

Annual Report and Accounts

1 April 2013
to
31 March 2014

Leeds and York Partnership NHS Foundation Trust

**ANNUAL REPORT AND ACCOUNTS
1 April 2013 to 31 March 2014**

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

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**PART A
ANNUAL REPORT
2013/14**

SECTION 1 – THE STRATEGIC REPORT

1.1 THE CHAIR'S ADDRESS

Chairing the Board of a foundation trust is a stimulating, challenge and a daunting responsibility. I am fortunate that our Trust has a strong Board combining long NHS-derived experience with clear independence from a diverse team of non-executive directors (NEDs). However, as in all foundation trusts, the process of board development is a journey and that is how I prefer to describe the work of the last twelve months.

The changes to the membership of the Board of Directors are described in detail in part A section 2.2 of this Annual Report. From my perspective the complex task of appointing and in two cases re-appointing NEDs was managed well by the Board Secretary, Cath Hill, not least in regard to the full engagement with our Council of Governors. The outcome was such that both to challenge and support the Executive Team we now have a blend of private, public and third sector experience at a senior level, commensurate with membership of a foundation trust board.

The last year has also been notable for our adaptation of governance structures in response to the Francis and Winterbourne reports; and to the requirements of the Health and Social Care Act 2012. These are described fully in our Annual Governance Statement (part A section 8 of this Annual Report), but in essence what we have aimed to do is to engage more effectively with our Council of Governors whilst retaining the core responsibilities of the Board of Directors. There is undoubtedly the potential for real tension between the two and a sense that the 'law of unintended consequences' has still to work its full impact. I remain cautious that the integrity of our unitary Board is not compromised by the Council of Governors assuming too transactional an approach to their duties. Equally the Council must retain its independence and be capable of obtaining the assurances which governors need that their Board is working effectively; and that the non-executive directors whom they have appointed are constructively challenging the executives.

Each individual governor is encouraged to identify themselves with an aspect or theme of our work. This usually takes the form of observer status on our Quality Committee, Mental Health Act Committee and Finance and Business Committee and notably our Serious Incident Reporting Group. Our Board meetings were open to the public long before that became a statutory requirement, and we have now gone a stage further by using social media. Our Twitter name is '@leedsandyorkpft' from which source it will be evident that there is a growing interest in our work as a Board. I remain mindful of the need to meet in public unless there is a compelling reason for an item of business to be discussed in private. Where there is a probability that the identity of a service user or carer, or a staff member would be revealed then that warrants a private discussion, as is also the case with matters of commercial confidentiality. The agenda for all private meetings is made known to Council members as a matter of routine practice.

In conclusion I want to place on record my appreciation of the high quality and hard endeavour of our 3300 staff. I am proud of this Trust and the vital work we undertake often in support of some of the most socially excluded and vulnerable people in our community. We shall move forward into the next year as a strong and successful foundation trust, confident in our ability to influence change but also vigilant of the risks we all face in an increasingly challenged NHS.



Frank Griffiths
Chair of the Trust

1.2 THE CHIEF EXECUTIVE'S REPORT

Welcome to the 2013/14 Annual Report of the Leeds and York Partnership NHS Foundation Trust. As a result of changes in the Companies Act there is now a requirement to include a strategic report section in our Annual Report and this will contain a lot of the information that you are familiar with.

Complementary to this I thought that I would offer some personal reflections on a small number of key areas.

Firstly, how we have done during 2013/14. From a financial perspective, we have had a strong year and this has protected the core of our work and enabled us to invest where we have needed to. We have also consistently met our national performance targets, but this is only part of a larger story.

Our Trust is a complex organisation with thousands of staff working from multiple locations. The past year, as every year, has seen successes, some challenges and even some failures, all of which is part of helping people who use our services to live full and active lives as full members of their community.

We continue to provide services in an ever-changing landscape; some of these changes reflect the ongoing evolution of the NHS external to our Trust, also our local authority partners. Other changes have been internal which have been driven by a continuing need to position ourselves so we can provide safe, effective, and high quality services both now and in the future.

Other challenges are where we need to do better. For example, in December 2013, the Care Quality Commission visited our services. They found very many examples of good practice, with most of our services being judged as 'compliant', but they also told us of areas where we need to improve. With my colleagues I sincerely welcome fresh perspectives into the work that we do and the new insights that these bring. On the up-side there have been much needed and long-awaited developments, for example, the opening of the Section 136 'Place of Safety' in York.

Secondly, what does the future hold and what is on the horizon? Self-evidently, looking forward, the biggest challenge facing health and social care is the money available to do our work. We finished this year with a financial surplus. This is good news but most of it relates to 'one-off' items. Our underpinning surplus is much closer to what we expected to have at the end of the year. We are working hard to bridge the gap in NHS funding over the next five years whilst taking a very conservative view of the future.

We also need to work hard at keeping the confidence of our local commissioners in Leeds and York and the commissioners for our specialist services (NHS England) in our ability to provide services which meet the needs of service users and carers, whilst offering value for money. With our commissioners and partners we also need to ensure that we pay attention to the changing needs of populations and adapt what we do accordingly.

With regard to changes in our York service, the biggest challenge we will face will be leaving Bootham Park Hospital. This hospital opened in 1777 and surely must be the oldest 'mental hospital' in England. Its inadequacies as an environment for the provision of inpatient services have been well known for a very long time. Given the nature of the building, though work has been done to improve the wards over the past year and previously, it can never meet modern standards. In April 2014 the Board of Directors agreed to re-provide the services at Bootham Park Hospital. Initially this will be interim in nature, though there is a common agreement that what is really needed is a brand new bespoke inpatient facility. Also at the April 2014 meeting the Board agreed to move the Child and Adolescent Service inpatient unit in York from their 19th century building into more modern accommodation. Service users deserve nothing less than the best up-to-date facilities we can provide.

In Leeds, as part of continually working to improve what we do and to meet the future financial challenges, we have started re-orientating our existing inpatient service more explicitly towards recovery. This work has been carried out in conjunction with our service users, their carers and our partners. This could mean a different range of services being available, as well as the use of digital

technologies to enable service users and carers to connect with us in new ways. Getting this right will mean more people supported in the community and having available a greater range of options for help and support with less reliance on more traditional types of services. This work will continue to be developed throughout 2014/15.

Unless we continue to think differently with our partner agencies and service users and carers, in seeking to link innovation, improvement, and value for money; if we stand still, in a few short years we will not be viable as an organisation. That is why we continue to work hard at being disciplined as a business whilst being creative in our work and inclusive in developing plans for the future.

Regardless of what happens, we must continue to put quality at the heart of everything we do. We must be prepared to acknowledge what goes well and be able to recognise when we need to do better.

We will always be a 'people organisation' and in this context we will demonstrate our shared commitment to the people who use our services, their families and carers, and to each other, by continuing to do our best to adhere to the NHS values which are:

- Respect and dignity
- Commitment to quality of care
- Working together
- Improving lives
- Compassion
- Everyone counts.

Finally, I want to take a moment to sincerely thank the staff, governors, and the members of the Board of Directors for their professionalism and deep commitment to our work. We only do what we do through working together on our common purpose, which is:

“Working in partnerships, we aspire to provide excellent mental health and learning disability care that supports people to achieve their goals for improving health and improving lives.”



Chris Butler
Chief Executive

1.3 ABOUT OUR TRUST

As part of the NHS and Community Care Act (1990) the Leeds Community and Mental Health Services Teaching NHS Trust was formed on 1 February 1993. This was a self-governing trust providing community, mental health and learning disability services within the Leeds metropolitan area. In 2002 all community services previously provided by the NHS Trust transferred to the PCTs in Leeds, and the Trust was renamed the Leeds Mental Health Teaching NHS Trust; providing only mental health and learning disability services.

On 1 August 2007 Monitor, the independent regulator of foundation trusts, authorised us as a foundation trust, and we were formed as the Leeds Partnerships NHS Foundation Trust under the NHS Act 2006. As a foundation trust we continue to provide mental health and learning disability services but are no longer performance managed by the local Strategic Health Authority or the Department of Health.

A further development for our Trust was the transfer of mental health, learning disability and substance misuse services from NHS North Yorkshire and York on 1 February 2012. To reflect the new geographical area in which services are now provided we became the Leeds and York Partnership NHS Foundation Trust.

1.4 OUR STRATEGY

Our strategy *Improving health, improving lives* describes what we want to achieve over five years (to 2018) and how we plan to get there. The strategy is designed around the three key elements of quality: effective outcomes, safe care and positive service user and carer experience.

We produced our first strategy in 2010 and decided to refresh it in 2012 in response to the many changes that have happened both within our organisation and in the wider world around us. Our refreshed strategy was launched at the Annual Members' Day in September 2013.

Refreshing our strategy has given us the opportunity to go back to the people who use our services, carers, staff and partners to check that our goals and strategic objectives are still the right ones for the next five years; and to help us develop a list of priorities for action. People told us that:

- They support our ambition, purpose, values and our plans for the future
- We should focus on a smaller number of priorities which will truly stretch us to achieve our ambition
- We should focus on making sure we can measure our goals and objectives so we can be confident we will know when we have got there.

1.4.1 Our goals, strategic objectives and priorities

Our goals are the three key goals which reflect the quality outcomes we are here to achieve for everyone who uses our services. Our strategic objectives describe what we need to do to achieve our goals. Underpinning each strategic objective are the priorities we will undertake to achieve our ambition and goals.

We have three goals that very simply describe the outcomes we aspire to for everyone who uses our services. They are the three things we believe will help us achieve our purpose and which we are passionate about realising. We have deliberately kept them simple so all our staff can keep a clear focus on them every day and in everything they do. For each goal we have criteria that we can measure so we will know when we have supported people to achieve their desired outcomes.

For each objective we have set ourselves some measures of success we want to achieve by 2017/18, and milestones to track our progress. Included are some new measures that reflect the breadth of services we now provide. All our measures will continue to be tracked through our governance framework to make sure we are on course to achieve them.

A summary of our new strategy for 2013 to 2018 can be found below. All our strategy documents are on our website http://www.leedsandYorkpft.nhs.uk/about_us/purpose.

Table 1A – Our strategy

Our strategy					
Purpose					
Improving health, improving lives					
Values					
Respect and dignity	Commitment to quality of care	Working together	Improving lives	Compassion	Everyone counts
Ambition					
Working in partnerships, we aspire to provide excellent mental health and learning disability care that supports people to achieve their goals for improving health and improving lives					
Goals					
1	People achieve their agreed goals for improving health and improving lives	2	People experience safe care	3	People have a positive experience of their care and support
Strategic objectives					
1	Quality and outcomes	We provide excellent quality, evidence-based, safe care that involves people and promotes recovery and wellbeing			
2	Partnerships	We work with partners and local communities to improve health and lives			
3	Workforce	We value and develop our workforce and those supporting us			
4	Efficiency and sustainability	We provide efficient and sustainable services			
5	Governance and compliance	We govern our Trust effectively and meet our regulatory requirements			

1.4.2 How we have involved our governors

We have in place a Strategy Committee, a sub-committee of the Council of Governors. The Strategy Committee is responsible for overseeing the development of the business priorities which underpin our strategy and are captured in our two-year operational plan and five-year strategic plan. The committee also has oversight of the process to refresh our strategy, reporting its recommendations to both the Council of Governors and the Board of Directors.

The committee includes governor representatives from each governor category, with meetings being scheduled to coincide with our strategic planning cycle. Governors are asked to represent the interests of their members / wider public and / or partner organisation when attending the Strategy Committee and use their knowledge to inform the content of our future plans and support the achievement of our strategy.

1.4.3 Our values

Our values describe what attitudes and behaviours we believe are important in achieving our purpose. We support the values set out in the NHS Constitution, which we have adapted to make them relevant to the people who use our services, their carers and our staff. Our charter of values is set out below.

Respect and dignity	We value and respect every person as an individual. We challenge the stigma surrounding mental ill health and learning disabilities. We value diversity, take what others have to say seriously and are honest about what we can and can't do
Commitment to quality of care	We focus on quality and strive to get the basics right. We welcome feedback, learn from our experiences and build on our successes
Working together	We work together across organisational boundaries to put people first in everything we do
Improving lives	We strive to improve health and lives by providing mental health and learning disability care. We support and empower people to take the journey to recovery in every aspect of their lives
Compassion	We take time to respond to everyone's experiences. We deliver care with empathy and kindness for people we serve and work alongside
Everyone counts	We work for the benefit of the whole community and make sure nobody is excluded or left behind. We recognise that we all have a part to play in making ourselves and our communities healthier.

We are already doing much to embed the values in everything we do. We recognise those staff, including volunteers, who demonstrate the values in their day-to-day work through a reward scheme called STAR. When we recruit new staff in our Learning Disabilities Service, we ask them to show us how they will live the values in their role. In their annual appraisals we also ask our staff to demonstrate how they live the NHS values. We continually seek new ways to further embed our values in the day-to-day life of our organisation, to celebrate our successes and learn from our mistakes.

1.5 EQUALITY AND DIVERSITY

The Equality Act (2010) requires public sector organisations to:

- Publish equality information on an annual basis
- Develop and publish four-year equality objectives by April 2012.

We have undertaken an annual review of our performance to meet our statutory duties under the Equality Act 2010 so that we can further develop our equality, diversity and human rights performance. This information can be found at http://www.leedsandYorkpft.nhs.uk/about_us/equality_diversity.

We have continued to use the Equality Delivery System (EDS), a framework developed through the NHS, to help us to assess our equality performance against our equality objectives. The EDS is comprised of fourteen outcome areas under the following headings:

- Better health outcomes for all
- Improved service user access and experience
- Empowered, engaged and included staff
- Inclusive leadership.

In January 2014 through the EDS Advisory Panel we reviewed our annual equality performance. The panel is comprised of our key stakeholders and local interest groups, who represent the views of people from different equality groups. These groups are known as 'protected characteristics' under the Equality Act 2010 and include representation of people through age, gender, gender reassignment, race, disability, religion or belief, sexual orientation, pregnancy or maternity and marriage or civil partnership.

We received an overall grading of 'developing' from the panel and received recognition for the six outcome areas judged as 'achieving': this was an improvement in the grading for all six areas from the 2012/13 assessment. These areas include assessment of service users' needs, safety, health and wellbeing of the workforce, pay and conditions for staff and inclusive leadership.

Progress on improvement areas will continue to be presented to the advisory panel and the Board of Directors on an annual basis.

1.6 EQUAL OPPORTUNITIES

We believe in fairness and equality, and above all, value diversity in all aspects of our work. This is demonstrated by our commitment to improving health and improving lives of our service users and staff.

Everyone who comes into contact with our organisation can expect to be treated with respect and dignity. We are committed to eliminating discrimination and to the fair treatment of everyone, taking into account all 'protected characteristics' under the Equality Act 2010. If unfair discrimination occurs it will be taken very seriously and it may result in formal action being taken against individual members of staff, including disciplinary action.

We also aim to ensure that we employ and develop a healthcare workforce that is diverse, non-discriminatory and appropriate to deliver modern healthcare. Valuing the differences of each team member is fundamental. It enables staff to create respectful work environments and we are able to deliver high quality care and services whilst giving service users the opportunity to reach their full potential.

1.6.1 Disability and employment

Our recruitment and selection procedures take full account of the requirements of the Equality Act 2010 and the associated public sector equality duties. We have committed to the Mindful Employer charter and through our annual health and wellbeing action plan we implement activities to further develop our Trust as a healthy workplace in respect of mental health. We are also a disability 'Two Ticks' employer, which demonstrates we are positive about people with disabilities and support them to successfully attain and retain employment within our Trust.

We have a Lived Experience Network for staff who have a lived experience of mental ill health. The network offers peer support for its members and is a way of consulting on the development and implementation of policies and activities that affect people with a disability.

We have supportive employment practices in place not only for those that we employ with a disability, but for those who may become disabled while they are working for us. These include a support package within the Employee Wellbeing and Management of Sickness Absence Procedure; management of work-related stress; the Staff Support Service; and a bespoke Occupational Health Service. These procedures and services support the employment and retention of disabled employees and the implementation of reasonable adjustments to take account of individuals' needs.

Our attendance procedures take account of individual needs related to disability and provide for disability leave as a reasonable adjustment to support people to remain in work. We have made reasonable adjustments to working environments through the purchase of specialised equipment and have made necessary alterations to premises in respect of access to buildings. In addition to this, our diversity training package aims to raise awareness of a wide range of diversity issues, including disability in order to minimise discrimination in all aspects of employment. Diversity training is

compulsory for all staff and is required to be undertaken every three years. This ensures that our workforce is aware of current legislative and organisational requirements and best practice. While we do not have specific training courses for staff, the needs of individuals with disabilities will be addressed through the appraisal process.

1.7 HUMAN RIGHTS

Our Trust respects and abides by all human rights legislation. The human rights principles of fairness, respect, equality, dignity and autonomy are detailed within our organisational values; they underpin our strategic objectives and our policies and procedures. Adherence to these principles is monitored through our governance structure.

1.8 SERVICE USER CARE

We put the health, safety and wellbeing of our service users, carers and staff at the heart of everything we do. This is borne out in our strategy. Our principal activity is to provide excellent quality mental health and learning disability care that supports people to achieve the very best that they can for their health and wellbeing. This section shows what we have done in respect of the services we provide.

1.8.1 Principal activities of our Trust

The Care Services Directorate includes those services that provide direct clinical care to our service users in Leeds, York and North Yorkshire. The directorate had been made up of four clinical directorates:

- Adult Mental Health and Older People's Mental Health Services in Leeds
- Specialist Services in Leeds
- York and North Yorkshire Services
- Learning Disabilities.

During 2013/14 we undertook a review of the four clinical directorates and changed how these are configured by reducing the number from four directorates to three care groups. These care groups will be fully implemented with effect from 1 April 2014, and are:

- Leeds Mental Health Care Group
- York and North Yorkshire Mental Health Care Group
- Specialist Services and Learning Disabilities Care Group.

The reasons we have made this change is to:

- Strengthen clinical leadership and ensure that the care we provide for service users is safe and even more effective
- Reduce our management costs and ensure that the front line delivery of care is protected
- Match the delivery of our care to the local commissioning groups who ask us to provide care and services to the people they cover
- Make sure that our services are grouped together to deliver pathways and packages of care to our service users which reduce delays and are joined up to give people the right care at the right time from the right service.

We will continue to review our service structures to ensure these are delivered with lower overheads including management costs and estates costs. We will also ensure that the maximum available resources are used in the direct delivery of care to service users and support for their carers.

We understand that service users get most benefit from having direct contact with those people providing their care. We will therefore continue to harness opportunities to increase the time that clinical staff have to directly deliver care. We have appointed a Chief Clinical Information Officer to ensure that the development of our information systems meet the needs of our clinical teams. We will

also be taking advantage of the benefits of new technologies which will make mobile working more effective and will ensure our staff have the information they need to deliver high quality and safe care to service users at the time it is needed.

All the clinical care groups understand that we are one of many partner organisations who come together to provide care to service users. Having and maintaining strong relationships between these organisations will deliver benefits for our service users. We will therefore continue to work collaboratively with clinical commissioning groups and other partners to plan and deliver joined-up, effective and safe services which are recovery-focused, person-centred, and deliver positive outcomes for our service users. In 2013/14 we have held a number of events to bring together people from these organisations to think about how we can do this even better in the future.

We are committed to developing our staff and ensuring they have the necessary skills, expertise and knowledge to continue to deliver high quality care. We know that for staff to work at their best they must have clear personal, professional and organisational goals and that appraisals are important to achieving this. In 2013/14 we have increased the number of staff with a personal development plan and who have attended training. This is important to help them continue to provide effective and safe care, and we will continue to monitor and improve performance in respect of this.

It is critical that service users achieve their agreed goals for improving health and improving lives. To support this we will be further developing and introducing outcome measures for our services. We have introduced service user reported outcome measures on our inpatient wards and will roll these out to all areas. Because we recognise that across the range of services we provide service users will need different measures, we will introduce those measures which best meet the needs of our service users.

1.8.1.1 Leeds Mental Health Care Group

We believe that age should not be a barrier to service users receiving the right care and that this should be delivered based on need rather than age. We have been working with our services and service users to make sure the care we deliver meets the service users' full range of needs and we will continue to develop and refine these services to achieve this. We will be continuing to review our Community Locality Teams and Intensive Community Services over the next year to make sure they are responsive to service users and provide high quality and safe community services focused on recovery.

A single point of access is in place to make sure that people can contact our services using a single telephone number. We believe that this has made receiving a service from us simpler, and getting a response more immediate. Our aim to support and treat people within the community means that we will be looking again at providing a wider range of services to support people to be treated out of hospital and, when they need to be admitted to hospital, to help people return home as soon as possible.

The Care Group provides a range of acute and community services to service users over the age of 18 which will focus on service user need. The range of services includes:

- Community mental health teams
- The Care Home Team
- The Memory Service
- Crisis assessment services
- Intensive community services including the Home Based Treatment Team
- The Younger People with Dementia Team
- Psychological therapies
- The Assertive Outreach Team
- The Older People's Liaison Mental Health Service (which is based at St James's Hospital)
- Mental health inpatient services
- The Dementia Inpatient Service
- Rehabilitation and recovery services
- The Healthy Living Service.

Key achievements for the Leeds Mental Health Care Group during 2013/14

During 2013/14 the Care Group has worked hard to improve the services we provide and to enhance the service user experience. Some of these achievements are listed below.

- ✓ We have developed integrated care pathways for people with a range of needs and we are in the process of delivering these ready for use by our clinical teams in the coming year. The care pathways begin with the completion of a holistic assessment which clearly describes the individual service user's full range of needs. This will then link to the service user's care plan to ensure the care we deliver is co-ordinated and focused on meeting the goals of the service user in order to achieve recovery
- ✓ In the first half of the year we did not manage to reduce the use of out-of-area treatments as quickly as we wanted. We recognise this provides a less-than-ideal experience for service users and that staying in Leeds provides benefits relating to continuity of care plans and maintaining support structures with carers, family and friends during a time of acute illness. We remain committed to ensuring that service users receive the right level of care at the right time in the right place. In the second half of the year we made good progress in achieving our goal of having no Leeds service users receiving care outside of the city, where they could have expected to receive this locally. Since September 2013 we reduced the use of out-of-area treatments by 82%
- ✓ In 2013 we joined the national mental health benchmarking scheme. This showed that compared to other Trusts in the country we admit relatively few people to hospital which we believe is the right thing to do. It also showed that when people are admitted to hospital they tend to remain there for a longer time. We have therefore worked hard over the last year to understand the causes of this and to ensure that our services join up more closely to help people move on from their hospital stay more quickly. Overall the amount of time people spend in hospital has reduced but we know that there is more work to be done in respect of this
- ✓ Making sure that people receive a fast assessment of their needs and that they receive the right level of ongoing care and support is essential to ensure they achieve a speedy recovery. With help from the clinical commissioning group and the wider health and social care economy we have invested in reducing waits for people to receive assessments for dementia and most of our community teams' service users are now seen for assessment within 14 working days (with those that have more urgent need being seen more quickly than this)
- ✓ Following consultation with our community teams we have introduced smaller localised community teams within the wider locality model. The smaller teams will improve communication and make sure there is clear clinical leadership from clinical leads and senior medical staff
- ✓ Following the move of all dementia services to The Mount last year we have undertaken considerable environmental redesign in the dementia wards aimed at reducing the risk of falls for service users. Following an environmental audit using tools commissioned by the King's Fund and Stirling Dementia Services Development Centre the project group developed a plan to redesign these areas. Flooring and decoration have a key role to play in dementia-friendly design. Not only do they contribute to physical safety and the maintenance of hygiene, but they can be designed in such a way as to aid orientation and way-finding, thereby reducing a key cause of stress and anxiety for dementia patients
- ✓ Ensuring that our staff have completed the right training to help them deliver safe and effective care is important for us. During 2013/14 we have developed a system which emails individual staff their own training records so that they can plan when they need to repeat training in plenty of time. This was successful within the Leeds Care Group and we have rolled this out to all staff within this Trust. Compliance with training has significantly increased because of this.

Future priorities for the Leeds Mental Health Care Group

In the coming year we will pilot our first integrated care pathway which will support the delivery of care for people with cognitive impairment/dementia. The pathway will be piloted in the north-west of the city and will allow us to test and make changes to the way that care pathways are introduced elsewhere in the city. We firmly believe that integrated care pathways are the right way forward and will help us demonstrate that the care we deliver is effective and that it leads to positive results for service users. We are nearing the completion of making the care pathways available on our clinical information system and will be testing this in April 2014.

In December 2013 we introduced a Street Triage Team within the Crisis Assessment Service. The Street Triage Team work directly with police officers and go with them to assess people where the police are concerned about their mental health. The aim of the service is to reduce the number of people who are detained by the police using the powers available to them under Section 136 of the Mental Health Act. Early information demonstrates that fewer people are being detained due to the immediate support provided by the Street Triage Team. We will continue to measure the benefits of this service and hope that it will be commissioned long-term to continue to deliver these positive outcomes for service users.

In the next year we firmly believe we will be able to cease acute inpatient out-of-area treatments for people living in Leeds. We will achieve this by continuing the work we have undertaken in 2013 to reduce length of stay and move people along a care pathway at the right time so they receive care in the least restrictive environment which is safe for them. To increase efficiency an additional accommodation gateway worker has been employed to make sure that service users who are being discharged from hospital have accommodation which meets their needs.

To further reduce the need for admission to acute mental health wards, from June 2014 we will be opening a small Crisis Assessment Unit at the Becklin Centre. The unit will have a small number of beds and will work intensively with people whose crisis care needs can be met through very short admissions to hospital. This service will also work with people who might need a longer period of assessment in a safe environment in order to fully understand their needs and plan for their care longer term. In this way we will reduce the need for longer stays in hospital in the more traditional inpatient wards. The unit will also provide care in a health environment for people who have been detained by the police and who need ongoing monitoring of their intoxication and related physical and mental health needs. As with all new services the Care Group has undertaken analysis of the likely demand for this service but there remain risks that demand will be higher than anticipated.

We are a key partner in delivering the Leeds-wide dementia strategy. One of our roles is to ensure that people have access to specialist diagnosis and then to support them once this diagnosis is given. Over the next year we will be working with partners in Leeds to refocus our services and emphasise the benefits of partnership working between ourselves, general practitioners and other primary and social care services. We have agreed with our commissioners a target to reduce waiting times from referral to assessment where dementia is suspected to just six weeks, which halves the time people currently have to wait.

We also need to become better at showing the positive outcomes our services achieve. To help us evidence this we will be strengthening the use of outcome measures in the next year. We will also be implementing the 'friends and families' test asking people whether they would recommend our services to their friends and families.

Risks and uncertainties for the Leeds Mental Health Care Group

There are a number of risks and uncertainties that face the Care Group in the next year and we recognise that the services we provide are one part of a much wider group of partners who support people with mental illness. In the current economic climate some of these other services are being reduced and some of our service users may be adversely affected by changes to the benefits system. To mitigate these risks we have:

- Piloted a project on the inpatient wards to better understand how we can support service users with financial and benefits information. We will be rolling this learning out across services more widely
- Continued to work with partners to help minimise any impact on our service users of any changes in the wider health and social care services to improve the service users' overall experience.

1.8.1.2 York and North Yorkshire Mental Health Care Group

The York and North Yorkshire Mental Health Care Group delivers community and inpatient services to adults of all ages. It also provides a substance misuse service for the York, Selby, Tadcaster and Easingwold areas; and primary care mental health and Improving Access to Psychological Therapies (IAPT). All services will continue to strive to provide the highest quality safe care focused on achieving effective and positive outcomes for all service users. We will be actively continuing our review of how we can best organise and deliver these services taking into account the local needs of our service user populations.

Key achievements for the York and North Yorkshire Care Group during 2013/14

- ✓ We have streamlined the number of community mental health teams in York and North Yorkshire from six small teams into two larger teams. The teams include Older People and Adult Community staff, the Community Recovery Team, the Homelessness Service, the Community Alcohol Team, the Memory Service and Psychological Therapies. The Care Homes Team and Assertive Outreach Team will remain city-wide but will be based in one of the new community hubs. These larger teams will ensure that we have the right level of access to a full range of expertise, knowledge and skills within the team, and that they are in a good position to manage any variation in referrals and demand. In recognition of the importance of strong clinical leadership we have appointed an additional two senior clinical posts to the teams to focus on effective clinical caseload management
- ✓ Much work has been undertaken over the last year to ensure our clinical information system can be rolled out to the services in York. This will begin in May 2014. Having a single information system will improve the effectiveness of support services and will ensure that clinical teams are given high quality and timely information to support them in delivering care
- ✓ We have introduced a new Care Homes Team in York to support people in avoiding admission to hospital and to allow them to remain in their care or nursing home. The team both assesses and plans for service users as well as providing expertise for staff working in the care homes. This model of care has worked well in Leeds for a number of years and has allowed Leeds services to reduce their reliance on inpatient care whilst continuing to provide effective care to meet people's needs
- ✓ We have undertaken a full review of the skill-mix of staff within the Care Group in the last year to ensure that services which are delivered represent best value for money. As part of this review we have looked at administration support services, management costs and team skill-mix including senior clinical posts
- ✓ We recognise that too many people have needed to receive care from providers outside York; care which should have been available for them in York. Receiving care out-of-area leads to a poor experience for service users and carers and disrupts the important links that people have with their local community. To reduce the number of people treated out-of-area we have appointed a bed manager who has responsibility for managing and reducing out-of-area treatments and has been working even more closely with adult social care partners to ensure the right discharge plans are in place. We have also been reviewing the number of acute adult beds to ensure that we have the right number
- ✓ Following negotiation with the clinical commissioning group we have opened a dedicated Section 136 suite for people who are detained by the police and who need further assessment of their mental health needs. York was one of the last places nationally which did

not have a dedicated healthcare-based 'place of safety' and all parties involved recognised that this gap in service needed to be closed. We will be monitoring the use of the service and ensuring that wherever it is safe and appropriate to do so, service users receive care and assessment in a healthcare environment rather than in police custody

- ✓ We have reduced waiting times for people needing access to the IAPT services. We have also fully reviewed this service which was provided across the whole of North Yorkshire and have suggested some changes to commissioners that will see us continue to provide the service in the Vale of York, whilst the remainder of the North Yorkshire service is provided by the local secondary mental health service providers. This is because this service is most effective when the relationships with primary care and secondary mental health services is as strong as possible.

Future priorities for the York and North Yorkshire Mental Health Care Group

The key strategic issue for York and North Yorkshire Services is to ensure that we continue to deliver recovery-focused services that are well designed and cost effective. We will continue to work with commissioners to focus on ensuring that, where possible, we reduce the need for service users to access care outside of the York and North Yorkshire area.

It has become clear that Bootham Park Hospital and Lime Trees are not fit for purpose as sites from which to deliver safe and modern inpatient mental health services and much work has been undertaken over the last year to formulate a plan that will allow us to move the services from these premises. This has become an even greater priority following an inspection by the Care Quality Commission (one of our regulators). We will be finalising these plans by engaging with service users, staff and other stakeholders and implementing the required changes over the coming financial year.

Ensuring that people are seen and assessed by appropriately skilled clinical staff wherever they choose to be seen is important in ensuring a positive experience of contact with our services. We know that some service users find attending the Accident and Emergency (A&E) department to be the best way of making contact with us and that we need to strengthen the service that we provide there. We will therefore be introducing an A&E liaison team at York District Hospital in the very near future. We will set out clear criteria for the team and work with colleagues at York District Hospital to develop clear pathways for service users, ensuring that we meet both their physical and mental health needs.

Improving the services which we provide requires high quality and regular feedback from service users and other partners. To strengthen this feedback we will be developing a local service user involvement group and ways to gather regular feedback from service users about how services can be developed.

We will be undertaking further work with clinical teams to ensure that services are ready to meet the demands of the mental health payment system. This will require that service users receive a regular clustering tool assessment and work has begun to achieve this.

Risks and uncertainties for York and North Yorkshire Mental Health Care Group

There are a number of risks and uncertainties that face the Care Group in the next year. The first key risk relates to the achievement of the estates plan to support the delivery of high quality, safe and local services for service users in York and North Yorkshire areas and move services from Bootham Park Hospital and Lime Trees.

We will continue to work with commissioners to understand their future commissioning arrangements and will await their decision with regard to the future tendering of services. We will continue to demonstrate that we offer high quality, safe and effective care delivery that is value for money in order to secure longevity of the contract.

1.8.1.3 Specialist Services and Learning Disability Care Group

The Specialist Services and Learning Disability Care Group comprises a range of specialist services operating on a local, regional and national basis. These services are:

- Forensic Services including the Prison In-reach Team
- Learning Disability Services
- Personality Disorder Clinical Network
- Leeds Addiction Unit
- Child and Adolescent Mental Health Services (York)
- Deaf Child and Adolescent Mental Health Services (North of England)
- Gender Identity Services
- Yorkshire Centre for Psychological Medicine
- Yorkshire Centre for Eating Disorders
- Acute Liaison Psychiatry Services (Leeds)
- Liaison Psychiatry (including the Chronic Fatigue Service and the Psychosexual Medicine Service).

The services respond to the requirements of multiple commissioners, with many of the services now being commissioned by NHS England whilst others are commissioned by Leeds or York commissioning groups. Learning Disability Services are commissioned by both Leeds and the Vale of York clinical commissioning groups. The wide and variable nature of the services which are delivered within the Care Group means that strong clinical leadership is key to the delivery of care, allowing services the freedom to meet the specific needs of their service users whilst ensuring safe and effective care.

During 2013/14 the Care Group has continued to develop outcome measures and has undertaken a review of the Clinical Outcomes in Routine Evaluation (CORE) to help us make improvements in clinical practice. Research, teaching and evaluation of services has helped ensure that services are up to date, use effective interventions and are participating in service developments on local, regional and national levels. This will place the Care Group in the best position to promote the excellence of our services within the new commissioning frameworks.

Key achievements for the Specialist Services and Learning Disability Care Group during 2013/14

- ✓ Following the review of the Chronic Fatigue Service the skill-mix of the team has been reviewed to better meet the needs of service users. This has resulted in the appointment of a clinical lead to provide a strong clinical focus to the team and additional nursing resource
- ✓ We were successful in the partnership bid for the provision of carers' support with Carers Leeds. We believe that this partnership will strengthen our ability to support carers and we will be responsible for providing a considerable proportion of the team that will do this
- ✓ The Gender Identity Service has had its contract increased for the forthcoming year by 30 additional assessments. Waiting times have been increasing within the service due to increasing demand and a static number of assessments and treatments being commissioned. The service has attempted to reduce the effect of the increasing demand through changes to the way that surgical interventions are delivered and by keeping in contact with potential service users whilst they wait. The service very much welcomes the increase in commissioning by NHS England and will continue to discuss with them how the increasing demand can be best met
- ✓ We have increased the numbers of beds available within the perinatal service from five to six to meet an increase in demand for inpatient care. The service is continuing to work with service users through its community service which helps to support mothers and avoid hospital admission
- ✓ The Yorkshire Centre for Eating Disorders (YCED) has increased the number of service users receiving care from trusts outside of Yorkshire. The service has also established a community team to support the work of the unit with service users in their own communities. The aim of the community team is to support the recovery focused work of the YCED and to reduce the reliance on care through hospital based outpatient clinics

- ✓ The Acute Liaison Psychiatry Service (ALPS) has been providing services within the Accident and Emergency (A&E) Department and other services within the Leeds Teaching Hospitals Trust (LTHT) for over a year. The service not only provides specialist and timely assessment of service users who attend A&E as their first point of contact but have also been working with staff at LTHT to increase their knowledge of, and skills in working with people with mental health difficulties
- ✓ The work to open the new women's low secure unit in York has progressed as expected and the unit will open in May 2014. This new service will help us to ensure that women requiring this level of care in York are able to receive this locally and therefore to maintain the important links with their families and their own communities
- ✓ Our Learning Disability Services launched the 'Easy on the i' website as part of the Learning Disability Week last year. The website brings together a range of resources to help organisations work better with people with learning disabilities through providing information in an accessible format. The website currently has 1300 people registered with it
- ✓ The Learning Disability service has completed its first cycle of support worker apprenticeships and had started a second cohort. The service won two major awards for their work in developing apprenticeships and achieved three highly commended recommendations. We believe that development of staff through apprenticeships not only ensures that we have a workforce with the right skills and knowledge but also the right values and beliefs to work with service users
- ✓ Following its successful pilot The Leeds Autism Diagnosis Service (LADS) has secured funding to deliver the service on a permanent basis. This will mean people living in Leeds will be able to receive specialist diagnosis of their needs locally when historically this would have meant referral to services in Sheffield
- ✓ A key benefit of bringing the Learning Disability Services in Leeds and York together is the increased ability to learn from each other to develop services for the benefit of all service users. This work has continued in the last year and services now have single management structures in place to aid with this
- ✓ The Your Health Matters initiative, which provides accessible information for people on how to get healthy and stay healthy, was shortlisted in the accessibility awards category of the National Learning Disability Awards. We will continue to develop these resources over the next year and beyond to ensure people receive timely and accessible information to help them manage their own health.

Future priorities for the Specialist Services and Learning Disability Care Group

The Care Group recognises that over the next year it will need to evolve new structures and systems to embed the new management arrangements. The group has a wide range of services within it and whilst this may create some challenges there are also opportunities to learn from one another. We will continue to work with all commissioners to ensure that services are developed to best meet the needs of our service users.

People with a learning disability face considerable health inequalities with regard to access to services. Following a successful pilot last year the Care Group will be working with commissioners and colleagues in primary care to increase the uptake of annual health checks. Community learning disability nurses will undertake training with primary care teams and support GP practices to identify people who will benefit from being offered these checks.

The Child and Adolescent Mental Health Service in York has successfully implemented a service for young people with learning disabilities and challenging behaviour to facilitate care at home. To further improve the service we will be recruiting a child behaviour support worker to assist the psychologist in delivering the service. This appointment will allow care plans for families to be implemented directly by the support worker which will free time for the psychologist to see more people whose care may be at risk of breakdown.

Our Learning Disability Services have a role not only to provide care and support to people with learning disabilities but also to challenge perceptions and to create a better understanding of people with learning disabilities. The *Get Me?* campaign will be developed over the coming year to help build awareness of issues faced by people with learning disabilities and to show what people can do instead of what they cannot. We have produced a video to emphasise this which is available to watch on YouTube.

The Offender Personality Disorder Service (OPDS) works with service users to reduce re-offending and improve the psychological health and wellbeing of this group of service users. The service was established in 2013 to deliver these services to four local probation trusts. The project will be expanded from April 2014 to support the probation service in the four areas, focusing on identification, care planning and development of local workforces to build core skills. This investment in the service builds upon the innovative nature of the Leeds Personality Disorder Service.

The Triangle of Care is an important initiative to recognise and involve carers in the delivery of care and treatment. Over the next year we intend to complete at least 80% of the triangle of care assessments in inpatient units and establish carer leads in all service areas and provide carer awareness training for staff in inpatient services.

Our Learning Disability Services will be working with commissioners and partners in social care to provide service users with the most appropriate care in the most appropriate place. This will include a review of how respite and planned care is best commissioned and delivered.

Ensuring and demonstrating that service users receive positive outcomes from the care we deliver is key to achieving our strategic objective. The Learning Disability Service will be expanding the use of Therapy Outcome Measures (TOMs) to all services to achieve this.

Risks and uncertainties for the Specialist Services and Learning Disability Care Group

There are some risks and uncertainties which face the Care Group in the next year. Many of the specialist services have moved under the new specialist commissioning group framework. Whilst this offers opportunity for development and partnerships, it raises challenges in meeting new national service specifications whilst integrating effectively with local pathways and ensuring financial allocations are appropriate and adequate.

Some services are also at risk financially due to clinical commissioning groups throughout Yorkshire potentially reducing their use of out-of-area placement funding for specialist services.

The Care Group will need to respond to this by demonstrating positive outcomes for service users in respect of the care we offer and by effectively marketing the benefits for service users of our services. Our Learning Disability Services will need to pay careful attention to ensure that service users and carers are fully involved in discussions related to possible changes in how we deliver care. As changes occur within our services we will work with service users to make sure these are managed and happen at a pace with which they are comfortable.

1.9 PRINCIPAL RISKS FOR THE ORGANISATION

The immediate in-year and potential future risks are those that have been identified as strategic risks on the strategic risk register. At the end of the year these were:

- Continuing to provide services from Bootham Park Hospital and Lime Trees which been identified as not suitable from an environmental perspective
- Failure to deliver a 'provider partnerships' programme aimed at building relationships and improving collaboration in Leeds, York and North Yorkshire
- Deterioration in financial performance impacting on our sustainability under the Continuity of Services Risk measurement

- A risk of breaching some of our regulatory requirements.

Each of these risks has an identified executive director and management lead. These risks are managed through the risk management and risk register process and reported to the Executive Team, to the relevant Board sub-committee and Board of Directors through the Integrated Quality and Performance Report, key strategic action plans and the Board Assurance Framework.

Behind each risk is a detailed risk assessment which sets out controls and mitigations. The strategic risk register is regularly reviewed by the Executive Team and the positive impact of the mitigations assessed. From 2014 the Audit Committee will also receive a high level report twice each year which indicates risk movement and hence the impact of risk management plans

The potential future risks as detailed in the two-year operation plan are as follows:

- Partnership working: capacity and capability of partners (voluntary sector and/or primary care) to support new models of care
- Workforce: workforce not equipped to deliver new models of care
- Estates: improvement in York estate not delivered at sufficient pace by NHS Property Services Ltd
- Informatics: failure to engage workforce in emerging technology trends
- Income: loss of contract income when services are tendered.

These risks will be managed through the operational planning and risk register processes.

1.10 SERVICE USER EXPERIENCE AND INVOLVEMENT

1.10.1 Feedback from people who use our services (our service user survey)

We gather feedback from our service users and their carers through a broad range of methods, including both local and national surveys.

The national mental health community and inpatient surveys are used by the Care Quality Commission to benchmark our performance in terms of service user experience. We carry out both surveys each year so we can benchmark our performance on a regular basis. The questions that are asked in the national survey have also influenced our local *Your Views* questionnaire which incorporates the friends and family test question.

This year 850 surveys were sent out for the community survey with a response rate of 31%. We also undertook an additional sample of 350 with a response rate of 30%. Nationally the Trust is in the top percentile for response rates.

The table below sets out what the community survey covers and our ratings in respect of those areas.

Table 1B – Community service user survey results for 2013

The Domain	What this is about	Our rating
Health and social care workers	This section deals with the service user's perception of being listened to, having their views taken into account, having trust and confidence in their worker, being treated with respect and dignity and given sufficient time to discuss their condition and treatment	Our score remained within the average national score.
Medications	This section asks if the service user's views were taken into account when deciding which medication to take, its purpose, any possible side effects, and whether the information was easy to understand; and if within the last 12 months the service user had a review of their medication.	We were in the top 20% of participating trusts when giving information, its purpose and possible side effects, but average when taking service users' views into account, and with a need to improve for those service users reporting they have had an opportunity to review their medication within the last 12 months.
Talking therapies	This section asks if the talking therapies received during the last 12 months had been helpful.	We had an average score within this domain.
Care co-ordinators, the care plan and care review	<p>This section asks if the service user knows who their care co-ordinator or lead professional is; if they can they be contacted if they have a problem and how well they organise the care or services they need.</p> <p>These questions cover the service user's understanding of and participation in the completion of their care plan, identification of relevant goals, whether they were achieved, and whether they had a written copy of their care plan.</p> <p>These questions ask if there was a review of their care plan within the last 12 months, whether the purpose of the meeting was explained, whether they have time to prepare, and if they could contribute and find it helpful.</p>	<p>Care Plans and Reviews: scores indicate that knowledge of who the care co-ordinator is and an understanding of the contents of the care plan has deteriorated.</p> <p>Access to a care review meeting within the last twelve months has slipped, though service users report very positively when they do happen.</p> <p>Overall, most scores in this domain remain average.</p>
Crisis care	This section asks if the service user knows how to contact mental health services out-of-hours and whether they got the help they wanted	We retained an average score, with a better-than-average score accessing crisis care and an out-of-hours number.
Day-to-day living	This domain covers questions associated with physical health, care responsibilities, finding or keeping work, finding and/or keeping accommodation and getting help with financial advice or benefits.	We gained an average to very good score in this domain.

