming months. We continue to work with therapy colleagues as they are developing their community offer in order to support more patients in their own homes and the case will be reviewed as part of the phase 2 plan next week.

The community teams are linking daily with social care colleagues in the Harrogate and Rural Alliance (HARA) and are a key part of the ongoing integration work within the HARA. The work will pick up pace again over the coming months.

## 4.2 Elective Work

### Green Elective Zones

As part of our restart of activity, DSU is now designated as 'Green Elective', and colleagues there are seeing patients with cancer and urgent cases from a range of specialities.

Since the 1<sup>st</sup> June we have been operating out of the Duchy Hospital with Orthopaedic day case work.

From Monday 15<sup>th</sup> June, we began running our first lists for urgent patients in the 'Green Elective' Endoscopy Department.

The main next steps beyond the above include the splitting of the Main Theatres complex which will be completed by the 17<sup>th</sup> July. This work will be supported by Coronary Care moving from MSS to Byland and Farndale with the new Coronary Care Unit equipment arriving on the 22<sup>nd</sup> June. All of this work will allow us to establish a further 'Green Elective' zone for operations, which means we can further extend our elective work.

To support these "Green Elective" areas patient testing and isolation periods have been established and have been in place since we stepped up Green activity on the 1<sup>st</sup> June.

## 4.3 Outpatients and Diagnostic

### CT scans

From June 4<sup>th</sup>, we began to use the CT scanner at the Nightingale Hospital to assist with us being able to see patients more quickly.

In addition to this, we are expecting to take delivery of an additional CT scanner at Harrogate District Hospital at the end of July. This facility will be able to provide support to inpatients in our 'Green Elective' zone services.

### Outpatients

Teams are now focusing on establishing a greater number of clinics, primarily using online technology, and face-to-face appointments where absolutely necessary.

We require extra space for face-to-face appointments, because of social distancing guidelines and fracture clinic space now being part of the Emergency Department. Therefore, we are looking to establish the Lascelles Unit as an interim off-site outpatient facility (Lascelles services are now on Rowan Ward on the Harrogate District Hospital site, also as an interim measure). We also have outpatient space in the Briary Wing which we intend to make available for additional capacity.



While we are working through these steps, there will be an increase in patients in our 'regular' outpatient areas. We are working with staff in those areas to ensure we can care for people safely and in line with national guidance.

This includes all hospital staff and visitors, including outpatients, wearing face masks and face coverings while they are on the hospital site. This measure was introduced on Monday 15<sup>th</sup> June in line with national government guidelines.

#### **4.4 0-19 / Community**

##### **Safeguarding Children**

To address the surge within the safeguarding children team the workload is assessed on a daily basis.

Staff within the Safeguarding team are being versatile and support each other depending on staffing levels and demand in each area, in addition to utilising some redeployed staff.

The safeguarding children Single Point of Contact (SPOC) continues to run with the extended times 7 days per week, 8am-8pm.

A series of safeguarding surge plans, to accompany the main safeguarding surge plan, have also been agreed. They address training, supervision, Looked After Children and supporting key meetings where vulnerability is discussed.

##### **0-19 Healthy Child Programme**

We are working to restore the full 0-19 Healthy Child Programme delivery by SCPHNs, supported by the skill mix team in each 0-19 contract area in the next 90 days. This will be a phased approach to increasing face-to-face provision whilst ensuring we can care for people safely, in line with national guidance and continue to support staff health and wellbeing. From the week commencing June 15<sup>th</sup>, we will launch the Phase One Restoration Plan which will be shared with 0-19 Teams in the locality via online daily briefings and a supplementary email briefing.

##### **Therapies/MDT teams**

CCCC therapies/MDT teams have commenced their recovery plans; Podiatry, Adult SALT and Specialist Children's Services are seeing increased numbers of face-to-face contacts both in the acute and community sites across North Yorkshire.

Psychology support within clinical teams is back at full capacity. The Living with Pain & CFS team are recommencing their service as a virtual offer from the end of June.