Overall service users rated their care as good to very good and our performance is predominantly within the average 60% of trusts surveyed. Several scores are within the 20% of best performing Trusts, in particular responses relating to medications and day-to-day living.

A few scores are within the lowest 20% of Trusts. These are responses relating to care co-ordination, the care plan, care review, knowledge of who is the care co-ordinator is, an understanding of the content of the care plan and having a review within the last 12 months.

Some of the results were disappointing and we are committed to taking a fresh look at what we can do to improve all areas and in particular, those associated with care planning. Embedding best practice in care planning is now one of our key strategic objectives with a work plan. Below are examples of some of the actions being taken in the care groups as a result of the service user surveys:

- The Planning Care network, which was launched in November 2013 to provide an online place for service users, carers, staff and partner agencies to share ideas in respect of care co-ordination and care planning
- Ensuring availability of information across services for service users and carers about what to expect with CPA and care planning
- A CPA leaflet and poster have been designed, printed and disseminated across teams in Leeds and York. A CPA information booklet will be posted out to service users as they join CPA. The booklet is also available as a PDF in Farsi, Czech, Polish and Urdu
- Practice guidance developed for practitioners to ensure service users have accessible care plans
- All service users to be given a hard copy of their care plan.

1.10.2 Patient Advice and Liaison Services (PALS)

The Patient Advice and Liaison Service (PALS) is an important way in which the views of service users and carers in both mental health and learning disability services can influence and help develop those services.

PALS is an accessible, confidential and free service that supports service users, carers, family members and staff who may have any concerns about our services. PALS is not an advocacy service nor a formal complaints service, and experience has shown that with early intervention, the need for issues to escalate into a formal complaint can often be avoided. However, the PALS Team works alongside both the Advocacy and the Complaints Team and will make referrals to these services when appropriate.

During 2013/14 the PALS Team handled 659 cases from across the organisation, compared with 795 cases in the corresponding period last year. These cases ranged from requests for information through to more complex issues around clinical care and communication.

People are encouraged to give feedback, good or bad, on how they feel we provide services. The PALS Team captures and records the issues raised and then feeds these back into the organisation to help learn, influence development, and ensure continuous improvement.

1.10.3 Dealing with concerns – our complaints service

There are occasions when service users, their relatives, carers or advocates feel that it is necessary to make a formal complaint about the care and treatment they have received. We are committed to ensuring that complaints are dealt with openly, promptly and fairly and that any future care will not be adversely affected as a result of having made a complaint.

We always fully investigate complaints in line with the NHS complaints regulations. We aim to ensure that individual concerns are addressed and appropriate actions are implemented, to learn lessons, to improve services and to help ensure there is not a recurrence of similar events in the future.

During 2013/14 we received 152 formal complaints including those from the services in York and North Yorkshire, compared with 73 formal complaints received last year. To ensure we comply with NHS complaints regulations and locally agreed timescales, we aim to respond to all complaints within 30 working days (or longer with the agreement of the person making the complaint).

Over the last year we have begun to systematically review on a quarterly basis, patterns, themes and trends associated with PALS contacts, incidents and complaints. The Quality Committee focuses on lessons learnt as a consequence of triangulating data in three areas from the integrated report. This has the effect of enabling us to focus upon specific work streams and activity associated with improving our services and performance in highlighted areas.

The top three themes which are emerging from complaints have been:

- Care planning and the Care Planning Approach (CPA)
- Communication issues
- A lack of respect for service users.

1.10.4 Public and service user involvement

In accordance with our Involving People Procedure most of our clinical teams have a recognised lead for involvement and regularly hold local community meetings to keep service users and carers up to date with local events and plans for wards and services. These meetings are an opportunity for people who use our services to give feedback and share ideas about issues such as information on the wards, signage, and plans to develop the services.

This is the first layer of our involvement activity and many people regard this as the first step in their engagement and consequently on their recovery journey. Often supported by our Recovery and Social Inclusion Team people take the next step by engaging with the Service User Networks. The group in York is still in its embryonic stages, with plans for it to meet more regularly.

The Recovery and Social Inclusion Team, along with the Personality Disorder Network, the Addictions Service and a number of various specialist services all have service user involvement groups which meet monthly. These groups often engage in creative activities to support other service users accessing the services. This includes the production of newsletters, creative writing, peer support, community visits as well as running a series of training courses for service users and carers around developing involvement skills.

A review of involvement has identified a number of significant work streams that need to come together over this next year. This will mean that equality, diversity and recovery are embedded into mainstream engagement work rather than being viewed as additional agenda items. It will also create the opportunity for involving people at many different levels across the whole organisation, and provide the opportunity to showcase good practice.

As a result of involving people who use our services this year we have:

- ✓ Completed a number of significant changes within our community services in York and North Yorkshire and developed a regular stakeholder newsletter featuring 'You said...we did' messages around our service improvements
- ✓ Engaged in semi-formal consultations around the redesign of our Community Psychotherapy Service and Personality Disorder Service in York. Following the principles set out in our procedure, this was in partnership with York Healthwatch and York Mind
- ✓ Carried out a significant number of senior appointments and involved a panel of people who either use our services or care for people who use our services. This approach has resulted in an improved approach to the selection processes and has received positive feedback as a valued contribution
- ✓ Participated in a wide range of community events to challenge stigma and raise awareness around our campaigns
- ✓ Developed an information pack for all project managers engaged in change work, setting out what is expected in terms of consultation and involvement.

In the coming months we expect consultations to continue around the development of inpatient services in York and the evaluation of the improved community and psychotherapy services in York. New areas of consultation are expected to commence around the rehabilitation and recovery and care pathway in Leeds; and redesign work in the cognitive impairment and dementia services care pathway across York and North Yorkshire.

1.11 PARTNER RELATIONS

1.11.1 Provider partnerships programme

In November 2013 we hosted the first of four provider partnerships workshops focused on bringing all mental health partners in Leeds together to begin a series of conversations. The first conversation brought more than 75 people from over 20 organisations to have an open discussion about mental health care, treatment, support, and how we could all begin to work closer across the sector. A further workshop in March 2014 continued the conversation and began to explore shared visions and delivering services differently.

The programme will be further developed throughout 2014/15 when we will consider what services could be provided differently and how this can be achieved. This partnership approach will form a significant part of the organisation's strategic plans going forward. We will develop plans to formalise partnership working with a major emphasis on delivering our services and improved outcomes through the third sector.

In York there is an emerging third sector where informal partnership arrangements are beginning to agree how we can all work together in a more coherent fashion. Partners have identified that recovery college initiatives should be shared and we will begin to formalise these arrangements throughout 2014/15.

1.11.12 Partnerships that promote understanding of mental health and learning disabilities

We have a number of partnerships that help to promote a better understanding of mental health and learning disabilities which helps in our campaigning work to reduce stigma. Some of these are as follows:

- *Get Me?* campaign: the Leeds anti-stigma campaign for learning disabilities is a shared partnership project with Tenfold, Mencap, People in Action Leeds, and the local authority. The campaign aims to create a better understanding of people with learning disabilities and to make Leeds a positive and inclusive place to live if you have a learning disability. The focus for this year has been around creating a charter for public-facing customer service businesses and developing a 'Safe Space' accreditation for local businesses that are keen to promote positive practice in learning disabilities
- *Food for Thought*: this year's membership campaign was launched in February 2014 and is focused around food and wellbeing. We are encouraging people to share with us their stories about food and how different foods influence their mood, trying out new recipes and engaging with different cultures and traditions. We will be helping people to have a go at growing things themselves, in patio pots, window sills or gardens. We are collecting and sharing recipes and supporting our learning disability service in producing a cook book for people with learning disabilities. Working in partnership with the Healthy Living Service, Leeds City Market, and local community groups we aim to raise awareness about healthy eating and recruit members to support the work of the organisation
- Love Arts York: the Communications and Engagement Team has been working closely with Converge and York St John's University to create a Love Arts festival in York. Similar to the festival in Leeds, the programme of events will help raise awareness and encourage understanding around mental health and learning disabilities through art and creativity
- The Diversity Team has developed relationships with York Teaching Hospital NHS Foundation Trust in a bid to tackle health inequalities and encourage engagement
- Volunteer Services have developed relationships with York University and York St John's University to help encourage students to become volunteers and ultimately encourage understanding around mental health and learning disabilities.

1.12 VALUING OUR STAFF

Our staff are our most valuable asset and we recognise this by making a commitment to ensure they are well trained, well informed and are given every opportunity to contribute not only to the delivery of services but also to the development of these and other new services.

1.12.1 Volunteers

Our Voluntary Services department continues to provide a high quality service across all Trust sites, working in partnership with volunteers, staff, service users and external voluntary organisations. The service actively recruits people who have used our services, as well as people who are not former or current service users but are keen to support people who are.

During the 2013/14 we have developed new areas of volunteering, whilst continuing to support existing schemes and their volunteers. New schemes introduced this year include volunteers working in the Older People's Service to support reminiscence and gardening activities.

We have also developed our partnership work with Age UK and Create in supplying a joint befriending service and we have strengthened our links with Minds in Motion, a community service to support people with dementia and their carers, which is run by students from the University of York.

We currently have 200 active volunteers across our services and 93 of those have commenced volunteering over the last year. For many, volunteering continues to be a route into paid employment or full-time / part-time education.

We continue to maintain and raise the profile of the value of volunteers within our Trust and the communities we serve. We are extremely grateful for all the good work undertaken by volunteers and the feedback they provide as well as the difference they make to the lives of our service users, carers and staff.

1.12.2 Staffside – working with the trade unions that represent our staff

Staffside is the elected body of the representative trade unions in the Trust. Staffside meets at least monthly to discuss and question on behalf of the wider union membership any issues raised by the individual trade unions or by the Trust. This committee enables the trade unions to negotiate with one voice. The JNCC (Joint Negotiation and Consultation Committee) is the meeting where all issues raised at Staffside meetings are brought to the attention of the Trust.

Staffside has many years of experience of partnership working with the Trust. We have achieved this through the nationally-recognised *In Partnerships* agreement.

During the past year Staffside has contributed to the strategic agenda of the Trust by continuing involvement in service redesign and management restructuring and communication with staff. Staffside has continuing involvement in Trust strategy development and workforce issues through involvement in the Workforce Steering Group, and is successfully working in partnership with Human Resources and managers to support staff going through significant change due to the ongoing change programme. Staffside members continue to contribute to the job evaluation process under Agenda for Change to ensure fairness and equity in pay banding. They also continue to support staff who are redeployed, in order to minimise any redundancies.

Over the last year Staffside has continued to engage with staff on the *Bright Ideas* initiative which is an engagement opportunity for staff to give opinions and ideas about improvement and voice their views on their workplace. Ideas have been evaluated and we are in the process of following the best of these up.

Staffside also provide information and advice to staff through the development of an internal intranet page. They can be contacted by emailing staffside.lypft@nhs.net.

1.12.3 Staff engagement

Key to the successful implementation of our strategic objectives is staff engagement and feedback. To support this important function we have a number of ways in which we engage with staff:

- We use our intranet system known as Staffnet to regularly test out views and opinions using a staff opinion / barometer-style survey, with the results and findings and any subsequent actions being fed back to staff through internal communications
- We use social media to communicate both formal and informal information and feedback from key meetings and events. We have an active Trust Twitter account and there is a Trust blog which our executive directors use to communicate with staff
- We hold an annual Trust awards ceremony where we celebrate excellence and innovation and have monthly STAR awards for staff to recognise exceptional contribution to the Trust's objectives and values
- 'What our directors say' and 'What our governors say' are regular briefings and updates for staff on what is happening at a strategic level across our Trust. These are posted on our intranet site
- We have a Senior Leaders' Forum consisting of directors' direct reports which discusses strategic issues, topical issues, business planning and provides feedback to teams and staff on these areas
- As part of the service redesign staff have been involved in the design of new services models through consultation and process mapping. There is an organisational development cohort of staff who can support change and innovation across our Trust and we have developed a dedicated HR Staffnet page which includes frequently asked questions and provides advice and guidance to staff going through this period of significant change
- Our executive directors regularly undertake 'back to the floor' sessions to get the views of frontline staff and all members of the Board of Directors undertake regular service walkabouts in services and teams across our Trust
- In 2013/14 we held two staff health and wellbeing events to consult on our health and wellbeing action plan.

1.12.4 Our staff survey

Results from the NHS staff survey 2013

This is the tenth annual staff survey in which we have participated. Table 1C below shows our performance in respect of response rate, and Table 1D and 1E show the top and bottom four ranking scores as presented in the findings by the Care Quality Commission.

Table 1C – Staff survey response rate

2012/13		2013/14		Trust movement between years
Trust	National average	Trust	National average	
46%	51%	46%	48%	0%

We encouraged staff to complete the survey using regular communications and reminders via managers and Staffnet (our intranet). The response rate remained the same as last year and was slightly below the average response rate for mental health trusts in England in 2013, which was 48%. The reason for this is likely to be a combination of factors, including being in the midst of significant

change and service redesign across many of our clinical services whilst also implementing challenging financial cost reductions, both of which have had an unsettling effect on staff.

We are looking at how we feedback on the actions and the work that comes out of the staff survey to ensure that staff value providing information via this channel. Acting on the results of the annual staff survey and making meaningful changes in how we work with staff will bring about lasting improvements enabling us to remain strong, successful and deliver quality services.

An area where we are seeing steady improvement is in staff feeling satisfied with the quality of work and the care they are able to deliver; their ability to contribute to improvements at work and agreeing that their role makes a difference to service users. To further support and focus on innovation and improvement we are developing an organisational development cohort of staff who can champion and bring their expertise to support teams and projects across our Trust. This work will be supported by a new Head of Organisational Development.

Since the 2012 survey results a key change has been to review the appraisal scheme which was relaunched in July 2013. This has resulted in a scheme that is simpler to use and is targeted at developing staff and improving performance. The 2013 staff survey results show that although the number of appraisals received was slightly less than 2012, the quality of those appraisals has improved so staff feel more valued and better able to deliver quality care to our service users.

We also recognise that we need to support employee health and wellbeing to both improve attendance and the general wellbeing and resilience of our staff. To support this approach a new Employee Wellbeing and Managing Attendance Procedure was launched in April 2013 along with other health and wellbeing initiatives. We are now seeing a significant and sustained improvement in our sickness levels and this is supported by the staff survey results which show that the number of staff suffering from work-related stress has reduced by 6% since 2012.

The tables below show the results from the staff survey; specifically the top four ranking scores, where we are in the best 20% of trusts, and the bottom four ranking scores where we are in the worst 20% of trusts.

Table 1D – Staff survey top four ranking scores

	2012/13		2013/14		Trust movement between years
	Trust	National average	Trust	National average	
Top four ranking scores (where we are in the best 20% of trusts)					
Percentage of staff feeling satisfied with the quality of work and patient care they are able to deliver. (The higher the score the better)	72%	78%	79%	77%	+7%
Percentage of staff able to contribute towards improvements at work (The higher the score the better)	75%	71%	76%	72%	+1%
Percentage of staff reporting errors, near misses or incidents witnessed in the last month. (The higher the score the better)	96%	93%	93%	92%	-3%
Work pressure felt by staff. (The lower the score the better)	3%	3%	3%	3%	0%

Table 1E – Staff survey bottom four ranking scores

	2012/13		2013/14		Trust movement between years
	Trust	National average	Trust	National average	
Bottom four ranking scores (where we are in the worst 20% of trusts)					
Percentage of staff appraised in the last 12 months. (The higher the score the better)	84%	87%	80%	87%	- 4%
Percentage of staff witnessing potentially harmful errors, near misses or incidents in the last month (The lower the score the better)	30%	27%	31%	26%	+1%
Percentage of staff reporting good communication between senior management and staff. (The higher the score the better)	25%	30%	27%	31%	+2%
Percentage of staff experiencing physical violence from patients, relatives or the public in the last 12 months. (The lower the score the better)	25%	20%	26%	19%	+1%

Action plan to address areas of concern

An analysis of our staff survey results together with the Care Quality Commission observations about our overall staff survey performance provides us with a basis for determining the main areas to focus on when developing bespoke staff survey action plans for 2014/15.

Our response to the 2013 survey is to focus on the four areas where we have scored in the lowest 20% compared with other mental health trusts. These are shown in table 1E above.

Work will continue within our Trust to address the areas where responses were poor and to seek to improve the Trust's performance in the 2014 survey.

Future priorities and targets

In light of the findings from the 2013 staff survey there have been a number of future priorities and targets identified in 2014/15. These include:

- Increasing the uptake and quality of staff appraisals
- Reducing the incidence of errors and near misses in clinical areas
- Reducing the number of staff experiencing violent incidents by staff, service users and carers
- Improving the standard of communication between senior managers and staff.

The results of the survey highlight the areas where these issues are particularly prevalent. As part of the Organisational Development Programme we will target the areas of poor response rates and support the teams in developing bespoke action plans, which will be reported to the Workforce Steering Group. Individual managers and teams are being offered appraisal training to support them in the completion of their reviews and an e-learning product for all staff is now available on Staffnet. A one-day programme is being designed and rolled out during June 2014 for all staff to help them recognise their role in a formal annual performance review.

1.12.5 Sickness absence

At the end of March 2014 our absence rate had reduced to 4.6% which is below our target of 4.7%. For the coming year our target is 4.2% and we will continue with our efforts to improve attendance, thereby improving quality and reducing costs.

The tables below show how we have improved our sickness absence rate during 2013/14 and also present some statistics around the number of days lost due to sickness absence.

Table 1F – Sickness absence (percentage for 2013/14)

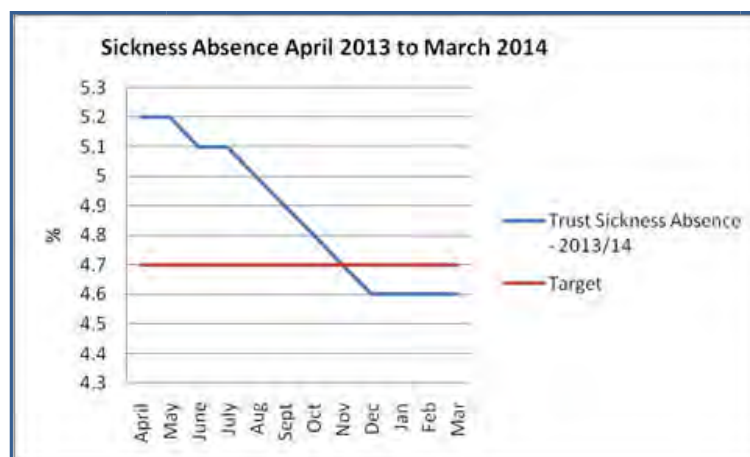


Table 1G – Sickness absence as reported in the FTCs (Foundation Trust Consolidation schedules)

	2012/13 number	2013/14 number
Days lost due to long-term sickness	23,137	22,108
Days lost due to short-term sickness	11,178	8,564
Total days lost	34,315	30,672
Total staff years	2,592	3,207
Average working days lost due to sickness	13.2	9.6
Total staff employed in the period (headcount)	3,348	3,742
Total staff employed in the period with no absence (headcount)	1,081	1,399
Percentage staff with no sick leave	32.3%	37.4%

A new Employee Wellbeing and Managing Attendance Procedure was implemented in April 2013 which has contributed to the reduction in sickness absence. We have funded a full-time physiotherapist in the Occupational Health Service to support a reduction in and prevent where possible, absence related to musculo-skeletal conditions, as this is one of our top reasons for absence. We have also implemented an employee assistance programme from January 2014 to provide staff support both from a work and home perspective which should support staff absences related to stress, anxiety, depression and other mental health conditions. We have developed a stress pathway online toolkit which will be implemented by the end of May 2014 and we also anticipate that our Occupational Health Service will be ready for accreditation at the same time.

From the beginning of June 2014 we are implementing a single point of access sickness absence reporting system. This should provide greater support for managers in understanding their absence rates, quicker referral rates to Occupational Health, more effective return to work processes and more consistent reporting.

The Health and Wellbeing Group has refreshed the health and wellbeing action plan which will be communicated to all staff. The group has a clear programme of activity for the coming year and part of this includes attendance management.

1.12.6 Occupational Health Service

We continue to share our Occupational Health Service with South West Yorkshire Partnership Foundation Trust (SWYPFT). It remains a nurse-led service created to meet the specific needs of staff in a mental health, learning disability and community services organisation. The team now provides occupational health services for 8,500 employees in the region and continues to operate service level agreements for external contracts.

During 2013/14 the main achievements include:

- Development of a stress pathway tool-kit
- Remote hosting of the occupational health database which allows access to occupational health records from all satellite clinics
- Carrying out a successful flu campaign achieving a vaccination rate of 47.4% of staff; an increase on last year of 16%, including the introduction of a peer-to-peer vaccinations programme
- Implementation of a new employee assistance programme.

1.12.7 Developing people

Learning and people development is something we take seriously as we recognise that without a fully competent workforce we will be unable to achieve our strategic objectives.

We continue to develop our workforce so they can make a difference to the community we serve. We are doing this by:

- ✓ Working in partnership with Skills for Health and Health Education England to develop the capability of our workforce at Agenda for Change bands 1 to 4
- ✓ Undertaking a review of the career framework for Health Care Assistants / Support Workers from induction to the nursing pathway; and mapping the competences required for the qualifications and credit framework, the apprenticeship frameworks and the care certificate and foundation degrees
- ✓ Making full use of the apprenticeship scheme and developing an apprenticeship strategy with an employability programme
- ✓ Linking into the national leadership programmes such as Frontline, Mary Seacole, Garrett-Anderson and Nye Bevan.

We provide a full range of locally-designed leadership development programmes which are accredited to the Institute of Leadership and Management (ILM) at levels 2, 3, 4 and 5. The programmes are specifically designed to ensure staff at all levels and from all professions develop the competence and the capability to support us in the achievement of our strategic aims. In 2013/14 we have introduced our team member skills training which is accredited at ILM 2. This has been designed to develop capable, well-equipped teams who work well together.

These programmes make an important contribution to the leadership skills and capacity within our organisation. They also provide a platform for talent management and succession planning in respect of suitable candidates for managerial vacancies; with several delegates who have previously attended these programmes being successfully promoted within our organisation.

We also use coaching as a key intervention to support staff in their development and we are working towards a coaching culture within our organisation. We have recently doubled the number of trained coaches in our Trust to 32 by collaborating with Leeds Community Health Care and Health Education Yorkshire and the Humber to develop a new coaching competence. Each coach is committed to coaching around five people annually and demand is increasing year-on-year. Team coaching as an intervention has recently brought about support to teams undergoing change and transition in our York services.

We continue to develop our e-learning products to support our workforce and have used these as part of the compulsory training programme. These learning packages have reduced the classroom time thereby reducing costs whilst ensuring that staff are safe to practise.

Our compulsory training programme for staff has been determined using a risk-based needs analysis based on staff role. This ensures there is reduced organisational risk in relation to the health and wellbeing of service users and staff through increasing and maintaining the competence of the workforce

Our in-house training provider, the Andrew Simms Centre, continues to provide an extensive programme of training events to a national audience of mental health professionals. Responsive to NICE guidance and the latest developments in mental health and learning disability care, the centre provides Trust staff with quality local learning events that support high quality evidence-based care and the opportunity to network with national subject experts. This year the centre has supported the medical revalidation and appraisal work by running a series of workshops. It has also delivered some key regional events by working in partnership with Health Education Yorkshire and the Humber.

Assessment centres are widely acknowledged as being the most useful predictor of suitability for a role and for that reason we support our recruitment and selection activity by designing bespoke assessment centres. We use a variety of interventions including scenario-based cognitive assessments, service user panels and a full range of psychometric testing tools. They provide a fair process, complement our equality and diversity agenda and ensure that people are selected on the basis of merit alone.

1.13 MENTAL HEALTH ACT MANAGERS

Mental Health Act managers (MHAMs) are members of the public, appointed by the Board of Directors, together with a number of non-executive directors who act in this role. Their key responsibilities are to:

- Review and hear appeals from service users who are either detained under the Mental Health Act or who have been placed on Community Treatment Orders (CTO)
- Discharge those service users who no longer meet the criteria to be detained or be subject to supervised community treatment as a result of a CTO.

As part of the Board of Directors' review of governance structures it established a Mental Health Act Committee which is a committee of the Board. This is chaired by a non-executive director, who also regularly sits as a MHAM. The Mental Health Act Managers' Forum, which reports into the Mental Health Act Committee, will continue to meet three times a year. This is also chaired by a non-executive director to ensure a direct link to the Board of Directors.

The recruitment of further MHAMs continued during 2013/14. This has provided an opportunity to ensure diversity is addressed within the group and that the organisation retains sufficient panel members to review detention and CTOs in a timely manner. The current appointment process is expected to be concluded by June 2014.

During 2013/14 there have been a number of developments in respect of the governance around Mental Health Act hearings and approvals including: amending the process for reviewing the renewal of detentions to ensure all reviews took place as a full hearing with reports and attendance from the clinical team caring for the service user.

Further work is planned to look at the protocol for the extension of CTOs to improve on the process and ensure a high standard of information is provided so the MHAMs can robustly review the extension. Work has also been undertaken to improve the quality of hearings, ensuring that the right people attend and that the service user's chosen legal representative is present.

In 2013/14 there were 76 appeal hearings of which 49 were heard within our standard of 15 days. Those that breached were due to the following:

- Solicitor availability (18)
- Patient moving units (6)
- Availability / annual leave of the responsible clinician (3).

We are appreciative of the time and commitment that Mental Health Act managers and non-executive directors acting as Mental Health Act managers have given this year, particularly during a time of significant change to the organisation. Once again we wish to thank our Mental Health Act managers for their dedication and the skill they apply when undertaking this vital role.

The table below shows those people who have been Mental Health Act managers during 2013/14.

Table 1H – Mental Health Act managers during 2013/14

Mental Health Act managers during the period 1 April 2013 to 31 March 2014			
Kashif Ahmed	Roger Helm	Bernard Marsden	Jenny Roper
Nasar Ahmed	K. Wendy Henry	Roger Mattingly	Angela Senior
Maggie Archer	Alison Herbert	Tom McGuffog**	Nicolas Smith
Enid Atkinson	Jill Hetherton	James Meehan***	Nicola Swan
Chris Collins**	Nancy Hill	James Morgan	Pat Varley**
Brian Councill	Ian Hughes	Claire Morris	David Walkden
Lindsay Councill	Lorna James	Jennifer Patrick	Mike Wash
Judith Devine	Peter Jones	Anesh Pema**	Thomas White
Pauline English	Brian Kemp	Linda Phipps**	Keith Wood
Kathleen Fenwick	Heather Limbach	Sarah Roberts***	Michael Yates
	Andrew Marran	Anne Rice	
Non-executive directors also acting as Mental Health Act managers during the period 1 April 2013 to 31 March 2014			
	Aqila Choudhry*	Keith Woodhouse	

* Stepped down in November 2013 as non-executive director but continued as a Mental Health Act manager
 ** Retired from the role during 2013/14
 *** Unable to take up the role and resigned during 2013/14

1.14 GENDER PROFILE OF OUR TRUST

In accordance with the Companies Act 2006 Paragraph 414C(8)(c) below is the profile of our Trust in respect of gender:

Table 1I – Gender profile of our Trust

Group	Number male	Number female
Directors	6	7
Senior managers	87	163
Employees	833	2,230

For the purpose of this disclosure ‘senior managers’ are defined as all Agenda for Change staff on band 8 and above, including two senior members of staff on fixed salaries, as these individuals are deemed to have responsibility for planning, directing or controlling the activities of the organisation or a strategically significant part of the organisation as defined in the Companies Act 2006, Paragraph 414C (9)(a).

1.15 CORPORATE SOCIAL RESPONSIBILITY

1.15.1 Mental health and art

We have undertaken a wide range of activities that use arts within our services to enable service users to participate in the cultural life of Leeds. Below are some of the highlights of 2013/14.

- Our third Leeds Love Arts Festival (www.loveartsleeds.co.uk) took place last autumn with over 40 events during three weeks. The festival's aim was to raise public awareness of mental health and learning disability and contribute to a reduction of stigma and discrimination. We developed partnerships with 48 arts organisations and recruited 15 volunteers who supported our events. We made contact with an estimated 214,077 people over the course of the festival and reached an estimated 174,375 people through our media

profile during that time. The festival was marketed heavily using social media. It had 1,710 Twitter followers (an increase of 90% from our 2012 festival), 316 likes on Facebook, and 92 followers on Pinterest (an increase of 64%). We were finalists in the Medipex NHS Innovation Awards and Showcase, and in Breakthrough's national positive practice in mental health awards (highly commended). We are currently planning our 2014 festival

- We initiated a consultation event in York to support the development of a York Love Arts Festival. This was attended by 40 participants from the arts and mental health sectors. A steering group formed from this initial event, and it will be delivering the first York festival in May 2014
- In April 2013 Arts and Minds commissioned freelance writer Rommi Smith to be writer in residence for six months. The residency was part of our year-long *Sharing Stories* campaign. Services were invited to apply to work with Rommi, and five were selected including the Community and Recovery Service in York; Lime Trees Child and Adolescent Mental Health Service in York; the Perinatal Unit in Leeds; Older People Living with Dementia at The Mount in Leeds; and Ventures Learning Disability Service in Leeds. A total of 42 service users and 20 staff took part in the residency, which culminated in the 'Word Emporium' event at Love Arts Festival, where some of the work produced was showcased. A book is currently in production
- Our Film to Change group made four films throughout the year which they wrote, directed and produced. The films were shown at the Leeds International Film Festival in November to an audience of 100 people. We were also successful in our bid to Leeds Inspired which enabled our members to create new films for showcasing at Leeds International Film Festival in 2014
- Arts and Minds has continued to develop partnerships with a range of education providers to stimulate improved take-up of education. The Swarthmore Education Centre in Leeds has run a year's arts course for people with dementia which is accessed through occupational therapists in our services. The second year of the community engagement project that Arts and Minds developed in partnership with the Swarthmore Centre has also reaped positive results; 14 creative taster sessions have run with 31 participants in a range of our services including Newsam Centre forensic unit; Becklin Centre inpatient services; Hawthorne House Intensive Community Services; and Millside Rehabilitation and Recovery Service. Service users who participated in these sessions have progressed on to attend courses at Swarthmore Centre. We are currently exploring similar partnership working with The Cardigan Centre and East Street Arts to run during 2014/15.

1.15.2 Time to Change

Our partnership with the local authority and voluntary sector in Leeds continues to support the national anti-stigma campaign, *Time to Change*. The local project, *Time to Change Leeds*, won national recognition this year and was awarded the Time to Change Positive Practice Award. This was in acknowledgement of the establishment of the Living Library. The library has been focused this year on supporting Leeds City Council employees and local councillors. A group of 20 people have been trained and supported to be 'living books', telling their story of lived experience, and helping to change people's perceptions about mental health.

The 14 volunteers have all received a comprehensive training package and are supported by the Time to Change Co-ordinator who is currently managed within our Trust. The team also received media training and produced a number of hour-long programmes for community radio stations in Leeds. These programmes have also been turned into podcasts which are available via the Time to Change Leeds website.

A community project in Pudsey identified a high level of misunderstanding and stigma around mental ill health, and working in partnership with the voluntary sector a number of craft and conversation sessions have been evaluated as having a high impact in challenging the views of people.

The local project has also hosted the national team this year, with a full day event taking place at the White Rose Centre in Leeds. The management company at the shopping centre advised that 41,836 people passed through the centre that day and experienced the *Time to Talk* campaign.

1.16 SUSTAINABILITY

1.16.1 Commentary

We monitor targets in respect of sustainability to reduce our carbon footprint and our overall impact on the environment. We establish performance baselines and, where necessary, measure against previously-set targets to track our impact on the environment over time.

We have in place a Carbon Management Plan (CMP). This is designed to minimise the impact of our activities on climate change by reducing the greenhouse gases we produce from our consumption of gas and electricity and various other business activities. The plan also includes commitments towards improvements in waste segregation and disposal, and travel planning (for example how our employees travel to, from and between our sites).

The CMP has helped us to fulfil our commitment towards carrying out our activities with due consideration to the environment, while continuing to provide high quality care. The implementation of carbon reduction projects is led by the Facilities Department with the Waste and Environmental Manager providing leadership in respect of the Carbon Management Plan. The Board of Directors will review this plan annually through reports and chart progress against our key targets and objectives.

Table 1J - Waste and environment statistics for 2013/14

(Please note: The information provided in this table is based on the year-end information available as at 12 May 2014, any clarification of any of the individual figures can be obtained from the Waste and Environmental Manager)

Area	Type	Non-financial information	Financial information
Greenhouse gas emissions	Direct greenhouse gas emissions	In 2013/14 ¹ the Leeds sites consumed 11,973,715 kWh of gas , which equates to 2,198 tonnes of CO2e³ . In 2013/14 ¹ the York sites consumed 6,257,920 kWh of gas . Equal to 1,149 tonnes of CO2e .	In 2013/14 ¹ we spent £210,560 purchasing gas in Leeds ² . In 2013/14 the gas for York services cost £207,670 .
	Indirect energy emissions	In 2013/14 ¹ the Leeds sites consumed 5,022,406 kWh of electricity , which equates to 2,635 tonnes of CO2e³ . In 2013/14 ¹ the York sites consumed 1,258,249 kWh of electricity , which equates to 660 tonnes of CO2e³ .	In 2013/14 ¹ we spent £221,566 purchasing electricity in Leeds ² . The cost of electricity supplied to York sites in 2013/14 was £124,533 .
	Official business travel emissions	Grey fleet⁴ : In 2013/14 mileage travelled by the grey fleet amounted to 2,418,050 miles . An increase of 0.01% on 2012/13 . Lease cars : In 2013/14 there were 171 lease cars : Petrol: 74 cars contracted for 299,300 miles Diesel: 97 cars contracted for 472,800 miles There is also one electric car in the fleet used by the Crisis Resolution Team at the Becklin Centre. This vehicle is classified as being emission-free. The figure for CO2e for grey fleet travel is being verified at this point in time.	Grey fleet : In 2013/14 we spent £1,165,490 on mileage for the grey fleet. Lease cars : In 2013/14 we spent £103,742 on mileage for lease cars: Petrol = £44,086 Diesel = £59,656 .
Waste minimisation and management	Commercial waste⁵ : For 2013/14 the figures for commercial waste are as follows: <ul style="list-style-type: none"> Total waste arising approx.: 248,508 kg 5,022,382 m3 of waste services were procured (Leeds and York) Waste recycled: 54% = 2,727,816 m3 of procured services Waste to RDF or landfill⁶: 46% = 2,294,566 m3 of procured services Waste incinerated: 0 kg. 	Commercial waste : In 2013/14 the cost of disposing of commercial waste was £39,828.23 . This figure includes York for the first time.	
	Healthcare waste : For 2013/14 the figures for healthcare waste are as follows: <ul style="list-style-type: none"> Total bulk waste: 83,203 kg. This figure includes York properties. Of this: <ul style="list-style-type: none"> Waste landfilled (offensive 18.01.04): 64,561kg = 77.6% (2012/13 = 78.7%) Waste autoclaved (infectious 18.01.03): 15,663kg = 18.8% (2012/13 = 20.1%) Waste incinerated (sharps and pharmaceutical 18.01.03/09): 2,888kg (3.5%) (2012/13 = 1.1%). 	Healthcare waste : In 2013/14 the cost of disposing of all healthcare waste was £36,457 .	
Finite resources	In 2013/14 we consumed 30,450m3 of water and sent away 28,928m3 in the form of sewage.	In 2013/14 the total water and sewage cost was £83,570 .	

¹ These are the final figures for 2013/14, but do not include York electricity for the final month (March 2013) in lieu of bills from NHS Property Services Ltd. The figures include Trust-managed and leased sites as well as eight PFI sites from which we operate. Sites in Leeds and York are included this year. Two months' worth of gas information is still awaited from NHS Property Services Ltd.

² Financial figures for gas and electricity do not include six PFI sites where the cost for procuring utilities sits with the SPV and is not recharged to the Trust. We have not been supplied with PFI utilities costs this year.

³ CO2e = Carbon dioxide equivalent and is the accepted way of reporting all greenhouse gas emissions or reductions as one standard unit, and is used as a measure of our carbon footprint.

⁴ Grey fleet = employee-owned vehicles used for Trust business purposes (home visits, meetings, conferences, etc).

⁵ Because of the neighbourhood collection vehicle nature of commercial waste collections it has not been possible to accurately estimate weights for recycling report purposes. Therefore the recycling % is based upon volume in m3 procured for each site, based on assumptions that bins are generally full when they are serviced.

⁶ From October 2012 all Trust waste classified as 'general waste to landfill' has undergone a mechanical separation whereby cardboard, paper and plastics incorrectly disposed of have been further removed for recycling. The remaining waste is then bailed and sent to approved waste to energy plants in Europe. The waste is now therefore classified as RDF (refuse derived fuel) and not as landfill waste.

1.16.2 Future priorities and targets

Our Carbon Management Plan (CMP) continues to provide the framework for our environmental agenda in the next year and beyond. Within it is the goal for there to be a 25% reduction in carbon emissions by 2015 based on 2007 data. The CMP is now considered a mature document and will be reviewed, evaluated and updated within the next 12 months to reflect changes in guidance and NHS targets. It will be updated to include new technologies, ideas and initiatives aimed at carbon reduction with the aim of specifically focusing on carbon hotspots not previously included. In particular staff engagement, transport, travel and procurement will have an enhanced profile. The updated CMP will also reflect options for carbon reduction in York as well as the PFI estate (not previously included in the plan). The buildings in York and in the PFI estate are not owned by us making this element more complicated in its achievement but opportunities do exist and will be investigated.

The impact of recent initiatives aimed at influencing staff travel behaviour to and from our sites continues to be the subject of ever-increasing focus. A number of site-based travel plans have been submitted in recent years in support of planning applications and in the last six months a travel plan successfully supported the creation of additional car parking spaces at Aire Court in Leeds. Recent travel plans commit us to implementing initiatives aimed at reducing single-occupancy car journeys to many of our sites and the variety of efforts to influence this are ongoing.

We recently adopted a Responsible Parking Policy allowing for the enforcement of on-site car parking at chosen sites and the monitoring of off-site parking close to facilities where this may have an impact upon local residents. It is envisaged that adopting a more rigid approach to parking behaviour may further encourage a shift away from single-occupancy car journeys.

During 2014/15 we will also pilot the provision of power-assisted bicycles for staff based at two locations and travelling on Trust business. The St Mary's House hub will host four bicycles for the use of any site-based staff and the Assertive Outreach Team in York will adopt one bike in an additional effort to evaluate the overall impact this will have on car journeys, car parking demand, carbon emissions and mileage costs.

The estates strategy is an evolving document and has undergone significant revision over the course of the last 12 months. Any plans to make changes to our estates portfolio and the associated Estates Strategy will be reflected in our CMP. The CMP also states the requirement to ensure that any new buildings are commissioned to a high environmental standard. In addition, we are working hard to maximise the value of our PFI buildings, enabling more services to be located at these sites and so allow an assessment to be made in respect of older and less efficient buildings across Leeds.

During 2013/14 considerable effort was put into monitoring the impact of changes in waste handling and disposal made over the previous two years in Leeds but also included the implementation of waste segregation and recycling at York sites in May 2013.

Effort will be focused in the coming months on encouraging our partners in the adoption of segregation and recycling routines in the PFI buildings in line with that already in place in Trust-owned/managed sites in Leeds and York. This will complete the implementation of recycling of 'domestic' waste streams across our Trust.

Healthcare waste continues to be closely monitored and managed. Around 75-80% of monthly consignments are now classified as offensive waste, requiring no form of heat treatment or incineration. Alternatives to landfill for this waste stream are being investigated by the Regional Clinical Waste Consortium waste contractor. Only 4% of our healthcare waste is now incinerated, taking the form of sharps waste for which there is no alternative method for disposal in England.

In 2014/15 we anticipate seeing good environmental and financial returns from a number of initiatives which continue to be implemented now and in the near future. These include:

- The consistent implementation of domestic waste improvements across all sites to include PFI and the continued management of healthcare waste segregation and safe disposal to ensure efficiencies continue to be realised

- Enhanced implementation of travel plan initiatives including piloting a fleet of electric bikes at one site as an initiative aimed at reducing the need for staff to bring their own car to the site
- Opportunities for estates efficiencies and further potential rationalisation, in particular getting more out of the buildings already occupied. This is an ongoing process.

1.17 CONFIDENTIALITY OF INFORMATION

We are committed to ensuring that all information for which we have responsibility is kept safely and is used appropriately by individuals authorised to access it. We take incidents very seriously and these are investigated fully so we can learn lessons and take action to prevent similar incidents occurring.

Since 1 June 2013 incidents have been assessed according to the sensitivity factors in the IG incident reporting tool, escalating level 2 incidents and above via the national online tool. To provide a single reporting line, we have rebased incidents in April and May 2013 in accordance with the new assessment regime.

1.17.1 Monitor reportable incidents

In line with reporting requirements, the Board of Directors is satisfied that an analysis of our information governance incident reporting records for 2013/14 contains two incidents which have sensitivity factors which classify them as a serious incident requiring investigation (SIRI), reportable via the national online tool.

Table 1K – Summary of incidents involving personal data as reported to the Information Commissioner’s Office in 2013/14

Date of incident (month)	Nature of incident	Nature of data involved	Number of people potentially affected	Notification steps
October 2013	Unauthorised disclosure.	Name, address, NHS number, clinical information	1	Individual notified by care team, by post
November 2013	Unauthorised disclosure.	Name, address, NHS number, clinical information	1	Individual notified by care team, by post
Further action taken	We will continue to monitor and assess information governance breaches. When weaknesses in systems or processes are identified there will be interventions undertaken at source. Low-level and near-miss events will be monitored and when there are common themes we will undertake Trust-wide communications to address these themes. We will continue to support IG training via the national e-learning tool and aim for all staff to undertake annual refresher training as a reminder of their information governance obligations.			

Table 1L – Summary of other personal data related incidents in 2013/14
 (This table includes those breaches assessed with a sensitivity factor of level 0 or 1, as defined in the IG incident reporting tool)

Breach type	Nature of incident	Total
A	Corruption or inability to recover electronic data	0
B	Disclosed in error	16
C	Lost In transit	0
D	Lost or stolen hardware	0
E	Lost or stolen paperwork	3
F	Non-secure disposal – hardware	0
G	Non-secure disposal – paperwork	0
H	Uploaded to website in error	0
I	Technical security failing (including hacking)	0
J	Unauthorised access / disclosure	12
K	Other	1

In compiling this report, we have considered breach incidents for data for which we were the data controller, as defined by the Data Protection Act (1998).

1.18 HEALTH AND SAFETY

We are committed to ensuring the health, safety and welfare of our employees. We also fully accept our responsibility for others who may be affected by our work activities. Health and safety is managed proactively, on the basis of risk assessment, with the aim of minimising the potential for injury and ill health.

Union-appointed safety representatives have an important and valued role in representing the interests of all staff (including those who are not in a trade union), consulting with management and supporting our health and safety arrangements. Their rights as safety representatives are outlined in the Safety Representatives: Consultation with Employees Policy. We also have a joint executive level Staffside meeting, which leads the health and safety agenda across the organisation.

We have in post competent people to provide specialist assistance in managing health and safety matters, including members of the Risk Management Department, senior nurses for infection control and fire officers. The Facilities Department has a special responsibility to ensure that health and safety issues are fully considered in the design and maintenance of our premises.

We recognise that we have a responsibility and a duty of care to provide a safe and secure environment, free from the risks of crime which may arise when providing a public service. This includes protection of service users, staff, visitors and their property, and the physical assets of the organisation, while we endeavour to provide a welcoming friendly environment for both service users and staff. We have a nominated non-executive director for security management. We also have an appointed Local Security Management Specialist who has responsibility for investigating all security breaches, creating a pro-security culture within our Trust and liaison with stakeholders (e.g. NHS Protect and the police).

Managers are responsible for providing a safe working environment and for ensuring the health, safety and welfare of employees, volunteers and others within the services for which they have

managerial control. We have undertaken 40 audits associated with health and safety between April 2013 and March 2014. Despite the health and safety executive no longer conducting proactive inspections of NHS premises we continue to routinely review and inspect our own services to provide an assurance of standards and we have completed 14 internal review and inspections during the period. In addition to this we conduct a range of reviews associated with fire, infection and food safety regulation. Managers also have a responsibility for the safety of service users, carers and public accessing our premises. Assessing what is 'reasonably practicable' requires managers to make balanced and pragmatic decisions, based on considerations of the level of risk against the cost and practicality of action necessary to reduce the risk.

1.19 FINANCIAL PERFORMANCE

1.19.1 Overview

The Trust's financial performance during 2013/14 overall was very solid. The key performance metrics against which we monitor performance are: the income and expenditure position (statement of comprehensive income); the cost improvement plans (savings targets); and the capital investment programme.

The statement of comprehensive income shows that a surplus of £8.9 million was achieved by the end of the year, which was significantly higher than both the planned position of £2.3 million and also the previous year's surplus of £4.3 million. This level of surplus was largely due to a range of non-recurrent factors and exceptional items, including: unused contingency reserves and provisions; a change in asset valuations; and additional in-year non-recurrent funding. After taking into account all of these the underlying surplus was in the region of £1.5 million.

The capital programme under-delivered in the year as a consequence of agreed changes and timings linked to the strategic investment programme for estate and information technology. This resulted in £1.9 million expenditure against an original plan of £5.1 million. The cost improvement plans only marginally under-achieved overall with £6.6 million of savings / additional revenue being delivered against a target of £7.2 million. The higher surplus and lower capital expenditure both contributed to a net increase in cash over the year of £5.9 million.

During the year Monitor, our regulator, changed the way in which financial performance is measured and externally assessed. The new measure looks at two key financial metrics, underlying liquidity and the ability to cover interest and repayments on long-term debt. An overall score ranging from 4 (highest performance/lowest risk) to 1 (lowest performance / highest risk) is calculated based on these two measures. As is shown in the table below, we ended the year as an overall 4; however, going forward due to anticipated lower surpluses and because we have long-term fixed PFI repayments the rating is expected to reduce to a 3. This is recognised as a good level of performance.

Table 1M – Continuity of services (CoS) risk rating

Year ending 31 March 2014	Score	Risk Rating Category
Capital service cover	3.06	4
Liquidity	60 days	4
Continuity of service risk rating		4

1.19.2 The Statement of Comprehensive Income (year-on-year)

For the financial year ending 31 March 2014 we have reported a surplus of £8.9 million; in comparison to a surplus of £4.3 million in the previous year (2012/13).

Operating income

Our income for the year overall remained broadly static at £179.9 million (£180.2 million in 2012/13), although there were some variances between the different sources of income. Money received in

respect of service user care activities rose by £5.2 million (an increase of 3.3%) of which £3.7 million related to non-recurrent income received from Leeds CCGs (in comparison £4.3 million received in 2012/13 of which £2.5 million was included in other operating income).

A large proportion of this additional income was unspent at the end of the year, which has contributed to the surplus but this has been earmarked for future investment. Additional service user care income was also generated in the year through 'over trading' on a range of specialist services, which are not fixed under block contract arrangements as our main contracts with both Leeds and York are. Part of this was anticipated as a contribution to the cost improvement plans (£1 million). Changes over the year in other operating income (total reduction of £5 million) reflect movements which were broadly matched by changes to operating expenses (e.g. research and development which reduced by £1 million and is linked to specific projects which are time-limited). There was a non-recurrent amount of £0.9 million reported within these income figures resulting from the revaluation of our estate (previous year £2.1 million), and a gain on asset disposal of £0.1 million.

Operating expenses

The total operating expenses for the year was £165.3 million (£171.8 million in 2012/13) which is a net decrease of 3.8%. Staff costs are our single largest operating expense and this reduced by £2.3 million. This reflects the impact of significant cost savings of £4.7 million, offset by pay inflation and small incremental developments. A reduction in the cost of the purchase of healthcare from other NHS bodies was achieved in the year which reflects the good work undertaken to reduce the number of out-of-area placements for Leeds service users requiring inpatient care. Other expenditure includes a number of significant one-off provision expenses. These are: £1.7 million to deal with anticipated management of change costs; £0.6 million dilapidations for those premises we will be vacating; and £1.2 million which is the estimated cost of moving out of Bootham Park Hospital.

1.19.3 The statement of financial position

The summary of the Trust's overall value shows a net increase in taxpayers' equity of £11.6 million to £50.2 million as at 31 March 2014. This reflects the impact of the surplus generated in the year and the net impact of asset, disposals and revaluations. Working capital (net current assets less net current liabilities) has increased by £10.6 million, of which the net cash increase was £5.8 million. Overall the investment in new capital was much lower than planned in the year as strategic priorities were reassessed. Capital expenditure was therefore fully funded through depreciation charges and did not impact on changes in the year. This will, however, impact on cash in future year plans. The surplus cash we had at the end of the year was deposited with the government banking service (the HM National Loans Fund). It is our policy to deposit any temporary surpluses in cash in low-risk deposit accounts with either United Kingdom commercial clearing banks or the HM National Loans Fund.

1.19.4 Future financial outlook and risks

We enter the two-year planning period in a strong financial position, which provides a solid platform in the context of the challenges we face, with potentially some opportunity and a degree of flexibility which will support our overall strategic direction.

Externally the overarching drivers are the wider planning assumptions for the NHS going forward and the financial trajectories of our key commissioners, which will influence their commissioning strategies and decision-making. We are aware that our main clinical commissioning groups are above their allocation under the new formula, restricting future growth for new investment. The requirements of the Better Care Fund are likely to further impact on availability and distribution of resources over time. The Vale of York CCG has also indicated that they are likely to tender our contract, following a short extension at the end of the three-year term. This is likely to occur around September 2015. Linked to this is a key organisational risk around a recent Care Quality Commission inspection which indicated concerns about the suitability of premises in York at Bootham Park Hospital and Lime Trees. We have made financial provision for the estimated costs of relocating services safely and are working closely with all partners involved (including NHS Property Services Ltd who own the properties) to get this underway quickly. NHS England, as our commissioner for specialised services, is facing extensive challenges above the national efficiency requirements due to significant pressures predominantly on

acute contracts, but this will impact on resource available for mental health contracts. We benchmark well on specialist services and aim to work with commissioners to continue to provide best value and be a provider of choice, recognising a number of specialist services will be open for national procurement during the next two years. Whilst public health commissioned services are protected in the short-term, we have already had notice that our contract (for addictions services) will be tendered. Notwithstanding some of this uncertainty, and the absence yet of a mental health payments system, the majority of our clinical income contracts remain on block fixed income. This does provide some level of certainty for short-term planning purposes. We are keen to progress the mental health payments system based on outcomes to evidence the need for future financial investment in our services, as we recognise the limitations of the block contract arrangements. However we aim to continue to provide high quality services and demonstrate evidence of this, building on the quality and outcome indicators work we have commenced.

Against this backdrop, the financial strategy remains focused on supporting the organisation to achieve its goals, and maintain a strong stable position which minimises financial risk, as defined under the new Risk Assessment Framework. We fully recognise the balance between financial sustainability and service quality and improvement, and the emphasis within the Provider Licence on the maintenance of an acceptable continuity of services risk rating. For this Trust the level which is deemed acceptable, after taking into account the fixed PFI commitments and investment requirements has been agreed as a 3, which underpins the financial strategy.

1.19.5 Our exposure to financial risks

Price risk

We have a relatively low exposure to price risk. This is for three main reasons. Firstly, salary costs are the single biggest component of our costs. Staff will receive a maximum 1% on average inflationary pay award for 2013/14. This also applies to senior managers' pay. For 2014/15 and 2015/16 our financial plans assume a stable pay award of 1%. With regard to non-pay our plans assume a similar level to the projected rate of increase in the consumer price index.

Secondly, income assumptions are set out each year through the business and planning arrangements for the NHS mandated by the Department of Health. Assumptions made regarding inflationary / deflationary changes have been assumed to be extremely challenging in the future. In particular, reductions in clinical commissioning group income of 1.8% per annum have been factored into our plans after 2014/15. (2014/15 already includes a 1.5% deflator.)

Finally, most income is received on a block contract basis rather than 'pay as you go' and it is unlikely, for the significant part of our income, that this will change quickly. As noted there have been national delays in the implementation of a tariff system for mental health. When this is implemented it will need to be managed carefully due to an unintended risk for commissioners and providers.

Credit risk

This is minimal as the majority of our customers are public sector organisations, in particular NHS organisations.

Liquidity risk

Liquidity risk is felt to be low. This is because operating costs are incurred primarily through legally binding contracts for services provided to clinical commissioning groups and NHS England, which in turn are financed from money received from parliament. Assumptions about future income have been revised to take into account the new market conditions.

Cash-flow risk

The main sources of income and expenditure are extremely predictable. The Trust is forecast to retain significant cash and other liquidity resources for the foreseeable future. Cash-flow risk is therefore felt to be low, due to the adequate level of cash reserves; the Trust has not sought a working capital loan

facility because we have sufficient working capital. The Trust has modified its capital expenditure plans and has a robust approach to investment appraisal including risk issues.

1.19.6 Disclosure for the payment of creditors

We adopt the Better Payment Practice Code, which requires payment of all our undisputed invoices by the due date or within 30 days of receipt of goods. Further information can be found in note 9 of the annual accounts in part C of this Annual Report.

1.19.7 Income disclosure

The Trust is required under Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) to ensure that income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purposes. The Trust has met this requirement in 2013/14. The Board of Directors therefore declare that there has been no material income other than from the provision of goods and services for the purposes of the health service in England. Any benefit is re-invested in the provision of those services.

1.19.8 How we involve our staff in understanding financial performance

Financial plans are set in the context of an annual planning process and they look ahead for two years in the operational plan and five years in the strategic plan. Key assumptions to be used are discussed by the Executive Team and the Board of Directors to ensure there is an understanding of the key assumptions being made and the impact on our financial risk ratings.

Finance managers are integrated within the Care Groups, forming part of the leadership teams at this level. This ensures consistency and understanding across the Trust on service and financial objectives. In the context of the annual planning cycle the agreement of the budgets for each year are discussed and agreed with the relevant lines of management in the organisation. Individual budget holders have an opportunity to discuss pressures (as well as efficiencies) which are considered for funding as part of the budgetary process.

The Board of Directors and the Council of Governors receive regular information regarding financial performance within the Integrated Quality and Performance Report; the Board of Directors on a quarterly basis (in line with the Monitor timetable for quarterly returns) and the Council of Governors five times a year (at each of its meetings). The performance report highlights financial performance against plan; any significant variances; how these have occurred; and what action is required, if any. The Council of Governors receives a report on performance (including financial performance) from a non-executive director which allows the Council to hold the non-executive directors to account for the performance of the Board (including financial performance) and to understand how they have challenged the executive directors in respect of any areas of poor performance or risks to performance.

At each meeting of the Joint National Consultative Committee (JNCC) Staffside representatives are informed of the current and forecast financial position, together with future prospects.

Quarterly service line reports are produced and discussed with clinical managers to enable them to better understand the relationship between service and resource use. The Finance Team provides bespoke training as and when required to budget managers.

1.20 COUNTER-FRAUD

During 2013/14 the Local Counter-fraud Specialist (LCFS) service was provided by Baker Tilly (previously RSM Tenon). Their fraud solutions arm specialises in all aspects of counter-fraud and investigations work across the public, corporate and not-for-profit sectors. Baker Tilly has a large integrated team with accredited and experienced LCFS personnel.

Our LCFS has continued to carry out work across all generic areas of counter-fraud work placing emphasis on the continued anti-fraud culture within our Trust and the prevention of fraud. Presentations at staff induction sessions and to selected groups of staff have been undertaken. The LCFS has continued to be proactive in their work and our staff have continued to be alerted to potential and real fraud risks.

We have developed a strong deterrence and preventative culture and this has been a factor in there being no significant fraud occurrences in 2013/14.

1.21 GOING CONCERN

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

1.22 PREPARATION OF THE ACCOUNTS

Leeds and York Partnership NHS Foundation Trust (the Trust) is required to keep accounts in such form as Monitor (The Independent Regulator for NHS Foundation Trust's) may with the approval of Treasury direct (Paragraph 24(1) Schedule 7 of the National Health Services Act 2006 ('the 2006 Act')). The Trust is required to 'prepare in respect of each financial year annual accounts in such form as Monitor may with the approval of the Treasury direct' (Paragraph 25(1) Schedule 7 to the 2006 Act). In preparing their annual accounts the Trust must comply with any directions given by Monitor with the approval of the Treasury, as to the methods and principles according to which the accounts are to be prepared and the information to be given in the accounts (Paragraph 25(2) Schedule 7 to the 2006 Act). In determining the form and content of the annual accounts Monitor must aim to ensure that the accounts represent a true and fair view (Paragraph 25(3) Schedule 7 to the 2006 Act).

The annual accounts can be found in full in part C of this Annual Report.



Chris Butler
Chief Executive

Date: 22 May 2014

SECTION 2 – THE DIRECTORS’ REPORT

2.1 INTRODUCTION

The Board of Directors is the legally responsible body for the day-to-day management of the organisation and is accountable for the operational delivery of services, targets and performance, as well as the definition and implementation of our strategy. It has a duty to ensure the provision of safe and effective services for its service users. It does this by having in place effective governance structures and by:

- Establishing and upholding our values and culture
- Setting the strategic direction
- Ensuring we provide high quality, effective and service user focused services
- Promoting effective dialogue with our local communities
- Monitoring performance against objectives
- Providing effective financial stewardship
- Ensuring high standards of governance are applied across the organisation.

The Chair of the Trust is responsible for ensuring that the Board of Directors focuses on the strategic development of our organisation and for ensuring robust governance and accountability arrangements are in place for the Board. The Chair of the Trust chairs both the Board of Directors and the Council of Governors and ensures there is effective communication between the two entities, and that where necessary, the views of the governors are taken into account by the Board.

Whilst the executive directors are responsible for the day-to-day operational management of the organisation, the non-executive directors share corporate responsibility and liability for ensuring that our Trust is run efficiently, economically and effectively. The non-executive directors will assure themselves of performance by holding the executive directors to account for the achievement of this.

The Board will reserve certain matters to itself and will delegate others to specific committees and executive directors. Details of this are set out in a document called *Reservation of Powers to the Board of Directors and Council of Governors and Schedule of Decisions/Duties Delegated by the Board of Directors*. Copies of this document are available on our website www.leedsandyorkpft.nhs.uk.

2.2 COMPOSITION OF THE BOARD OF DIRECTORS

2.2.1 Non-executive directors

Our non-executive (NED) team is made up of seven non-executive directors including a non-executive chair. During 2013/14 there have been a number of changes to the NED team: Frank Griffiths commenced his second term of appointment on 1 April 2013 for a period of three years; Allan Valks came to the end of his second term of appointment on 31 May 2013 and was not eligible for re-appointment; Professor Carl Thompson was appointed by the Council of Governors for his first term commencing 3 July 2013 for a period of three years; Aqila Choudhry came to the end of her first term of appointment and decided to step down on 31 October 2013; Keith Woodhouse was appointed for a second term of appointment for three years with effect from 7 November 2013; Gill Taylor was re-appointed by the Council of Governors for a second term of office of three years commencing 6 February 2014; and Margaret Sentamu was appointed for her first term of office on 6 February 2014 for a period of three years. These changes are set out in detail in part A section 5.2.3 of this Annual Report.

We would like to thank Allan Valks and Aqila Choudhry for the very valuable contribution they have made to the work of our Trust during their time as non-executive directors; welcome back Keith Woodhouse and Gill Taylor for a second term of appointment, and also welcome Carl Thompson and Margaret Sentamu who join the Board of Directors for the first time in 2013/14.

2.2.2 Executive directors

The Executive Team is made up of six executives, including the Chief Executive. The team is made up as follows:

- Chief Executive
- Chief Financial Officer
- Chief Nurse / Director of Quality Assurance
- Medical Director
- Chief Operating Officer
- Director of Workforce Development.

There has been one change in the Executive Director Team during 2013/14. On 1 April 2013 Beverley Murphy took up the post of Chief Nurse / Director of Quality Assurance, having been successfully appointed to the post through a competitive interview process which concluded in the last quarter of 2012/13.

2.2.3 Members of the Board of Directors

At the end of 2013/14 the Board of Directors was made up of seven non-executive directors (including the Chair of the Trust) and six executive directors (including the Chief Executive). The table below lists members of the Board of Directors as at 31 March 2014. It shows the name of the Chair of the Trust and Deputy Chair; the Senior Independent Director; and the Chief Executive and the Deputy Chief Executive.

The table below sets out those individuals who made up the Board of Directors at 31 March 2014.

Table 2A – Members of the Board of Directors as at 31 March 2014

NON-EXECUTIVE TEAM		
Frank Griffiths	Chair of the Trust	3 year appointment from 1 April 2013
Margaret Sentamu	Non-executive Director	3 year appointment from 6 February 2014
Julie Tankard	Non-executive Director	3 year appointment from 1 March 2013
Dr Gill Taylor	Non-executive Director and Senior Independent Director	3 year appointment from 6 February 2014
Prof Carl Thompson	Non-executive Director	3 year appointment from 3 July 2013
Keith Woodhouse	Non-executive Director (Deputy Chair from 7 November 2013*)	3 year appointment from 7 November 2013
Steven Wrigley-Howe	Non-executive Director	3 year appointment from 6 February 2013
EXECUTIVE TEAM		
Chris Butler	Chief Executive	
Jill Copeland	Chief Operating Officer (Deputy Chief Executive from 27 March 2014)	
Dawn Hanwell	Chief Financial Officer	
Dr Jim Isherwood	Medical Director	
Beverley Murphy	Chief Nurse / Director of Quality Assurance	
Susan Tyler	Director of Workforce Development	

* Aqila Choudhry was Deputy Chair between 1 December 2012 and 31 October 2013 (the date she stepped down as a non-executive director)

Non-executive directors, including the Chair of the Trust are appointed by the Council of Governors through an open advertisement process. Should it be necessary to remove either the Chair of the Trust or any of the other non-executive directors this will be done by the Council of Governors. A decision to remove the Chair of the Trust or another non-executive director must be done in accordance with our Constitution and only if three quarters of the total number of governors appointed or elected at the time vote to remove an individual.

The Board of Directors considers that it is balanced, complete and appropriate and this can be seen in the biographical details of Board members as set out below. All the non-executive directors are considered to be independent in both judgement and character, and the Board has confirmed that there are no relationships or circumstances which are likely to affect, or could appear to affect, judgment in this respect.

It is also reported that the Chair of the Trust has no other significant commitments that have affected his ability to carry out his duties to the full, and has therefore been able to allow sufficient time to undertake these duties. A copy of the Chair's annual declaration of interest form can be obtained from the Head of Corporate Governance.

2.3 PROFILE OF MEMBERS OF THE BOARD OF DIRECTORS

Frank Griffiths, Chair of the Trust

Frank has been in post as Chair of the Trust since 1 April 2010, when he was appointed for a period of three years. He was then re-appointed by the Council of Governors for a second term of office of three years. This appointment commenced on 1 April 2013 and will end on 31 March 2016. He is the former Deputy Vice Chancellor of Leeds Metropolitan University, having retired in 2006. As Chair of the Trust, Frank chairs the Board of Directors, and its sub-committees: the Nominations Committee; and the Remuneration Committee. Frank also chairs the Council of Governors and its sub-groups: the Appointments and Remuneration Committee, the Strategy Committee and the Membership and Development Committee. In addition to this Frank also chairs the Board of Trustees when it meets to consider the Trust's charitable funds

In addition to his role in our Trust he also chairs the IGEN Trust, which provides careers advice and guidance to young people in schools and those seeking employment as young adults. He is a Member of the Crown Agents Foundation, an organisation that helps the Government to reduce poverty and increases prosperity for sustainable development and growth; and he is a Trustee of Action Zambia, a charity that supports Chainama Hills Hospital in Lusaka with its infrastructure and patient amenities.

Frank has lived and worked in Leeds for over 20 years, having previously worked in a number of educational organisations in London and Teesside.

Margaret Sentamu, Non-executive Director

Margaret was appointed on 6 February 2014 for her first term of office and for a period of three years. Margaret is a newly appointed member of the Audit Committee and is a member of the Remuneration Committee; she is also entitled to be a member of the Nominations Committee as and when required, providing there is no conflict of interest. As part of her portfolio Margaret takes a special interest in diversity and inclusion, and the contribution of the 'third sector' to our service development

Margaret's background is in recruitment and selection in the private, public and the third sectors. More recently she has focused on helping organisations to embed diversity practices in the workplace by challenging unconscious bias in the areas of recruitment, retention and people development.

Her portfolio career also includes regulating solicitors who breach the code of conduct for the Solicitors Regulatory Authority; she also regulates accountants, who are members of CIPFA (Chartered Institute of Public Finance and Accountancy) who breach the by-laws; as a non-executive director of Traidcraft Plc she helps the board to think strategically about how to combat poverty through fair trade practices. She is a member of the Advisory Board of the Bradford School of Management and on the governing body of York Further Education College.

Margaret is a trustee and patron of a number of charities in the areas of health, education and poverty and is keen to strengthen partnerships between the mental health sector and the third sector.

Julie Tankard, Non-executive Director (Chair of the Audit Committee)

Julie was appointed on 1 March 2013 for a period of three years. Julie is the chair of the Audit Committee. She is a member of the Remuneration Committee and the Finance and Business Committee and is also entitled to be a member of the Nominations Committee as and when required, providing there is no conflict of interest. Julie has been appointed to the Board for her financial expertise.

She is a fellow of the Chartered Institute of Management Accountants and qualified as an accountant 20 years ago. She has experience in finance and commercial roles and is currently working as the Vice President: Central Government, Police and Security for BT.

Julie has run a large global team and has worked in an international environment for most of her career; consequently she is used to working across different cultures and values diversity. She is very experienced in procurement processes and contract negotiations and is currently responsible for the new business generated by BT Global Services. Her key skills lie in risk management, financial evaluation, investment appraisal and governance. She has a high degree of personal integrity. She is able to bring her commercial skills from a corporate environment to the Trust in order to help develop services for the benefit to the service users.

Dr Gill Taylor, Non-executive Director (Senior Independent Director)

Gill was appointed as a non-executive director for a second term of office for a period of three years on 6 February 2014. She is the chair of the Finance and Business Committee, a member of the Audit Committee and also the Remuneration Committee. She is entitled to be a member of the Nominations Committee as and when required, provided there is no conflict of interest. As part of her portfolio Gill takes a special interest in strategic growth, business development and developing effective partnership working.

Gill is principal advisor of the Local Government Association which helps improve the performance of local government, shares good practice and supports councils at risk through the facilitation of their improvement programmes. Gill has responsibility for councils in the north-west region and has a role in respect of the integration of health and local government care services.

Gill is a former local authority Chief Executive. She was also Chief Executive of the Academy for Sustainable Communities (a national non-departmental public body); a corporate director for the Homes and Communities Agency; and was a government policy advisor on sustainable communities and community cohesion. She is also a board member of Manningham Housing Association in Bradford, and has a particular interest in housing and partnership working to support individuals and communities.

Professor Carl Thompson, Non-executive Director

Carl was appointed as a non-executive director for his first term of office for a period of three years on 3 July 2013. He is the chair of the Quality Committee and is also a member of the Remuneration Committee. He is entitled to be a member of the Nominations Committee as and when required, provided there is no conflict of interest. As part of his portfolio Carl takes a special interest quality and service improvement.

Professor Thompson was awarded a personal chair at York in 2009 and is a social scientist and nurse by background. He started his career at 16 years old as a health care assistant. Following his nurse training and various NHS clinical posts he undertook a degree and then an Economic and Social Research Council-sponsored PhD in Social Policy. Carl has published more than 65 peer-reviewed publications, 20 book chapters and three books on health service evaluation, clinical decision making and judgement. He has attracted more than £14 million in research funding from the Economic and Social Research Council, the Medical Research Council and the National Institute for Health Research and has a long standing interest in the role of decision making and judgement in the implementation of research findings and attempts to raise the quality of health services.

Keith Woodhouse, Non-executive Director (Deputy Chair of the Trust)

Keith was appointed for his second term of office as a non-executive director on 7 November 2013 for a period of three years. He is the chair of the Mental Health Act committee and is currently a member of the Remuneration Committee. He is also entitled to be a member of the Nominations Committee as and when required, providing there is no conflict of interest. As part of his portfolio Keith takes a special interest in information management and technology, social networking and communications.

Keith has a background of programme and change management and over the last 10 years has worked at director level within both private and public bodies. His last executive role was with the Child Maintenance and Enforcement Commission, where he was responsible for the development and implementation of the Child Maintenance Service. This included the overall management of the change programme, control of budgets in excess of £100 million and the design, build and implementation of new IT. Keith has also previously held a non-executive director post with Calderdale Primary Care Trust.

Keith is very service user-centric in his approach to services and equally passionate about efficient and effective delivery of services, and he actively carries out his role as a Mental Health Act Manager.

Steven Wrigley-Howe, Non-executive Director

Steven was appointed as a non-executive director on 6 February 2013. He is a member of the Quality Committee and also the Remuneration Committee and is entitled to be a member of the Nominations Committee as and when required, providing there is no conflict of interest.

As part of his portfolio he takes a special interest in matters of workforce, innovation in mental healthcare and (as a user of our services) service user involvement. He is also director of Love Arts York a multi agency arts festival in York led by our Trust and the York St John University, which aims to raise awareness of mental health and wellbeing in the city of York and beyond.

Steven was previously a Trustee of York Mind and prior to joining our Trust he also worked with national Mind on a number of projects including ways of engaging service users in the implementation of Mind's new strategy.

He has over 20 years' experience within healthcare in various management and executive roles including 10 years running a healthcare consultancy with both public sector and independent sector clients including NHS trusts, primary care trusts, and charitable organisations.

Chris Butler, Chief Executive

Chris joined the then Leeds Mental Health Teaching NHS Trust as its Chief Executive in January 2005, and continued his appointment as Chief Executive following authorisation as an NHS foundation trust in 2007. Chris successfully steered the incorporation into the Trust of services in York and parts of North Yorkshire, with the Leeds and York Partnership NHS Foundation Trust coming into being in February 2012.

Chris has a broad range of experience firstly as a nurse, and later in his career as Chief Executive of Kingston Primary Care Trust in London; Director of Operations and Nursing and Deputy Chief Executive in South West London and St. George's Mental Health Trust. He has been a senior civil servant whilst Assistant Chief Nursing Officer at the Department of Health, and has experience in primary care; commissioning, both at a local and strategic level; service provision; and the working of government.

Chris is a member of the Yorkshire and Humber Local Education and Training Board (LETB) and is the chair of the LETB's Partnership Council for West Yorkshire. He is also a member of the NHS Regional Leadership Council for Yorkshire and the Humber. Chris is a member of the Programme Board of the Yorkshire and Humber Collaboration for Leadership in Applied Research and Health Care, also the Steering Group of the Yorkshire and Humber Academic Health Science Network. Chris is involved in the work of the Royal College of Nursing, Nurses in Management and Leadership Forum which is concerned with the professional development of aspirant and established leaders in nursing.

Chris is keen to ensure that he is directly connected to the experience of staff, service users, and carers by spending as much time as he can in the services, and by directly engaging with staff and with groups representing people who use its services.

Nationally, Chris has an extensive network of contacts with the chief executives of other mental health trusts and leaders in the professions. Most recently the *Health Service Journal* included Chris in its list of the top 50 Chief Executives of NHS Trusts in England.

Jill Copeland, Chief Operating Officer (Deputy Chief Executive)

Jill joined our Trust in October 2009 as Director of Strategy and Partnerships; and on 1 April 2013 she took up the role of Chief Operating Officer. In her current role, Jill is responsible for operational management of all our clinical services; strategy; business planning; partnerships; communications; campaigning; and governor and member engagement. In her previous role she was responsible for strategy; integration of services from York and North Yorkshire; partnerships and social inclusion; communications; campaigning; governor and member engagement; equality and diversity; and board

and governor development. Previously, Jill was executive director of strategic development at NHS Leeds, where she led on strategy; partnerships; commissioning for priority groups, including mental health and learning disability services; organisational development through World Class Commissioning; and estates. Jill has worked in healthcare for almost 25 years; and her experience includes policy development and implementation at the Department of Health, and leading national service improvement programmes. Jill graduated in philosophy and holds a master's in business administration from Manchester Business School. She is committed to working with people to improve services so they provide the very best outcomes for the people who need them.

Dawn Hanwell, Chief Financial Officer

Dawn was appointed as Chief Financial Officer from 1 August 2012. She started work in the NHS in 1986 as a financial management trainee in Rotherham where she went on to gain her CIPFA qualification in 1990.

Prior to joining our Trust Dawn was the Director of Finance in Barnsley NHS Foundation Trust. She has worked across the NHS, predominantly in mental health and for a short while in a primary care trust. She has worked in Sheffield, Wakefield, Derby and Leeds; including being the Deputy Director of Finance of our predecessor organisation, Leeds Partnerships NHS Foundation Trust, when she was part of the team that led on securing our foundation trust status.

Dr Jim Isherwood, Medical Director

Jim was appointed to the substantive post of Medical Director on 1 September 2012.

He trained at the University of Leeds Medical School and after graduation worked in hospitals in West Yorkshire before undertaking the North Yorkshire rotational training scheme in psychiatry. He then worked in Wessex as Senior Registrar for four years before taking up a consultant post to develop forensic psychiatry services in North Yorkshire in 1996. In 2004 he became the Medical Director of the Selby and York PCT, a position he maintained until services transferred to our Trust in February 2012.

Beverley Murphy, Chief Nurse / Director of Quality Assurance

Beverley joined our Trust as Chief Nurse / Director of Quality Assurance 1 April 2013. Beverley has worked as a mental health nurse for 29 years and has a range of experiences including high secure care, acute mental health services, treatment of eating disorders and significant experience of setting up new services and team development.

Prior to joining the Trust Beverley worked as the Director of Governance within a large foundation trust which provided excellent experience for her first executive director role. Beverley's responsibilities include professional leadership of nurses, allied health professionals and psychological therapy staff, she also leads on risk and safety, complaints, safeguarding, infection prevention and control, safeguarding adults and children and mental health act legislation.

First and foremost Beverley identifies herself as a nurse; she continues to work alongside staff to ensure she remains in touch with the work place and to maintain her skills. Beverley identifies her key responsibilities as being the need to support and challenge staff to deliver the highest quality of care possible and to assist the board in making strategic decisions that improve the quality of care.

Susan Tyler, Director of Workforce Development

Susan was appointed to the substantive post of Director of Workforce Development on 1 January 2012.

She has worked for a number of trusts across West and South Yorkshire including as Deputy Director of HR at Mid-Yorkshire Hospitals NHS Trust and HR Director at Barnsley NHS Foundation Trust. During her career she has also held a number of senior roles in training and organisational development. Susan has experience across all aspects of healthcare provision including acute, primary care and mental health / learning disabilities. She holds a masters degree, MCIPD and ILM level 5 in coaching and mentoring.

2.4 MEETINGS OF THE BOARD OF DIRECTORS

In 2013/14 the Board of Directors changed from meeting monthly to meeting on a six-weekly basis (subject to timeframes prescribed by Monitor in respect of the submission of key documents and returns). The main reason for the change was to allow the Board to focus more on strategic items and allow the Executive Team to develop those strategies between meetings. All meetings are held in public, although items which are of a confidential nature (as defined by pre-determined criteria and in accordance with the constitution) will be taken in a private session.

In 2013/14 the Board of Directors met on 12 occasions. The table below shows directors' attendance at those meetings.

Table 2B – Attendance at Board of Directors' meetings during 2013/14

Name	Number of meetings directors were eligible to attend	25 April 2013	24 May 2013 *	30 May 2013	27 June 2013	25 July 2013	29 August 2013	26 Sept 2013	31 October 2013	28 November 2013	30 January 2014	27 February 2014 *	27 March 2014
Non-executive directors													
Frank Griffiths (Chair)	12	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Aqila Choudhry	8	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A
Margaret Sentamu	2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	-
Julie Tankard	12	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	-
Gill Taylor	12	✓	-	✓	✓	-	✓	✓	✓	✓	✓	-	✓
Carl Thompson	8	N/A	N/A	N/A	N/A	✓	-	✓	✓	✓	✓	-	✓
Allan Valks	3	✓	-	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Keith Woodhouse	12	✓	-	-	✓	✓	✓	✓	✓	✓	✓	-	✓
Steven Wrigley-Howe	12	-	✓	✓	✓	✓	-	-	✓	✓	✓	✓	✓
Executive directors													
Chris Butler	12	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jill Copeland	12	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dawn Hanwell	12	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jim Isherwood	12	✓	-	✓	✓	✓	✓	✓	✓	✓	✓	-	✓
Beverley Murphy	12	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Susan Tyler	12	✓	-	✓	✓	✓	✓	✓	✓	✓	✓	-	✓

* Meetings held on 24 May 2013 and 27 February 2014 were extraordinary meetings of the Board of Directors called at short notice and not all directors were able to attend due to previous diary commitments

2.5 REGISTER OF DIRECTORS' INTERESTS

Under the provisions of the constitution, we are required to have a register of interests to formally record any declarations of interests of members of the Board of Directors. In particular, the register will include details of all directorships and other relevant material interests, which both executive and non-executive directors have declared.

On appointment members of the Board of Directors must declare any interests, which might place, or be seen to place them in a potential conflict of interest between their personal or private interests and

those arising from their membership of the Board of Directors. None of the interests declared conflict with their role as a director.

Members of the Board of Directors are also required to declare any conflict or pecuniary interests that arises in the course of conducting Trust business, specifically at each meeting of the Board, and make an annual declaration of interest to ensure declarations remain up to date.

The register of interests is maintained by the Head of Corporate Governance and is available for inspection by members of the public on request. The Head of Corporate Governance can be contacted by telephone 0113 3055930 or by email chill29@nhs.net .

2.6 EVALUATION OF THE BOARD OF DIRECTORS

2.6.1 The Board of Directors and members of the Board

The Board of Directors is committed to continuous improvement and has undertaken a formal evaluation of its performance and effectiveness.

In the autumn of 2012/13 the Board of Directors undertook a 360-degree evaluation of its effectiveness, working with the Real World Group. Feedback was requested from Board members themselves, governors and staff. Out of this came a number of actions which have all now been completed. More recently all Board members have undertaken Myers Briggs assessments. Bespoke compulsory training packages have also been identified for all non-executive directors. Furthermore, regular Board of Director workshops on significant and priority areas are set as routine along with regular ward-to-board opportunities.

2.6.2 Board sub-committees

In 2013/14 our Board sub-committee structure was revised to ensure it was fit for purpose; that it met the needs of the organisation; and also that it reflected the recommendations made by Robert Francis QC in the report of the Public Inquiry into the Mid Staffordshire NHS Foundation Trust. Because the committee structure has only been recently refreshed it was agreed that an evaluation of this would be undertaken in 2014/15, once the structure had time to become fully established.

2.7 THE AUDIT COMMITTEE

The Audit Committee is the primary governance and assurance committee. It is a formal sub-committee of the Board of Directors.

The Audit Committee provides independent and objective review and seeks high-level assurance on the effectiveness of our governance (corporate and clinical), risk management and internal control systems and assures the Board of Directors in respect of internal controls within these functions. It receives assurance from the Executive Team and other areas of the organisation through reports, both regular and bespoke. It validates the information it receives through the work of Internal Audit, External Audit, and Clinical Audit, again received through reports and attendance by key personnel at its meetings. Assurance is also brought to the committee through the knowledge that non-executive directors gain from other areas of their work, not least their own specialist areas of expertise; 'walking the floor'; and talking to staff and governors.

The Audit Committee also has responsibility for ensuring that, should our auditors (PricewaterhouseCoopers LLP) carry out any non-audit work, their independence is maintained. The committee will do this by reviewing and approving the scope of the work and the fees charged prior to the work being undertaken.

The substantive membership of the Audit Committee is made up at any one time of three non-executive directors. During 2013/14 the following members served on the committee as substantive members: Allan Valks, who was the chair of the committee until 31 May 2013 which was the end of his term of appointment as a non-executive director; Julie Tankard, who took over as chair of the

committee on 1 June 2013; Aqila Choudhry until the end of October 2013, Dr Gill Taylor; and latterly Margaret Sentamu, who was appointed to the committee in March 2014. The other non-executive directors are invited to attend on an ad-hoc basis as and when they feel it is appropriate.

In regular attendance at committee meetings are the Chief Executive, the Chief Financial Officer, and the Head of Corporate Governance. There is also representation from PricewaterhouseCoopers LLP, our external auditors, and Baker Tilly (previously RSM Tenon), our internal auditors who provide our internal audit and counter-fraud services.

The table below shows the number of Audit Committee meetings in 2013/14 and attendance by each non-executive director member. It also shows where other non-executive directors have attended the committee on an ad-hoc basis.

Table 2C – Attendance at Audit Committee meetings

Name	22 May 2013	28 June 2013	12 September 2013	4 November 2013	16 January 2014	13 March 2014
Substantive non-executive director members						
Allan Valks (chair until 31 May 2013)	✓	N/A	N/A	N/A	N/A	N/A
Julie Tankard (chair from 1 June 2013)	✓	✓	✓	✓	✓	✓
Aqila Choudhry	✓	✓	-	N/A	N/A	N/A
Gill Taylor	✓	✓	✓	✓	✓	✓
Margaret Sentamu *	N/A	N/A	N/A	N/A	N/A	N/A
Other non-executive directors who attended meetings						
Keith Woodhouse	-	-	✓	✓	-	-
Carl Thompson (by phone for one item)	-	-	-	-	-	✓

* Margaret Sentamu was appointed to the committee after the March meeting had taken place and as such has not had the opportunity to attend any meetings in 2013/14

During 2013/14 the Audit Committee has fulfilled the role of the primary governance and assurance committee and has carried out its role through the approval of the work plans for both the internal and external auditors; the Counter-fraud Service and the Clinical Audit Department. It has received and reviewed both regular progress reports and the concluding annual reports for the work of Internal Audit, the Counter-fraud Team and Clinical Audit. This has allowed the committee to determine its level of assurance in respect of progress with the work and the findings and also our internal controls.

The Audit Committee assesses the effectiveness of external and internal audit by reviewing the period reports from the auditors and monitoring the pre-agreed key performance indicators. This year it has been necessary to tender for external audit services. The Audit Committee led on the tender process for external audit services. This process was supported by a number of officers in our Trust and two governors. The Audit Committee made a recommendation to the Council of Governors to appoint PricewaterhouseCoopers LLP for a further period of three years (with an option to extend for a further two years subject to satisfactory performance). The Council of Governors ratified the recommendation of the Audit Committee on 5 February 2014 and the new period of contract will commence 1 June 2014.

The committee has had significant input to the development of the Assurance Framework. As part of its statutory duty it has reviewed the annual accounts, the Board statements for the annual plan and the Quality Report prior to them being adopted by the Board of Directors.

As part of the role and responsibilities of the Audit Committee regarding the financial statements of the Trust the Audit Committee considered the following significant issues and risks: fraud and management override of controls; revenue and expenditure recognition including provisions; consolidation of charitable funds; and capital expenditure and revaluation of PPE. In May 2014 PwC reported their findings from the audit of the annual accounts to the Audit Committee which included consideration of these items.

A separate annual report for the Audit Committee is produced and submitted to the Board of Directors for assurance and is also submitted to the Council of Governors for information. This can be found on our website at www.leedsandYorkpft.nhs.uk.

Further information about the sufficiency of our internal control processes can also be found in the Annual Governance Statement in part A section 8 of this Annual Report.

2.8 DIRECTORS' STATEMENT AS TO DISCLOSURE TO THE AUDITORS

For each individual who is a director at the time this annual report was approved, so far as the directors are aware, there is no relevant audit information of which the Trust's auditor is unaware; and the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

2.9 HOW WE ARE USING OUR FOUNDATION TRUST STATUS TO IMPROVE CARE

We were authorised as a foundation trust in August 2007. Since this time we have made good use of the benefits of our foundation trust status, maintaining a strong financial position while making full use of our financial strength to improve services.

We are committed to working in partnership with the people who use our services, their families and friends and our external partners, to develop and improve our services. In addition to the people we have traditionally worked with, being a foundation trust brings the added benefit of being able to recruit a membership of people who are passionate about mental health and learning disability services. From that membership we are then able to form a Council of Governors; people elected and appointed, who have an important role in helping us to develop the way in which we deliver services.

During 2013/14 we have used the benefits of being a foundation trust in the following ways:

- Members and governors have continued to help develop the shape and direction of our services in Leeds, York and North Yorkshire, especially around future scoping and planning of priorities through the strategic planning process
- Governors continue to be fully involved in reviewing the measures for our strategy through the Strategy Committee and Council of Governors' meetings
- We have developed a range of events run as 'Knowledge Cafés', which enable members and governors to have creative conversations about our future priorities
- Using the twilight '*Everything you need to know about...*' sessions, members have been informed about the care and support for people who use our services. This means they are able to understand what we do and help to promote positive mental wellbeing
- At the Annual Members' Day, in September 2013, we brought together our *Sharing Stories* campaign which culminated in awards being presented by Rommi Smith for a range of inspiring stories about mental health

- Governors continue to monitor membership plans for the development of members in the Leeds, York and North Yorkshire regions over the next five years through the Membership and Development Committee
- The Council of Governors has exercised its statutory duty and made appointments to the non-executive director team during 2013/14 and appointed our external auditors.

2.10 QUALITY GOVERNANCE REPORTING

The Quality Report contains a comprehensive review of the quality of our services and the priorities for quality improvement. The following summary outlines some key points of note.

At the heart of our commitment to quality is a clearly defined system of quality performance management and as outlined in the Annual Governance Statement, a clear risk management process. A key part of the Board's assurance on quality and safety is the Quality Committee. The committee was formed in October 2013 following a review of the Board's committees. The purpose of this committee is to ensure that quality and risks are considered in an integrated way by: seeking assurance and opportunities to improve clinical quality, looking at clinical effectiveness, service user experience and service user safety; and overseeing clinical governance, monitoring compliance with those standards required for the high quality delivery of care. The Board monitors quality through the quarterly Integrated Quality and Performance Report, and also reviews serious incidents and the learning from the investigation of such incidents.