##### **Community Dental**

Community Dental are continuing to provide a regional Covid-19 urgent dental care hub at York with non-Covid-19 urgent dental care capacity in York and Northallerton. Routine services are now recommencing in a phased approach starting with clinics in Scarborough and Harrogate alongside our prison service sessions.

##### **Children's Immunisation team**

The Children's Immunisation team has now started their recovery programme by providing 'catch up sessions' in a variety of community settings to those children and young people

who did not receive their vaccinations in this academic year. They are working closely with commissioners and local providers to develop a community model for delivery for next year's vaccinations and flu programme, which now has year 7 added. In the next few weeks there may be a call to action for any staff who may be able to support this programme in the autumn school term.

## 5. Phase Three of the NHS Response to Covid-19 Response

On June 11<sup>th</sup>, NHS England released an update in advance of the NHS national planning guidance for Phase 3 of the NHS response to Covid-19. Discussions continue at national level with Government regarding expectations of the NHS for the remainder of the year and any associated required investment. To support the move into Phase 3, HDFT is undertaking work to provide a view of:

- The level of capacity available and activity possible during the remainder of the financial year, utilising current resources (and without further investment) within the constraints of Covid IPC compliance requirements;
- The resource and investment requirements to address the gap between the above and the levels of activity that are consistent with the updated national planning assumptions.

These new assumptions we have been provided with nationally are as follows:

- Locally assumed level of Covid-19-related demand (*we currently have a regional assumption - July/Aug level of Covid activity is May rate. Sept – Nov is 75% of April peak and December to March is May rate*)
- Return to 100% seasonal non-elective demand
- Return to 100% elective activity
- Length of stay reductions of 11% are maintained (*we would assume this is non elective only*)
- Productivity reduction of 10% due to social distancing measures and IPC interventions (*reduction in the overall bed base, NEY is approx. 9% based on 19/20, we can provide individual ICS position*)
- Medicines and PPE can be supplied in the necessary quantities
- Independent sector bed and diagnostic capacity, and nightingale hospitals, continue to be available until 31 March 2021
- Bed occupancy remains below 92% (G&A) and 80% for critical care



Harrogate and District  
NHS Foundation Trust

**HDFT**

# COVID19 – Update Recovery Plan

June 2020

*You matter most*

# Aim and Objectives

The ability of the organisation to meet the needs of the users of its service requires a clear recovery plan which is able to manage the "new normal" to provide capacity and clinical care to COVID patients and all other users of services