We have a comprehensive clinical audit work plan covering both national and local audits. Information and progress on clinical audit is reported to the Quality Committee and also the Audit Committee.

Our strategic plan and the Quality Report detail our approach to quality. In 2013 there were significant improvements in our governance and clinical leadership, specifically the addition of a Quality Committee and the appointment of clinical directors across care services. We believe that we have the right people in the right places working to consistent quality standards articulated in our policies to ensure that we are well governed and service users are provided with consistently high quality care.

The Care Quality Commission (CQC) conducted unannounced inspections on 10n sites during December 2013 and January 2014 much of the feedback was extremely positive especially in relation to our services for people with a learning disability. At Bootham Park Hospital and Lime Trees Child and Adolescent services a moderate concern was issued related to the safety and suitability of premises, Bootham Park Hospital was also found to require improvement in respect of record keeping and the CQC noted a moderate concern about the way that headquarters had been monitoring the quality of services specifically in relation to the suitability of buildings. We issued an immediate improvement plan which was followed up with a full response action plan, and the progress is tracked by the Quality Committee. Intensive work is underway with the owners of the buildings, NHS Property Services Ltd, to improve the current buildings whilst also working towards moving services to safer, better buildings. This is a significant undertaking and we are working closely with our commissioners to make this happen.

There have been no inconsistencies between the Annual Governance Statement (presented later in the Annual Report) and reports arising from the Care Quality Commission planned and responsive reviews of our Trust; and further information on the quality of our services and the Board's priorities for improving clinical quality is presented in the Quality Report in part B of this Annual Report. Information about quality governance can also be found in the Annual Governance Statement in part A section 7 of this Annual Report.

2.11 REGULATORY RATINGS AND PERFORMANCE

Information about: our performance against key healthcare targets; our performance against national standards and targets; Care Quality Commission inspections and our responses to these; and

performance against local commissioner targets can be found in the Quality Report in part B of this Annual Report.

2.12 OUR AUDITORS

2.12.1 External audit services

External audit services are provided by PricewaterhouseCoopers LLP (PwC). At its meeting on the 5 February 2014 the Council of Governors re-appointed PwC for a further period of three years with effect from 1 June 2014. The selection process was led by the Audit Committee and their recommendation was ratified by the Council following a full competitive tender process.

All members of the PwC audit team are independent of the Board of Directors and of staff members. Each year the audit team provides a statement in support of the requirements for their objectivity and independence. The auditors provide audit services in accordance with the Code of Audit Practice. This covers the opinion on the annual accounts, financial aspects of corporate governance, the use of resources and the Quality Report. The cost of independent audits during 2013/14 is detailed in the table below:

Table 2D – Cost of statutory audits

Annual accounts	£46,765
The Quality Report	£8,980

We also requested PwC to carry out non-audit work in respect of other operational areas at a total cost of £22,500 during 2013/14, which was the second phase of a piece of work commenced in 2012/13. Independence in respect of this work and that of the audit of the annual accounts was maintained by having in place two separate letters of engagement, one for each piece of work. These outlined the process and the outcomes for each area of work and had two separate fee structures.

2.12.2 Internal audit services

Our internal audit services are provided by Baker Tilly Risk Advisory Services Limited (Baker Tilly), previously RSM Tenon. The Internal Audit Team is led by Glen Palethorpe (CPFA, CMIIA, GIAC); a partner with Baker Tilly with over 20 years internal audit experience. The team also has a client manager, Christopher Dyson (ACMA), and a team of auditors and specialists drawn from the company's NHS Internal Audit Team.

To support both clients and the internal audit team, there is an in-depth support structure within the company which includes:

- A Full Time Technical Team, who are tasked with ensuring methodology is at the forefront of the profession and which also provides regular peer review process
- An NHS Sector Group which is made up of NHS specialists, and ensures the Audit Team is provided with detailed information on the latest developments in the sector; provide best practice advice; and to act as a point of reference for queries.

The scope of the work of internal audit is to review and evaluate the risk management, control and governance arrangements that we have in place, focusing in particular on how these arrangements help it to achieve its objectives. The audit opinion may be used by the Accounting Officer to support their Annual Governance Statement. This is achieved through a risk-based plan of work, agreed with management and approved by the Audit Committee. Internal Audit is only one source of assurance; it works closely with other assurance providers, such as External Audit and Local Counter-fraud Services, to ensure that duplication is minimised and a suitable breadth of assurance obtained.

2.13 ACCOUNTING POLICIES

Accounting policies for pensions and other retirement benefits are set out in note 1.5 of the Annual Accounts in part C of this Annual Report. Details of senior employees' remuneration can be found in the Remuneration Report in part A section 5 of this Annual Report (senior employees for the purpose of the Remuneration Report are our executive and non-executive Board members).

2.14 POLITICAL AND CHARITABLE DONATIONS

The Board reports that it has not made any political or charitable donations and that it is not the policy of the Leeds and York Partnership NHS Foundation Trust to make any such payments.

2.15 DISCLOSURES AS PER SCHEDULE 7 OF THE LARGE AND MEDIUM SIZED COMPANIES AND GROUPS REGULATIONS 2008

This section sets out those disclosures required as per Schedule 7 of the Large and Medium Sized Companies and Groups Regulations 2008 and where these have been reported on if they have not been included in the Directors' Report.

Table 2E – Disclosures and where they are reported in the Annual Report

Disclosure requirement	Statutory reference	Section in which reported
Any important events since the end of the financial year affecting the NHS foundation trust	7(1) (a) Schedule 7	• Section 1.2
An indication of likely future developments	7(1) (b) Schedule 7	• Section 1.2 • Section 1.8.1.1 • Section 1.8.1.2 • Section 1.8.1.3
An indication of any significant activities in the field of research and development	7(1) (c) Schedule 7	• See the Quality Report
An indication of the existence of branches outside the UK	7(1) (d) Schedule 7	Not applicable, no disclosure required
Policies applied during the financial year for giving full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities	10(3) (a) Schedule 7	• Section 1.6.1
Policies applied during the financial year for continuing the employment of, and for arranging appropriate training for, employees who have become disabled persons during the period	10(3) (b) Schedule 7	• Section 1.6.1
Policies applied during the financial year for the training career development and promotion of disabled employees	10(3) (c) Schedule 7	• Section 1.6.1
Actions taken in the financial year to provide employees systematically with information on matters of concern to them as employees	11(3) (a) Schedule 7	• Section 1.12.3
Actions taken in the financial year to consult employees or their representatives on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests	11(3) (b) Schedule 7	• Section 1.12.2
Actions taken in the financial year to encourage the involvement of employees in the NHS foundation trust's performance	11(3) (c) Schedule 7	• Section 1.12.3
Actions taken in the financial year to achieve a common awareness on the part of all employees of the financial and economic factors affecting the performance of the NHS foundation trust.	11(3) (d) Schedule 7	• Section 1.19.8

Disclosure requirement	Statutory reference	Section in which reported
In relation to the use of financial instruments, an indication of the financial risk management objectives and policies of the NHS foundation trust and the exposure of the entity to price risk, credit risk, liquidity risk and cash flow risk, unless such information is not material for the assessment of the assets, liabilities, financial position and results of the entity	6 Schedule 7	<ul style="list-style-type: none"> Section 1.19.5

2.16 OTHER DISCLOSURES AS REQUIRED BY THE NHS FOUNDATION TRUST ANNUAL REPORTING MANUAL 2013/14 AS DETERMINED BY MONITOR

The Annual Reporting Manual for 2013/14 requires a number of disclosures to be made in the Annual Report and to state where these have been reported on if they are not included in the Directors' Report.

The following table sets out where these disclosures have been made.

Table 2F – Disclosures and where they are reported in the Annual Report

Disclosure requirement	Section in which reported
Any new or significantly revised services	<ul style="list-style-type: none"> Section 1.8.1.1 Section 1.8.1.2 Section 1.8.1.3
Service improvements following staff or patient surveys	<ul style="list-style-type: none"> Section 1.10.1 (for service users) Section 1.12 (for staff)
Improvements in patient / carer information	<ul style="list-style-type: none"> Section 1.10.1
Information on complaints	<ul style="list-style-type: none"> Section 1.10.3
Descriptions of significant partnerships and alliances entered into by the NHS foundation trust to facilitate the delivery of improved healthcare	<ul style="list-style-type: none"> Section 1.11
Development of services involving other local services/agencies and involvement in local initiatives	<ul style="list-style-type: none"> Section 1.10.4



Chris Butler
Chief Executive

Date: 22 May 2014

SECTION 3 – COUNCIL OF GOVERNORS

3.1 COMPOSITION OF THE COUNCIL OF GOVERNORS

The Council of Governors is what gives the public a voice in helping to shape and influence the future of mental health and learning disability services provided by our Trust. It is made up of people who have been elected by our membership and who are representative of our constituencies. It also includes people appointed from a range of partner organisations. The Council of Governors is chaired by the Chair of the Trust, who ensures the link between the Council and the Board of Directors; the Deputy Chair of the Trust is also the Deputy Chair of the Council of Governors.

Monitor also requires each foundation trust to have a Lead Governor, and governors have nominated Jenny Roper, who is an elected governor for the Leeds public constituency.

Our Council of Governors has 34 seats. There are 27 elected governors and 7 appointed governor seats. The table below shows how our Council is made up.

Table 3A – Composition of our Council of Governors

	Constituency name	Number of seats
ELECTED	Public: Leeds	6
	Public: York and North Yorkshire	3
	Public: Rest of England and Wales	1
	Service User: Leeds	4
	Service User: York and North Yorkshire	2
	Carer: Leeds	3
	Carer: York and North Yorkshire	1
	Service user and Carer: Rest of the UK	1
	Clinical Staff: Leeds and York & North Yorkshire	4
	Non-clinical Staff: Leeds and York & North Yorkshire	2
	APPOINTED	Equitix Ltd
Volition		1
Tenfold		1
York Council for Voluntary Services		1
Leeds City Council		1
City of York Council		1
North Yorkshire County Council		1
	TOTAL	34

Governors are either elected or appointed to the Council of Governors for a period of up to three years, with elections being carried out in accordance with the election rules in Annex 5 of our Constitution. Further details about the elections we have held during 2013/14 can be found below in section 3.2.1.

Tables 3B and 3C list those governors that have served on the Council of Governors during 2013/14.

Table 3B – Elected governors

Name	Constituency	Maximum term of office elected for	Date appointed from	Date term of office ends / ended
Jackie Ainsley-Stringer ***	Public: Leeds	3 years	17.08.13	16.08.16
Amit Bhagwat *	Public: Leeds	3 years	12.04.12	06.11.13
Andy Bottomley	Carer: Leeds	3 years	17.04.11	16.04.14
Jonathan Butler **	Service User: Leeds	3 years	17.08.10	16.08.13
Paul Cockcroft	Staff Non-clinical: Leeds and York and North Yorkshire	3 years	12.04.12	11.04.15
Pamela Dolan *	Service User: Leeds	3 years	17.08.10	01.06.13
Annie Dransfield	Carer: Leeds	3 years	24.03.11	23.03.14
Roy Goddard *	Service User: Leeds and York and North Yorkshire	3 years	12.04.12	31.03.14
Stephen Howarth ***	Public: Leeds	3 years	17.08.13	16.08.16
Janette Howlett **	Carer: Leeds	3 years	17.08.10	16.08.13
Mahesh Jayaram **	Staff Clinical: Leeds and York and North Yorkshire	3 years	17.08.10	16.08.13
Philip Jones ***	Public: Leeds	3 years	17.08.13	16.08.16
Jonathan King **	Staff Clinical: Leeds and York and North Yorkshire	3 years	24.03.11	23.03.14
Grace Mangwanya **	Public: Leeds	3 years	17.08.10	16.08.13
Andrew Marran	Public: Leeds Re-appointed	3 years	17.08.10	16.08.13
		3 years	17.08.13	16.08.16
Gary Matfin ***	Staff Clinical: Leeds and York and North Yorkshire	3 years	17.08.13	16.08.16
Pamela Morris	Staff Non-clinical: Leeds and York and North Yorkshire	3 years	12.04.12	11.04.15
Stephen Morris ***	Service User: Leeds	3 years	17.08.13	16.08.16
Alan Procter ***	Carer: Leeds	3 years	17.08.13	16.08.16
Graham Purdy *	Public: York and North Yorkshire	3 years	12.04.12	10.12.13
Julia Raven	Carer: York and North Yorkshire	3 years	12.04.12	11.04.15
Jenny Roper	Public: Leeds	3 years	01.11.12	31.10.15
Ann Shuter	Service User: Leeds	3 years	12.04.12	11.04.15
Barbara Sim ***	Public: York and North Yorkshire	3 years	17.08.13	16.08.16
Heather Simpson ***	Staff Clinical: Leeds and York and North Yorkshire	3 years	17.08.13	16.08.16
Niccola Swan ***	Public: Rest of England and Wales	3 years	17.08.13	16.08.16
Barry Tebb *	Public: Rest of England and Wales	3 years	12.04.12	16.05.13
Tricia Thorpe *	Service User: Leeds	3 years	01.11.12	01.04.13
Maria Trainer	Service User: Leeds Re-appointed	3 years	17.08.10	16.08.13
		3 years	17.08.13	16.08.16
Chris Ward ***	Service User: York and North Yorkshire	3 years	17.08.13	16.08.16
Mark Willis	Staff Clinical: Leeds and York and North Yorkshire	3 years	12.04.12	11.04.15
Keith Wilson *	Public: Leeds	3 years	09.05.11	31.05.13
Claire Woodham ***	Service User: Leeds	3 years	17.08.13	16.08.16
Stephen Wright **	Staff Clinical: Leeds and York and North Yorkshire	3 years	17.08.10	16.08.13

* Indicates those governors who stepped down during 2013/14, before the end of their term of office

** Indicates those governors who came to the end of their term of office during 2013/14 and either did not stand for re-election or were not re-elected

*** Indicates those governors who were newly elected part-way through 2013/14

Table 3C – Appointed governors

Name	Appointing organisation	Term of Office (years)	Date appointed from	Date Term of office ends/ended
Colin Clark	Equitix Ltd Re-appointed	3 years	14.02.11	13.02.14
		3 years	14.02.14	13.02.17
John Dossey	Tenfold	3 years	05.09.12	04.09.15
Cllr Helen Douglas	City of York Council	2 years 7 months	29.10.12	31.05.15
Pip Goff *	Volition	3 years	17.08.12	26.02.14
Ted Hanley ***	Leeds City Council	3 years	11.12.14	10.12.17
Ant Hanlon ***	Volition	3 years	27.02.14	26.02.14
Cllr Christine Macniven **	Leeds City Council	1 year	04.07.12	03.07.13

* Indicates those governors who stepped down during 2013/14, before the end of their term of office

** Indicates those governors who came to the end of their term of office during 2013/14 and were not re-appointed

*** Indicates those governors who were newly appointed during 2013/14

3.2 CHANGES TO THE COUNCIL OF GOVERNORS

During 2013/14 there were a number of changes to the individuals holding the position of governor on our Council of Governors. The Board of Directors would like to thank all those who either stepped down early from office or came to the end of the term of office and note the tremendous contribution they made to the work of the Council. These are: Pamela Dolan, Roy Goddard, Amit Bhagwat, Janette Howlett, Mahesh Jayaram, Jonathan King, Grace Mangwanya, Graham Purdy, Tricia Thorpe, Barry Tebb, Keith Wilson and Stephen Wright.

3.2.1 Elected governors

Elections are carried out in accordance with the election rules as set out in table 3A. To be eligible to stand for election you must be a member of our Trust. Where a vacancy then occurs in a constituency members in that constituency are invited to nominate themselves, and where there are more people standing for election than there are seats available it will be necessary to hold a ballot which is held on a first past the post system of voting. In 2013/14 we held one round of elections which concluded on 12 August 2013. We also started another round of elections but because this second round will conclude on 14 April 2014 the outcome of this election will be reported in next year's Annual Report.

3.2.1.1 Elections that concluded on 12 August 2013

In August 2013 a number of our governors came to the end of their term of office, this linked with a number of vacant seats already on the Council, caused either by governors stepping down early or because the seats had been vacant for some time. It was necessary to hold an election to fill the following seats:

Table 3D – Seats included in the August 2013 election

Constituency	Name of constituency	Number of seats included in the election
Public	Leeds	4
	York and North Yorkshire	2
	Rest of England and Wales	1
Service User	Leeds	3
	York and North Yorkshire	1
Carer	Leeds	1
Service User and Carer	Rest of United Kingdom	1
Staff Clinical	Leeds and York & North Yorkshire	2

This round of elections was concluded on 12 August 2013 and we were successful in filling seats as follows:

Table 3E – Elected unopposed

Name	Constituency elected to:
Barbara Sim	Public: York and North Yorkshire
Alan Procter	Carer: Leeds
Chris Ward	Service User: York & North Yorkshire

Table 3F – Elected by ballot

Name	Constituency elected to:
Jackie Ainsley-Stringer	Public: Leeds
Stephen Howarth	Public: Leeds
Philip Jones	Public: Leeds
Andrew Marran	Public: Leeds
Nicola Swan	Public: Rest of England and Wales
Stephen Morris	Service User: Leeds
Maria Trainer	Service User: Leeds
Claire Woodham	Service User: Leeds
Gary Matfin	Staff Clinical: Leeds and York & North Yorkshire
Heather Simpson	Staff Clinical: Leeds and York & North Yorkshire

The percentage turnout figures for each of the constituencies where a ballot was held were: Public Leeds (5%); Public Rest of England and Wales (2.9%); Service User Leeds (11.1%); and Staff Clinical Leeds and York and North Yorkshire (7.1%).

3.2.2 Appointed governors

Appointed governors are nominated by those organisations we have identified as our partner organisations. Our partner organisations are set out in table 3A.

During 2013/14 there were a number of changes to our appointed governors. Two appointed governors stepped down before the end of their term of office. These were Cllr Christine Macniven (appointed governor for Leeds City Council) and Pip Goff (appointed governor for Volition). In their place we welcomed respectively Cllr Ted Hanley and Ant Hanlon who joined the Council during 2013/14. In addition to this we welcomed back Colin Clark who was re-appointed as the governor representing our PFI partner Equitix Ltd for a third term of office.

The Board of Directors would like to thank all the appointed governors it has worked with through the year for all their hard work and for supporting the development of the services we provide.

3.3 MEETINGS OF THE COUNCIL OF GOVERNORS

During 2013/14 the Council of Governors met formally six times, five formal Council meetings and one Annual Members' Meeting. All meetings are held in public, although items which are of a confidential nature (as defined by pre-determined criteria and in accordance with the Constitution) will be taken in a private session.

Notice of public Council of Governors' meetings along with the agenda and papers are published on our website www.leedsandyorkpft.nhs.uk.

The table below details the number of formal meetings attended by each governor during 2013/14. This is shown out of a maximum of five meetings unless a governor has either resigned from, or joined the Council of Governors part-way through the financial year, in which case the number of meetings they were eligible to attend has been amended to reflect this; (those meeting dates which have been blanked out in the table indicate that a governor was not eligible to attend to the meeting). The table also records those governors who were eligible to, and attended the Annual Members' Meeting in September 2013.

Table 3G – Number of meetings attended by each governor

Name	Appointed (A) or elected (E)	Number of formal meetings eligible to attend (excluding the Annual Members Meeting)	FORMAL COUNCIL MEETINGS ACTUALLY ATTENDED					24 September 2013 (the Annual Members Meeting)
			8 May 2013	2 July 2013	4 September 2013	6 November 2013	5 February 2014	
Jacque Ainsley-Stringer ***	E	3	N/A	N/A	-	-	✓	-
Amit Bhagwat *	E	3	✓	✓	✓	N/A	N/A	-
Andrew Bottomley	E	5	✓	✓	✓	✓	✓	✓
Jonathan Butler **	E	2	✓	✓	N/A	N/A	N/A	N/A
Colin Clark	A	5	✓	✓	✓	✓	✓	✓
Paul Cockcroft	E	5	✓	✓	✓	✓	✓	✓
Pamela Dolan *	E	1	✓	N/A	N/A	N/A	N/A	N/A
John Dossey	A	5	✓	✓	✓	-	✓	✓
Cllr Helen Douglas	A	5	✓	✓	-	✓	-	-
Annie Dransfield	E	5	-	-	-	-	-	-
Roy Goddard *	E	5	✓	✓	✓	✓	✓	✓
Pip Goff *	A	5	✓	✓	✓	✓	-	✓
Cllr Ted Hanley ***	A	1	N/A	N/A	N/A	N/A	-	N/A
Ant Hanlon ***	A	0	N/A	N/A	N/A	N/A	N/A	N/A
Stephen Howarth ***	E	3	N/A	N/A	✓	✓	✓	-
Janette Howlett **	E	2	-	✓	N/A	N/A	N/A	N/A
Mahesh Jayaram **	E	2	-	-	N/A	N/A	N/A	N/A
Philip Jones ***	E	3	N/A	N/A	✓	✓	✓	✓
Jonathan King **	E	5	✓	✓	✓	✓	-	-
Cllr Christine Macniven **	A	2	-	-	N/A	N/A	N/A	N/A
Grace Mangwanya **	E	2	-	✓	N/A	N/A	N/A	N/A
Andrew Marran	E	5	✓	✓	✓	-	✓	✓
Gary Matfin ***	E	3	N/A	N/A	✓	✓	✓	✓

Name	Appointed (A) or elected (E)	Number of formal meetings eligible to attend (excluding the Annual Members Meeting)	FORMAL COUNCIL MEETINGS ACTUALLY ATTENDED					24 September 2013 (the Annual Members Meeting)
			8 May 2013	2 July 2013	4 September 2013	6 November 2013	5 February 2014	
Pamela Morris	E	5	✓	✓	✓	✓	✓	✓
Stephen Morris ***	E	3	N/A	N/A	✓	✓	✓	✓
Alan Procter ***	E	3	N/A	N/A	✓	✓	✓	-
Graham Purdy *	E	4	✓	-	✓	-	N/A	-
Julia Raven	E	5	✓	✓	-	-	✓	✓
Jenny Roper	E	5	✓	✓	✓	✓	-	✓
Ann Shuter	E	5	✓	✓	✓	✓	✓	✓
Barbara Sim ***	E	3	N/A	N/A	✓	✓	-	✓
Heather Simpson ***	E	3	N/A	N/A	-	✓	✓	✓
Nicola Swan ***	E	3	N/A	N/A	✓	✓	✓	✓
Barry Tebb *	E	1	-	N/A	N/A	N/A	N/A	N/A
Maria Trainer	E	5	✓	✓	✓	✓	✓	✓
Chris Ward ***	E	3	N/A	N/A	✓	✓	-	✓
Mark Willis	E	5	✓	✓	✓	✓	-	✓
Keith Wilson *	E	1	✓	N/A	N/A	N/A	N/A	N/A
Claire Woodham ***	E	3	N/A	N/A	✓	✓	-	-
Stephen Wright **	E	2	✓	-	N/A	N/A	N/A	N/A

* Indicates those governors who stepped down during 2013/14, before the end of their term of office and as such may not have been eligible to attend all meetings (any meetings not eligible to attend are shaded out)

** Indicates those governors who came to the end of their term of office during 2013/14 and were not re-elected or did not stand for re-election or were not re-appointed and as such may not have been eligible to attend all meetings (any meeting not eligible to attend are shaded out)

*** Indicates those governors who were newly elected or appointed during 2013/14 and as such may not have been eligible to attend all meetings (any meetings not eligible to attend are shaded out)

3.4 DUTIES OF THE COUNCIL OF GOVERNORS

The overarching role of the Council of Governors is to make our Trust publically accountable for the services it provides. It does this by representing the interests of members as a whole and those of the public; informing our forward plans; and holding the non-executive directors (NEDs) to account, individually and collectively, for the performance of the Board. Governors are not directors and the duty of holding the NEDs to account does not mean governors are responsible for the decisions taken by the Board of Directors; members of the Board of Directors (both executive and non-executive directors collectively) share corporate responsibility and liability for those decisions.

Further information about the work of the Board of Directors can be found in part A section 2.1 of this Annual Report.

In addition to this there are a number of other key statutory tasks the Council of Governors must also carry out. These include:

- Appointing (and removing) the Chair of the Trust and non-executive directors
- Approving the appointment of the Chief Executive
- Appointing (and removing) the external auditor
- Receiving the Annual Report and Accounts, and the auditor's report on these
- Approving amendments to the Constitution
- Taking decisions on significant transactions and also on any changes to non-NHS income.

If during the course of the Board of Directors and the Council of Governors carrying out their respective duties it becomes apparent that there is a dispute between the Council and the Board there is a formal dispute resolution process which is set out in the Constitution Annex 7 paragraph 10.

To help governors carry out their role, the Board of Directors also has a number of statutory duties placed on it including: sending a copy of the agenda to governors before each meeting and copies of minutes of meetings as soon as practicable after the meeting; and ensuring that governors have the skills and knowledge they require to undertake their role.

In 2013/14 we started a piece of work to look at developing a comprehensive suite of training to support governors in undertaking their role. It is expected that this programme will be completed and in place in 2014/15 with elements of the suite rolled out on a staggered basis as and when they are ready. We will continue to work closely with our governors over the coming months to ensure that training is in place and that they are equipped with the skills and knowledge they need to carry out their role.

3.5 WORKING TOGETHER

The work of the Board of Directors and the Council of Governors is closely aligned, with minutes of the meetings of each being presented to the other. The Chair of the Trust, supported by the Head of Corporate Governance, provides a formal link between the two bodies and it is his responsibility to ensure an appropriate flow of information.

The Council of Governors also invites members of the Executive Team to attend meetings to present agenda papers. The Chair of the Trust encourages all members of the Executive Team to attend each meeting to hear what the governors have to say and to be available answer any questions governors may have.

However, the Council of Governors has a primary relationship with the non-executive directors (NEDs) who are encouraged wherever possible to attend Council meetings to get to know the governors better and to hear first-hand their views and those of members. During 2013/14 the Chair of the Trust put in place two new opportunities for non-executive directors and governors to meet. Firstly there are informal sessions before each Council meeting where governors meet in small groups with NEDs to allow governors the opportunity to talk about any issues they or members might be concerned about. Secondly, one non-executive director will sit at the Council table to present to governors how the non-executives have individually and collectively held the executive directors to account for performance. This allows an opportunity for governors to hold the NEDs to account for the performance of the Board.

In 2013/14 a new Board sub-committee structure was put in place. This saw the establishment of three new Board sub-committees: the Quality Committee; the Finance and Business Committee; and the Mental Health Act Committee. To allow governors to better understand the work of our Trust and to allow a further opportunity to observe non-executive directors holding the executive directors to account for performance governors have been invited to observe each of these three committees, plus the Trust Incident Review Group (a sub-committee of the Quality Committee). Whilst governors do not have the right of membership at these committees the chair of the committee may invite comment from governors.

The following table shows those Council meetings that were attended by members of the Board of Directors.

Table 3H – Attendance by Board members at Council of Governors’ meetings

Name	8 May 2013	2 July 2013	4 September 2013	6 November 2013	5 February 2014
Non-executive directors					
Frank Griffiths	✓	✓	-	✓	✓
Aqila Choudhry (NED until 31.10.13)	✓	✓*	-	N/A	N/A
Margaret Sentamu (NED from 06.06.14)	N/A	N/A	N/A	N/A	N/A
Julie Tankard	-	-	-	✓*	-
Gill Taylor	✓	-	✓	✓	✓
Carl Thompson (NED from 03.07.13)	N/A	-	✓	-	✓
Steven Wrigley-Howe	✓	✓	-	✓	✓*
Allan Valks (NED until 31.05.13)	✓	N/A	N/A	N/A	N/A
Keith Woodhouse	✓*	✓	✓	✓	✓
Executive directors					
Chris Butler	✓	-	✓	✓	✓
Jill Copeland	✓	✓	✓	✓	✓
Dawn Hanwell	✓	✓	-	✓	✓
Jim Isherwood	✓	-	-	✓	✓
Beverley Murphy	✓	✓	✓	✓	-
Susan Tyler	✓	✓	✓	✓	✓

* Indicates the NED who gave the presentation on the Board’s performance

3.6 SUB-COMMITTEES OF THE COUNCIL OF GOVERNORS

The Council of Governors may not delegate any of its responsibilities; however, it can choose to carry out its duties either through individual governors or through groups and committees. In the light of this the Council of Governors has formed three formal sub-committees to focus on specific areas of work. These committees are the Appointments and Remuneration Committee (a committee required in statute), the Strategy Committee, and the Membership and Development Committee. All these committees report formally to the Council of Governors.

- **The Appointments and Remuneration Committee** – this committee reviews and makes recommendations to the Council of Governors regarding the appointments process for vacant posts within the non-executive director team, and also sets the level of remuneration for

members of the non-executive team. Further information about the work of this committee in 2013/14 can be found in the Remuneration Report in part A section 5 of this Annual Report.

- **The Strategy Committee** – this committee oversees the development of the business priorities; supports and oversees the delivery of the strategic plan; and supports the process to refresh our strategy.
- **The Membership and Development Committee** – this committee reviews and makes recommendations to the Council of Governors in respect of the development of the membership, progress against the membership strategy, the election process and the governor training programme.

3.7 REGISTER OF GOVERNORS' INTERESTS

Under the provisions of the constitution, we are required to have a register of interests to formally record declarations of interests of members of the Council of Governors. In particular, the register will include details of all directorships and other relevant material interests which have been declared.

On appointment, members of the Council of Governors must declare any interests, which might place, or be seen to place them in a potential conflict of interest between their personal or private interest and those arising from their membership of the Council of Governors. Members of the Council of Governors are also required to declare any conflict of interest that arises in the course of conducting Trust business, specifically at each meeting. Each year governors will complete a new declaration of interest form to ensure the most up to date position is declared. These annual declarations are also reported to the Council of Governors.

The Register of Interests is maintained by the Head of Corporate Governance and is available for inspection by members of the public on request. The Head of Corporate Governance can be contacted by telephone on 0113 3055930 or by email at chill29@nhs.net .

SECTION 4 – MEMBERSHIP

4.1 OUR CONSTITUENCIES AND ELIGIBILITY TO JOIN

We have three membership constituencies: public; service user and carer; and staff.

There are three public constituencies: Leeds; York and North Yorkshire; and the rest of England and Wales. Each of these constituencies is made up of a number of local government electoral areas which is in accordance with the NHS Act 2006. If a person wants to join a public constituency the relevant one will be determined by the address at which they live at.

The Service User and Carer Constituency is divided into five constituencies for the geographical areas of Leeds, York and North Yorkshire and the rest of the United Kingdom. Again these constituencies follow the local government electoral boundaries. A breakdown of this is shown in table 4A. Anyone who has used our services in the last 10 years or cares for someone who has used our services within the last 10 years can join the Service User and Carer Constituency. An individual's home address will determine which constituency they join.

The Staff Constituency is divided into two categories: Staff: Clinical and Staff: Non-clinical. Any individual who is employed by us under a contract of employment will automatically become a member unless they opt out. In addition to those individuals directly employed by us, people who exercise a function for us may also choose to be a member of the Staff Constituency. Whether a person joins the clinical or the non-clinical class will be determined by national occupation codes.

More details on our membership constituencies can be obtained from our Membership Office (contact details are on the back page of this Annual Report).

The table below shows the membership constituencies and classes.

Table 4A – Membership constituencies

Public constituency	Service User and Carer constituency	Staff constituency
Public: Leeds Public: York and North Yorkshire Public: Rest of England and Wales	Service User: Leeds Service User: York and North Yorkshire Carer: Leeds Carer: York and North Yorkshire Service User and Carer: Rest of the UK	Clinical Staff: Leeds and York and North Yorkshire Non-clinical Staff: Leeds and York and North Yorkshire

4.2 NUMBER OF MEMBERS

Table 4B – Total membership by constituency

Public constituency	Number of members
Public: Leeds	9424
Public: York and North Yorkshire	824
Public: Rest of England and Wales	1737
Total public members	11985

Service User and Carer constituency	Number of members
Service user: Leeds	599
Service user: York and North Yorkshire	56
Carer: Leeds	399
Carer: York and North Yorkshire	41
Service User and Carer: Rest of the UK	99
Total service user and carer members	1194

Staff constituency	Number of members
Clinical staff: Leeds and York and North Yorkshire	3145
Non-clinical staff: Leeds and York and North Yorkshire	894
Total staff members	4039

Membership has grown steadily to the current figure of 17,218 as at 31 March 2014. These tables illustrate the breakdown, by constituency, of the total number of members.

4.3 DEVELOPING A REPRESENTATIVE MEMBERSHIP

The profile of the current membership in terms of ethnicity, gender and age continues to be broadly in line with that of the respective constituencies, with no significant deficits. During the past 12 months, we have undertaken activities with gender, ethnicity and age-specific groups to ensure that the membership continues to be representative. We have continued to collect demographic information around disability and sexual orientation to inform specific work. We have found the organisation is well represented within these two communities, as a result of collecting the data. We have also targeted a number of student events this year to increase our younger membership.

In developing work in York and North Yorkshire and encouraging the involvement of the Council of Governors, we have built on our positive programme of involving and engaging our members and offering individual support and a comprehensive training package for our governors. We believe that this will help strengthen our recruitment of governors and also support our current governors in their role in line with the Health and Social Care Act 2012. We believe that this will help us to support our governors, who in turn will promote membership and involvement to the general public, service users, carers, staff and stakeholders.

We see our members as having an important role in helping to combat the stigma experienced by people with learning disabilities and mental health problems and we will continue to attract a committed and involved membership who will act as ambassadors for our Trust.

4.4 MEMBERSHIP RECRUITMENT AND ENGAGEMENT

We will continue to recruit members through our well-established channels. However, there are a number of new strands that we need to develop, particularly to increase our membership in York and North Yorkshire. These new opportunities include:

- Linking membership to other involvement activities, particularly around service redesign
- Circulation of membership forms to partner organisations, linked to the *Food for Thought* campaign
- Continued development of links with York universities and colleges
- Development of a Love Arts programme across York and North Yorkshire
- Development in partnership of anti-stigma campaigns across York and North Yorkshire
- Encouraging present members to share the membership magazine *Imagine* with their families and friends and thereby introduce new members.

We will continue to maintain our membership recruitment activities in Leeds, York and North Yorkshire particularly through our *Food for Thought* campaigns, the Love Arts Festival and seasonal activities.

4.5 THE MEMBERSHIP OFFICE

The Membership Office is the initial point of contact for members to speak to someone within our Trust or with our governors. The office can be contacted by telephone on (0113) 3055900 or by email at fmembership.lypft@nhs.net.

SECTION 5 – REMUNERATION REPORT

5.1 INTRODUCTION

The Remuneration Report contains details of senior managers' remuneration and pensions. The figures relate to those individuals who have held office as a senior manager of the Trust during 2013/14. A senior manager is defined as 'those persons in senior positions having authority or responsibility for direction or controlling the major activities of the foundation trust'. For the Remuneration Report senior managers are defined as the executive and non-executive directors holding positions on the Board of Directors.

This section also includes a description of the work of the committees that are involved in the appointments of both the executive and non-executive directors, and determining their respective salaries and remuneration, namely the Appointments and Remuneration Committee (a sub-committee of the Council of Governors) and the Nominations Committee (a sub-committee of the Board of Directors)..

The information in sections 5.2 to 5.5 below is not subject to audit by our external auditors PricewaterhouseCoopers LLP; however, the auditors will read the narrative to ensure that it is consistent with their knowledge of our Trust.

5.2 THE APPOINTMENTS AND REMUNERATION COMMITTEE (a sub-committee of the Council of Governors)

The term non-executive director as used in this section refers to all non-executives, including the Chair of the Trust.

The Appointments and Remuneration Committee is a sub-committee of the Council of Governors. It sets the remuneration and terms of service for the non-executive directors, and it also plays a role in the appointment of non-executive directors.

The committee meets as required and is made up of four elected governors and two appointed governors. It is chaired by the Chair of the Trust and is supported by the Director of Workforce Development and the Head of Corporate Governance.

5.2.1 The remuneration of non-executive directors

The overarching policy for the remuneration of the non-executive directors is to award levels of remuneration in line with other comparable NHS foundation trusts, using benchmarked figures from a number of sources.

5.2.2 Annual percentage uplift for non-executive directors for 2013/14

The policy for awarding annual percentage uplifts to non-executive directors is that the percentage awarded should be in line with that received by Trust staff. For 2013/14 the Appointments and Remuneration Committee met on 17 June 2013 to consider the uplift and to agree what recommendation to make to the Council of Governors. The Council of Governors reviewed the recommendation at its meeting held on 2 July 2013 and ratified an annual uplift (cost of living award) for non-executive directors of 1% with effect from 1 April 2013. This was in line with the percentage awarded to staff; it was also consistent with the decision taken by the Remuneration Committee in respect of executive directors for the period 2013/14.

5.2.3 Appointment of non-executive directors in 2013/14

During 2013/14 there were three appointment campaigns for non-executive directors carried out and completed. The first was completed in July 2013, the second completed in November 2013 and the third completed in February 2014.

The paragraphs below set out chronologically the results of those three campaigns and actions taken in respect of these.

- At its meeting on 2 July 2013 Professor Carl Thompson was appointed by the Council of Governors for his first term as a non-executive director commencing 3 July 2013 for a period of three years. This appointment was made through a competitive interview process and Carl was appointed to bring clinical experience to the NED team in particular around quality assurance
- To ensure there was a full complement of NEDs and a strong NED presence at the Board of Directors' meetings the Council of Governors agreed to extend the first term of appointment of Aqila Choudhry and Keith Woodhouse from 18 October until 6 November, this being the date on which the Council would complete the competitive NED appointment process
- At its meeting on 6 November 2013 the Council of Governors ratified the re-appointment of Keith Woodhouse for a second period of three years commencing on 7 November 2013. This appointment was made through a competitive interview process and he was appointed to bring specialist skills in the areas of information management and technology (IMandT), social networking and communications to the NED team
- Again to ensure there was a strong experienced NED presence on the Board the Council of Governors extended the first term of office for Gill Taylor from 1 January 2014 until 5 February 2014, this being the date the Council would complete its third round of appointments in 2013/14
- As part of that process Gill Taylor applied for re-appointment through this competitive interview process and was successfully re-appointed by the Council of Governors for a second term of office of three years commencing 6 February 2014. Gill was appointed to bring skills in the area of strategic growth, business development and developing effective partnership working to the NED team
- In that same round of appointments Margaret Sentamu was appointed by the Council of Governors for her first term of office with effect from 6 February 2014 for a period of three years. Margaret was appointed to bring specialist skills in the area of diversity and inclusion and an understanding of the contribution of the third sector to our service development.

Details of the non-executive directors who have served during the course of 2013/14 are shown in the table below.

Table 5A – Non-executive directors that have served during 2013/14

Name	Date appointment effective from	Term	Date appointment ends or ended	Number of the term of office
Frank Griffiths (Chair of the Trust)	1 April 2013	3 years	31 March 2016	Second
Aqila Choudhry	18 October 2010	3 years	31 October 2013	First
Margaret Sentamu	6 February 2014	3 years	5 February 2017	First
Julie Tankard	1 March 2013	3 years	29 February 2016	First
Dr Gill Taylor	6 February 2014	3 years	5 February 2017	Second
Prof Carl Thompson	3 July 2014	3 years	2 July 2017	First
Allan Valks	1 December 2010	3 years 5 months	31 May 2013	Second
Keith Woodhouse	7 November 2014	3 years	6 November 2017	Second
Steven Wrigley-Howe	6 February 2013	3 years	5 February 2016	First

5.2.4 The process of appointment and re-appointment for non-executive directors

The appointment processes for non-executive directors in 2013/14 were carried out through a competitive interview process. The first step in this process was for the Nominations Committee (a sub-committee of the Board of Directors) to define the skills and experience required on the Board and to draft a role profile and person specification. The Appointments and Remuneration Committee (a sub-committee of Council of Governors) received the role profile and person specification against which the appointments were made, and agreed the process and timetable for the appointment process. The process and timetable was then signed-off by the Council of Governors. Candidates were sought using external search companies and also through the NHS Jobs website. A panel consisting of a majority of

governors headed by the Chair of the Trust drew up a shortlist of candidates from the applicants. An interview panel was formed, which again included a majority of governors (four governors in total), the Chair of the Trust and an independent assessor. The panel then conducted the interviews and chose the preferred candidates based on merit. Once the panel had made its choice a recommendation was made to the Council of Governors. In each instance the Council of Governors ratified the recommended appointments.

Our process for the appointment of non-executive directors would normally allow incumbent NEDs to be considered for re-appointment if they meet the person specification. If a non-executive director has served two terms of three years they would not normally be eligible for re-appointment unless there were extenuating circumstances and specific organisational needs.

5.2.5 Meetings of the Appointments and Remuneration Committee

There were two formal meetings of the Appointments and Remuneration Committee; on 17 June 2013 and 7 January 2014. The table below shows the number of meetings attended by each member.

Table 5B – The Appointments and Remuneration Committee

Name	17 June 2013	17 January 2014
Frank Griffiths (Chair of the committee)	✓	✓
Andy Bottomley (elected governor)	-	✓
Roy Goddard (elected governor)	✓	✓
Pamela Morris (elected governor)	✓	✓
Jenny Roper (elected governor)	✓	-
Pip Goff (appointed governor)	✓	-
Colin Clark (appointed governor)	✓	✓

5.3 THE NOMINATIONS COMMITTEE (a sub-committee of the Board of Directors)

The Nominations Committee is a sub-committee of the Board of Directors. Its role is to identify the skills, knowledge and experience required for vacant Board of Directors' posts for both executive and non-executive directors. Where the vacant post is for a non-executive director the Nominations Committee will provide to the Council of Governors' Appointments and Remuneration Committee details of the agreed skills and experience required. Where the vacant post is for an executive director the committee will lead on the appointment process.

The Nominations Committee meets as required. It is chaired by the Chair of the Trust and its membership is made up of the Chief Executive, the Director of Workforce Development and at least two non-executive directors (who will attend those meetings where no conflict of interest exists). The committee is supported by the Head of Corporate Governance.

In 2013/14 the Nominations Committee met on two occasions, 27 June and 31 October 2013, to consider the skills and experience required for the non-executive director appointment processes.

The table below shows the number of meetings attended by each member.

Table 5C – The Nominations Committee

Name	27 June 2013	31 October 2013
Frank Griffiths (Chair of the committee)	✓	✓
Chris Butler (Chief Executive)	✓	✓
Julie Tankard (non-executive director)	✓	✓
Carl Thompson (non-executive director)	-	✓
Susan Tyler (Director of Workforce Development)	✓	✓
Steven Wrigley-Howe (non-executive director)	✓	✓

5.3.1 Appointment of executive directors in 2013/14

There were no new appointments of executive directors in 2013/14 (please note that Beverley Murphy took up post with effect from 1 April 2013, but the appointment process was concluded in the last quarter of 2012/13).

5.4 THE REMUNERATION COMMITTEE (a sub-committee of the Board of Directors)

The Remuneration Committee sets the remuneration for the executive directors. This is a sub-committee of the Board of Directors, and is made up of all the non-executive directors and is chaired by the Chair of the Trust.

With regard to executive directors, the overarching policy of the Remuneration Committee is to follow the guidance given by the Department of Health in determining their pay and terms of service. However, when awarding percentage pay uplifts ('cost of living awards') the committee is always mindful of the percentage awarded to staff, which is used as benchmark. A further consideration when determining the overall level of remuneration is the differential between the amount paid to an executive director and their direct reports.

In 2013/14 executive directors were awarded 1% (cost of living) uplift which was in line the percentage awarded nationally to public sector staff. There is nothing at this stage to indicate that for 2014/15 executive directors will not receive an award in line with that received by Trust staff.

The Remuneration Committee is independent of the executive arm of the Board of Directors. However, it sometimes needs to take advice from Chris Butler, Chief Executive, who has been invited to attend to provide information on how the executive directors have met their agreed objectives. In relation to employment matters, the committee has also received advice from Susan Tyler, the Director of Workforce Development. The Head of Corporate Governance provides secretariat support and advice on matters of governance.

In 2012/13 there were four formal meetings of the committee held on 30 May 2013, 26 September 2013, 31 October 2013 and 28 November 2013. The table below shows the number of Remuneration Committee meetings that were attended by each member.

Table 5D – The Remuneration Committee

Name	30 May 2013	26 September 2013	31 October 2013	28 November 2013
Frank Griffiths (Chair of the committee)	✓	✓	✓	✓
Aqila Choudhry	✓	✓	✓	N/A
Julie Tankard	✓	-	✓	✓
Gill Taylor	✓	✓	✓	✓
Carl Thompson	N/A	✓	✓	✓
Allan Valks	✓	N/A	N/A	N/A
Keith Woodhouse	-	✓	✓	✓
Steven Wrigley-Howe	-	✓	✓	✓

There is no performance-related pay in any director's current contract of employment. Where a salary requires review, a benchmarking exercise may be requested to make comparison against other similar NHS organisations.

All contracts for executive directors are permanent and therefore open-ended. The period of notice for each member of the Executive Team is set out in their contracts, and is normally three months. There has been no requirement to make a provision for compensation in respect of the early termination of any contract pertaining to any executive director.

Details of the contract start date for the Chief Executive and other members of the Executive Team who have served during the course of 2013/14 are as follows:

Table 5E – Executive directors

Name	Title	Date appointment effective from
Chris Butler	Chief Executive	1 January 2005
Jill Copeland	Chief Operating Officer	1 April 2011
Dawn Hanwell	Chief Financial Officer	1 August 2012
Dr Jim Isherwood	Medical Director	1 September 2012
Beverley Murphy	Chief Nurse / Director of Quality Assurance	1 April 2013
Susan Tyler	Director of Workforce Development	1 January 2012

As at 31 March 2014 no director has given notice to leave

5.5 PERFORMANCE AND APPRAISALS

Whilst pay is not linked to performance, objectives are set for each executive director in conjunction with the Chief Executive (the Chief Executives' objectives are set in conjunction with the Chair of the Trust). These are monitored and appraised through a series of one-to-one meetings which take place at various points in the year.

Appraisals of the non-executive directors are carried out by the Chair of the Trust; the Senior Independent Director conducts the appraisal of the Chair of the Trust. The Chair of the Trust carries out the appraisal of the Chief Executive, and appraisals for executive directors are carried out by the Chief Executive.

The appraisal of individual Board members identifies strengths and good performance, and also areas for development. The appraisal looks at individuals' development needs, which inform tailored Personal Development Plans (PDPs). The outcome of the appraisal is not linked to remuneration and no performance-

related pay is awarded to any member of the Board of Directors or any other member of staff within the organisation.

The appraisals for non-executive directors were carried out by the Chair of the Trust. A detailed report of the outcome of these appraisals was made to the Appointments and Remuneration Committee at its meeting on 7 January 2014 by the Chair of the Trust and a summary report provided to the full Council at its meeting on 5 February 2014.

The appraisal process for the executive and non-executive directors has within it an element of 360 degree peer appraisal which is taken into account during the one to one appraisal meetings.

5.6 OFF-PAYROLL ENGAGEMENTS

The following table relates to a Department of Health review of tax arrangements for public sector employees and shows all off-payroll engagements as of 31 March 2014, for more than £220 per day and that last for longer than six months.

Table 5F – Off-payroll engagements

Number of existing engagements as of 31 March 2014	3
Of which:	
The number that have existed for less than one year at time of reporting	2
The number that have existed for between one and two years at time of reporting	1

Leeds and York Partnership NHS Foundation Trust has considered all existing off-payroll engagements, outlined above, in terms of the risk (and whether assurance is required) that the individual is paying the right amount of tax and, where necessary, assurance has been sought. In 2013/14 assurance has not been considered necessary for off-payroll engagements due to the nature of the transactions.

The following table relates to all new off-payroll engagements, or those that reached six months in duration, between 1 April 2013 and 31 March 2014, for more than £220 per day and that last for longer than six months.

Table 5G – Off-payroll engagements

Number of new engagements, or those that reached six months in duration, between 1 April 2013 and 31 March 2014	8
Number of the above which include contractual clauses giving the Trust the right to request assurance in relation to income tax and National Insurance obligations	5
Number for whom assurance has been requested	0
Of which:	
The number for whom assurance has been received	0
The number for whom assurance has not been received	0
The number that have been terminated as a result of assurance not being received	0

There were three engagements where contractual clauses to request assurance in relation to income tax and National Insurance obligations were not in place; two of these engagements have now ended and we are currently working on including the appropriate clauses in the contract of the remaining engagement.

Table 5H shows any off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, between 1 April 2013 and 31 March 2014.

Table 5H – Off-payroll engagements

Number of off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, during the financial year	0
Number of individuals that have been deemed 'Board members and/or senior officials with significant financial responsibility' during the financial year. This figure should include both off-payroll and on-payroll engagements	12

5.7 DIRECTORS' AND GOVERNORS' EXPENSES

The following table sets out the total (executive and non-executive) paid to directors and governors for out-of-pocket expenses resulting from incurring costs of travel and subsistence during 2013/14.

Table 5I – Directors' and governors' expenses

	2013/14			2012/13
	Number in office	Number receiving expenses in the reporting period	The aggregate sum paid in the reporting period £000	The aggregate sum paid in the reporting period £000
Executive directors	6	4	2	7
Non-executive directors	7	5	1	6
Governors	21*	14	2	1

* Appointed governors have not been included in this figure as their organisations pay the cost of travel

5.8 SENIOR EMPLOYEES PENSION ENTITLEMENTS, REMUNERATION AND BENEFITS IN KIND

Accounting policies for pensions and other retirement benefits are set out in the notes to the Annual Accounts; see part C of this Annual Report.

The disclosure on senior employees' remuneration and pension entitlements is subject to audit by our external auditors PricewaterhouseCoopers LLP. The auditors will consider whether the information contained in part A section 8.8.1 is consistent with the financial statements.

5.8.1 Pension entitlements for senior employees (subject to audit)

Table 5J – Pension entitlement for senior employees

Name and title	Real increase in pension at age 60 (Bands of £2500) £000	Real increase in pension lump sum at age 60 (Bands of £2500) £000	Total accrued pension at age 60 as at 31 March 2014 (Bands of £5000) £000	Lump sum at age 60 related to accrued pension at 31 March 2014 (Bands of £5000) £000	Cash equivalent transfer value at 31 March 2013 £000	Cash equivalent transfer value at 31 March 2014 £000	Real increase in cash equivalent transfer value £000	Employer-funded contribution to growth in CETV £000	Employer's contribution to stakeholder pension To nearest £100
Chris Butler Chief Executive	0 – 2.5	5.0 – 7.5	15 – 20	55 – 60	354	411	50	35	0
Jill Copeland Chief Operating Officer	0 – 2.5	2.5 – 5.0	35 – 40	105 – 110	605	652	35	25	0
Dawn Hanwell Chief Financial Officer	2.5 – 5.0	7.5 – 10	35 – 40	110 – 115	596	677	68	47	0
Dr Jim Isherwood Medical Director	2 – 2.5	5 – 7.5	50 – 55	160 – 165	884	1,209	305	214	0
Beverley Murphy Chief Nurse / Director of Quality Assurance	35 – 37.5	107.5 – 110	35 – 40	105 – 110	0	596	596	417	0
Susan Tyler Director of Workforce Development	2 – 2.5	5 – 7.5	40 – 45	130 – 135	803	890	69	49	0

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 increase in CETV - this reflects the increase in CETV effectively funded by the employer. It takes account of the increase 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 the end of the period.

Table 5K – Remuneration and benefits in kind for senior staff

Name and Title	2013/14					2012/13				
	Salary	Other Remuneration	Benefits in Kind	Pension Related Benefits	Total	Salary	Other Remuneration	Benefits in Kind	Pension Related Benefits	Total
	(bands of £5000) £000	(bands of £5000) £000	Rounded to the nearest £100	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	(bands of £5000) £000	Rounded to the nearest £100	(bands of £2500) £000	(bands of £5000) £000
Chris Butler Chief Executive	150 - 155	0	0	40 - 42.5	195 - 200	150 - 155	0	0	42.5 - 45	195 - 200
Jill Copeland Chief Operating Officer	110 - 115	0	4	22.5 - 25	135 - 140	110 - 115	0	0	(10) - (7.5)	100 - 105
Dawn Hanwell Chief Financial Officer	110 - 115	0	5	62.5 - 65	175 - 180	70 - 75	0	0	552.5 - 555	595 - 600
Dr Jim Isherwood Medical Director	95 - 100	70 - 75	0	55 - 57.5	220 - 225	55 - 60	40 - 45	1	672.5 - 675	765 - 770
Beverley Murphy Chief Nurse / Director of Quality Assurance	100 - 105	0 - 5	4	830 - 832.5	935 - 940	0	0	0	0	0
Susan Tyler Director of Workforce Development	100 - 105	0	3	52.5 - 55	150 - 155	95 - 100	0	2	92.5 - 95	190 - 195
Frank Griffiths Chairman	40 - 45	0	2	0	40 - 45	40 - 45	0	2	0	40 - 45
Aqila Choudhry Non-executive Director	5 - 10	0 - 5	0	0	5 - 10	10 - 15	0	0	0	10 - 15
Margaret Sentamu Non-executive Director	0 - 5	0	0	0	0 - 5	0	0	0	0	0
Julie Tankard Non-executive Director	10 - 15	0	0	0	10 - 15	0 - 5	0	0	0	0 - 5
Gill Taylor Non-executive Director	10 - 15	0	4	0	10 - 15	10 - 15	0	4	0	10 - 15
Carl Thompson Non-executive Director	5 - 10	0	1	0	5 - 10	0	0	0	0	0
Allan Valks Non-executive Director	0 - 5	0	0	0	0 - 5	10 - 15	0	0	0	10 - 15
Keith Woodhouse Non-executive Director	10 - 15	0 - 5	2	0	10 - 15	10 - 15	0	16	0	10 - 15
Steven Wrigley-Howe Non-executive Director	10 - 15	0	5	0	10 - 15	0 - 5	0	0	0	0 - 5

- Beverley Murphy was appointed as Chief Nurse / Director of Quality Assurance from 1 April 2013. The amount paid to Beverley for ‘other remuneration’ was in respect of relocation expenses.
- The ‘other remuneration’ amount paid to Dr Jim Isherwood relates to a clinical excellence award and the proportion of his salary paid to him for the clinical work he carries out.
- The amounts paid to Keith Woodhouse and Aqila Choudhry relate to expenses associated with carrying out their duties as Mental Health Act Managers.
- ‘Benefits in kind’ in respect of the Chair of the Trust, non-executive directors and executive directors relate to the reimbursement of out-of-pocket expenses incurred whilst on Trust business.

5.8.2 Median remuneration

Below is a table showing the median remuneration of all staff compared with the remuneration of the highest-paid employee and the comparison ratio between the two.

Table 5L – Median remuneration

	2013/14	2012/13
Band of highest paid directors' total remuneration (£'000)	165 - 170	165 - 170
Median Salary (£)	26,220	26,248
Ratio	6.33	6.33

The banded remuneration of the highest-paid director in the trust in the financial year 2013/14 was £165,934 (in 2012/13 this was £166,035). This was 6.33 times (in 2012/13 this was 6.33) the median remuneration of the workforce, which was £26,220 (in 2012/13 this was £26,248).

In 2013/14, three employees received remuneration in excess of the highest-paid director (in 2012-13 this was two). Remuneration for these employees ranged from £169,674 to £182,792 (in 2012/13 the range was £178,396 to £181,586).

To calculate the median salary we have used data that is generated from our payroll system and our agency staffing system. All staff that were employed by this Trust on 31 March 2014 are included in the calculation. For agency staff, the calculation is based on the number of the agency staff who worked for us on 31 March 2014. The agency fee was identified and removed based on invoices previously paid.



Chris Butler
Chief Executive

Date: 22 May 2014

SECTION 6 – DISCLOSURES AS PER THE CODE OF GOVERNANCE

6.1 COMPLIANCE WITH THE CODE OF GOVERNANCE

The Board has overall responsibility for the administration of sound corporate governance throughout the organisation. The NHS Foundation Trust Code of Governance (the Code) is published by Monitor. The Code was first published in 2006 and was last updated in January 2014 to take account of the Health and Social Care Act 2012 and more recent developments in governance practice specific to foundation trusts. The purpose of the Code is to assist foundation trust boards with ensuring good governance and to bring together best practice from public and private sector corporate governance.

6.1.1 Comply or explain

The Code is issued as best practice, but also contains a number of main principles, supporting principles and code provisions on a 'comply or explain' basis. Based on the version of the Code dated January 2014 it is confirmed that, except where mentioned below, throughout 2013/14 this Trust has met the requirements of the Code of Governance. Non-compliance or limited compliance is reported below and the reasons for this.

Table 6A – Areas of non-compliance or limited compliance with the provisions of the Code of Governance

Code provision	Requirement	Explanation
D.2.2	The Remuneration Committee should have delegated responsibility for setting remuneration for all executive directors, including pension rights and any compensation payments. The committee should also recommend and monitor the level and structure of remuneration for senior management.	<p>The Remuneration Committee sets the pay for executive directors both at the point of advertising for a vacancy and then periodically if required to do so.</p> <p>Staff on the next level down are paid under the NHS Agenda for Change pay structure and are therefore not within the remit of the Remuneration Committee</p> <p>The Remuneration Committee does not agree the pension rights for executive directors as this is determined by the NHS pension scheme.</p>
D.2.3	The Council of Governors should consult external professional advisers to market-test the remuneration levels of the chairperson and other non-executives at least once every three years and when they intend to make a material change to the remuneration of a non-executive.	The Appointments and Remuneration Committee will from time-to-time commission an external company to carry out a review of the non-executive directors. The timing of this review will take account of the prevailing economic climate and the desirability of reviewing non-executive remuneration at a particular point in time (other than any cost of living increase). This may not be every three years.

6.2 DISCLOSURE STATEMENTS TO BE MADE IN THE ANNUAL REPORT

The Code contains a number of disclosure statements that the Board is required to include in the Annual Report. The disclosure statements contained in the Annual Report are based on the latest version of the Code of Governance, and the table below shows how the Board has complied with those disclosures it is required to include in this Annual Report.

The table below also includes a small number of specific additional requirements as set out in the NHS Foundation Trust Annual Reporting Manual which directly relate to, or enhance the annual reporting requirements as set out in the NHS Foundation Trust Code of Governance.

Table 6B – How we have complied with the disclosures required to be shown in the Annual Report

Code provision	Requirement	Section in Annual Report / explanatory statement
A.1.1	The schedule of matters reserved for the Board of Directors should include a clear statement detailing the roles and responsibilities of the Council of Governors. This statement should also describe how any disagreements between the Council of Governors and the Board of Directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the Board of Directors and the Council of Governors operate, including a summary of the types of decisions to be taken by each of the boards and which are delegated to the executive management of the Board of Directors.	<ul style="list-style-type: none"> • Section 2.1 (Board of Directors) • Section 3.4 (Council of Governors)
A.1.2	<p>The Annual Report should identify the:</p> <ul style="list-style-type: none"> • Chairperson, the deputy chairperson (where there is one) • Chief executive • Senior independent director • Chairperson and members of the Nominations Committee and the number of the meeting and attendance by directors • Chairperson and members of the Audit Committee and the number of the meeting and attendance by directors • Chairperson and members of the Remuneration Committee and the number of the meeting and attendance by directors • Number of meetings of the Board and individual attendance by directors. 	<ul style="list-style-type: none"> • Section 2.2.3 • Section 2.2.3 • Section 2.2.3 • Section 5.2.5 and Section 5.3 • Table 2C in section 2.7 • Section 6.4 • Section 2.4
A.5.3	<p>The Annual Report should identify:</p> <ul style="list-style-type: none"> • The members of the Council of Governors • A description of the constituency or organisation that governors represent, whether they were elected or appointed, and the duration of their appointments • The nominated lead governor. 	<ul style="list-style-type: none"> • Tables 3B and 3C in section 3.1 • Table 3B and 3C in section 3.1 and section 4.1 • Section 3.1
Annual Reporting Manual additional disclosure	The Annual Report should include a statement about the number of meetings of the Council of Governors and individual attendance by governors and directors.	<ul style="list-style-type: none"> • Table 3H in section 3.3 and table 3I in section 3.5
B.1.1	The Board of Directors should identify in the Annual Report each non-executive director it considers to be independent, with reasons if necessary.	<ul style="list-style-type: none"> • Section 2.2.3
B.1.4	<p>The Board of Directors should include in its Annual Report a description of each director's skills, expertise and experience.</p> <p>Alongside this, in the annual report, the Board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS foundation trust.</p>	<ul style="list-style-type: none"> • Section 2.3 • Section 2.2.3
Annual Reporting Manual additional disclosure	The Annual Report should include a brief description of the length of appointments of the non-executive directors, and how they might be terminated.	<ul style="list-style-type: none"> • Section 2.2.3

Code provision	Requirement	Section in Annual Report / explanatory statement
B.2.10	A separate section of the Annual Report should describe the work of the Nominations Committee(s), including the process it has used in relation to Board appointments.	<ul style="list-style-type: none"> • Section 5.2 (Appointments and Remuneration Committee) • Section 5.3 (Nominations Committee)
Annual Reporting Manual additional disclosure	The disclosure on the work of the Nominations Committee should include an explanation if neither an external search consultancy nor open advertising has been used in the appointment of the chair or non-executive director.	Not applicable, open advertising and external search companies were used in each NED recruitment campaign.
B.3.1	A chairperson's other significant commitments should be disclosed to the Council of Governors before appointment and included in the Annual Report. Changes to such commitments should be reported to the Council of Governors as they arise, and included in the next Annual Report.	<ul style="list-style-type: none"> • Section 2.2.3 and 2.3
B.5.6	Governors should canvass the opinion of the Trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the Board of Directors. The Annual Report should contain a statement as to how this requirement has been undertaken and satisfied.	<ul style="list-style-type: none"> • Section 1.4.2
Annual Reporting Manual additional disclosure	If during the financial year the governors have exercised their power under paragraph 10c of Schedule 7 of the NHS Act 2006 then information on this must be included in the Annual Report (power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance)).	This power has not been exercised during the course of the financial year
B.6.1	The Board of Directors should state in the Annual Report how performance evaluation of the <ul style="list-style-type: none"> • Board • Board committees • Directors including the chairperson, has been conducted.	<ul style="list-style-type: none"> • Section 2.6.1 • Section 2.6.2 • Section 6.5
B.6.2	Where there has been external evaluation of the board, the external facilitator should be identified in the Annual Report and a statement made as to whether they have any other connection to the trust.	Not applicable, there was no external evaluation of the Board of Directors carried out in 2013/14
C.1.1	The directors should explain in the Annual Report their responsibility for preparing the Annual Report and accounts, and state that they consider the Annual Report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy.	<ul style="list-style-type: none"> • Part C section 1.1
C.1.1	Directors should also explain their approach to quality governance in the Annual Governance Statement (within the Annual Report).	<ul style="list-style-type: none"> • Section 8 and section 2.13

Code provision	Requirement	Section in Annual Report / explanatory statement
C.2.1	The Annual Report should contain a statement that the Board has conducted a review of the effectiveness of its system of internal controls.	<ul style="list-style-type: none"> Section 8 (Annual Governance Statement paragraph 8)
C.2.2	A trust should disclose in the Annual Report if it has an internal audit function, how the function is structured and what role it performs.	<ul style="list-style-type: none"> Section 2.12.2
C.3.5	If the Council of Governors does not accept the Audit Committee's recommendation on the appointment, re-appointment or removal of an external auditor, the Board of Directors should include in the Annual Report a statement from the Audit Committee explaining the recommendation and should set out reasons why the Council of Governors has taken a different position.	No disclosure required - the Council of Governors accepted the recommendation of the Audit Committee regarding the appointment of the Trust's auditor (PwC).
C.3.9	A separate section of the Annual Report should describe the work of the Audit Committee in discharging its responsibilities. The report should include the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed; an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded.	<ul style="list-style-type: none"> Section 2.7
D.1.3	Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the Annual Report should include a statement of whether or not the director will retain such earnings.	Not applicable
E.1.4	Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust's website and in the Annual Report.	<ul style="list-style-type: none"> For governors, section 4.5 and also details on the contacts page of the report For directors see details on the contacts page of the report
E.1.5	The Board of Directors should state in the Annual Report the steps they have taken to ensure that the members of the Board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the Council of Governors, direct face-to-face contact, surveys of members' opinions and consultations.	<ul style="list-style-type: none"> Section 3.5
E.1.6	The Board of Directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement and report on this in the Annual Report.	<ul style="list-style-type: none"> Sections 4.3 and 4.4

Code provision	Requirement	Section in Annual Report / explanatory statement
Annual Reporting Manual additional disclosure	<p>The Annual Report should include:</p> <ul style="list-style-type: none"> • A brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership; • Information on the number of members and the number of members in each constituency; and • A summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership [see also E.1.6 above], including progress towards any recruitment targets for members. 	<ul style="list-style-type: none"> • Section 4.1 • Section 4.2 • Section 4.4
Annual Reporting Manual additional disclosure	<p>The Annual Report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business, or are possibly seeking to do business, with the NHS foundation trust. As each NHS foundation trust must have registers of governors' and directors' interests which are available to the public, an alternative disclosure is for the Annual Report to simply state how members of the public can gain access to the registers instead of listing all the interests in the Annual Report.</p>	<ul style="list-style-type: none"> • Governors = section 3.7 • Directors = section 2.5

SECTION 7 – STATEMENTS

7.1 STATEMENT OF THE CHIEF EXECUTIVE’S RESPONSIBILITIES FOR PREPARING THE FINANCIAL STATEMENTS

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 responsibility for the propriety and regularity of public finance 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 the Independent Regulator of NHS foundation trusts (Monitor).

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

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

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

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

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



Chris Butler
Chief Executive

Date: 22 May 2014

SECTION 8 – ANNUAL GOVERNANCE STATEMENT

This statement seeks to make assurances about the framework of internal controls put in place to identify and manage risk for the period 1 April 2013 to 31 March 2014.

8.1 SCOPE OF RESPONSIBILITY

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Trust's policies, aims and objectives, while safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the 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.

8.2 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 the Leeds and York Partnership 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 the Leeds and York Partnership NHS Foundation Trust for the year ended 31 March 2014 and up to the date of approval of the Annual Report and Accounts.

8.3 CAPACITY TO HANDLE RISK

The Board of Directors is responsible overall for the governance of the Trust and provides high-level leadership for risk management. The directors (both executive and non-executive) have appropriate skills and experience to carry out this function effectively, which includes risk management.

The Board is responsible for reviewing the effectiveness of the system of internal control, including systems and resources for managing all types of risk. In 2013/14 the Board reviewed its governance structure to further enhance a clear line of sight from ward to Board. It now has a Board sub-committee structure which includes: a Quality Committee; Finance and Business Committee; Mental Health Act Committee and an Audit Committee; each has delegated responsibility for monitoring risk within their areas of responsibility, including the Board Assurance Framework as per their terms of reference.

The Chief Nurse / Director of Quality Assurance has delegated responsibility for the development and implementation of organisational risk management, including Local Security Management. The Chief Financial Officer (CFO) has delegated responsibility for managing the development and implementation of financial risk management (including counter-fraud). The CFO also has within their portfolio the role of Senior Information Risk Officer (SIRO). The Medical Director is the Caldicott Guardian. The responsibility for risk management is also clearly communicated to all staff and is included within job descriptions.

8.3.1 Staff training

The organisation provides compulsory and statutory training which all staff must complete. The composition of compulsory training programmes for different groups of staff has been risk assessed to ensure these are targeted, and appropriate packages of training are in place. The completion rate for compulsory training as at the end of March 2014 is 78%. The Trust has in place systems for monitoring the uptake of compulsory training including through the Quality Committee, and a report to the Board of Directors within the Integrated Quality and Performance Report. The issue of uptake of

compulsory training has been discussed by the Board and managers are focussed on ensuring there is significant progress made to achieving a target of 85%.

Risk management training and awareness is included in the compulsory health and safety training and is supported by local induction. The Trust's risk management team delivers specific risk management training at all levels across the Trust, and the Chief Nurse / Director of Quality Assurance provided training to the Board of Directors in January 2014.

8.3.2 Incident reporting and capacity to learn

The Trust actively encourages an open and honest culture of reporting incidents, risks and hazards and uses such reports as an opportunity to learn and improve. A comprehensive programme of investigation and follow-up of all incidents is in place. The Trust Incident Review Group (TIRG), which includes non-executive director representation and more recently governor observers, has responsibility for reviewing in detail all serious incidents using root cause analysis methodology. Lessons learnt from incidents are considered by the Board of Directors, the Quality Committee, the Trust Incident Review Group and are also reported to the Council of Governors.

The Risk Management Team also produces a quarterly integrated report which brings together information about serious incidents, complaints, claims and PALS enquiries. This is presented to the Quality Committee. Processes are in place to ensure where there is learning from incidents this is disseminated across all care services.

The Trust also seeks to learn from good practice (both internal and external to the Trust) through a range of mechanisms including benchmarking; clinical supervision and reflective practice; individual and peer reviews; continuing professional development programmes; clinical audit and the application of evidence-based practice. Points of learning from any of these sources and potential changes in clinical practice are reviewed as necessary by the Quality Committee.

8.3.3 NHS Litigation Authority (NHSLA) risk management standards

The NHSLA administers the Clinical Negligence Scheme for Trusts which provides a means for funding the cost of clinical negligence claims and the Risk Pooling Scheme for NHS Trusts. Organisations receive discounts on their contributions to the schemes where they can demonstrate compliance with the NHSLA risk management standards. The Trust has retained level 1 as assessed against the risk management standards.

8.4 THE RISK AND CONTROL FRAMEWORK

8.4.1 How risk is identified, evaluated and controlled

The Trust has in place a comprehensive Risk Management Policy that has been approved by the Executive Team and is available to all staff on Staffnet. The purpose of this policy is to ensure that the Trust manages risks in all areas using a systematic and consistent approach. It provides the framework for a robust risk management process throughout the Trust. The document describes the Trust's overall risk management process and the Trust's risk identification, evaluation and control system.

All risks are assessed using an electronic system for recording and managing risk assessments, which is available on Staffnet. This system is used by staff to assess and record risk assessments, scoring risks low using a 5 x 5 assessment of likelihood and impact. Risks are then captured on the appropriate risk register which could be a local, or directorate or strategic risk register. During 2014 a corporate risk register will be introduced which will offer the Board of Directors a keener focus on directorate extreme risks. Oversight of a corporate risk register is a key communication tool and also enables the Board to question areas where the potential impact of the risk falls outside of what is tolerable – the risk appetite.

Clinical risk management continues to be supported by a standardised approach to risk assessment, underpinned by the Care Programme Approach (CPA); FACE (Functional Analysis of Care

Environment) risk assessments (for Leeds services), and SAMP (Safety Assessment and Management Plan) Risk Assessment (for York and North Yorkshire services). During 2013 – 14 key clinical leaders have been engaged in a work group to further improve the Trust's approach to clinical risk management.

Business, financial and service delivery risks are derived from organisational objectives through the business planning process. Clinical and non-clinical risks are identified through a well-defined process of assessment and reporting.

8.4.2 The Board Assurance Framework

The Board Assurance Framework (BAF) is one of the key proactive risk assurance tools for the Board. It contains the principal risks to the achievement of the organisation's strategic objectives, and also includes the strategic risks from the strategic risk register. The BAF enables the Board, primarily through its Board sub-committee structure, to monitor the effectiveness of the controls required to minimise the principal risks to the achievement of the Trust's objectives and therefore provides the evidence to support this Annual Governance Statement. The BAF is formally reviewed by the Board, the Audit Committee and the Executive Team at least twice a year. The relevant sections of the BAF are also reviewed by the Quality Committee, the Finance and Business Committee, the Mental Health Act Committee and the Partnership Management Group. The BAF has been audited in year and found to be fit for purpose. Although some presentational recommendations have been made this has not detracted from the high level of assurance that can be drawn from the document.

8.4.3 Quality governance arrangements

Compliance with the Care Quality Commission (CQC) essential standards of quality and safety are one of the elements of the organisation's risk management process. The Trust is registered with the CQC without conditions, and is fully compliant with the registration requirements of the Care Quality Commission.

To manage any risk of being non-compliant with the CQC registration standards a detailed corporate annual assessment takes place with areas of vulnerability identified and addressed throughout the year. The Trust ensures the right skills set in all clinical teams to ensure quality clinical care that is consistent with the essential standards of quality and safety. To maintain and further strengthen compliance, an internal cycle of quality of care reviews will be undertaken. A full report of findings will be produced along with action plans to address any identified areas for improvement.

During the year the CQC made two unannounced visits to the Trust across 10 sites. The majority of the visits concluded with a report showing full compliance and excellent feedback. Moderate concerns were issued in respect of Bootham Park Hospital, Lime Trees and Trust headquarters. One concern related to record keeping at Bootham Park Hospital which was quickly addressed and will be further improved by the introduction of a new electronic patient record within 2014. The other compliance actions related to the safety and suitability of premises at both Bootham Park Hospital and Lime Trees and how we as a Trust monitor the impact of this on the quality of services.

Where compliance actions or improvement actions have been received as a result of an inspection, robust action plans have been implemented with progress reported to the Quality Committee and the Board of Directors. The Trust will ensure a consistent focus on the issues to ensure we are able to satisfy the CQC of full compliance.

8.4.4 Data security

The Data Quality Policy provides a framework for data quality assurance, highlighting the importance of accurate data and clarifying the responsibilities of staff, management and committees. This supports the organisation in meeting its legislative and regulatory requirements, as well as meeting requirements from the Department of Health for organisations to manage the security of their information, as defined within the Connecting for Health information governance toolkit.

Risks to data security are managed by ensuring that all staff with access to patient-identifiable data have the requisite access permissions and have completed their compulsory information governance

training. All IT equipment is fully encrypted and has effective information governance to ensure essential safeguarding of our information assets from all threats.

The Trust has an Information and Knowledge Manager, reporting to the Chief Financial Officer, whose role it is to advise on data security. There is also an Information Strategy Steering Group whose role it is to ensure compliance with information governance standards and to raise the profile of data security risks and develop mitigations, especially through staff training and awareness.

The Trust made a self-assessment against the information governance toolkit of 'not satisfactory' as at 31 March 2014. This is because of a perceived weakness in the access controls for systems used in York services. A remedial action plan is in place linked to the clinical system evaluation which will lead to those services being moved from this application onto the Trust's core information system (PARIS).

In line with reporting requirements, the Board of Directors is satisfied that an analysis of our information governance incident reporting records for 2013/14 contains two incidents which have sensitivity factors which classify them as a serious incident requiring investigation (SIRI), reportable via the national online tool.

8.4.5 Fraud, corruption and bribery

The Trust has procedures in place that reduce the likelihood of fraud, corruption and bribery occurring. These include Standing Orders, Standing Financial Instructions, documented procedures, a system of internal control (including internal and external audit) and a system of risk assessment. In addition, the Trust seeks to ensure that a comprehensive anti-fraud, corruption and bribery culture exists throughout the Trust via the appointment of a dedicated Local Counter-fraud Specialist in accordance with the standards for provider contracts.

8.4.6 Principle risks to compliance with licence condition FT4 (FT governance)

The Trust has put in place measures to ensure that the Board is able to confirm compliance with licence condition 4 (FT governance). This has included a recent review of the governance structure and the implementation of three new Board sub-committees, over and above those required in statute. This ensures that members of the Board are more closely involved in the governance of the organisation, and closer to assurance on the quality of services (clinical and non-clinical). This review also looked at the structure beneath the Executive Team meeting to ensure this is sufficient to meet the needs of the executive, and in particular the Chief Executive in carrying out his duties as Accounting Officer.

The Board of Directors and all its committees and sub-committees have clear terms of reference setting out accountabilities and what delegated authority they have been given by the Board to carry out work on its behalf. The Trust has in place all the necessary statutory documentation including a Constitution, a scheme of delegation and matters reserved to the Board. All members of the Board have role descriptions clearly setting out their duties and areas of accountability and there is a signed memorandum of understanding between the Chair and Chief executive setting out their respective responsibilities.

The Board receives on a quarterly basis an Integrated Quality and Performance Report which details compliance with and achievement of all regulatory, contractual and local targets. The Board is also provided with sufficient information to self-certify compliance with the continuity of services risk rating as set out in the Risk Assessment Framework. The Board and its sub-committee receive timely and accurate information to its meetings in accordance with its scheduled cycle of business and will scrutinise performance. Performance is also reported to the Council of Governors and governors are provided with an opportunity of holding the non-executive directors to account for the performance of the Board.

8.4.7 The Corporate Governance Statement

The Corporate Governance Statement (CGS) has been prepared in accordance with the guidance in the Risk Assessment Framework, and was co-ordinated by the Head of Corporate Governance.

Evidence of compliance or risks to compliance with each of the standards in the CGS was provided by a responsible senior manager (identified for each condition). This was then approved by an identified director before being submitted to the Strategy Implementation Board for consideration and the Audit Committee for assurance about the process.

The Board then received and considered the CGS at its meeting on 22 May 2014 for it to be signed off before submission to Monitor.

8.4.5 Public stakeholders

The Board of Directors actively engages the Council of Governors and the respective public stakeholders in the reporting of performance (clinical and non-clinical), including any risks to performance.

With regard to the management of risks we take seriously our complaints and PALS enquiries and seek to identify any risks and learn from these. Any lessons learnt are disseminated and addressed by care services.

8.4.6 NHS pension scheme control measures

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's regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments to 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.

8.4.7 Equality, diversity and human rights control measures

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

The Board has ensured that arrangements are in place to ensure that the foundation trust complies with the Equality Act 2010. It has approved equality objectives for 2013/14 and reviewed the results of a comprehensive self-assessment against the national Equality Delivery System (EDS) goals.

Evidence that issues specific to equality and diversity have been considered is required before policy decisions are made. Those concerned with the development of procedural documents are required to screen for equality relevance and carry out full impact assessments where potential inequalities are identified. A completed equality impact assessment document is required as part of the governance and ratification processes for all new and revised procedural documents as detailed in the Trust's procedure for the Development and Management of Procedural Documents and the Equality Impact Assessment Guidance.

8.4.8 Carbon reduction delivery plans

The Trust has undertaken risk assessments, and carbon reduction delivery plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that the Trust's obligations under the Climate Change Act and the adaptation reporting requirements are complied with.

8.5 KEY RISKS FOR THE ORGANISATION

8.5.1 Key risks

The immediate, in-year and potential future risks, those that have been identified as strategic risks on the strategic risk register are:

- Continuing to provide services from Bootham Park Hospital and Lime Trees which have been identified as not suitable from an environmental perspective

- Failure to deliver a 'provider partnerships' programme aimed at building relationships and improving collaboration in both Leeds, York and North Yorkshire
- Deterioration in financial performance impacting on the sustainability of the Trust under the continuity of services risk measurement.
- Risk of breaching our regulatory requirements.

Each of these risks has an identified executive director and management lead. These risks will be managed through the risk management and risk register process and reported to the Executive Team, the relevant Board sub-committee and to the Board through the Integrated Quality and Performance Report, key strategic action plans and the Board Assurance Framework.

Behind each risk is a detailed risk assessment which sets out controls and mitigations. The strategic risk register is regularly reviewed by the executive team and the positive impact of the mitigations assessed. From 2014 the Audit Committee will also receive a high level report twice each year in an aged debtor style which indicates risk movement and hence the impact of risk management plans

The potential future risks as articulated in the two-year operation plan are as follows:

- Partnership working: capacity and capability of partners (voluntary sector and/or primary care) to support new models of care
- Workforce: workforce not equipped to deliver new models of care
- Estates: improvement in York estate not delivered at sufficient pace by NHS Property Services Ltd
- Informatics: failure to engage workforce in emerging technology trends
- Income: loss of contract income when services are tendered

These risks will be managed through the operational planning and risk register processes.

8.6 REVIEW OF ECONOMY, EFFICIENCY AND EFFECTIVENESS AND THE USE OF RESOURCES

The Trust has a comprehensive system that sets strategic and business objectives. The Board of Directors sets these objectives with regard to the economic, efficient and effective use of resources. The objectives that are set reflect national and local performance targets for standards of service user care and financial targets to deliver this care within available resources. Within these targets, the Trust includes specific cost improvement plans (CIPs). The Trust has a track record of delivery against CIPs demonstrating sustainability and improvements in economy and efficiency.

The Trust has a robust monitoring system to ensure that it delivers the objectives it identifies. Ultimate responsibility lies with the Board of Directors which monitors performance through reports to its meetings on a quarterly basis. Underpinning this is a system of reports on financial and operational information to the Executive Team and also to the Finance and Business Committee.

The Trust operates within a governance framework which includes Standing Orders, Standing Financial Instructions, a scheme of delegation and matters reserved to the Board of Directors. This framework includes explicit arrangements for:

- Setting and monitoring financial budgets
- Delegation of authority
- Performance management
- Achieving value for money.

The Trust receives its core accounting systems and processes from third parties. The main accounting functions are provided by NHS Shared Business Services Ltd. Assurance is provided to the Trust through Statement of Auditing Standards (SAS) No. 70, prepared by NHS Shared Business Services' independent auditors. This internationally-recognised auditing standard signifies that a service organisation has had its control objectives and control activities examined by an independent accounting and auditing firm.

The payroll service is provided by the Leeds Teaching Hospitals NHS Trust (LTHT). Assurance is received from LTHT and its internal auditors regarding both the performance and controls associated with the Electronic Staff Record (ESR) system, which concludes that the payroll function is operational within an environment of effective control.

The structures that have been applied in maintaining and reviewing economy, efficiency and effective use of resources include:

- **The Board of Directors** which receives reports on any significant events or matters that affect the Trust. The Board also receives regular reports on the performance against the Trust's regulatory and contractual targets and standards both non-financial and financial; the Board Assurance Framework; and minutes from its sub-committees including the Audit Committee
- **Internal Audit** (Baker Tilly) provides an independent and objective opinion on the degree to which risk management, control and governance support the achievement of the Trust's objectives. The audit plan is derived from an assessment of risk areas within the Trust and includes all areas where Internal Audit is named in the Board Assurance Framework as a provider of assurance on the effectiveness of key controls. Internal Audit reported no major concerns arising from their work during the period of this report. A small number of reviews provided only limited assurance and action plans are in place to address the weaknesses identified

Internal Audit reported that both the Board Assurance Framework and risk management processes operated effectively during the year. The Head of Internal Audit in his opinion stated "My overall opinion is that significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weaknesses in the design and / or inconsistent application of controls put the achievement of particular objectives at risk". Internal Audit also noted that whilst they had detected some areas of weakness they were assured that these are being addressed by management and appropriately tracked in an effective manner and that none of the findings are sufficiently significant to warrant being incorporated into the Annual Governance Statement

- **External Audit** (PricewaterhouseCoopers LLP) provides audit scrutiny of the annual financial statements, and the Trust's economy, efficiency and effectiveness in its use of resources. External audit also provides assurance through the review of systems and processes as part of the annual audit plan
- **The Audit Committee** is a sub-committee of the Board of Directors and reports directly to it. The committee has responsibility for being assured in respect of risk management, and for overseeing the activities of Internal and External Audit and the local counter-fraud services

The committee executes this role by approving the annual plans for internal, external, clinical audit and counter-fraud; receiving reports and updates against those plans; reviewing risks and the Board Assurance Framework; carrying out deep-dives into any area where further assurance is required on an area of risk

- **Board sub-committee structure** was reviewed during 2013/14 and became live on 1 October 2013. The committee structure made up of the Quality Committee, the Mental Health Act Committee and the Finance and Business Committee, each of which has responsibility for assurance in areas of clinical and financial performance and compliance.

8.7 ANNUAL QUALITY REPORT

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS foundation trust boards on the form and content of Annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual. PricewaterhouseCoopers has audited the Quality Report for 2013/14 and found that it is compliant with the mandated guidance and have issued an unqualified limited assurance report in respect of the content.

The Chief Nurse / Director of Quality Assurance is the executive director with the responsibility for lead on quality including the Quality Report. The Quality Committee, established in October 2013, enables the Trust to report directly to the Board on issues of quality governance and risks that may affect the service user's experience, outcome or safety.

To ensure the Quality Report presents a properly balanced picture of the Trust's performance over the year the report goes to the Quality Committee which is chaired by a non-executive director with a lead on quality and has a number of clinical leads and a service user as members.

The performance information included in the Quality Report is in line with the performance information reported to the Executive Team, the Board of Directors and the Council of Governors through the following mechanisms:

- Performance reports to the Board of Directors, which set out performance against external requirements including Monitor targets, CQC registration regulations and our contractual requirements with our main commissioner
- Performance reports to the Council of Governors
- Monthly reports to the Executive Team and quarterly reports to the Board of Directors which set out performance against CQUIN requirements
- Submissions to the Board of Directors for sign-off on our performance against Care Quality Commission registration regulations
- Quarterly submissions to the Board of Directors for sign-off on our performance against Monitor targets.

There are systems and processes in place for the collection, recording, analysis and reporting of data which are focused on securing data which is accurate, valid, reliable, timely, relevant and complete.

To manage the risk of there being incorrect data, the Trust has a Data Quality Policy which clearly identifies roles and responsibilities for the collection and input of service user information into the patient records' systems. The Data Quality Team deals with erroneous entries and there are systems / processes in place to alert relevant managers of any issues in order to ensure that data presented in Quality Report is both accurate and reliable. A data quality data warehouse is used to ensure that data quality issues are dealt with proactively and quickly to maintain data integrity.

However, with regard to the 'minimising delayed transfer of care' performance indicator the auditors have found it necessary to issue a qualified opinion due to the way in which the indicator criteria has been applied for the York services during 2013/14. An overly negative position has been reported. The Executive Team have put in place actions to rectify the way in which this data is collected and compliance is calculated.

8.8 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 managers and clinical leads within the Leeds and York Partnership NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I

have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, the Quality Committee, the Finance and Business Committee, and the Mental Health Act Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

I have drawn on the content of the Quality Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter; the Head of Internal Audit Opinion and other audit reports. I have been advised on the effectiveness of the systems of internal controls by: the Board of Directors; the Audit Committee; the Quality Committee; the Finance and Business Committee; and the Mental Health Act Committee; the Board Assurance Framework; and internal audit reports. I have also been advised by leadership from the executive directors with regard to risk reporting (clinical and non-clinical), implementing learning, and plans to address weaknesses and ensure continuous improvement of the systems in place.

8.9 CONCLUSION

In summary, the Trust has a sound system of internal control in place which is designed to ensure delivery of the Trust's goals and strategic objectives and to manage and minimise exposure to risks. I am satisfied that the process for identifying and managing risks is robust and dynamic as evidenced above. I am also satisfied that the Trust is doing all it can to mitigate the risks that have been identified at Bootham Park Hospital and Lime Trees and has in place a sufficient system of internal control to manage these and other organisational risks.