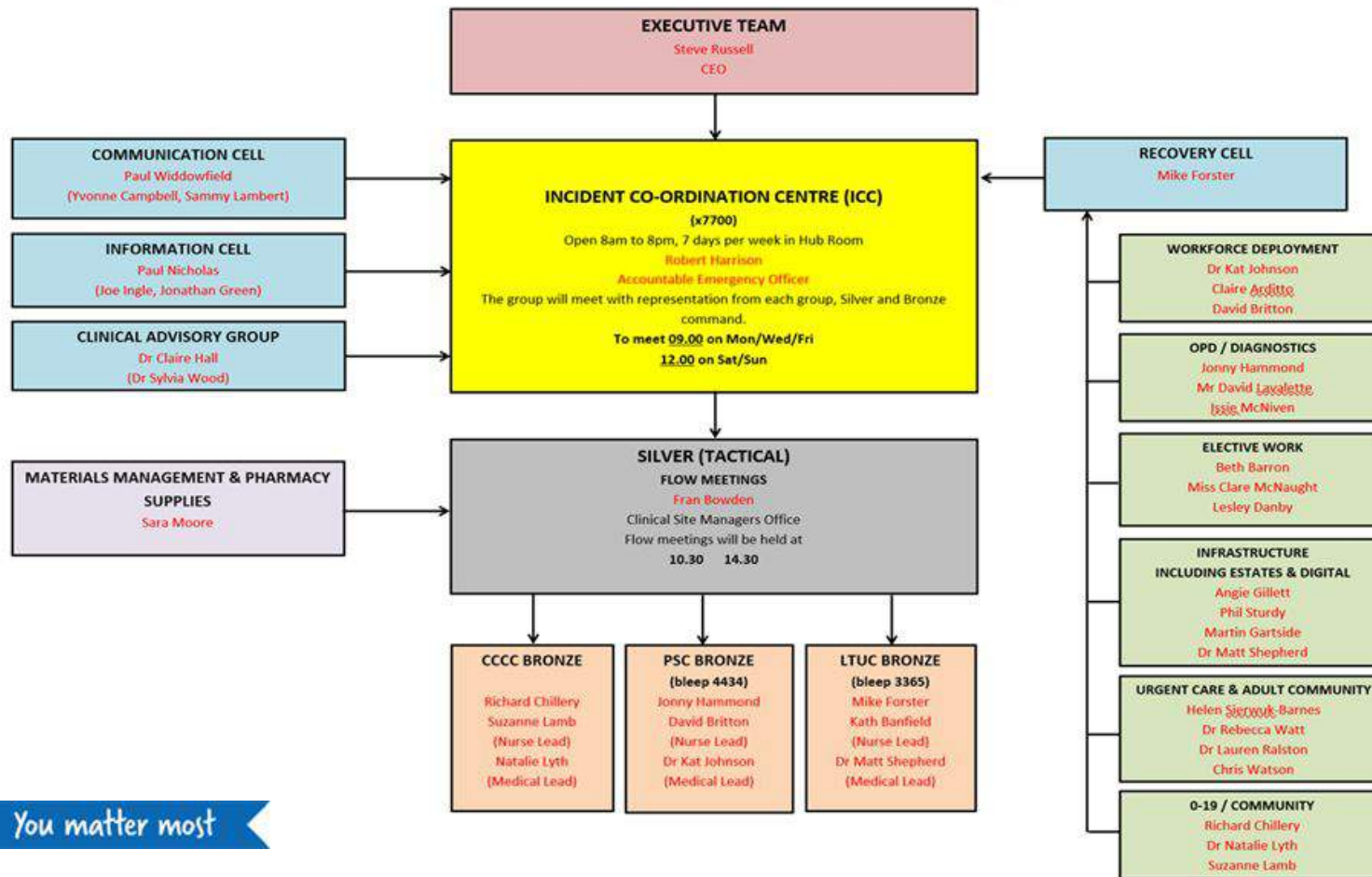
- Goal 1 - treat CV19 patients in physically separate area
- Goal 2 - treat nonCV19 emergency patients – ideally cohorted away to minimise risk
- Goal 3 - be able to triage all referrals from primary care at pre CV19 levels
- Goal 4 - 2ww/diagnostic and urgent surgery back to pre CV19 levels
- Goal 5 - increase routine elective work where possible
- Goal 6 - keep working practices that are efficient and support distancing etc.
- Goal 7 - ensure staff are supported and safe
- Goal 8 - to deliver services to communities with increased vulnerability and population health inequalities

You matter most



# Governance Structure

## Governance structure for the Covid-19 incident recovery



You matter most

# Update - Creating 'Green Elective' areas



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Hospital site is being reconfigured as follows:

- **3 main theatres (with ability to flip one back to red if needed) with dedicated elective ward with separate external entrance**

Works to support change will be completed by 17<sup>th</sup> July.

Enabling work completed to allow Coronary Care to move from MSS to Byland and Farndale.

New Coronary Care Unit equipment arriving June 22<sup>nd</sup>.

- **3 Day surgery theatres**

Unit opened with one theatre on Monday 1<sup>st</sup> June.

Works to create an AGP resuscitation area in ED to be completed by the end of July which will allow a further two theatres to be available to DSU.

- **Endoscopy unit**

Commences as a Green Elective area from Monday 15<sup>th</sup> June – 3 Rooms only initially, providing 1.5 room equivalent activity. Plans being developed to increase capacity further as this remains very high risk

- **Critical care beds**

Case to be submitted to get regional support for funding.