Chris Butler
Chief Executive

Date: 22 May 2014

PART B
THE QUALITY REPORT
2013/14

SECTION 1 – STATEMENT ON QUALITY FROM THE CHIEF EXECUTIVE

This is the 2013/14 Quality Report of the Leeds and York Partnership NHS Foundation Trust (the Trust).

What we are here to do is not just to provide services. Our broader purpose is to improve the health and lives of the people who use our services. We cannot do this alone and we work in partnership with others to provide excellent mental health and learning disability care that supports people to achieve their own goals.

The ‘technology’ through which we deliver services is the work of our people. We will not make our aspirations for services and service users and carers a reality unless all of us as colleagues do the right thing in the right way; consequently values are critical to us. These are:

Respect and dignity	We value and respect every person as an individual. We challenge the stigma surrounding mental ill health and learning disabilities. We value diversity, take what others have to say seriously and are honest about what we can and can't do
Commitment to quality of care	We focus on quality and strive to get the basics right. We welcome feedback, learn from our experiences and build on our successes
Working together	We work together across organisational boundaries to put people first in everything we do
Improving lives	We strive to improve health and lives through providing mental health and learning disability care. We support and empower people to take the journey to recovery in every aspect of their lives
Compassion	We take time to respond to everyone's experiences. We deliver care with empathy and kindness for people we serve and work alongside
Everyone counts	We work for the benefit of the whole community and make sure nobody is excluded or left behind. We recognise that we all have a part to play in making ourselves and our communities healthier.

How does this connect to the Quality Report? Quality reports give NHS foundation trusts the chance to share a clear view of the quality of care being delivered to all those who come into contact with services. All that we do is guided by our values. The process by which quality reports are produced includes reflecting on how we have developed in line with the challenges we set last year and talking to service users, commissioners and staff about important improvement initiatives for the year ahead.

Our Quality Report is as important to us as our financial accounts as the provision of high quality services is why the Trust exists. Money is a means towards this end. In this Quality Report you will see how we are working to make our purpose, ambition and values a reality. This is not easy, we will not get it right all the time, and we will make mistakes, but we are fully committed to providing ever better services that enable people who use our services to live their lives to the full.

We have a particular challenge to provide safer, better inpatient wards to replace Lime Trees and Bootham Park Hospital in York. We will continue to work with our commissioners during 2014/15 to do so.

I am happy to state that to the best of my knowledge the information included in our Quality Report is accurate.



Chris Butler, Chief Executive
April 2014

SECTION 2 – PRIORITIES FOR IMPROVEMENT AND STATEMENTS OF ASSURANCE

2.1 MEDICAL DIRECTOR AND CHIEF NURSE / DIRECTOR OF QUALITY ASSURANCE STATEMENT

The Quality Report offers an account of how we have performed against our quality standards as well as the standards set by our commissioners and regulators.

Throughout 2013/14 we have worked hard to keep a focus on the quality of services. The Quality Report details some of our achievements in 2013/14 including our *Sharing Stories* initiative and the changes in our recovery and rehabilitation pathway. We are proud of our staff and the improvements they have made and we are committed to improving further during 2014/15.

In the coming year our improvement initiatives include: obtaining a fuller understanding of the outcomes for service users in treatment, becoming more person-centred and increasing collaboration in care planning as well as improving the ease of access to crisis care; and improving the quality of clinical environments.

We also need to sustain improvements to data quality; specifically we need to ensure any delays in the transfer of patients is correctly recorded and reported. This was an issue identified by the Trust in March 2014 and noted by PricewaterhouseCoopers in their audit of this Quality Report.

The quality of our services is closely monitored and publically reported. The addition of clinical directors and the Quality Committee in 2013/14 has improved our focus on the experience of service users and the effectiveness and safety of our services.

During 2013/14 the Care Quality Commission conducted 10 unannounced inspections and most services received positive feedback about the quality of care. The inspections also highlighted areas for improvement in record-keeping at Bootham Park Hospital and how we articulate risks across the organisation. Improvements were made immediately and these issues dealt with. The inspection also identified the need to improve inpatient accommodation at two sites in York, Lime Trees inpatient unit for children and adolescents, and three wards at Bootham Park Hospital. We are working intensively with our commissioners and with NHS Property Services Ltd who owns the buildings to ensure these services are provided from safe and suitable buildings.

We also need to sustain improvements to data quality and in particular there is a need to ensure that any delays in the transfer of patients are correctly recorded and publically reported. This issue was identified by the Trust in March 2014 and noted by the external auditor in preparation for this report.

During 2014/15 the members of the Board of Directors will continue to work with our staff and governors to provide excellent mental health care that supports people to achieve their goals for improving health and improving lives.

We are grateful to our external auditors, PricewaterhouseCoopers for their assessment of the Quality Report.

2.2 PRIORITIES FOR IMPROVEMENT

Our Trust strategy 2013 to 2018 identifies our overarching priorities as:

Table 2A – Overarching priorities

Priority 1 (clinical effectiveness)	People achieve their agreed goals for improving health and improving lives
Priority 2 (patient safety)	People experience safe care
Priority 3 (patient experience)	People have a positive experience of their care and support

The Trust's five-year strategic plan and two-year operational plan detail the full set of priorities. However, the Quality Report is used to set out some examples of the progress achieved and future initiatives.

Our Quality Report is fully aligned with our five-year strategy, which describes what we want to achieve over the next five years (to 2018) and how we plan to get there.

We produced our first strategy and decided to refresh it in 2012 in response to the many changes that have happened both within our organisation and the wider world around us.

Refreshing our strategy has given us the opportunity to go back to people who use our services, carers, staff and partners to check that our goals and strategy objectives are still the right ones for the next five years; and to help us develop a list of priorities. We have done this through the development of a dedicated strategy refresh page on our website inviting comments from all of our stakeholders. This included a brief online questionnaire to understand people's views on our five-year vision, our goals and any priorities individuals felt should be included in the strategy refresh. Trust-wide emails were circulated to all staff and road-shows were held across our main sites in Leeds and York to raise awareness of our strategy refresh feedback process and invite staff to complete the survey. Our new members' magazine, *Imagine*, contained an article notifying all our members of our strategy refresh. We reviewed our strategy with Trust members at *Building Your Trust* events in Leeds and York and also at the Diversity and Inclusion Forum.

The results from the questionnaire highlighted that 90% of respondents felt that our ambition statement still described our five-year vision. Also 86% of respondents felt that our goals still described what we are here to achieve for the people who use our services.

All of our measures and initiatives will continue to be tracked through our governance framework to make sure we are on course to achieve them. Progress against our priorities set out in this year's Quality Report will be reported to our Board of Directors, our Strategy Implementation Board and the Strategy Committee (a sub-committee of the Council of Governors).

Further information about how we have addressed the priorities outlined in our 2013/14 Quality Report, along with our quality improvement initiatives for 2014/15 are as follows.

2.2.1 Priority 1 (clinical effectiveness) – People achieve their agreed goals for improving health and improving lives

Priority 1 – Progress against 2013/14 initiatives

- a) ***Sharing Stories was launched in January 2013 and uses the power of storytelling, sharing stories and harnessing the power of the written word to encourage understanding around mental health and wellbeing. We have developed partnerships with Waterstones and the council libraries in both Leeds and York. Each of the locations will endorse the 'book of the month' and the campaign more generally.***

Throughout 2013 we held events welcoming people, (that is, services users, carers, staff, members and the public) to come together to tell their stories. One event focused specifically on sharing experiences of hearing voices. Notably, one person used their experience as a basis for writing a book. Our *Readathon* and the book of the month initiatives have proved very positive ways of creating engagement. Our Annual Members' Day in September 2013 was themed around storytelling.

In May 2013, we welcomed Rommi Smith our creative writer in residence who is working with teams across the Trust, to pull together a book of stories, and twice a year we publish our *Your Stories* magazine highlighting individual inspirational journeys to recovery.

- b) ***The Health Commissioners' review of health and social care services for people with learning disabilities in Leeds is due for completion in April 2013. The recommendations from this report are due for implementation in the forthcoming year. This will help to***

develop an overarching vision and strategy for learning disability services across our Trust.

The review made a number of recommendations across health and social care provision for people with learning disabilities. The main area of impact for our Trust will affect our Respite Services which are operated from Woodland Square at St Mary's Hospital. People using these services are currently admitted for a planned period of care. We will be developing a model of care which does not require a hospital admission.

A working group has been established to scope out options for future service provision, and this will see the current service being reconfigured by September 2015.

- c) Integrated care pathways will ensure that evidence-based clinical interventions will be delivered by the right staff with the right skills at the right time and in the right order, all benefitting service users. In 2013/14 we will concentrate on fuller testing of the pathways to ensure they are clinically appropriate in the settings they will be used in, and on how they will be best implemented by teams. We will be engaging fully with teams within our Trust, service users and carers and other partners to ensure that we understand the full benefits that integrated care pathways can bring.***

We plan to develop and fully implement integrated care pathways over a three-year period. In 2013/14 (phase 0) the aim was to develop a prototype version of what community care should look like end-to-end. This includes the holistic assessment, core care pathway and cognitive impairment / dementia needs, use of the clustering tool and patient recorded outcome tool, to be tested in a discrete pilot area.

The specification of the holistic assessment (launched in June 2012) has been reviewed by clinical leaders and an improved tool agreed in July 2013. During February and March 2014 we have been testing the tool in our electronic patient record ready for re-launch early in the new financial year.

The core and cognitive impairment / dementia clinical pathway was agreed by clinical leaders in July 2013. This work was completed in tandem with a clinically led review of the memory services pathway. The Trust also invited the Memory Services National Accreditation Programme to provide an external review of our services which included engaging with service users and carers. The outcome of that review is that we remain an accredited Memory Service with the Royal College of Psychiatrists until 2016.

Clinical leaders worked with a technical team to provide a core and cognitive impairment / dementia pathway within our electronic patient record, this was completed in November 2013. Getting this right has taken some months; initial testing of the pathways commenced in March 2014.

- d) The Recovery Unit Inpatient Rehabilitation Team have responded to service user needs and identified scope to improve the use of recovery principles in collaborative assessment, care planning and progress reviews. Having considered best practice examples the team has produced My Recovery Pathway; three booklets guiding service users and staff through assessing strengths and needs (Starting from here); goals (Where I want to be) and collaborative care planning and reviews (Making plans). Currently being introduced on the unit, initial feedback from service users and staff is positive and evaluation of the resources will be carried out later in the year. The initiative has been presented to the Focus on Recovery Group and the intention is to extend its use across our Trust following evaluation.***

Within our York Recovery Unit, a working team has been established to evaluate the pathway. Service users and staff have told us that they have found the pathway useful and focused as well as enabling a collaborative assessment. Work continues to build on the progress so far to ensure service users are supported to take full ownership of *My Recovery Pathway*. This work has been shared with the Recovery and Rehabilitation Unit in Leeds with the potential of it being adapted for individual areas / services.

Priority 1 – Initiatives to be implemented in 2014/15:

- Some teams in the Trust have a strong history of using outcome measures that indicate if care and treatment has been useful. In 2013/14 this work was further progressed to identify outcome measures that can be used across a wider range of services. During 2014/15 the measures will be implemented and include:
 - Clinician-reported outcomes measures
 - Patient-reported outcome measures

We hope the range of measures will provide feedback about how effective the care and treatment we provide is, as well as giving an indication of how satisfied service users are.

- The Recovery and Person-centred Care Programme (Trust-wide) is being delivered in collaboration with service users and carers. It focuses on supporting service users to build self-confidence; gain the tools they need for self-reliance; and build a 'scaffold' of support beyond statutory services. The programme will include improving care planning, increasing choice of treatment for service users, promoting self-management through use of digital tools, developing staff skills and roles (such as peer support workers) and creating opportunities for service users to receive more support from voluntary sector partners. In partnership with service users and carers, the programme should reduce demand at all points along the care pathway, leaving our highly-trained and skilled staff to provide treatment and support to service users with the most complex and acute needs.
- Our integrated care pathway project links closely with outcome measures measurement and mental health payments. We will develop integrated care pathways for our core mental health pathways and specific needs-based pathways. The integrated care pathway project is being run in tandem with our project to improve our clinical information system (PARIS).

2.2.2 Priority 2 (patient safety) – People experience safe care

Priority 2 – Progress against 2013/14 initiatives

- a) ***The Leeds Gender Identity Service is currently developing a medicines management resource pack for nurses within the team. The resource pack is an addition to the mandatory biennial support framework for the safe administrations of medicines and is bespoke to Gender Identity. This initiative aims to be educational for both the client and the clinician so that nursing clinicians can discuss physical care issues and promote safe self-care where appropriate. In instances where physical educational support may not be appropriate, clinicians will be encouraged to liaise and co-ordinate care with the appropriate specialists such as the GPs and surgeons involved.***

A bespoke medicines management resource pack and training session for all nurses within the Leeds Gender Identity Service has been designed. Training is presented to nurses in a quiz format and following the quiz nurses are given the developing resource pack.

We have put theory into practice and the training was delivered in April 2013, to be delivered every two years and incorporated into the medicines management training. The training will be updated and continue to be developed following feedback from nursing clinicians.

It is educational for the nurses and therefore it is educational for the client. The nurse can help support the clients as they move towards irreversible treatment and surgeries. It is also important that as nurses, the information we give to our clients is correct, clear and consistent across the service and amongst other specialist professionals in this area to ensure safe care.

Information collated during 2013/14 will be used to update the resource pack for 2014/15 as well as redesigning a new quiz for clinicians. Information is mainly 'frequently asked questions' that our clients are asking in relation to management of their hormone medication and physical health care in relation to gender re-assignment surgeries.

- b) We are looking to develop a partnership with Topman. As part of their corporate social responsibility work, Topman support CALM, the Campaign Against Living Miserably, which aims to prevent suicides in the UK for males under 35.**

Whilst applauding the work done in 2011 with Topman and the CALM campaign, we are disappointed to report that during 2013/14 there were no opportunities to replicate this in the Monks Cross store in York as previously stated. This was due to management changes within the store and as a result it is no longer participating in this campaign.

The Engagement Team will continue to explore possibilities of 'young people and mental health' being part of the membership and awareness campaign for next year.

- c) The whole of the learning disability service in York and North Yorkshire will be reviewed with the clinical team and commissioners to create a service that responds to the Winterbourne View review (Department of Health December 2012). This development will further improve access to local services bringing service users back to their area and support people, where possible, in their own locality.**

The redesign of Learning Disability Services in York and North Yorkshire is incorporated into our strategic plan. The ambition is to develop a single Learning Disability Services unit for inpatient and community services, which will create a responsive bed base which we are able to utilise to return from out-of-area placements. This work is dependent upon the broader York and North Yorkshire Estates Strategy.

- d) In 2013/14 we are beginning the construction of a new low secure unit for women, on the site of Clifton House, York. There are no women's forensic low secure services provided in this locality currently and so service users are often placed some distance away. This development will provide a service for Yorkshire and Humberside.**

Current plans for a new low-secure service for women have been under development, in partnership with the specialist commissioners (now NHS England). The project will see the development of a Women's Low-Secure Unit on the Clifton House site, which will be integrated into the existing Forensic Psychiatry Service. It will consist of one 10-bedded unit and one 12-bedded unit, with one ward having intensive nursing facilities. Facilities will include a gym, art room and other therapeutic and social spaces, which can be shared by both male and female sides of the unit.

Work is well underway and we expect the unit to open in Spring 2014.

- e) We are working with commissioners to develop plans for a Section 136 service in York. This proposed service development will create a facility for those detained under Section 136 of the Mental Health Act who present with apparent mental health problems and who can be safely managed in this facility. This facility will improve the experience for service users who may be in distress, who will be assessed in a more suitable environment that protects their safety and security whilst caring for their mental health needs.**

York's new place of safety opened on 3 February 2014. The unit is on the Bootham Park Hospital site and provides a service for people with mental health issues who are detained by the police in a public place using Section 136 of the Mental Health Act. Previously people in distress were placed in the police custody suite; this was unacceptable to the police, the commissioners and most importantly service users. Today a police officer needs to make one telephone call to a dedicated phone line to speak to a clinician to access the Section 136 assessment facility.

The place of safety aims to:

- Be responsive to cultural, ethnic and gender needs and differences
- Provide the highest quality of care
- Empower decision-making by those detained and respect individuals' needs and wishes

- Ensure earliest discharge from detention if it is clear that this is no longer justified.

The unit has been commissioned by the Vale of York Clinical Commissioning Group and is staffed around the clock by the Trust's health professionals. It has been carefully designed to be comfortable whilst also ensuring the safety of people using it.

Quarterly multi-agency review meetings will monitor progress and identify any necessary service improvements.

- f) ***The Care Quality Commission's unannounced inspection in December 2013 highlighted significant safety issues in relation to the Lime Trees inpatient unit and Bootham Park Hospital; both services are based in York. The outcome of the inspection has reinvigorated the partnership working between the Trust, the Vale of York Clinical Commissioning Group for Bootham Park Hospital, NHS England for Lime Trees, and our landlords NHS Property Services Ltd.***

The work has been intensive and we anticipate Lime Trees Child and Adolescent service moving into remodelled buildings before the end of 2014.

The move out of Bootham Park Hospital is more challenging. Agreement and resource is needed to achieve a purpose-built mental health facility in York; until this point is reached the Trust is working with partners to achieve an interim solution. In the interim a raft of improvement work has been co-ordinated by the Trust to improve environmental safety. The Trust is also supported by our staff to build on existing clinical risk management skills.

Priority 2 – Initiatives to be implemented in 2014/15

- Expanding our Section 136 service in Leeds to deliver health-based care for some people who are intoxicated and currently taken to police custody. This includes a review of our street triage service when the pilot is due to come to an end in December 2014
- Developing a mental health emergency suite / Crisis Assessment Unit area in Leeds so that service users with emergency needs can be assessed and treated away from Accident and Emergency departments
- The government's final response to the Mid-Staffordshire NHS Foundation Trust Public Inquiry made clear the requirement to review and report in public the deployment of nursing staff in inpatient units. This initiative will be implemented in all inpatient units from June 2014 and a report made at each Board of Directors' meeting.

2.2.3 Priority 3 (patient experience) – People have a positive experience of their care and support

Priority 3 – Progress against 2013/14 initiatives

- a) ***We are currently developing a young people strand of the Time to Change campaign. We have been working closely with partners including Young Minds, NHS Airedale, Bradford and Leeds (now Leeds North Clinical Commissioning Group), Space2 and Leeds Mind. We are working closely with a group of young people with experience of mental ill-health; and we are working towards creating school projects to get children thinking and talking about mental health.***

Focusing on Space2 and the Time to Change project, we have enabled the development of a young person's anti-stigma campaign called *Shout Out*. One outcome is the development of anti-stigma materials for young people and young carers. We are also working with Leeds City College students, exploring mental health and stigma through drama, dance and movement. This partnership continues over the next academic year.

- b) ***During 2013, the Your Health Matters initiative will become (literally) online. This new animated website, highlighting four themes (Eat Well, Be Active, Get Checked Out and Stay Well) will promote those resources and give people new tools for taking control of their health. The site is due to launch during Leeds Learning Disability week in June 2013.***

In June 2013, in the heart of Leeds Learning Disability Week, the Your Health Matters and *Easy on the 'i'* websites were launched. This is the outcome of an exciting partnership between ourselves, Leeds NHS commissioners, Leeds Adult Social Care and the website developers DLA graphics. The joint websites reflect the start of a new chapter of involvement and accessible design in the city; marking Leeds as pioneers of innovation in this important area.

The partnership has evolved into a fully-fledged Your Health Matters project through which members engage in activities based on the four themes, regularly producing resources which will be of use to other people with similar needs. All materials are produced in *Easy on the 'i'* style.

- c) ***Over the coming year we will further increase the amount of time that clinical staff are able to spend in direct contact with service users by improving access to mobile technology. Over the last year we have undertaken work with clinical teams to understand what will make a difference to them and we will be investing in technology to support this. This will be linked to a review of our clinical information system to make the recording of information simpler and more efficient.***

In the last year we have deployed over 300 laptops to enable staff to work flexibly. We have also deployed 'Big Hand' digital dictation to support our clinical colleagues in order for them to spend more direct contact with our service users. Work has continued through 2013/14 in improving our clinical information system (PARIS).

- d) ***In order to ensure there is sufficient capacity within the Memory Service to provide an early diagnosis of dementia we will work with partners in primary care to develop 'shared care' guidelines. These guidelines will support GPs to be more involved in the care of people with dementia and will free our Memory Services to provide this specialist diagnosis and needs-led support for people and families.***

Work has gained momentum during 2013/14 and a preliminary meeting with commissioners took place in March 2014 to look at the shared care guidance in view of changes that are happening within primary care. The aim of this approach is to ensure a consistent and effective approach to the development of shared care arrangements, which will facilitate the safe and effective transfer of monitoring medications from secondary to primary care.

Priority 3 – Initiatives to be implemented in 2014/15

- Following feedback from younger adults we will review our information and care pathways during 2014/15 to ensure services are accessible to the needs of this age group
- To continually improve the service user's experience and complement the existing services on the acute pathway the Crisis Assessment Unit at the Becklin Centre will be introduced. We believe that through improved assessment service users with acute needs can be seen, assessed and treated with a package of ongoing care put in place without the need for lengthy admission to hospital. This links into our ongoing commitment to ensuring that service users receive their care and treatment in the community in which they live and aims to reduce admission to hospital and eliminate the need for service users to receive care outside of their local area
- Following recent non-recurrent funding, environmental work is planned to take place at Parkside Lodge (Leeds). This will enable this unit to be transformed into a comprehensive Learning Disability Challenging Behaviour Inpatient Service and facilitate the retraction from units at Woodland Square on the St Mary's Hospital site. This will ensure that all service users of the Learning Disability Inpatient Services are accommodated in a safe, high quality building that meets with privacy and dignity standards

- We will introduce a system of quality visits across the organisation. These will replace the mock Care Quality Commission inspections and have a far greater emphasis on quality and participation of staff and service users. These will be clinically-led, multi-professional, based on the Care Quality Commission outcomes that focus on respect, care and wellbeing and safeguarding people who use services. The visits will monitor the quality of our services and are intended to promote reflection and learning rather than blame and fear.

2.3 HEALTH SERVICES

During 2013/14 Leeds and York Partnership NHS Foundation Trust provided and/or sub-contracted six relevant health services. These were:

- Learning Disabilities
- Adult Mental Illness
- Forensic Psychiatry
- Old Age Psychiatry
- Child and Adolescent Psychiatry
- Improving Access to Psychological Therapies.

Leeds and York Partnership NHS Foundation Trust has reviewed all the data available to them on the quality of care in six of these relevant health services.

The income generated by the relevant health services reviewed in 2013/14 represents 100% of the total income generated from the provision of relevant health services by Leeds and York Partnership NHS Foundation Trust for 2013/14.

2.4 PARTICIPATION IN CLINICAL AUDITS AND NATIONAL CONFIDENTIAL ENQUIRIES

During 2013/14 four national clinical audits and one national confidential enquiry covered relevant health services that Leeds and York Partnership NHS Foundation Trust provides. During 2013/14 Leeds and York Partnership NHS Foundation Trust participated in 100% national clinical audits and 100% national confidential enquiries of the national clinical audits and national confidential enquiries in which it was eligible to participate.

The national clinical audits and national confidential enquiries that Leeds and York Partnership NHS Foundation Trust was eligible to participate in during 2013/14 are shown in table 1.

The national clinical audits and national confidential enquiries that Leeds and York Partnership NHS Foundation Trust participated in during 2013/14 are shown in table 1.

The national clinical audits and national confidential enquiries that Leeds and York Partnership NHS Foundation Trust participated in, and for which data collection was completed during 2013/14, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

Table 2B - National audit participation

Audit or enquiry	Participation (yes / no)	Number of cases required	Number of cases submitted
POMH-UK Topic 4b Prescribing anti-dementia drugs	Yes	No set number required	52
POMH-UK Topic 7d Monitoring of patients prescribed lithium	Yes	No set number required	29

Audit or enquiry	Participation (yes / no)	Number of cases required	Number of cases submitted
POMH-UK Topic 10c Use of anti-psychotic medicine in CAMHS	Yes	No set number required	10
POMH-UK Topic 14a Prescribing for substance misuse: alcohol detoxification	Yes	No set number required	Data collection scheduled for March 2014
National Confidential Enquiry into Suicide and Homicide by People with Mental Illness	Yes	No set number required	100% of cases identified

The report of one national clinical audit was reviewed by the provider in 2013/14 and Leeds and York Partnership NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided (see table 2).

Table 2C - National audit findings review

Audit or enquiry	Status	Quality improvement actions
POMH-UK Topic 7d Monitoring of patients prescribed lithium	Review in progress	Action plan in the process of being agreed

The reports of 48 local clinical audits (seven Trust-wide priority plan projects, and 41 directorate / service plan audits) were reviewed by the provider in 2013/14 and Leeds and York Partnership NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided (see table 3, below). Of these reports, 34 had action plans for quality improvement and the remainder had action plans in development.

Table 2D - Local audit findings review

Title	Quality improvement actions
Consent to medical treatment in forensic psychiatry inpatient service in York	<ul style="list-style-type: none"> Discussed at governance meeting and reminder for staff to destroy old copies of T2 and T3 forms Teams asked to consider consent issues at Care Programme Approach (CPA) reviews (at least to ensure they were in date) as well as at weekly ward rounds (where their accuracy would be checked) Responsible Clinicians / Approved Clinicians to be made aware of this and to adopt a routine of checking consent issues, whenever a patient is transferred under their care. Discussed at governance meeting Re-audit within the next two years.
Use of emergency treatment in forensic services	<ul style="list-style-type: none"> Discuss the need for a checkbox or at least some documentation in medical notes when completed Discuss the development of a monitoring tool to check forms are completed (possibly as part of nurses' weekly drug chart audit) Add 'review date' to existing forms and distribute through inpatient services Re-audit.

Title	Quality improvement actions
Physical health monitoring (Garrow House, York)	<ul style="list-style-type: none"> • Ensure that health monitoring protocols are updated on a regular basis in accordance with nationally approved / Trust guidelines • Ensure that monitoring practice is addressed promptly by concerned clinicians during medication reviews, a monitoring tool can be designed for this purpose • To keep a chronological record of all blood tests requested previously. This will help avoid unnecessary blood testing • To provide patients with clear information about the indication of physical checks and timescale to carry out these checks • To create a tool specifically designed for this purpose.
Clozapine interface communications - documentation of clozapine and other medication supplied by LYPFT to General Practitioners (GPs) in York	<ul style="list-style-type: none"> • Consultants to communicate all medication supplied by LYPFT to GPs in clinic letters. To do this, copies of clozapine prescriptions will need to be retained in notes for reference • Meet with Clinical Commissioning Groups to look at primary care systems and liaise with GPs to find best methods of communication • Primary care medication summary to be sent every six months with repeat clozapine prescription • Pharmacy to screen for allergy differences and inform GP of any unrecorded allergies • Inform clinical lead for York hospital so medicines reconciliation processes include additional checks on psychiatry letters • Batch information on GP surgery to ensure information governance maintained and provide copies of prescriptions to clinical commissioning groups medicines management team • Look at improvement in original standards and if recommendations are being followed.
Medical clerking minimum standards audit (learning disability)	<ul style="list-style-type: none"> • Reminder email to all educational supervisors of career trainees. Educational supervisors to discuss with individual trainees re: induction and importance of history taking and physical investigations • Reminder email to all educational supervisors of career trainees re: use of headings to facilitate person finding information • Reminder email to educational supervisors of career trainees to ask about drugs and alcohol, basic cognition / IQ • To continue use of family history and personal history forms in learning disability.
Police station referral audit	<ul style="list-style-type: none"> • To check data for reasons for delay in relation to time of referral request • Dissemination of audit results to inform / remind staff regarding three-hour standard • Dissemination of audit results to management team planning Section 136 suite at York • Re-audit May 2014.
Timing of discharge letters to GPs from Ward 2, Bootham Park Hospital	<ul style="list-style-type: none"> • Form a focus group to look at ways to speed up the process of discharge letters including the possibility of an improved preliminary discharge letter, removing the need for a later discharge letter • A book to be kept in the doctor's office where notes for dictation are filed with a record of the date patient discharged, letter dictated and typed and sent to the GP • Re-audit one year after the completion of the above action plan (December 2014).

Title	Quality improvement actions
72-hour assessments at the Early Assessment Unit (EAU)	<ul style="list-style-type: none"> • Raise awareness of the need to document all investigations ordered in medical notes through one-to-one discussions • Raise awareness of the need to validate completed assessment forms through one-to-one discussions • Wards to utilise the standardised 72-hour assessment documents for new patients • Clarity from Pharmacy as to where medicine reconciliation documents are located • Re-audit was undertaken as planned • Finalisation of the project plan.
Audit of MARSIPAN assessment guidelines	<ul style="list-style-type: none"> • Revising the existing eating disorder pathway and incorporate changes (e.g. specific risk assessment proforma specific to clients with eating disorders, if required) • Encourage the use of the risk assessment pro-forma on the inpatient unit and embed into daily practice • Inpatient Medical Team to consider potential of having an electrocardiogram (ECG) machine on the unit • Re-audit in six months after implementing the first two points of the action plan (ie – July 2014).
Auditing variance and use of York recovery integrated care pathway (ICP)	<ul style="list-style-type: none"> • Feedback to Recovery Unit Team, checking of care pathway checklist completion in clinical and managerial supervision (especially dating and signing of entries) • Follow up audit of all new admissions' risk assessments and risk plans since that date • Follow up audit of all new admissions' rights on care pathway checklist since that date • Version two of care pathway checklist written with agreed changes • Preparation for weekly business meeting to include care pathway checklist documentation. Staff presenting at review check care pathway checklist up-to-date and prompt action / recording of unmet items including medical section • Re-audit September 2014.
National Institute for Health and Care Excellence (NICE) clinical guideline - anxiety	<ul style="list-style-type: none"> • Request for NICE recommendations to be incorporated and embedded into the common mental health integrated care pathway as this is developed • Work on compiling guidance with the clinical commissioning groups for GPs when treating anxiety disorders • To work closely with improving access to psychological therapies and primary care services and to liaise with clinical commissioning groups to ensure agreement on increased interventions prior to referral on to the Trust • Work with and develop existing arrangements in psychological therapy services for enhanced psychological work e.g. supervision, training and joint work to support community staff in the provision of low and high intensity psychological Interventions • Review new holistic assessment tool and ensure no gaps with respect to assessment of anxiety and NICE guidance • Ensure that service users are given a choice with respect to out-patient versus home-based psychological therapies. This could be incorporated into new local working instructions for community services • Map existing levels of training and expertise among York and North Yorkshire secondary care staff with respect to high-intensity (condition specific and enhanced) psychological interventions for anxiety disorders.

Title	Quality improvement actions
Documentation of clinical outcome measures following a course of electro-convulsive therapy (ECT)	<ul style="list-style-type: none"> • A summary of the audit findings will be presented to the ECT clinical governance group • Completeness of data to be checked by the ECT department's practitioners, and if the weekly monitoring section of the ECT record form is not completed appropriately, to contact the team and ask for a complete form to be faxed again (or the existing form to be completed) • Re-audit.
Usage of diagnostic criteria-learning disabilities (DC-LD) in outpatient consultation letters	<ul style="list-style-type: none"> • To present information about DC-LD in the educational tutorials for trainees in the LD speciality • To present a poster at the faculty of intellectual disability residential conference • Produce laminated copies of terminology used in DC-LD at clinic sites. This will encourage trainees and doctors to use it during their consultations • Re-audit.
Record keeping audit in a community learning disability team (CLDT)	<ul style="list-style-type: none"> • The results will be presented at the junior doctors' journal club and within the East / North-East (ENE) Learning Disabilities Team at the weekly multi-disciplinary team (MDT) meeting • For senior clinicians, the results of the audit will be distributed during the monthly learning disability consultant meeting in March 2014 • Information on record-keeping to be including in the trainee induction for doctors within Learning Disabilities • For senior clinicians, the results of the audit will be distributed during the monthly learning feasibility teaching sessions • Re-audit.
Monitoring of patients prescribed lithium in a lithium clinic of a Community Learning Disability Team	<ul style="list-style-type: none"> • Medical records will be reviewed in clinical supervision to make sure the standard for monitoring of patients prescribed lithium has been followed • Lithium monitoring tool to be attached to every patient record on or starting lithium and to be completed at each review • As all medications are documented and reviewed on each clinic letter this acts as a prompt to review possible drug interactions and this will be recorded and dated on the lithium monitoring tool every four months / at each clinic appointment • Re-audit.
Record-keeping	<ul style="list-style-type: none"> • All participating team managers to remind staff of the minimum requirements regarding clinical record-keeping • All line managers of clinical staff to address issues to poor practice in 1:1 / supervision meetings • Undertake periodic (interval to be determined on a team-by-team basis) spot practice checks of record-keeping and feedback findings to staff.
Observation audit	<ul style="list-style-type: none"> • Observation forms 1 and 2 to include description of mental state and not just service user's whereabouts, also recommended by Responsible Clinicians • Identify if non-adherence to 24-hour review of intermittent, within eyesight and within arm's length is a standard or procedural issue • Set up an observation / engagement group to look at procedural discrepancies and how this can be achieved (a Trust-wide decision is yet to be made).

Title	Quality improvement actions
Completion of CORE within psychotherapy clinics at Southfield House	<ul style="list-style-type: none"> • Allocate role of CORE distribution to designated worker and consider cover arrangements • Circulate audit report • Review communication to service users and alter if necessary • Circulate audit report and discuss with higher trainees • Prepare educational material and identify time for this session • Re-audit in six months to review implementation of recommendations.
Adherence to rapid tranquilisation guidance	<ul style="list-style-type: none"> • To present the results at the pharmacy clinical governance council and at Clinical Interventions Standing Support Group • To present the results at Leeds inpatient clinical governance meeting • To present the results at York clinical governance meeting. Recommendations from Clinical Interventions and Standing Support Group on the subject disseminated in Trust-wide email.
Pulse monitoring for acetylcholinesterase inhibitors	<ul style="list-style-type: none"> • To disseminate results of the audit to the memory service locally and at the audit meeting • To discuss to improve current practice checking and documenting pulse at initiation and during titration with a cholinesterase inhibitor (done by both medical and non-medical staff) • To re-audit in 12 months (cycle 3).
Admissions process followed on Yorkshire Centre for Psychological Medicine (YCPM)	<ul style="list-style-type: none"> • Pre-admission questionnaire and admission pro-forma to be combined into one document • All information gathered during the pre-admission assessment using relevant documents should be recorded electronically • The admission checklist will be updated • All staff informed of these changes by January 2013 • An audit of this process should be repeated in 12 months' time.
Discharge process followed on YCPM	<ul style="list-style-type: none"> • Discharge checklist to be amended • All discharge packs checklist and outcome measures to be kept in nursing notes and collected by ward administrator to be sent to service secretary • Audit findings and changes made to the discharge process to be discussed in staff meetings and via email • Re-audit in 12 months' time.
Documentation of medication in psychiatry case notes	<ul style="list-style-type: none"> • Project lead to email results and standards to locality manager for circulation • Projects lead to include standards in the induction material given to junior doctors and encourage consultant colleagues to do the same • Project lead to share audit results and standards with Chief Pharmacist and Deputy Chief Pharmacist at a Medicines Optimisation Group (MOG) meeting • Re-audit.
Monitoring depots within South Community Mental Health Team (CMHT)	<ul style="list-style-type: none"> • Present audit findings and a brief tutorial on side-effects to the CMHT meeting • Design an annual side-effect checklist to be attached to depot cards at the team • Re-audit.

Title	Quality improvement actions
Driver and Vehicle Licensing Agency (DVLA) advice for acute mental health patients	<ul style="list-style-type: none"> • Treatment plan to be amended to accommodate documentation of driving status. To present in the team meeting to encourage staff to complete documentation of driving status in the treatment plan • Treatment plan to be amended to accommodate documentation if action has been taken or not. To present in the team meeting to encourage staff to complete documentation if action has been taken or not in the treatment plan. Also for staff to document that a leaflet to all drivers is given • To place leaflet posters on unit notice board and clinic / interview room • To present audit at the local junior doctors weekly teaching sessions.
Medical record-keeping West CMHT	<ul style="list-style-type: none"> • To make all medical staff aware of areas of low compliance • All doctors should try to write legibly. Case notes can be entered on PARIS if handwriting is not legible • The progress sheet should include a prompt for time along with the date • Full name and designation should be written along with signature • The findings of current audit will be compared with the Trust's multi-disciplinary record-keeping audit and the Trust's medical record-keeping audit.
Team communication with the service user's GP	<ul style="list-style-type: none"> • Dissemination of audit findings: Medics in West / North-West (WNW) CMHT Team and local administrative lead to be emailed with results of audit • Training on use of <i>Big Hand</i> to be requested via email to administrative lead so that medics can use <i>Big Hand</i> as soon as possible • Administrative lead to be emailed with findings so that administrative staff can be advised accordingly • Project lead to discuss with directorate support regarding the development of a standardised fax form to send to GPs • Team to reconvene to repeat audit and complete cycle.
Quality of documentation on entry and exit to WNW Intensive Community Service (ICS)	<ul style="list-style-type: none"> • Separate current and historic parts of the holistic assessments • Encourage team to start filling in their discharge plan from admission, thus avoiding time-consuming PARIS searching retrospectively • The discharge summaries should be uploaded within 7 days, initially with time for uploading being reduced gradually • To liaise with Pharmacy • Junior doctors at West ICS to re-audit.
Audit of history-taking on admission	<ul style="list-style-type: none"> • A teaching session is arranged to be provided detailing important aspects required in the history • To discuss the possibility of introducing a history taking pro-forma • Consider a re-audit to be organised by the core trainee on the ward.
Documented clinical handover between Inpatient Mental Health Services and the Emergency Department	<ul style="list-style-type: none"> • Local oral presentations <ul style="list-style-type: none"> ○ Leeds Teaching Hospitals Trust medical educational meeting ○ LYPFT medical educational meeting • Higher-level poster presentation <ul style="list-style-type: none"> ○ Royal College of Psychiatrists International Congress 2013, Edinburgh • Better Training Better Care Project <ul style="list-style-type: none"> ○ LYPFT situation, background, assessment, recommendation (SBAR) training in-patient nurses and junior doctors ○ Situation, Background, Assessment, Recommendation (SBAR) material dissemination / distribution • Leeds Teaching Hospitals Trust <ul style="list-style-type: none"> ○ To pursue improved letters and documentation.

Title	Quality improvement actions
Memory Services National Accreditation Programme	<ul style="list-style-type: none"> • All staff will be adopting an integrated care pathway in 2014 which involves general use of the revised holistic assessment • Consent forms for city-wide service, introduced in 2013, for review. Information on personal information and sharing agreements discussed at initial appointment • For all members / disciplines of the Memory Service Team to routinely ask service user if they would like to receive an informal letter containing information about their diagnosis and their carer to receive copy of referral letter.
NICE clinical guideline - schizophrenia	<ul style="list-style-type: none"> • Develop a task and finish group to consider barriers to offering and delivering cognitive behavioural therapy and family interventions as well as mechanisms to improve availability and accessibility • Identify extent of use of clozapine within the directorate and methods to improve opportunities to prescribe and / or documentation of discussion with service users • For prescribers: reviews of non-response to medication should record all three items recommended in the guideline and reasons for combined medication or not offering Clozapine • Continue to incorporate NICE standards in routine practice eg care plans, Care Programme Approach (CPA) review records and letters, care pathway checklists and assessment formats • Review of psychology services to develop capacity to deliver cognitive behaviour therapy and family interventions, in particular identifying staff for psycho-social interventions degree / diploma training and also extending the role of advanced practitioners in York to support practice in Leeds • Maintain access to specialist skills in current service redesign work • Continue to operate a psycho-social interventions network of which nominated staff trained in psycho-social interventions will continue to offer cognitive behavioural therapy interventions • Forensic Services – every service user will have a psychologically informed formulation on admission, led by the psychologist • To develop a checklist for service users to ensure an annual review encompasses key features of good practice • To establish a register of individuals on high dose antipsychotics • Yearly review of individuals in consultant supervision sessions • Awareness raising - all clinicians to consider cognitive behavioural therapy for all patients with schizophrenia and to offer cognitive behavioural therapy to all patients felt able to utilise it • Explore the availability of family interventions from other sources (e.g. utilise expertise from other teams).
Audit of clinical risk profiles and care plans for associate practitioners	<ul style="list-style-type: none"> • Share the findings with the clinical teams • Associate practitioners to be alerted to requirement to ensure all plans are countersigned by a registered nurse • Associate practitioners to be reminded that clear descriptors of risk must be included within the current risk assessment.
Identification of psychological needs on Care Programme Approach (CPA)	<ul style="list-style-type: none"> • Remind staff of good practice that all patients discharged from the wards should have a completed CPA review and care plan document on PARIS following discharge • Raise awareness that clinicians completing the CPA review form need to clearly document psychological aspects of assessments on inpatient units in the CPA review and care plan at discharge. This, ideally, would include 1) assessment of need 2) formulation 3) interventions 4) planning interventions • Contact / meet with the lead for development / review of the CPA policy to discuss recommendations and a potential review of the existing form.

2.5 PARTICIPATION IN CLINICAL RESEARCH

The number of patients receiving relevant health services provided or sub-contracted by Leeds and York Partnership NHS Foundation Trust in 2013/14 that were recruited during that period to participate in research approved by a Research Ethics Committee was 1185.

Total recruitment was made up of:

- 801 service users recruited to National Institute of Health Research (NIHR) adopted studies
- 358 recruited to non-NIHR adopted studies i.e. local and student
- 26 recruited to Collaboration for Leadership in Applied Health Research and Care (CLAHRC) funded studies.

Leeds and York Partnership NHS Foundation Trust was involved in conducting 72 research studies in mental health and learning disabilities in 2013/14. Of these, 36 were National Institute for Health Research (NIHR) adopted studies. This demonstrates our commitment to improving the quality of care we offer and to making our contribution to wider health improvement. Our clinical staff keep abreast of the latest possible treatment possibilities and active participation in research leads to successful service user outcomes.

2.6 COMMISSIONING FOR QUALITY AND INNOVATION (CQUIN)

A proportion of Leeds and York Partnership NHS Foundation Trust's income in 2013/14 was conditional on achieving quality improvement and innovation goals agreed between Leeds and York Partnership NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services through the Commissioning for Quality and Innovation payment framework.

Further details of the agreed goals for 2013/14 and for the following 12-month period are available electronically at <http://www.england.nhs.uk/wp-content/uploads/2013/02/cquin-guidance.pdf> .

For Leeds and York Partnership NHS Foundation Trust, the monetary total for the amount of income in 2013/14 conditional upon achieving quality improvement and innovation goals was £2,217,813 (Leeds services), £490,000 (York and North Yorkshire services) and £451,261 (Specialist Commissioning Group). The monetary total for the associated payment in 2013/14 was £3,119,392.

We continue to work with our commissioner colleagues in York and North Yorkshire to develop a range of Commissioning for Quality and Innovation (CQUIN) measures for our mental health and learning disability services throughout North Yorkshire. These measures will support key developments aligned to patient safety, effectiveness of care planning and engagement with the people who use our services. Vale of York Clinical Commissioning Group are working with us to develop specific targets which will support our ambition to modernise service delivery across York and North Yorkshire.