## Additional off-site capacity:

- Two laminar flow theatres at BMI Duchy have been used for Orthopaedic day case work since June 1<sup>st</sup>.
- Nightingale, Harrogate (with other partners) being used for CT since 4<sup>th</sup> June.

## Logistics and Testing includes:

- Antigen Testing for patients and staff now in place
- Antibody Testing being rolled out w/c 15<sup>th</sup> June.
- Wayfinding in place from 17<sup>th</sup> July.
- 2<sup>nd</sup> CT planned to be on site by the end of July.

You matter most



# Delivering Outpatients & Diagnostic

Outpatient Group have been working with clinicians to deliver

- Use of CT scanner at the Nightingale hospital, which began on June 4<sup>th</sup>
- Delivery of additional CT scanner at HDFT at the end of July
- Establishment of Lascelles Unit as an interim off-site outpatient facility (supported by inpatient rehabilitation moving on to the main site on Rowan Ward on an interim basis.)
- Expansion of outpatient space in the Briary Wing
- Activity to be delivered non face to face where possible as default
- Maximum possible Social Distancing through one-way flow (where possible) and reduced waiting area occupancy
- Utilisation of maximum possible capacity off Main Hospital Site (utilising Alwoodley, Ripon, Yeadon, & Wetherby clinics)
- Minimising the potential for Vulnerable patients to access Higher Risk areas on Hospital Site
- Minimising number of attendances to the site through one stop approach where possible
- Streaming of diagnostic work into Red/Yellow and “ Elective Green”
- Utilising offsite locations lower risk locations to minimise crowding and risk
- All hospital staff, visitors and outpatients to wear masks and face coverings on site to maximise safety

## Transformation of Primary / Secondary Care Interface

- Requires a complete change to the referrals process
- Pre-referral clinical management
- Shared Decision making and expanded use of A&G
- Shared approach to management of patient waiting for treatment
- Patient Initiated Follow-up and clear support plans in place

## Link to revenue and infrastructure Submissions

### Revenue

Ref 6 – PPE Management  
Ref 5 – Radiology Staffing

### Infrastructure

Outpatients  
Other items not applicable to specific projects – Lung Function linked to respiratory activity recovery  
Radiology equipment costs  
2<sup>nd</sup> CT Scanner

IT Submission

You matter most



Harrogate and District  
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# Urgent care

## As part of realigning the **hospital site**:

- ED now operating as one single 'yellow' area over expanded footprint to support distancing, with streaming of suspected cases to isolated areas
- Work to convert Resus area to support Aerosol-generating procedures, enabling DSU to become a green site for elective activity will be completed by the end July.
- Establishment of Combined Assessment Unit on Farndale and Harlow from the start July
- Ward reconfiguration – Red / Yellow Wards designated with plans to reduce occupancy on yellow wards to support distancing
- Critical care resilience plan leaves in place MAU (ARCU) available to reopen as necessary
- Rehabilitation for CV19 patients now possible as Lascelles moved onto HDH site, Rowan Ward, and opens for patients on the 15<sup>th</sup> June.

## Enhancement of Community / Discharge Planning / Therapies:

- Community Care Teams
- Supported Discharge service
- Discharge centre on HDH site
- Discharge Command Centre
- Enhanced 7 day therapy services
- Ward based staffing model
- Combined assessment unit

You matter most





# Community and children's services

## Children's Community Services

- Vaccination and Immunisation service - Catch up programme (June) and increased demand re Flu (October) – discussions with Commissioners commenced.
- Health Visitor / School Nurse – home visit risk assessment and assessment of face:face requirements
- Safeguarding – virtual 6-day service, limited face:face, supervision undertaken virtually. SPOC running 7 days per week, 08:00-20:00
- 0-19 Healthy Child Programme – fully restored in the next 90 days; Phase One Restoration Plan to begin June 15th

### Issues:

- Premises – often in GP practices and schools, so will require support re distancing and access
- Vaccine supply

## Other NY Community Services

- Therapies/ MDT – commenced recovery plans including increased numbers of face:face contacts. Psychology support back at full capacity
- Community Dental – continuation of urgent dental care, phased approach to resumption of clinics

## Link to revenue and infrastructure Submissions

### Revenue

- Ref 1 – Children's Vaccination and Immunisation service workforce
- Ref 2 – Uniforms for staff

### Infrastructure

You matter most

# Key dependencies

- Retention of independent sector capacity
- Availability of PPE
- Availability and timeliness of equipment
- Availability of staff
- GP referral patterns
- Productivity impact from PPE and IPC
- Patient compliance with isolation requirements for Pre and post operative periods

*You matter most*

# What we will deliver



		Actual	Forecast			Q2 Assumption			Q3 Assumption			Q4 Assumption			Total	Diff	
		Apr-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21			
Non-Elective Driven Demand	A&E Attendances	20/21 Plan		4,618	4,618	4,617	4,617	4,464	4,617	4,464	4,617	4,464	4,617	4,619	54,335		
		Revised	2,157	2,157	2,697	3,236	3,236	3,400	3,600	3,800	3,800	3,800	3,800	3,800	43,283	- 11,052	
		Variance	2,157	-	1,921	- 1,228	- 1,381	- 1,217	- 864	- 817	- 664	- 817	- 817	- 357	- 819		
	Non-Elective Admissions	20/21 Plan		1,933	1,890	1,940	1,943	1,900	1,950	1,907	1,957	1,960	1,824	1,960	23,047		
		Revised	1,229	1,229	1,439	1,522	1,610	1,610	1,610	1,610	1,610	1,610	1,610	1,610	19,909	- 3,138	
		Variance	1,229	-	494	- 368	- 330	- 333	- 290	- 340	- 297	- 347	- 350	- 214	- 350		
Routine & Cancer Demand	All Referrals	20/21 Plan		5,306	6,001	6,232	5,538	6,001	6,001	5,769	5,769	5,538	5,538	6,232	69,462		
		Revised	1,955	1,955	2,448	3,419	4,226	4,355	5,369	6,001	5,769	5,769	5,538	5,538	6,232	58,575	- 10,887
		Variance	1,955	-	2,858	- 2,582	- 2,006	- 1,183	- 632	-	-	-	-	-	-		
	GP Referrals	20/21 Plan		3,893	4,396	4,563	4,061	4,396	4,396	4,228	4,228	4,061	4,061	4,563	50,906		
		Revised	650	650	1,180	1,701	2,512	3,228	4,040	4,557	4,557	4,557	4,557	4,557	41,303	- 9,603	
		Variance	650	-	2,713	- 2,695	- 2,051	- 833	- 356	161	329	329	496	496	6		
	2WW Referrals	20/21 Plan		920	820	920	890	790	885	820	754	735	820	825	9,969		
		Revised	382	382	475	492	644	712	711	885	820	754	735	820	825	8,637	- 1,332
		Variance	382	-	445	- 328	- 276	- 178	- 79	-	-	-	-	-	-		
Activity Delivery	Daycase	20/21 Plan		2,860	3,141	3,235	2,953	3,141	3,141	3,047	3,047	2,953	2,953	3,234	36,657		
		Revised	766	766	797	1,626	1,870	2,053	2,053	1,934	1,934	1,934	1,934	1,934	21,535	- 15,122	
		Variance	766	-	2,063	- 1,515	- 1,365	- 900	- 1,088	- 1,207	- 1,113	- 1,113	- 1,019	- 1,019	- 1,300		
	Elective IP	20/21 Plan		281	279	283	276	286	282	280	278	279	277	286	3,367		
		Revised	40	40	56	40	70	103	136	173	173	173	173	173	1,523	- 1,844	
		Variance	40	-	225	- 239	- 213	- 173	- 150	- 109	- 107	- 105	- 106	- 104	- 113		
	First attendances	20/21 Plan		4,672	5,474	5,741	4,939	5,474	5,474	5,207	5,207	4,939	4,939	5,741	62,746		
		Revised	1,389	1,705	1,818	2,249	3,693	3,602	3,823	4,266	4,080	3,816	4,100	3,852	42,421	- 20,325	
		Variance	1,389	-	2,854	- 3,225	- 2,048	- 1,337	- 1,651	- 1,208	- 1,127	- 1,391	- 839	- 1,087	- 1,714		
	Follow-up attendances	20/21 Plan		8,846	10,230	10,692	9,307	10,230	10,230	9,769	9,769	9,307	9,307	10,694	117,688		
		Revised	5,108	4,547	4,580	5,512	6,572	6,431	7,058	7,642	7,116	6,690	7,470	6,842	82,743	- 34,945	
		Variance	5,108	-	4,266	- 4,718	- 4,120	- 2,876	- 3,172	- 2,588	- 2,653	- 3,079	- 1,837	- 2,465	- 3,519		