2.7 CARE QUALITY COMMISSION

Leeds and York Partnership NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is fully registered. Leeds and York Partnership NHS Foundation Trust has no conditions on registration.

The Care Quality Commission has not taken enforcement action against Leeds and York Partnership NHS Foundation Trust during 2013/14.

Leeds and York Partnership NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission during the reporting period.

During 2013/14 the Care Quality Commission conducted a routine unannounced inspection of 10 of the Trust's services. These inspections were carried out at the following areas:

- Bootham Park Hospital (York)
- Lime Trees – CAMHS (York)
- Millside (Leeds)
- Oak Rise - Acomb Learning Disability Unit (York)
- Parkside Lodge (Leeds)
- Trust Headquarters (Leeds)
- White Horse View (York)
- 2 Woodland Square (Leeds)
- Wards 3 and 4 The Mount (Leeds)
- Wards 3 and 4 The Newsam Centre (Leeds).

Oak Rise, White Horse View, Parkside Lodge, Millside, The Mount, Newsam Centre and St Mary's Hospital attracted a great deal of positive feedback and were fully compliant.

Although positive feedback was offered about Bootham Park Hospital, Lime Trees, and governance at Trust Headquarters, these locations were issued with moderate concerns.

Leeds and York Partnership NHS Foundation Trust intends to take the following actions to address the conclusions or requirements reported by the Care Quality Commission:

- Compliance actions were received relating to *Outcome 10, Safety and Suitability of Premises* for two of our services in York. These issues have already been identified by the organisation and some work was underway to address the issues. We were able to take immediate actions to improve the safety of our environments, and work is continuing with our partners, including the Vale of York Clinical Commissioning Group, Specialist Commissioners, NHS Property Services Ltd and the Care Quality Commission to ensure that all people who use our facilities are cared for in high-quality, fit for purpose environments. We have updated our risk registers and our Board Assurance Framework to clearly articulate these risks and the work underway to address these
- The above also addresses a further compliance action about how we monitor the quality of services
- The Care Quality Commission applied one further compliance action about record-keeping at Bootham Park Hospital. This area has been addressed without delay and the improvements supported by bringing forward the implementation of a matron post at Bootham Park Hospital.

The Trust was aware of the areas where improvement is required and recognises that the pace at which issues have been addressed could have been better, and in relation to the estate we could have taken a firmer line in discussions with NHS Property Services Ltd. It is important to remember improvements are already underway within services in York and North Yorkshire.

Leeds and York Partnership NHS Foundation Trusts has made the following progress by 31 March 2014 in taking such action that:

- All Care Quality Commission reports have been analysed internally
- The Trust has a full response action plan in place to address the compliance actions without delay and the progress against the action plan will be regularly reported into both the Executive Team and the Quality Committee
- Progress has already been made and we will continue to make consistent improvements until our services are judged to be fully compliant
- A system of quality visits will be in place for 2014/15 to provide further assurance around compliance with Care Quality Commission requirements
- The Care Quality Commission will be fully informed of actions and progress made.

It should be noted that the Trust self-assessment against the information governance toolkit was 'not satisfactory' as at 31 March 2014. This is due to an issue that has been identified with the York and North Yorkshire system. A remedial action plan is in place linked to the clinical system evaluation which will lead to those services being moved from this application. This assessment has led the

Trust to review overall compliance with Care Quality Commission essential standards outcome 21, and declare yellow (outcome mostly met). All other Care Quality Commission essential standards are fully met.

The information governance toolkit is an online system which allows NHS organisations and partners to assess themselves against Department of Health information governance policies and standards. It also allows members of the public to view participating organisations' information governance toolkit assessments.

2.8 INFORMATION ON THE QUALITY OF DATA

Leeds and York Partnership NHS Foundation Trust submitted 2,509 records during 2013/14 (April to January 2014) to the Secondary Uses Service for inclusion in the Hospital Episodes Statistics which are included in the latest published data. The percentage of records in the published data:

- Which included the patient's valid NHS number was 99.7% for admitted patient care, 100% for outpatient care and 99.7% for all service users as submitted in the mental health minimum dataset
- Which included the patient's valid General Medical Practice registration code was 99.4% for admitted patient care, 99.3% for outpatient care and 99.1% for all patients as submitted in the mental health minimum dataset.

2.9 INFORMATION GOVERNANCE

Leeds and York Partnership NHS Foundation Trust's Information Governance Assessment Report overall score for 2013/14 was 72% and graded 'Not Satisfactory' (red).

Despite maintenance of satisfactory performance (i.e. level 2 or better) on 43/44 requirements (the requirement relating to offshore data processing is 'not required'), our acquisition of York and North Yorkshire services has reduced a requirement to sub-optimal performance, although a robust remedial action plan has been drafted:

- **305:** An issue has been identified with the York and North Yorkshire system. We are currently implementing PARIS into the York services which will remedy this. This is scheduled for completion 1 December 2014. Level 1 performance achieved.

2.10 CLINICAL CODING ERROR RATE

Leeds and York Partnership NHS Foundation Trust was not subject to the Payment by Results (PbR) clinical coding audit during 2013/14 by the Audit Commission.

2.11 DATA QUALITY

Leeds and York Partnership NHS Foundation Trust has taken the following actions to further improve data quality during 2013/14:

- Improving awareness of data quality issues amongst Trust staff which included roadshows on the main hospital sites in Leeds and York
- Maintained the data quality assurance processes that are in place Trust-wide
- Commenced review of coding systems to ensure they are fit for purpose
- Commenced project for the redesign of data quality tools for identifying and correcting errors
- Automatic emails sent out to users from data quality data warehouse to correct errors
- Implemented daily batch tracing for new referrals to check for missing NHS numbers and mismatches in GP Practices.

Leeds and York Partnership NHS Foundation Trust will be taking the following actions to improve data quality during 2014/15:

- Continued awareness raising in both Leeds and York.
- Continuation of review of coding systems to ensure that they are fit for purpose
- Continuation of the project for the redesign of data quality tools for identifying and correcting errors'
- Involvement from a data quality perspective in the implementation of PARIS to York services
- Updating the Trust quality policy and also other operational documents concerned with data quality.

In March 2014 an error was noted with how the criteria for delayed transfers of care was applied in York services resulting in reporting of overly negative performance against this mandatory quality indicator. This has been corrected and a criterion is now applied consistently across all services. We will continue to monitor this closely during 2014/15.

Delayed transfer of care is reported monthly within the integrated quality and performance report and quarterly to Monitor. In 2013/14 we publically reported performance as:

Table 2E

Qtr 1	Qtr 2	Qtr 3	Qtr 4
3.61%	3.99%	4.23%	4.8%

We have corrected the data and note that the correct performance data is:

Table 2F

Qtr 1	Qtr 2	Qtr 3	Qtr 4
1.94%	2.18%	3.21%	3.47%

2.12 ADDITIONAL MANDATORY QUALITY INDICATOR SETS TO BE INCLUDED IN THE 2013/14 QUALITY REPORT

For 2013/14 all Trusts are required to report against a core set of indicators, for at least the last two reporting periods. These additional quality indicators are listed below with our performance against each one.

<p><i>The percentage of patients on Care Programme Approach (CPA) who were followed up within seven days after discharge from psychiatric inpatient care during the reporting period.</i></p>						
	LYPFT 2012/13 performance	LYPFT 2013/14 performance	2013/14 national average	2013/14 highest trust performance	2013/14 lowest trust performance	
	Qtr 1	97.0%	95.0%	97.4%	100%	94.1%
	Qtr 2	96.5%	95.7%	97.5%	100%	90.7%
	Qtr 3	96.3%	95.6%	96.7%	100%	77.2%
Qtr 4	95.6%	95.4%	97.4%	100%	93.3%	

Leeds and York Partnership NHS Foundation Trust considers that this data is as described for the following reasons:

- Performance is monitored on a weekly basis to minimise the risk of any breaches and actions are put in place where necessary.

Leeds and York Partnership NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by continually monitoring as described above.

The percentage of admissions to acute wards for which the Crisis Resolution Home Treatment Team acted as a gatekeeper during the reporting period.

	LYPFT 2012/13 performance	LYPFT 2013/14 performance	2013/14 national average	2013/14 highest trust performance	2013/14 lowest trust performance
Qtr 1	97.1%	96.8%	97.7%	100%	74.5%
Qtr 2	98.4%	96.4%	98.7%	100%	89.8%
Qtr 3	95.3%	97.6%	98.6%	100%	85.5%
Qtr 4	95.9%	98.3%	98.3%	100%	75.2%

Leeds and York Partnership NHS Foundation Trust considers that this data is as described for the following reasons:

- Performance is continually monitored to minimise the risk of any breaches.

Leeds and York Partnership NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by continually monitoring as described above.

The above table highlights the figures we reported on the Information Centre Portal during 2013/14.

Post audit 2113/14 (after the exclusion of out-of-area patients)

Qtr 1	Qtr 2	Qtr 3	Qtr 4
96.0%	95.6%	97.8%	95.3%

The above table highlights the revised figures subject to the audit undertaken by PricewaterhouseCoopers.

The percentage of patients aged:

- (i) **0 to 15; and**
- (ii) **16 or over**

readmitted to a hospital which forms part of the Trust within 28 days of being discharged from a hospital which forms part of the Trust during the reporting period.

Service users 0 to 15: We have not received any re-admissions for this age group during 2013/14.

Service users 16 or over: These figures are based on Trust services with a 710 speciality code which includes adult mental health service users (excluding service users allocated to Forensic Services in line with national codes).

	LYPFT 2012/13 performance	LYPFT 2013/14 performance	2013/14 national average	2013/14 highest trust performance	2013/14 lowest trust performance
Apr	3.55%	4.3%	NOT AVAILABLE		
May	5.56%	6.7%			
Jun	6.72%	4.4%			
Jul	7.14%	5.3%			
Aug	6.38%	4.9%			
Sep	6.92%	7.9%			
Oct	6.43%	6.3%			
Nov	4.72%	6.3%			
Dec	4.62%	5.2%			
Jan	4.11%	8.3%			
Feb	5.98%	4.9%			
Mar	3.45%	6.8%			

Leeds and York Partnership NHS Foundation Trust considers that this data is as described for the following reasons:

- Each re-admission is flagged with the appropriate clinical teams and consultants to fully understand the cause of the re-admission and implement any necessary actions as required.

Leeds and York Partnership NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by continually monitoring as described above.

The Trust's responsiveness to the personal needs of its patients during the reporting period.

Patient Safety Thermometer (National CQUIN)

The data below highlights the number of service users recorded as having 'harm-free care'.

	LYPFT 2012/13 performance	LYPFT 2013/14 performance	2013/14 national average	2013/14 highest trust performance	2013/14 lowest trust performance
Apr	N/A	98.2%	92.2%	100%	86.31%
May	N/A	98.6%	92.4%	100%	83.88%
Jun	N/A	96.9%	92.8%	100%	84.96%
Jul	97.4%	97.7%	92.8%	100%	83.70%
Aug	98.6%	98.2%	93.0%	100%	87.29%
Sep	98.5%	98.2%	93.2%	100%	86.75%
Oct	97.8%	98.8%	93.4%	100%	86.93%
Nov	98.3%	98.8%	93.6%	100%	87.24%
Dec	99.0%	98.6%	93.5%	100%	82.45%
Jan	99.4%	98.4%	93.5%	100%	86.85%
Feb	98.3%	98.9%	93.4%	100%	85.63%
Mar	98.7%	98.4%	93.6%	100%	83.33%

Leeds and York Partnership NHS Foundation Trust considers that this data is as described for the following reasons:

- Processes have been put in place across all relevant services to enable the capture and reporting of this data.

Leeds and York Partnership NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by continually monitoring as described above.

The percentage of staff employed by, or under contract to, the Trust during the reporting period who would recommend the Trust as a provider of care to their family or friends.

The results from the 2013 National NHS Staff Survey show that 3.50 (3.43 in 2012) staff would recommend our Trust as a place to work or receive treatment. This is compared to the national average for mental health / learning disability trusts of 3.55 and against 4.04 of best 2013 score for mental health/learning disability trusts. This is based on 394 staff at Leeds and York Partnership NHS Foundation Trust who took part in the survey.

Leeds and York Partnership NHS Foundation Trust considers that this data is as described for the following reasons:

- Survey obtained directly from the National NHS Staff Survey Co-ordination Centre.

Leeds and York Partnership NHS Foundation Trust intends to take the following actions to improve this percentage, and so the quality of its services, by:

- There are a number of areas where the Trust compares least favourably with other mental health and learning disability trusts and these areas have been given high priority in order to improve our performance
- We are aware that many staff have not had an appraisal for over 12 months and we urge staff who have not had an appraisal to arrange this with their line manager at the first opportunity
- We are working with staff and managers in clinical areas to identify ways to prevent occurrence of violent incidents and support staff when, unfortunately, such situations arise
- We have introduced a number of different approaches to communication over the last 12 months however additional work is being carried out at corporate and team level in order to improve the quality of communication with our workforce.

The Trust's 'patient experience of community mental health services' indicator score with regard to a patient's experience of contact with a health or social care worker during the reporting period.

The results from the 2013 National NHS Community Mental Health Service User Survey in response to a patient's experience of contact with a health or social care worker is as follows (results are based on a 'yes definitely' response):

	2013	2012	National Average
Did this person listen carefully to you?	79%	81%	78%
Did this person take your views into account?	72%	75%	72%
Did you have trust and confidence in this person?	74%	75%	69%
Did this person treat you with respect and dignity?	86%	89%	86%
Were you given enough time to discuss your condition and treatment?	69%	74%	70%

255 completed surveys were returned to the Trust which gives a response rate of 31%.

Leeds and York Partnership NHS Foundation Trust considers that this data is as described for the following reasons:

- Survey obtained directly from Quality Health.

Leeds and York Partnership NHS Foundation Trust intends to take the following actions to improve these percentages, and so the quality of its services, by:

- Directorate clinical governance inpatient councils have been asked to review the survey findings in detail and describe how they will address relevant concerns raised by this survey.

The rate per 100,000 bed days of cases of C.difficile infection reported within the trust amongst patients aged two or over during the reporting period.

There has been one case reported on C.difficile infection during 2013/14.

Leeds and York Partnership NHS Foundation Trust considers that this data is as described for the following reasons:

- Information obtained directly from the Trust's Senior Nurse for Infection Control.

Leeds and York Partnership NHS Foundation Trust intends to take the following actions to improve these numbers, and so the quality of its services, by:

- Full investigations are carried out in all cases of reported C.difficile infections.

The number and, where available, rate of patient safety incidents that occurred within the Trust during the reporting period, and the number and percentage of such patient safety incidents that resulted in severe harm or death.

April 2013 to September 2013:	Severe harm (severity 3 and 4)	1.3%
	Death (severity 5)	0.7%

Currently awaiting feedback report from National Reporting and Learning System (NRLS) for April - September 2013

October 2013 to March 2014:	Severe harm (severity 3 and 4)	1.4%
	Death (severity 5)	0.3%

Leeds and York Partnership NHS Foundation Trust considers that this data is as described for the following reasons:

- Serious incidents are investigated using root cause analysis methodology, with reports presented to our incident review group
- Standardisation of risk management serious incident documentation with guidance notes to aid completion
- Lessons learnt following all incident data are distributed via the Trust-wide safety alert system. Monthly newsletters, following the Trust Incident Review Group are produced by the Risk Management Department.

Leeds and York Partnership NHS Foundation Trust has taken the following actions to improve these numbers/percentages, and so the quality of its services, by continually monitoring as described above.

To ensure we consistently meet the 'Duty of Candour':

- The Trust ensures families/carers are made fully aware of the serious investigation process and given the opportunity to raise any questions regarding the investigation
- The Trust has a procedure in place so that employees can raise concerns that they believe are in the public interest and have not been dealt with through the Trust's other internal processes
- The open reporting of incidents (including near misses and errors) is positively encouraged by the Trust, as an opportunity to learn and to improve safety, systems and services
- If a service user, their carer or others inform Trust staff that something untoward has happened, it is taken seriously and treated with compassion and understanding by all Trust staff from the outset
- Service users and/or their carers can reasonably expect to be fully informed of the issues surrounding any adverse incident, and its consequences. This will usually be offered as a face-to-face meeting and will be undertaken with sympathy, respect and consideration.

PART 3 – OTHER INFORMATION

3.1 MID-STAFFORSHIRE NHS FOUNDATION TRUST – FRANCIS INQUIRY

Following recommendations made by Robert Francis QC in the report of *The Public Inquiry into the Mid-Staffordshire NHS Foundation Trust*, the report detailed 290 recommendations which, other than a small number, were accepted by the Department of Health. The first recommendation is that there must be accountability for implementation of the recommendations. The Board of Directors is accountable; the Chief Nurse / Director of Quality Assurance has implemented this recommendation.

Of the 98 relevant recommendations for our Trust, we are compliant with 87. Ten actions have work underway and we are rated red against one action. The action rated red is linked to nurse revalidation and the risk impact is currently low.

3.2 WINTERBOURNE VIEW HOSPITAL

As a response to the review of care at Winterbourne View Hospital, our Specialist Learning Disability Care Service set up a specific task and finish group which was tasked by the Clinical Governance Council for Learning Disability Services to review the recommendations in the report in detail and to conduct a gap analysis. From the gap analysis, the service developed an improvement plan. The single focus of the group was to ensure the lessons learnt from Winterbourne were given the necessary attention to ensure such ill treatment of service users does not happen within our Trust, ever.

This approach to service improvement shows ownership and is to be supported. A written plan of the actions taken, with responsible leads and timescales has been reviewed as part of this process. To strengthen the process the chair and co-chair of the task and finish group presented the resulting improvement works at the December 2013 Quality Committee. The Trust now actively participates in the quarterly Winterbourne View Census co-ordinated by our commissioners. We also participate in the national Learning Disability Census.

3.3 MEASURES FOR SUCCESS

For each of our three priorities, we have set ourselves some measures of success we want to achieve by 2017/18. These measures were developed through wide consultation with staff, service users and carers, our Council of Governors and third party organisations. All our measures cover the breadth of services we provide and are tracked through our governance framework to make sure we are on course to achieve them.

With the refresh of our Trust strategy in 2012, our three priorities will remain in place within our Quality Report until 2017/18 as agreed by our Executive Team. This would be to demonstrate consistency with our measures and to continue to allow progress to be demonstrated.

Our measures are set out under each priority on the following pages. The source of the measure demonstrates whether this is one of our strategy measures or one of our 2014/15 local Commissioning for Quality and Innovation measures.

3.3.1 Priority 1 (clinical effectiveness): People achieve their agreed goals for improving health and improving lives

Performance of Trust against selected measures:

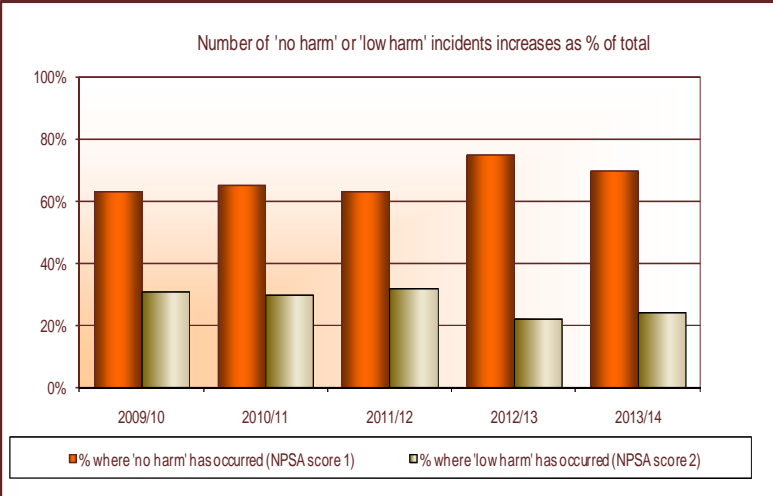
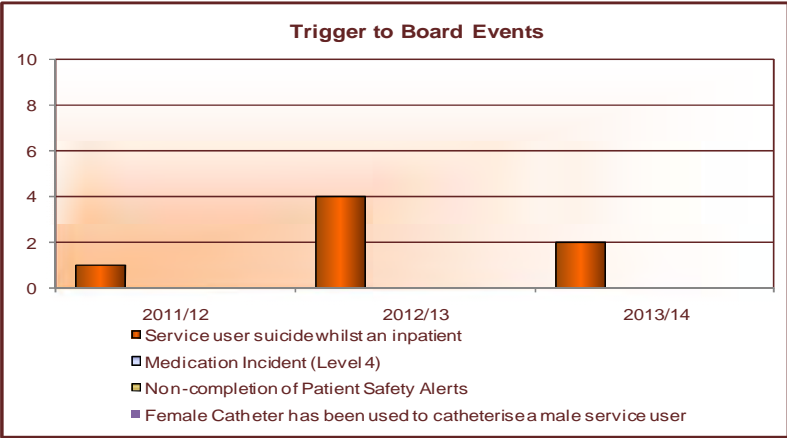
Measure	Source	Performance	Comments									
<p>People report that the services they receive definitely help them to achieve their goals.</p>	<p>Strategy measure from the National Community Service User Survey</p>	<div data-bbox="815 434 1464 847"> <table border="1"> <caption>People report that the services they receive definitely help them to achieve their goals</caption> <thead> <tr> <th>Year</th> <th>Leeds and York Partnership NHS Foundation Trust</th> <th>Nat Av</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>~48%</td> <td>~45%</td> </tr> <tr> <td>2013</td> <td>~45%</td> <td>~45%</td> </tr> </tbody> </table> </div> <p data-bbox="815 884 1464 938">255 service users responded to the 2013 National Community Service User Survey</p>	Year	Leeds and York Partnership NHS Foundation Trust	Nat Av	2012	~48%	~45%	2013	~45%	~45%	<p>Directorate Clinical Governance Inpatient Councils have been asked to review the community survey findings in detail and describe how they will address relevant concerns raised by this survey.</p>
Year	Leeds and York Partnership NHS Foundation Trust	Nat Av										
2012	~48%	~45%										
2013	~45%	~45%										

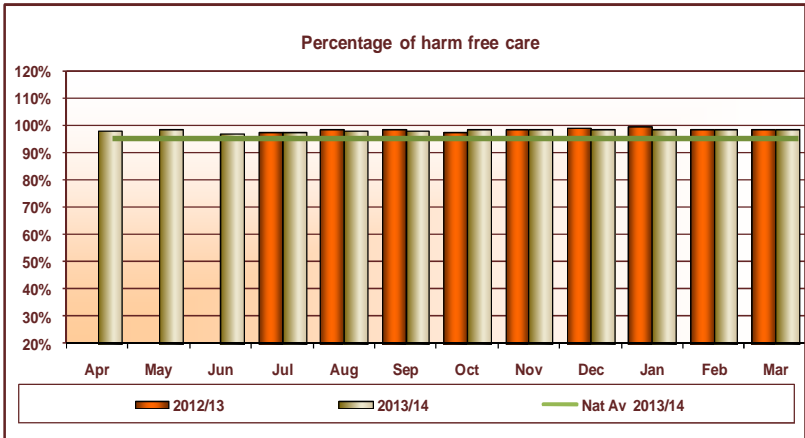
Measure	Source	Performance	Comments
Clinical outcomes have been improved for people who use our services.	Strategy measure	As of 31 March 2014, a baseline of performance against completion of in-date HoNOS (Health of the Nation Outcome Scores) within in-scope PbR services was 53.86%.	<p>A specific project has been identified to develop local outcome measures. This is being monitored by the Programme Management Office. A Quality Outcomes Task and Finish Group has been established to oversee the following:</p> <ul style="list-style-type: none"> • Services covered by the Mental Health (MH) Payment by Results (PbR) framework have an identified clinical outcome tool for the CROM (clinical reported outcome measure) – identified • PROM (patient reported outcome measure) currently trialling the use of SWEMWBS (short Warwick Edinburgh mental wellbeing scale). <p>PREM (patient reported experience measure) exploring how to link service user responses to the MH PbR framework when offering the friends and family test which is embedded within the Trust's <i>Your Views</i> survey</p>
Carers report that their own health needs are recognised and they are supported to maintain their physical, mental and emotional health and wellbeing.	Strategy measure	Following the local carers survey in 2012 a baseline of 64% was set.	A reviewed and updated accessible carer survey has been approved by the Clinical Outcome Group and by the Planning Care Group. This survey will be made available on the Trust's website and rolled out via the Carers Team in lieu of a comprehensive survey platform being procured for all surveys.
Physical health and mental health	Commissioning for Quality and Innovation measure	Scope out, agree a trajectory and implement a programme of training on nutritional screening for community staff during 2014/15.	<p>This CQUIN relates to:</p> <ul style="list-style-type: none"> • The number of patients undergoing an assessment in inpatient units and community services who are screened for smoking status / offered an intervention / followed up • The number of patients undergoing an assessment in community services who are screened for nutritional needs and offered appropriate interventions.

3.3.2 Priority 2 (patient safety): People experience safe care

Performance of Trust against selected measures:

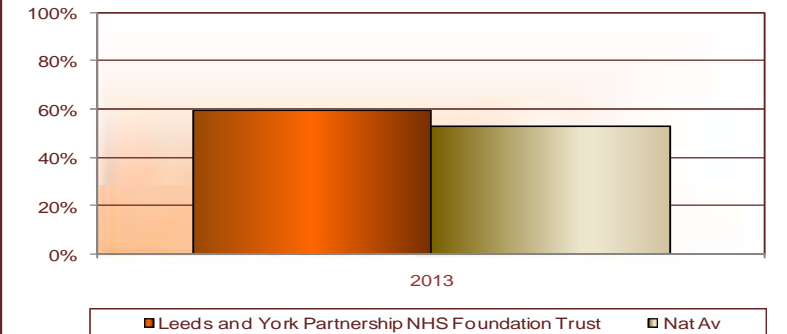
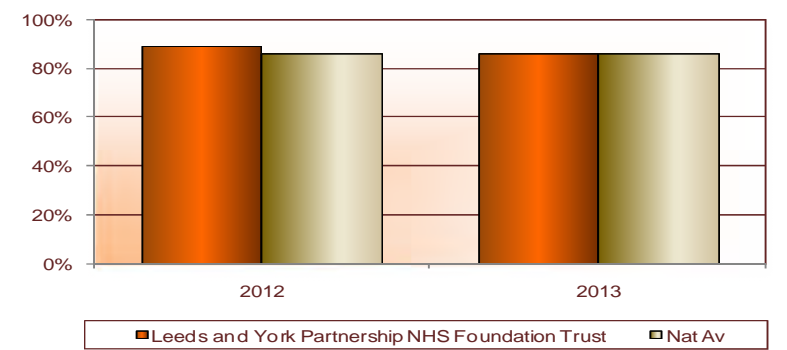
Measure	Source	Performance	Comments									
<p>People who use our services report that they experienced safe care</p>	<p>Strategy measure</p>	<div data-bbox="815 443 1581 887"> <p style="text-align: center;">People who use our services report that they experience safe care</p> <table border="1"> <caption>Data from the 2013 Mental Health Inpatient Service User Survey</caption> <thead> <tr> <th>Year</th> <th>Leeds and York Partnership NHS Foundation Trust</th> <th>Nat Av</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>80%</td> <td>82%</td> </tr> <tr> <td>2013</td> <td>82%</td> <td>82%</td> </tr> </tbody> </table> </div> <p style="text-align: center;">Results from the 2013 Mental Health Inpatient Service User Survey</p>	Year	Leeds and York Partnership NHS Foundation Trust	Nat Av	2012	80%	82%	2013	82%	82%	<p>Directorate Clinical Governance Inpatient Councils have been asked to review the inpatient survey finding in detail and describe how they will address relevant concerns raised by this survey.</p>
Year	Leeds and York Partnership NHS Foundation Trust	Nat Av										
2012	80%	82%										
2013	82%	82%										

Measure	Source	Performance	Comments																				
<p>Number of 'no harm' or 'low harm' incidents increases as % of total:</p> <ul style="list-style-type: none"> • % where 'no harm' has occurred (National Patient Safety Agency score 1) • % where 'low harm' has occurred (National Patient Safety Agency score 2). 	Strategy measure	<p>Number of 'no harm' or 'low harm' incidents increases as % of total</p>  <table border="1"> <caption>Number of 'no harm' or 'low harm' incidents increases as % of total</caption> <thead> <tr> <th>Year</th> <th>% where 'no harm' has occurred (NPSA score 1)</th> <th>% where 'low harm' has occurred (NPSA score 2)</th> </tr> </thead> <tbody> <tr> <td>2009/10</td> <td>63%</td> <td>30%</td> </tr> <tr> <td>2010/11</td> <td>65%</td> <td>30%</td> </tr> <tr> <td>2011/12</td> <td>63%</td> <td>32%</td> </tr> <tr> <td>2012/13</td> <td>75%</td> <td>22%</td> </tr> <tr> <td>2013/14</td> <td>70%</td> <td>25%</td> </tr> </tbody> </table> <p>(All service user incidents – inpatient and community)</p>	Year	% where 'no harm' has occurred (NPSA score 1)	% where 'low harm' has occurred (NPSA score 2)	2009/10	63%	30%	2010/11	65%	30%	2011/12	63%	32%	2012/13	75%	22%	2013/14	70%	25%	<p>We have a high level of reporting and a low degree of harm when incidents occur. A high rate of reporting indicates a mature safety culture. This maturity enhances openness and provides a truer reflection of current practice which allows for more robust action planning.</p>		
Year	% where 'no harm' has occurred (NPSA score 1)	% where 'low harm' has occurred (NPSA score 2)																					
2009/10	63%	30%																					
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Number of Trigger to Board Events	Strategy measure	<p>Trigger to Board Events</p>  <table border="1"> <caption>Trigger to Board Events</caption> <thead> <tr> <th>Year</th> <th>Service user suicide whilst an inpatient</th> <th>Medication Incident (Level 4)</th> <th>Non-completion of Patient Safety Alerts</th> <th>Female Catheter has been used to catheterise a male service user</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>1</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>2012/13</td> <td>4</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>2013/14</td> <td>2</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Year	Service user suicide whilst an inpatient	Medication Incident (Level 4)	Non-completion of Patient Safety Alerts	Female Catheter has been used to catheterise a male service user	2011/12	1	0	0	0	2012/13	4	0	0	0	2013/14	2	0	0	0	<p>The Trust maintains a high level of reporting where no harm has occurred. This demonstrates a mature, proactive and open patient safety culture.</p> <p>(Medical incidents level 4 relates to those incidents where medication has been prescribed, dispensed and administered and harm has been caused.)</p>
Year	Service user suicide whilst an inpatient	Medication Incident (Level 4)	Non-completion of Patient Safety Alerts	Female Catheter has been used to catheterise a male service user																			
2011/12	1	0	0	0																			
2012/13	4	0	0	0																			
2013/14	2	0	0	0																			

Measure	Source	Performance	Comments																																																				
<p>NHS Safety Thermometer: improve the collection of data in relation to pressure ulcers, falls, urinary tract infection in those with a catheter and venous thromboembolism (VTE).</p>	<p>Commissioning for Quality and Innovation measure</p>	<p>The data below highlights the number of service users recorded as having 'no harm'.</p>  <table border="1"> <caption>Percentage of harm free care</caption> <thead> <tr> <th>Month</th> <th>2012/13</th> <th>2013/14</th> <th>Nat Av 2013/14</th> </tr> </thead> <tbody> <tr><td>Apr</td><td>95%</td><td>98%</td><td>95%</td></tr> <tr><td>May</td><td>95%</td><td>98%</td><td>95%</td></tr> <tr><td>Jun</td><td>95%</td><td>98%</td><td>95%</td></tr> <tr><td>Jul</td><td>95%</td><td>98%</td><td>95%</td></tr> <tr><td>Aug</td><td>95%</td><td>98%</td><td>95%</td></tr> <tr><td>Sep</td><td>95%</td><td>98%</td><td>95%</td></tr> <tr><td>Oct</td><td>95%</td><td>98%</td><td>95%</td></tr> <tr><td>Nov</td><td>95%</td><td>98%</td><td>95%</td></tr> <tr><td>Dec</td><td>95%</td><td>98%</td><td>95%</td></tr> <tr><td>Jan</td><td>95%</td><td>98%</td><td>95%</td></tr> <tr><td>Feb</td><td>95%</td><td>98%</td><td>95%</td></tr> <tr><td>Mar</td><td>95%</td><td>98%</td><td>95%</td></tr> </tbody> </table>	Month	2012/13	2013/14	Nat Av 2013/14	Apr	95%	98%	95%	May	95%	98%	95%	Jun	95%	98%	95%	Jul	95%	98%	95%	Aug	95%	98%	95%	Sep	95%	98%	95%	Oct	95%	98%	95%	Nov	95%	98%	95%	Dec	95%	98%	95%	Jan	95%	98%	95%	Feb	95%	98%	95%	Mar	95%	98%	95%	<p>Processes have been put in place across all relevant services to enable the capture and reporting of this data.</p> <p>Data will continue to be collected and submitted to the Health and Social Care Information Centre on a monthly basis.</p> <p>(Throughout quarter 1 2012/13 we embedded a reporting process within our eligible services. Therefore, data was reported to the Health and Social Care Information Centre from quarter 2 2012/13 onwards.)</p>
Month	2012/13	2013/14	Nat Av 2013/14																																																				
Apr	95%	98%	95%																																																				
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<p>Learning Disability Community Services liaison with primary care to improve the quality and up take of annual health checks</p>	<p>Commissioning for Quality and Innovation measure</p>	<p>2014/15 will be the baseline year.</p>	<p>To implement the recommendations of the 2013/14 pilot of Liaison with primary care to improve the quality and up take of annual health checks.</p>																																																				
<p>Dementia: written communication of dementia diagnosis</p>	<p>Commissioning for Quality and Innovation measure</p>	<p>2014/15 will be the baseline year.</p>	<p>Incentivise the improvement of communication of dementia diagnosis and other outcomes with service users, family, carers and GPs. 'Other outcomes' includes diagnoses of other conditions, e.g. depression; mild cognitive impairment; and where there is no diagnosed condition identified following memory assessment.</p>																																																				

3.3.3 Priority 3 (patient experience): People have a positive experience of their care and support

Performance of Trust against selected measures:

Measure	Source	Performance	Comments									
<p>People who use our services report overall rating of care in the last 12 months as very good / excellent.</p>	<p>Strategy measure from the Mental Health Community Service User Survey</p>	<p style="text-align: center;">People who use our services report overall rating of care in last 12 months very good / excellent</p>  <table border="1" style="margin-top: 10px;"> <caption>Overall Rating of Care (2013)</caption> <thead> <tr> <th>Entity</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Leeds and York Partnership NHS Foundation Trust</td> <td>~60%</td> </tr> <tr> <td>Nat Av</td> <td>~55%</td> </tr> </tbody> </table> <p style="text-align: center;">255 service users responded to the 2013 National Community Service User Survey</p>	Entity	Percentage	Leeds and York Partnership NHS Foundation Trust	~60%	Nat Av	~55%	<p>The rating system for this measure has changed to a numerical scale of 0 (poor) to 10 (excellent). 2013 performance has been calculated using the rating on 8, 9 and 10.</p> <p>Directorate Clinical Governance Inpatient Councils have been asked to review the survey finding in detail and describe how they will address relevant concerns raised by this survey.</p>			
Entity	Percentage											
Leeds and York Partnership NHS Foundation Trust	~60%											
Nat Av	~55%											
<p>People who use our services report definitely treated with respect and dignity by staff providing care.</p>	<p>Strategy Measure from the Mental Health Community Service User Survey</p>	<p style="text-align: center;">People report being definitely treated with respect and dignity by staff providing care</p>  <table border="1" style="margin-top: 10px;"> <caption>Being Treated with Respect and Dignity</caption> <thead> <tr> <th>Year</th> <th>Leeds and York Partnership NHS Foundation Trust</th> <th>Nat Av</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>~88%</td> <td>~85%</td> </tr> <tr> <td>2013</td> <td>~85%</td> <td>~85%</td> </tr> </tbody> </table> <p style="text-align: center;">255 service users responded to the 2013 National Community Service User Survey</p>	Year	Leeds and York Partnership NHS Foundation Trust	Nat Av	2012	~88%	~85%	2013	~85%	~85%	<p>Directorate clinical governance inpatient councils have been asked to review the survey findings in detail and describe how they will address relevant concerns raised by this survey.</p>
Year	Leeds and York Partnership NHS Foundation Trust	Nat Av										
2012	~88%	~85%										
2013	~85%	~85%										

Measure	Source	Performance	Comments
Carers report that they are recognised, identified and valued for their caring role and treated with dignity and respect.	Strategy measure	Following the local carers' survey in 2012, a baseline of 49% was set.	A reviewed and updated carers' survey has recently been approved by the Clinical Outcome Group and by the Planning Care Group. This survey will be made available on the Trust's website and rolled out via the Carers Team in lieu of a comprehensive survey platform being procured for all surveys.
Mental health payments system	Commissioning for Quality and Innovation measure	Submission of an agreement with commissioners; a plan that scopes out the work to be undertaken with timeframes (quarterly milestones).	The purpose of the CQUIN is the implementation of a payments system for mental health.
Physical mental health and communication with GP	Commissioning for Quality and Innovation measure	2014/15 will be the baseline year.	Completion of a programme of local audit of communication with patients' GPs, focussing on patients' on CPA, demonstrating by quarter 4 that for 90% of patients audited, an up-to-date care plan has been shared with the GP including ICD codes for all primary and secondary mental and physical health diagnoses, medications prescribed and monitoring requirements, physical health condition and on-going monitoring and treatment needs.

3.4 MONITOR TARGETS

The table below shows our performance against Monitor targets. Progress against each of Monitor's targets is presented within our monthly Integrated Quality and Performance Report to the Executive Team and quarterly to the Board of Directors and Council of Governors.

Monitor Target	2013/14	Threshold																
Seven-day follow-up achieved: we must achieve 95% follow-up of all discharges under adult mental illness specialities on Care Programme Approach (CPA) (by phone or face-to-face contact) within seven days of discharge from psychiatric inpatient care.	<p>We have maintained a position of compliance throughout 2013/14.</p> <table border="1"> <thead> <tr> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> </thead> <tbody> <tr> <td>95.0%</td> <td>95.7%</td> <td>95.6%</td> <td>95.4%</td> </tr> </tbody> </table>	Qtr 1	Qtr 2	Qtr 3	Qtr 4	95.0%	95.7%	95.6%	95.4%	95%								
Qtr 1	Qtr 2	Qtr 3	Qtr 4															
95.0%	95.7%	95.6%	95.4%															
Care Programme Approach (CPA) patients having formal review within 12 months: we must ensure that at least 95% of adult mental health service users on Care Programme Approach (CPA) have had a formal review of their care within the last 12 months.	<p>We have maintained a position of compliance throughout 2013/14.</p> <table border="1"> <thead> <tr> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> </thead> <tbody> <tr> <td>96.3%</td> <td>96.0%</td> <td>96.1%</td> <td>96.0%</td> </tr> </tbody> </table>	Qtr 1	Qtr 2	Qtr 3	Qtr 4	96.3%	96.0%	96.1%	96.0%	95%								
Qtr 1	Qtr 2	Qtr 3	Qtr 4															
96.3%	96.0%	96.1%	96.0%															
<p>Minimising delayed transfers of care: we must achieve no more than 7.5% of delays across the year. The indicator is expressed as the number of delayed transfers of care per average occupied bed days.</p> <ul style="list-style-type: none"> The indicator (both numerator and denominator) only includes adults aged 18 and over The numerator is the number of patients (non-acute and acute, aged 18 and over) whose transfer of care was delayed averaged across the quarter. The average of the three-monthly 'sitrep' figures is used as the numerator The denominator is the average number of occupied beds (in the quarter, open overnight) A delayed transfer of care occurs when a patient is ready for transfer from a hospital bed, but is still occupying such a bed A patient is ready for transfer when: <ul style="list-style-type: none"> A clinical decision has been made that the patient is ready for transfer; AND A multi-disciplinary team decision has been made that the patient is ready for transfer; AND A decision has been made that the patient is safe to transfer. 	<p>We have maintained a position of compliance throughout 2013/14.</p> <table border="1"> <thead> <tr> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> </thead> <tbody> <tr> <td>3.61%</td> <td>3.99%</td> <td>4.23%</td> <td>4.8%</td> </tr> </tbody> </table> <p>The above table highlights the figures we reported on the Information Centre Portal.</p> <p>We have noted an error in our data that has led to us reporting overly negative performance. The corrected data is shown below. We have corrected the data and note that the correct performance data is :</p> <table border="1"> <thead> <tr> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> </thead> <tbody> <tr> <td>1.94%</td> <td>2.18%</td> <td>3.21%</td> <td>3.47%</td> </tr> </tbody> </table>	Qtr 1	Qtr 2	Qtr 3	Qtr 4	3.61%	3.99%	4.23%	4.8%	Qtr 1	Qtr 2	Qtr 3	Qtr 4	1.94%	2.18%	3.21%	3.47%	No more than 7.5%
Qtr 1	Qtr 2	Qtr 3	Qtr 4															
3.61%	3.99%	4.23%	4.8%															
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1.94%	2.18%	3.21%	3.47%															

Monitor Target	2013/14	Threshold																
<p>Access to crisis resolution: we must achieve 95% of adult hospital admissions to have been gate-kept by a crisis resolution team. The indicator is expressed as proportion of inpatient admissions gate-kept by the Crisis Resolution Home Treatment Team in the year ended 31 March 2014:</p> <ul style="list-style-type: none"> The indicator should be expressed as a percentage of all admissions to psychiatric inpatient wards Patients recalled on Community Treatment Order should be excluded from the indicator Patients transferred from another NHS hospital for psychiatric treatment should be excluded from the indicator Internal transfers of service users between wards in the trust for psychiatry treatment should be excluded from the indicator; Patients on leave under Section 17 of the Mental Health Act should be excluded from the indicator Planned admission for psychiatric care from specialist units such as eating disorder unit are excluded An admission should be reported as gatekept by a crisis resolution team where they have assessed* the service user before admission and if the Crisis Resolution Team were involved** in the decision-making process which resulted in an admission. <p>* An assessment should be recorded if there is direct contact between a member of the team and the referred patient, irrespective of the setting, and an assessment made. The assessment may be made via a phone conversation or by any face-to-face contact with the patient.</p> <p>** Involvement is defined by the Trust as the outcomes of the assessment, performed either at the hospital or via telephone.</p> <p>Where the admission is from out of the trust area and where the patient was seen by the local crisis team (out-of-area) and only admitted to this Trust because they had no available beds in the local areas, the admission should only be recorded as gate-kept if the CR team assure themselves that gate-keeping was carried out.</p>	<p>We have maintained a position of compliance throughout 2013/14. It should be noted that this target excludes service users dealt with by Assertive Outreach Teams from the indicator calculation. This is a category of service user with long standing and chronic mental health problems who do not react well to interaction and as such alternative and more extensive procedures are in place around these patients.</p> <p>Actual</p> <table border="1" data-bbox="724 598 1257 714"> <thead> <tr> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> </thead> <tbody> <tr> <td>96.8%</td> <td>96.4%</td> <td>97.6%</td> <td>98.3%</td> </tr> </tbody> </table> <p>The above table highlights the figures we reported on the Information Centre Portal</p> <p>Post audit (after the exclusion of out-of-area patients)</p> <table border="1" data-bbox="724 909 1257 1025"> <thead> <tr> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> </thead> <tbody> <tr> <td>96.0%</td> <td>95.64%</td> <td>97.8%</td> <td>95.3%</td> </tr> </tbody> </table> <p>The above table highlights the revised figures subject to the audit undertaken by PricewaterhouseCoopers.</p>	Qtr 1	Qtr 2	Qtr 3	Qtr 4	96.8%	96.4%	97.6%	98.3%	Qtr 1	Qtr 2	Qtr 3	Qtr 4	96.0%	95.64%	97.8%	95.3%	95%
Qtr 1	Qtr 2	Qtr 3	Qtr 4															
96.8%	96.4%	97.6%	98.3%															
Qtr 1	Qtr 2	Qtr 3	Qtr 4															
96.0%	95.64%	97.8%	95.3%															
<p>Data completeness - identifiers: we must ensure that 97% of our mental health service users have valid recordings of NHS number, date of birth, postcode, current gender, registered general practitioner organisational code and commissioner organisational code.</p>	<p>We have maintained a position of compliance throughout 2013/14.</p> <table border="1" data-bbox="724 1805 1257 1921"> <thead> <tr> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> </thead> <tbody> <tr> <td>99.8%</td> <td>99.8%</td> <td>99.8%</td> <td>98.9%</td> </tr> </tbody> </table>	Qtr 1	Qtr 2	Qtr 3	Qtr 4	99.8%	99.8%	99.8%	98.9%	97%								
Qtr 1	Qtr 2	Qtr 3	Qtr 4															
99.8%	99.8%	99.8%	98.9%															

Monitor Target	2013/14	Threshold								
Data completeness - outcomes: we must ensure that 50% of adult mental health service users on Care Programme Approach (CPA) have had at least one Health of the Nation Outcome Scale (HoNOS) assessment in the past 12 months along with valid recordings of employment and accommodation.	<p>We have maintained a position of compliance throughout 2013/14.</p> <table border="1" data-bbox="722 320 1252 443"> <thead> <tr> <th data-bbox="722 320 858 376">Qtr 1</th> <th data-bbox="858 320 994 376">Qtr 2</th> <th data-bbox="994 320 1129 376">Qtr 3</th> <th data-bbox="1129 320 1252 376">Qtr 4</th> </tr> </thead> <tbody> <tr> <td data-bbox="722 376 858 443">62.4%</td> <td data-bbox="858 376 994 443">56.9%</td> <td data-bbox="994 376 1129 443">57.7%</td> <td data-bbox="1129 376 1252 443">61.6%</td> </tr> </tbody> </table>	Qtr 1	Qtr 2	Qtr 3	Qtr 4	62.4%	56.9%	57.7%	61.6%	50%
Qtr 1	Qtr 2	Qtr 3	Qtr 4							
62.4%	56.9%	57.7%	61.6%							
Access to healthcare for people with a learning disability: We must self-certify on a quarterly basis whether we are meeting six criteria based on recommendations set out in Healthcare for All (2008) from 1-4 (with 4 being the highest score).	For the six recommendations, five have been assessed as a level 4 (the highest rating) and one at a level 3.	Not applicable as set out in the Compliance Framework 2012/13								
Meeting commitment to serve new psychosis cases by Early Intervention Teams. This target is only applicable to York and North Yorkshire services as early intervention is provided by Aspire within Leeds.	Data provided for year end 2013/14 demonstrates we have exceeded the contract target, with 50 new cases of psychosis supported by the Early Intervention Team.	95% of contract value (contract value is 34 new cases)								

ANNEX A – THIRD PARTY STATEMENTS

Leeds North Clinical Commissioning Group statement for Leeds and York Partnership NHS Foundation Trust's Quality Report 2013/14



Leeds North Clinical Commissioning Group

Leeds North CCG welcomes the opportunity to comment on Leeds and York Partnership foundation Trust's Quality Account for 2013-14. Leeds North CCG is providing the narrative on behalf of the three Leeds commissioning groups.