- Through the continued use of clinical triage, advice and guidance and appointments it is anticipated we will be able to continue to meet demand for 2WW urgent cancer referrals based on predicted activity.
- To maintain social distancing and IPC measures delivery of direct access diagnostic capacity for Radiology can only be delivered with access to additional off site capacity.
- Further work is required to expand the outpatient capacity (all contact types – telephone, video, f2f).
- Further work is required to finalise the arrangements for access to Endoscopy to support safe patient care in this high volume setting.

*You matter most*

# Work-streams – next steps

## Children's and Community Care

Confirm assurance on Safeguarding resilience

Review risk assessment for home visiting from 0-19 teams

Consider consolidation of sites for podiatry across North Yorkshire

## Frailty / CCT / SDS / Therapies / Discharge

Confirm review to remove any duplication

Review overall resource requirements

Confirm Ambulatory Frailty is included

## ED

Review resource requirements and confirm costs

## Wards

Review and confirm costs of all the establishments and then map against the bed model

## Theatres & Day Surgery

Review and confirm costs

Forecast activity per month based on new theatre schedule and compare to 2019/20

## Outpatients

Review and confirm the clinical model

Confirm activity split by contact type (telephone/video/face2face)

Confirm clinic space required for face to face contacts

Confirm Estates plan to support face to face requirements

## Diagnostics

Endoscopy

Confirm Endoscopy- capacity and demand

Confirm clearance time of 12-weeks for Cancer and Urgent work.

## Radiology

Review and confirm plan

Planning to arrange meeting wc 18.05.2020

## Infrastructure

ED changes to go at risk

Critical Care to go at risk

CCU to go at risk

Main theatre plan to go at risk

Access controls for Green agreed

CT enabling works to go at risk

**Rapid reviews of:** Wards inc Rowan move; Radiology plan; Outpatients plan; Community bundle

Include overall staffing requirements and financial implications.

Initial outpatient areas that can open to be agreed and then a plan for all the areas once we have a confirmed activity plan.

You matter most

# Phase Three Requirements

In line with guidelines from NHSE, HDFT is undertaking a review of the:

- The level of capacity available and activity possible during the remainder of the financial year, using current resources and without further investment, within the constraints of Covid IPC compliance requirements
- The resources and investment requirements to address the gap between the above and the levels of activity in line with the updated national planning assumptions.

These new assumptions are:

- Locally assumed level of Covid-19-related demand (*we currently have a regional assumption - July/Aug level of Covid activity is May rate. Sept – Nov is 75% of April peak and December to March is May rate*)
- Return to 100% seasonal non-elective demand
- Return to 100% elective activity
- Length of stay reductions of 11% are maintained (*we would assume this is non elective only*)
- Productivity reduction of 10% due to social distancing measures and IPC interventions (*reduction in the overall bed base, NEY is approx. 9% based on 19/20, we can provide individual ICS position*)
- Medicines and PPE can be supplied in the necessary quantities
- Independent sector bed and diagnostic capacity, and nightingale hospitals, continue to be available until 31 March 2021
- Bed occupancy remains below 92% (G&A) and 80% for critical care

You matter most