We have reviewed the account and believe that the information published in this Quality Account, that is also provided as part of the contractual agreement, is accurate. We have continued to work collaboratively and positively with the Trust and we continue to support the Trust's priorities for quality improvement.

In November 2013 the Government published its response to Sir Robert Francis's report into the events at Mid-Staffordshire hospital. This report, entitled Hard Truths, accepted the vast majority of Sir Robert's recommendations and confirmed the need to focus on high quality health care. It is crucial that commissioners and providers work together to ensure this.

We are therefore pleased to see that the Trust's priorities focus on the three main elements of quality, namely clinical effectiveness, patient safety and patient experience. In addition the Trust continues to use the values adopted in the NHS constitution. These principles are also used to guide the Trust in its direction of travel in the next five years to achieve its strategy.

The Trust continues to engage with service users and the public and we commend the 'Sharing Stories' initiative which will also contribute to addressing the stigma around mental health.

We are keen to see the development of the Integrated Care Pathways work in 2014-15 which the commissioners are supporting through a local quality incentive scheme. This work was initially started in 2012-13, but unfortunately has had delays due to a number of issues. We place a high emphasis on this work and will be closely monitoring its progress.

We are also pleased to see in the initiatives to be implemented in 2014-15 the wider use of outcome measures to better understand the effectiveness of services from the service user's point of view. This fits in with the commissioners' desire to move to a more outcome-based contract. The commissioners will work closely with LYPFT on this and review other outcome measures used in conjunction with the Clinically Recorded Outcome Measure and the Patient Recorded Outcome Measure.

We are pleased to see that the Trust acts on feedback from its service users. An example of this is reviewing the care pathways for younger adults, and we would ask that this includes a qualitative assessment of the experience of moving into adult services for this group of people, and in particular whether post transition service users remained within services that had been identified as appropriate. In addition the Trust has committed itself to further investigate the results from the National Community Mental Health User survey and to address the relevant concerns raised. We look forward to working with the Trust on their findings.

We welcome the environmental work to be carried out at Parkside Lodge to improve the facilities for people who use those services, especially with the emphasis on privacy and dignity. We are also aware that a similar scheme was to be carried out at the Mount last year for the dementia units and so an update on this scheme would have been useful.

We welcome the initiative to continually monitor quality and raise its profile through the quality visits that are to be introduced. The emphasis on these being clinically led and having an emphasis on learning and reflection is to be congratulated. As commissioners of the service, we have also requested the

opportunity to visit services and speak to staff and service users. We are in the process of organising this with the Trust.

The Trust has also demonstrated a wide range of audits, both national and local as well as an update on compliance with NICE guidance. Putting the learning from all this work into practice will enhance services and we will monitor this through our regular meetings with the Trust. We note however, that there is no update on the NICE guidance for dementia, particularly with regard to training for staff. We are aware that training has been delivered to staff since the reorganisation of the community teams, but a statement on this progress would have been helpful. A general update on the progress of the transformation of services and how teams are adapting/bedding in and how any problems are being addressed would also have been helpful.

We believe that we have a highly positive relationship with the Trust and look forward to further developing this in the pursuit of high quality mental health services for the people of Leeds. We are in agreement with the priorities for the next five years and will continue to work in close partnership to ensure their success.

Vale of York Clinical Commissioning Group statement for Leeds and York Partnership NHS Foundation Trust's Quality Report 2013/14



I believe this to be a true and accurate statement of accounts in relation to the quality of care demonstrated by Leeds and York Partnership NHS Foundation Trust in 2013/14.

Within the Vale of York Clinical Commissioning Group we are committed to high quality, harm free care and local services that offer patients choice, dignity and respect and align with high quality impact and outcome based care.

Going forward into 2014/15 the Vale of York Clinical Commissioning Group will work closely with Leeds and York Partnership NHS Foundation Trust to ensure that quality initiatives detailed within this account for 2014/15 succeed and enable increased high quality improvement in our local services for local patients

We should never forget the tragic events as detailed by the Francis Report and Winterbourne View Reports and together we should do our utmost to ensure that patients are treated with respect and dignity and with as high quality of care that can be afforded.

I am delighted to approve these accounts on behalf of the Vale of York Clinical Commissioning Group

Lucy Botting

Chief Nurse/ Director of Quality



The South Yorkshire and Bassetlaw Area Team note the contents of this report and emphasise that commissioners continue to work with LYPFT collaboratively to improve and enhance quality within the specialised services.

The CQUINs for these specialised services are developed by the relevant Clinical Reference Groups nationally and the implementation of these in services is seeing positive outcomes for all.

There is recognition that learning from adult secure services ie the implementation of 'My Shared Pathway' has been shared across other parts of the organisation and this is seen as positive.

Overview and Scrutiny Committee (Yorkshire and the Humber) statement for Leeds and York Partnership NHS Foundation Trust's Quality Report 2013/14

Comments were requested from the Overview and Scrutiny Committee but unfortunately no formal comments were received within the required timescales for inclusion within the Quality Report.

These comments are based on the assumption that we (Healthwatch) are required to express views about Quality Accounts from the patient/customer perspective. Specifically:

1. Is the Account written in plain English and the content understandable to as many people as possible?
2. Does the Account reflect the priorities of the local population?
3. Does the Account demonstrate that patients/customers and the general public have been involved in its production?
4. Is there evidence in the Account of patient/customer consultation in respect of service design and delivery?

1. Is the Account written in plain English and the content understandable to as many people as possible?

Quality Accounts are expected to include information about all aspects of the organisation's work – philosophy, aspirations, strategy and operational activity. To detail all of this in a way which is able to be understood by most people is not an easy task. We feel that this Quality Account manages to do this effectively, apart from the use of acronyms which if used then a Glossary of terms would be useful to provide further clarity and understanding. Throughout the document the language is clear and straightforward without ever being simplistic or compromising the need to provide detailed information. It would be good practice if a version of this report was in Easy Read.

2. Does the Account reflect the priorities of the local population?

It would be better if the Trust could ensure that the Quality Account was sent to Healthwatch Leeds in a timely manner so more pertinent and in -depth feedback can be collated.

We don't feel that we can comment in detail on whether or not the work being undertaken by Leeds and York Partnership Foundation Trust reflects the priorities of people in Leeds and York. Healthwatch would need to consult more widely perhaps during the course of next year to be able to give a view about this.

A summary of surveys detailing who was surveyed, gender mix, ethnic makeup would provide a better insight into whether people have been properly consulted.

It also seems reasonable to assume that people want the local provider of services for people with learning difficulties or a mental health to be innovative and effective. The detail of this Quality Account suggests that Leeds and York Partnership Foundation Trust also meets this criteria. There are numerous references to service initiatives and the performance data suggests that whilst on the whole Leeds and York Partnership Foundation Trust is an effective organisation. A couple of aspects could be looked at:

- i) Why have services that help people achieve goals decreased since 2012?
- ii) Why has respect and dignity of people by staff who provide their care fallen since 2012.

3. Does the Account demonstrate that patients/customers and the general public have been involved in its production?

It is not clear if patients/customers and the general public have been involved in the production of this Quality Account. Although it is clear that patients/customers have been involved in consultation about service delivery (see next section) – it is not the not the same thing.

Healthwatch Leeds having the opportunity to comment on the style and presentation of the Account is only in part involving the public.

4. Is there evidence in the Account of patient/customer consultation in respect of service design and delivery?

There is evidence of patient/customer involvement in service design and delivery in various parts of the report. For example, in the section on initiatives to be implemented during 2014/2015 the Quality Account states that "Following feedback from younger adults we will review our information and care pathways during 2014/2015 to ensure services are accessible to the needs of this age group."

Also, in the section dealing with the Performance of the Trust against selected measures a number of the measures relate to the experiences of people (including carers) who have used Leeds and York Partnership Foundation Trust services.

Many new baselines for the Trust's overarching priorities have been re-defined as a result of changes in 2012/13....a quarterly progress report to HW Leeds would be very useful and would allow timely feedback, suggestions and opportunity to discern any unusual trends sooner than later.

Conclusion

The Quality Account suggests that Leeds and York Partnership Foundation Trust is keen to introduce new initiatives in its attempt to meet the needs/identified outcomes of the people who use its services. Also the information in the performance measures section of the Quality Account indicates that Leeds and York Partnership Foundation Trust is performing at a good level, in reference to national averages.

Healthwatch York statement for Leeds and York Partnership NHS Foundation Trust's Quality Report 2013/14



Healthwatch York welcomed the opportunity to review and provide feedback on the Trust's Quality Report and particularly appreciated Trust staff presenting the Draft Report in person to a group of Healthwatch York volunteers and staff.

We found the report was comprehensive and clearly presented. Where jargon and acronyms were used, these were explained helpfully.

We are pleased to see the progress the Trust is making towards achieving the priorities set out in their five year strategic plan.

In particular Healthwatch York has welcomed the opening of the place of safety in York, which will considerably improve the experience of people in the area who are detained with apparent mental health problems.

Healthwatch York looks forward to continuing to work with the Trust during the coming year to improve the experiences of local people who use mental health services.

Healthwatch North Yorkshire statement for Leeds and York Partnership NHS Foundation Trust's Quality Report 2013/14



Healthwatch North Yorkshire acknowledges the intentions of Leeds and York Partnership Foundation Trust to improve the health and wellbeing of mental health and learning disability service users and/or patients. Although we have not been able to review this document thoroughly enough, we recognise that 'there is no health without mental health', and to this end Healthwatch North Yorkshire is very keen to work in partnership with Leeds and York Partnership Foundation Trust as a critical friend by supporting the Trust to engage widely with service users and the general public in order to ensure that the views and experiences of local citizens and communities contribute significantly to helping the trust deliver on its 3 identified priorities for improvement.

ANNEX B – 2013/14 STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE QUALITY REPORT

The directors are required under the Health Act 2009 and the National Health Service Quality Accounts Regulations to prepare Quality Accounts for each financial year.

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

In preparing the quality report, directors are required to take steps to satisfy themselves that:

- The content of the quality report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2013/14;
- The content of the quality report is not inconsistent with internal and external sources of information including:
 - Board minutes and papers for the period April 2013 to March 2014
 - Papers relating to Quality reported to the Board over the period April 2013 to March 2014
 - Feedback from the commissioners dated 6 May 2014
 - Feedback from the governors dated 25 April 2014
 - Feedback from Local Healthwatch organisations dated 29 April 2014 and 6 May 2014
 - The trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated April 2014 to March 2014 (via the Integrated Quality and Performance Report)
 - The latest national patient survey 2013
 - The latest national staff survey 2013
 - The Head of Internal Audit's annual opinion over the trust's control environment dated May 2014
 - CQC Intelligent Monitoring Report dated April 2013 to March 2014;
- The Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered;
- The performance information reported in the Quality Report is reliable and accurate;
- There are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- The data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and the Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations) (published at www.monitor-nhsft.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the Quality Report (available at www.monitor-nhsft.gov.uk/annualreportingmanual)).

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

By order of the Board



Chair
22 May 2014



Chief Executive
22 May 2014

ANNEX C – INDEPENDENT AUDITOR’S LIMITED ASSURANCE REPORT TO THE COUNCIL OF GOVERNORS OF LEEDS AND YORK PARTNERSHIP NHS FOUNDATION TRUST ON THE ANNUAL QUALITY REPORT

We have been engaged by the Council of Governors of Leeds and York Partnership NHS Foundation Trust to perform an independent assurance engagement in respect of Leeds and York Partnership NHS Foundation Trust’s Quality Report for the year ended 31 March 2014 (the ‘Quality Report’) and specified performance indicators contained therein.

Scope and subject matter

The indicators for the year needed 31 March 2014 in the Quality Report that have been subject to limited assurance (the ‘specified indicators’) consist of the following national priority indicators as mandated by Monitor:

Specified Indicators	Specified indicator criteria
Crises resolution Home Treatment	This is included on P137 of the Quality Report, under Monitor Targets
Minimising delayed transfers of care	This is included on P137 of the Quality Report under Monitor Targets

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the Quality Report in accordance with the specified indicator criteria referred as highlighted in the table above (the ‘Criteria’). The directors are also responsible for the conformity of the Criteria with the assessment criteria set out in the NHS Foundation Trust Annual Reporting Manual (‘FT ARM’) and the ‘Detailed requirements for quality reports 2013/14’ issued by the Independent Regulator of NHS Foundation Trusts (‘Monitor’).

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

- The Quality Report does not incorporate the matters required to be reported on as specified in annex 2 to Chapter 7 of the FT ARM and the ‘Detailed requirements for quality reports 2013/14’
- The Quality Report is not consistent in all material respects with the sources specified below and
- The specified indicators have not been prepared in all material respects in accordance with the Criteria and the six dimensions of data quality set out in the ‘2013/14 Detailed guidance for external assurance on quality reports’.

We read the Quality Report and consider whether it addresses the content requirements of the FT ARM, and consider the implications for our report if we become aware of any material omissions.

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

- Board minutes for the period April 2013 to the date of signing this limited assurance report (the period)
- Papers relating to quality reported to the Board over the period April 2013 to the date of signing this limited assurance report
- Feedback from the Commissioners Leeds North Clinical Commissioning Group dated 6 May 2013, NHS England dated 8 May 2014, and Vale of York Clinical Commissioning Group dated 21 April 2014 Feedback from local Healthwatch organisations, Healthwatch North Yorkshire dated 6 May 2014, Health watch York dated 2 May 2014, and Healthwatch Leeds dated 2 May 2014
- The Trust’s complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, as included in the monthly Integrated Quality and Performance reports to the Board
- The *latest* national patient survey dated 2013
- The *latest* national staff survey dated 2013
- Care Quality Commission quality and risk profiles dates April, June, July, August, November, December February and March

- The Head of Internal Audit's annual opinion over the Trust's control environment presented to the Audit Committee 19 May 2014.

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

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of Leeds and York Partnership NHS Foundation Trust as a body, to assist the Council of Governors in reporting Leeds and York Partnership NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2014, to enable the Council of Governors to demonstrate they have discharged the governance responsibilities by commission an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the council of Governors as a body and Leeds and York Partnership NHS Foundation Trust for our work or this report save where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

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

- Reviewing the content of the Quality report against the requirements of the FT ARM and 'Detailed requirements for quality reports 2013'
- Reviewing the Quality Report for consistency against the documents specified above
- Obtaining an understanding of the design and operation of the controls in place in relation to the collation and reporting of the specified indicators, including controls over third party information (if applicable) and performing walkthroughs to confirm our understanding
- Based on our understanding, assessing the risks that the performance against the specified indicators may be materially misstated and determining the nature, timing and extent of further procedures
- Making enquiries of relevant management, personal and, where relevant, third parties
- Considering significant judgements made by the NHS Foundation Trust in preparation of the specified indicators
- Performing limited testing on a selective basis of evidence supporting the reported performance indicators, and assessing the related disclosures
- Reading documents.

A limited assurance engagement is less in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

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

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision therefore, may change over time. It is important to read the Quality Report in the context of the assessment criteria set out in the FT ARM and the Criteria referred to above.

The nature, form and content required of Quality Reports are determined by Monitor. This may result in the omission of information relevant to other users, for example for the purpose of comparing the result of different NHS Foundation Trusts.

In addition, the scope of our assurance work has not included governance over quality or non-mandated indicators in the Quality Report, which have been determined locally by Leeds and York Partnerships NHS Foundation Trust.

Basis for Adverse Conclusion – Delay Transfers of Care

Application of indicator criteria

In calculation of the delay days Monitor's definition requires three criteria to be met before a delay period starts. Our work highlighted that for those patients attending York hospitals the delay period starts when only one of the three criteria has been met. This has resulted in a reported delay period longer than would be under the correct application of Monitor's criteria.

Unsupported delay start dates

We identified a number of instances where the date at which a delay period commenced could not be validated by reference to supporting documentation with the patient notes for patients of York hospitals. The error rate has exceeded our tolerable exception rate.

Conclusion (including adverse conclusion on Delayed Transfers of Care)

In our opinion, because of the significance of the matters described in the Basis for Adverse Conclusion paragraph, the Delayed Transfers of Care indicator has not been prepared in all material respects in accordance with the criteria.

Based on the results of our procedures, nothing else has come to our attention that causes us to believe that for the year ended 31 March 2014:

- The Quality Report does not incorporate the matters required to be reported on as specified in Annex 2 to Chapter 7 of the FT ARM and the 'Detailed requirements for quality report 2013/14'
- The Quality Report is not consistent in all material respect with the documents specified above
- The Crisis Resolution Home Treatment indicator has not been prepared in all material respect in accordance with the Criteria and the six dimensions of data quality set out in the '2013/14 Detailed guidance for external assurance on quality reports'



PricewaterhouseCoopers LLP

Chartered Accountants
Leeds

Dated: 23 May 2014

The maintenance and integrity of Leeds and York Partnership NHS Foundation Trust's website is the responsibility of the directors; the work carried out by the assurance providers does not involve consideration of these matters and, accordingly, the assurance provider accept no responsibility for any changes that may have occurred to the reported performance indicators or criteria since they were initially presented on the website.

PART C
ANNUAL ACCOUNTS
2013/14

1.1 STATEMENT OF THE DIRECTORS' RESPONSIBILITIES

The directors are required under the NHS Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure of the Trust for that period. In preparing these accounts the directors are required to:

- Apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury
- Make judgments and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosures and explained in the accounts.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the accounts comply with the requirements outlined in the above-mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that to the best of their knowledge and belief they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy.



Chris Butler
Chief Executive

Date: 22 May 2014



Dawn Hanwell
Chief Financial Officer

Date: 22 May 2014

1.2 INDEPENDENT AUDITORS' REPORT TO THE COUNCIL OF GOVERNORS OF LEEDS AND YORK PARTNERSHIP NHS FOUNDATION TRUST

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- Give a true and fair view of the state of the NHS Foundation Trust's affairs as at 31 March 2014 and of its income and expenditure and cash flows for the year then ended; and
- Have been prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2013/14.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Leeds and York Partnership NHS Foundation Trust, comprise:

- The Statement of Financial Position as at 31 March 2014;
- The Statement of Comprehensive Income for the year then ended;
- The Statement of Cash Flows for the year then ended;
- The Statement of Changes in Taxpayers' Equity for the year then ended; and
- The notes to the financial statements which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is the NHS Foundation Trust Annual Reporting Manual 2013/14 issued by the Independent Regulator of NHS Foundation Trusts ('Monitor').

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant account estimates. In making such estimates they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ('ISAs (UK & Ireland)'). An audit involves obtaining evidence about the amounts and disclosures in the financial statement sufficient to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. This includes an assessment of:

- Whether the accounting policies are appropriate to the NHS Foundation Trust's circumstances and have been consistently applied and adequately disclosed;
- The reasonableness of significant estimates made by the directors ; and
- The overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinions on other matters prescribed by the Audit Code for NHS Foundation Trusts

In our opinion:

- The information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
 - The part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2013/14.
-

Other matters on which we are required to report by exception

The Audit Code for NHS Foundation Trusts requires us to report to you if we have qualified, on any aspect, our opinion on the Quality Report. We have expressed an adverse conclusion on the 'Minimising Delayed Transfers of Care' indicator. As a result our certificate in this report is qualified in this respect.

We have nothing to report in respect of the following matters where the audit Code for NHS Foundation Trust requires us to report to you if:

- In our opinion the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2013/14 or is misleading or inconsistent with information of which we are aware from our audit. We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls;
- We have not been able to satisfy ourselves that the NHS Foundation Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view in accordance with the NHS Foundation Trust Reporting Manual 2013/14.

Our responsibility is to audit and express an opinion on the financial statements in accordance with the National Health Service Act 2006, the Audit Code for NHS Foundation Trusts issued by Monitor and ISAs (UK & Ireland). Those standards require us to comply with the auditing Practices Board's Ethical Standards for Auditors.

This report including the opinion has been prepared for and only for the council of governors of Leeds and York Partnership NHS Foundation Trust in accordance with paragraph 24 of Schedule 7 of the National Health Service Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Qualified Certificate

We have expressed an adverse conclusion on the Quality Report in relation to the performance indicator 'Minimising Delayed Transfers of Care'. Our limited assurance report on the Quality Report is unqualified in all other respects.

We certify that we have completed the audit of the financial statements in accordance with the requirements of Chapter 5 of Part 2 to the national Health Service Act 23006 and the Audit Code for NHS Foundation Trusts issued by Monitor.



Ian Looker (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

23 May 2014

- (a) The maintenance and integrity of the Leeds and York Partnership NHS Foundation Trust website is the responsibility of the directors; and the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- (b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

1.3 ANNUAL ACCOUNTS

FOREWORD TO THE ACCOUNTS

LEEDS AND YORK PARTNERSHIP NHS FOUNDATION TRUST

Leeds and York Partnership NHS Foundation Trust ('Trust') is required to "keep accounts in such form as Monitor (The Independent Regulator for NHS Foundation Trusts) may with the approval of Treasury direct" (Paragraph 24 (1) Schedule 7 of the National Health Service Act 2006 ('the 2006 Act')). The Trust is required to "prepare in respect of each financial year annual accounts in such form as Monitor may with the approval of the Treasury direct" (Paragraph 25 (1) Schedule 7 to the 2006 Act). In preparing their annual accounts, the Trust must comply with any directions given by Monitor, with the approval of the Treasury, as to the methods and principles according to which the accounts are to be prepared and the information to be given in the accounts (Paragraph 25 (2) Schedule 7 to the 2006 Act). In determining the form and content of the annual accounts Monitor must aim to ensure that the accounts present a true and fair view (Paragraph 25 (3) Schedule 7 to the 2006 Act).



Chris Butler
Chief Executive

Date: 22 May 2014

STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Operating income	3 & 4	179,946	180,170
Operating expenses	5	(166,591)	(171,804)
OPERATING SURPLUS		13,355	8,366
FINANCE COSTS			
Finance income	10	141	501
Finance expense - financial liabilities	12	(4,296)	(4,248)
Finance expense - unwinding of discount on provisions	25	(39)	(46)
PDC dividend payable		(208)	(304)
NET FINANCE COSTS		(4,402)	(4,097)
Surplus from operations		8,953	4,269
Surplus/(deficit) of discontinued operations and the gain/(loss) on disposal of discontinued operations			
SURPLUS FOR THE YEAR		8,953	4,269
Other comprehensive income			
Items that will not be reclassified to income or expenditure:			
Revaluation gains and impairment losses on intangible assets		38	53
Revaluation gains and impairment losses property, plant and equipment		1,037	399
Items that may be subsequently reclassified to income or expenditure:			
Gain from transfer by modified absorption from demised bodies		267	
Other comprehensive income for the year		1,342	452
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		10,295	4,721

The notes on pages 163 to 191 form part of this account.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014

	Note	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Non-current assets			
Intangible assets	13	325	282
Property, plant and equipment	14	51,533	51,775
Trade and other receivables	17	2,993	2,677
Total non-current assets		54,851	54,734
Current assets			
Inventories	16	72	72
Trade and other receivables	17	8,818	5,855
Non-current assets for sale	19		729
Cash and cash equivalents	18	37,530	31,716
Total current assets		46,420	38,372
Current liabilities			
Trade and other payables	20	(14,119)	(16,838)
Borrowings	21	(1,513)	(1,377)
Provisions	25	(2,883)	(1,220)
Other liabilities	22	(1,846)	(2,627)
Total current liabilities		(20,361)	(22,062)
Total assets less current liabilities		80,910	71,044
Non-current liabilities			
Borrowings	21	(29,339)	(30,852)
Provisions	25	(2,633)	(1,549)
Other liabilities	22		
Total non-current liabilities		(31,972)	(32,401)
Total assets employed		48,938	38,643
Financed by (taxpayers' equity)			
Public dividend capital		19,119	19,119
Revaluation reserve		7,389	6,948
Other reserves		(651)	(651)
Income and expenditure reserve		23,081	13,227
Total taxpayers' equity		48,938	38,643

The notes on pages 163 to 191 form part of this account.

The accounts on pages 159 to 191 were approved by the Board on 22 May 2014 and signed on its behalf by:



Chris Butler
Chief Executive

Date: 22 May 2014

STATEMENT OF CHANGE IN TAXPAYERS' EQUITY

2013/14

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY	Public Dividend Capital £000	Revaluation Reserve £000	Other Reserves £000	Income and Expenditure Reserve £000	Taxpayers Equity Total £000
Taxpayers' equity at 1 April 2013	19,119	6,948	(651)	13,227	38,643
Transfers by MODIFIED absorption: Gains/(losses) on 1 April transfers from demising bodies.				267	267
Surplus for the year				8,953	8,953
Revaluation gains and impairment losses on intangible assets		38			38
Revaluation gains and impairment losses property, plant and equipment		1,037			1,037
Public dividend capital repaid					
Transfers to the income and expenditure account in respect of assets disposed of			(460)	460	
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve			(174)	174	
Movement in year subtotal		441		9,854	10,295
Taxpayers' equity at 31 March 2014	19,119	7,389	(651)	23,081	48,938

2012/13

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY	Public Dividend Capital £000	Revaluation Reserve £000	Other Reserves £000	Income and Expenditure Reserve £000	Taxpayers Equity Total £000
Taxpayers' equity at 1 April 2012	19,119	6,549	(651)	8,905	33,922
Surplus/(deficit) for the year				4,269	4,269
Revaluation gains and impairment losses on intangible assets		53			53
Revaluation and impairment losses property, plant and equipment		399			399
Public dividend capital repaid					
Transfers to the income and expenditure account in respect of assets disposed of			(43)	43	
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve			(10)	10	
Movement in year subtotal		399		4,322	4,721
Taxpayers' equity at 31 March 2013	19,119	6,948	(651)	13,227	38,643

Description of Reserves:

a) Public dividend capital represents in substance, the Secretary of State for Health's 'equity' investment in the Trust. When the Trust's predecessor NHS Trust was established, the amount of PDC provided to it equated to the initial net assets of the Trust. The PDC balance is usually a constant amount but can change occasionally where the Trust receives additional PDC (usually to fund capital investment) or is asked to repay an element to the Secretary of State.

b) The revaluation reserve is used to record revaluation gains / losses and impairment reversals on property, plant and equipment that are recognised in other comprehensive income. An annual transfer is made from the reserve to retained earnings of amounts representing the excess of current cost depreciation over historic cost depreciation for each item of PPE. When an asset is sold or otherwise disposed of any remaining revaluation reserve balance for the asset is transferred to Retained Earnings. The balance in the reserve is wholly in respect of property, plant and equipment.

c) Other reserves relates to the write-off of an asset which was included in the original NHS Trust's asset base at inception.

d) The Trust's surplus or deficit for the year is recognised in the Income and Expenditure Reserve, together with any other gain or loss for the financial year that is not recognised in any other reserve.

The notes on pages 163 to 191 form part of this account.

STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
	Note	
Cash flows from operating activities		
Operating surplus from continuing operations		8,366
		13,355
Operating surplus		8,366
Non-cash income and expense:		
Depreciation and amortisation	5	3,672
Impairments and reversals	14	870
(Increase)/decrease in trade and other receivables	17	264
(Increase)/decrease in inventories	16	1
Increase/(decrease) in trade and other payables	20	1,853
Increase/(decrease) in other liabilities	22	(330)
Increase/(decrease) in provisions	25	915
(Increase)/decrease in other assets	19	
Other movements in operating cash flows		1
NET CASH GENERATED FROM OPERATIONS		15,612
Cash flows from investing activities		
Interest received	10	470
Purchase of intangible assets	13	(4)
Purchase of property, plant and equipment	14	(2,289)
Sales of property, plant and equipment		238
Net cash used in investing activities		(1,585)
Adjustment for net assets de-recognised on merger		
Cash flows from financing activities		
Public dividend capital repaid		(177)
Capital element of finance lease rental payments	21	(214)
Capital element of private finance initiative obligations	21	(1,066)
Interest element of finance lease	12	(334)
Interest element of private finance Initiative obligations	12	(3,907)
PDC dividend paid		(323)
Cash flows from (used in) other financing activities		(1)
Net cash used in financing activities		(5,807)
Increase/(decrease) in cash and cash equivalents		8,220
Cash and Cash equivalents at 1 April		23,497
Cash and Cash equivalents at 31 March		31,716

Reconciliation of Statement of Financial Position to working balances adjustment in Cash Flow	2013/14 £000s	2012/13 £000s
(Increase)/decrease in receivables as per SOFP	(3,279)	214
Adjustments for receivables movements not related to I&E:		
Increase/(decrease) in capital receivables		50
Financing transactions	(126)	
Absorption transfers	2	
(Increase)/decrease in receivables adjusted for non-I&E items	(3,403)	264
Increase/(decrease) in payables per SOFP	(2,730)	1,743
Adjustments for payables movements not related to I&E:		
(Increase)/decrease in capital payables	406	124
Financing transactions	(69)	(14)
Increase/(decrease) in payables adjusted for non-I&E items	(2,393)	1,853
Increase/(decrease) in Other Liabilities per SOFP	(770)	330
Adjustments for Other Liabilities movements not related to I&E:		
Increase/(decrease) in Other Liabilities adjusted for non-I&E items	(770)	330
Increase/(decrease) in provisions per SOFP	2,747	961
Adjustments for provisions movements:		
Unwinding of discount on provisions	(39)	(46)
Increase/(decrease) in provisions for non I&E items	2,708	915
Opening capital payables	(783)	(907)
Closing capital payables	(377)	(783)
Change in capital payables in-year	406	124

The notes on pages 163 to 191 form part of this account.

NOTES TO THE ACCOUNTS

The principal activity of the Trust is to provide excellent quality mental health and learning disability care that supports people to achieve the very best that they can for their health and wellbeing. The Trust's registered address is 2150 Century Way, Thorpe Park, Leeds LS15 8ZB.

1 Accounting policies

Monitor has directed that the accounts of NHS Foundation Trusts shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual (FT ARM), which shall be agreed with HM Treasury. Consequently, the following accounts have been prepared in accordance with the 2013/14 NHS Foundation Trust ARM issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS), in accordance with EU endorsed IFRS and IFRIC, and HM Treasury's Financial Reporting Manual (FRM) to the extent that they are meaningful and appropriate to NHS Foundation Trusts. The accounting policies have been applied consistently, other than where new policies have been adopted, in dealing with items considered material in relation to the accounts.

In accordance with IAS1, the accounts are prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS foundation trust without the transfer of the services to another entity, or has no realistic alternative but to do so.

Where management are aware of material uncertainties in respect of events or conditions that cast significant doubt upon the going concern ability of the NHS foundation trust, these have been disclosed.

1.1 Accounting convention

The accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and intangible assets. For specialised operational property the modern equivalent asset valuation method has been used.

1.2 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

1.3 Income recognition

Income is accounted for by applying the accruals convention. The main source of income for Leeds and York Partnership NHS Foundation Trust is from commissioners in respect of healthcare services provided under local agreements (NHS Contracts). Where income is received for a specific activity, which is to be delivered in the following financial year, that income is deferred. Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

1.4 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 accounts to the extent that employees are permitted to carry-forward leave into the following year.

1.5 Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions.

The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would allow NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

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

In order that the defined benefit obligations recognised in the accounts do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FRM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

Notes to the accounts - 1. Accounting policies (continued)

1.5 Pension costs (continued)

a) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2004. Consequently, a formal actuarial valuation would have been due for the year ending 31 March 2008. However, formal actuarial valuations for unfunded public service schemes have been suspended by HM Treasury on value for money grounds while consideration is given to recent changes to public service pensions, and while future scheme terms are developed as part of the reforms to public service pension provision due in 2015. Employer and employee contribution rates are currently being determined under the new scheme design.

The Scheme Regulations were changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

Employers and employee contribution rates may be varied from time to time, on the advice of the scheme actuary, to reflect changes in the scheme's liabilities. In 2013/14 employee contributions ranged from 5% to 13.3% with plans to carry out further consultation on employee contribution rises in 2014/15. Employer contributions will rise from 14% to 14.3% from 1 April 2015.

The next formal valuation to be used for funding purposes will be carried out at as at March 2012 and will be used to inform the contribution rates to be used from 1 April 2015.

b) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes.

The valuation of the scheme liability as at 31 March 2014, is based on valuation data as at 31 March 2013, updated to 31 March 2014 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS19, relevant FReM interpretations and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office. These accounts will also include information on principle actuarial assumptions used and a reconciliation of the present value of the pension obligation between the beginning and the end of the year for the plan as a whole. This information is not included in these accounts due to the timing of production.

c) Scheme provisions

In 2013-14 the NHS Pension Scheme provided defined benefits, which are summarised below. The list is an illustrative guide only, and is not intended to detail all the benefits provided by the scheme or the specific conditions that must be met before these benefits can be obtained:

Annual Pensions

The scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Further changes to the NHS Pension scheme come into effect from 1 April 2015. These changes mean the scheme will be based on average salary rather than final salary with an accrual rate of 1/54th.

Pensions Indexation

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and were based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI).

Notes to the accounts - 1. Accounting policies (continued)

1.5 Pension costs (continued)

Ill-health retirement

Early payment of a pension, with enhancement in certain circumstances, is available to members of the Scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity.

Death benefits

A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

Additional voluntary contributions (AVCs)

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

Transfer between funds

Scheme members have the option to transfer their pension between the NHS Pension Scheme and another scheme when they move into or out of NHS employment.

Preserved benefits

Where a scheme member ceases NHS employment with more than two years service, they can preserve their accrued NHS pension for payment when they reach retirement age.

Compensation for early retirement

Where a member of the Scheme is made redundant they may be entitled to early receipt of their pension plus enhancement, at the employer's cost.

1.5.1 Alternative pension scheme

From 1 August 2013 (deferred to 1 October 2013), Leeds and York Partnership NHS Foundation Trust offers an alternative pension scheme to all employees who are not eligible to be members of the NHS pension scheme at the Trust. This includes employees who are members of the NHS pension scheme through another role outside of the Trust and those that are not eligible to join the NHS pension scheme.

Every three years all eligible employees are auto-enrolled in either the NHS or alternative pension scheme. The auto-enrolment exercise was carried out in October 2013 and following this process, all employees who meet the criteria for the alternative pension scheme are enrolled each month on a continuous basis, unless they specifically opt out.

The alternative pension scheme is a defined contribution scheme operated by the National Employment Savings Trust (NEST). Employee and employer contribution rates are both currently 1% (a combined minimum of 2%). From October 2017 the combined contribution rate will increase to 5% (with a minimum 2% being contributed by the Trust) and from October 2018 the combined contribution rate will be 8% (with a minimum 3% being contributed by the Trust).

1.6 Expenditure on goods and services

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

1.6.1 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
 - it is probable that future economic benefits will flow to, or service potential will be supplied to, the Leeds and York Partnership 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 if any of the following apply:
- the item has cost of at least £5,000;
 - collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
 - items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

The finance costs of bringing property, plant and equipment into use are not capitalised.

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

Any lease which does not meet the requirements of IAS 17 are assumed to be operating leases.

Notes to the accounts - 1. Accounting policies (continued)

1.6.2 Measurement

Valuation

All property, plant and equipment are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land and buildings used for the Trust's 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. In accordance with IFRS and NHS policy, a full revaluation is performed at least every five years, with an interim revaluation in the third year after the full revaluation. An impairment review is undertaken in all other years. The Trust believes that this is sufficiently regular to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost based on providing a modern equivalent
- Non-operational land and buildings – fair value based on alternative use.

Professional valuations are carried out by the District Valuers of the Revenue and Customs Government Department. These valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. A valuation was last undertaken as at 31 March 2014 and in the current year the assets were reviewed for impairment using the Modern Equivalent Asset method as appropriate.

Plant and equipment assets were last indexed using the latest available Consumer Price Indices (CPI), being for February 2014, as issued by the Office for National Statistics.

1.6.3 Subsequent expenditure

Expenditure after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the Statement of Comprehensive Income in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits or service potential expected to be obtained from the use of an item of property, plant and equipment, and where the cost can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement. The carrying amount of the part replaced is de-recognised.

1.6.4 Depreciation

Items of property, plant and equipment are depreciated, using the straight line method, 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 indefinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

The useful economic lives of property, plant and equipment are estimated by Leeds and York Partnership NHS Foundation Trust as follows:

Plant and machinery

- | | |
|---|----------|
| • Short life engineering plant and equipment | 5 years |
| • Medium life engineering plant and equipment | 10 years |
| • Long life engineering plant and equipment | 15 years |
| • Short life medical and other equipment | 5 years |
| • Medium life medical equipment | 10 years |
| • Long life medical equipment | 15 years |

Transport

- | | |
|------------|---------|
| • Vehicles | 7 years |
|------------|---------|

Furniture and fittings

- | | |
|-------------|----------|
| • Furniture | 10 years |
|-------------|----------|

Information technology

- | | |
|-----------------------------------|---------|
| • Office and IT equipment | 5 years |
| • Mainframe type IT installations | 8 years |

Buildings, installations and fittings are depreciated on their current value over the estimated remaining life of the asset as assessed by the Trust's professional independent valuers. The assessed lives of the individual building elements vary from a minimum of 5 years to a maximum of 188 years. Leaseholds are depreciated over the primary lease term.

Equipment is depreciated on current cost evenly over the estimated life of the asset.

Notes to the accounts - 1. Accounting policies (continued)

1.6.4 Depreciation (continued)

The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from it. This period is specific to the foundation trust and may be shorter than the physical life of the asset itself.

Assets held under finance leases (including leased land) are depreciated over the shorter of their estimated useful economic lives or the lease period. Where the Trust will, or is reasonably certain to, acquire ownership of the asset at the end of the lease, the asset is depreciated over its useful economic life.

Property, plant and equipment that has been reclassified as 'held for sale' ceases to be depreciated following reclassification.

Assets in the course of construction are not depreciated until the asset is brought into use.

Estimated useful lives and residual values are reviewed each year end, with the effects of any changes recognised on a prospective basis.

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

At the end of each reporting period, a transfer is made from the revaluation reserve to the income and expenditure reserve, in respect of the difference between the depreciation expense on the revalued asset and the depreciation expense based on the assets historic cost carrying value.

1.6.5 Revaluation and Impairment

Increases in asset values arising from revaluations are taken to the revaluation reserve except where, and to the extent they, reverse an impairment for the same asset previously recognised in operating expenses. In this case they are recognised in operating income.

Impairments, that arise from a loss of economic benefit or service potential, are charged to operating expenses in the period that they occur. At the period end, a transfer is made from the revaluation reserve to the income and expenditure reserve for the amount of the impairment (or the remaining balance in the revaluation reserve relating to the asset if this is a lower

Decreases in asset values and all other impairments are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter, are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of "other comprehensive income".

At each reporting period end, the Trust checks whether there is any indication that any of its property, plant or equipment has suffered an impairment loss. If there is an indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount.

1.6.6 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

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

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Fair value is open market value including alternative uses. 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. The non-current assets held for sale are identified in note 19.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset in the revaluation reserve is transferred to the income and expenditure reserve.

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.

Notes to the accounts - 1. Accounting policies (continued)

1.7 Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial position' by the Trust. The underlying assets are recognised as property, plant and equipment at their fair value. An equivalent financial liability is recognised in accordance with IAS 17.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- a) Payment for the fair value of services received (including lifecycle costs);
- b) Payment for the PFI asset, comprising finance costs and the repayment of the liability; and
- c) Operating lease for the land

a) Services received

The fair value of service received in the year is recorded under the relevant expenditure heading within operating expenses. Leeds and York Partnership NHS Foundation Trust has adopted the approach that we incur the lifecycle costs evenly over the contract period as part of the unitary payment. This is due to the nature of the costs involved.

b) PFI assets and finance costs

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at cost to the PFI Provider but then revalued to "fair value" by the District Valuer in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS 16.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to "finance costs" within the Statement of Comprehensive Income. Contingent rent due to inflationary increases in the unitary payment is also included in the finance cost.

The minimum lease payments of the finance lease component are split between the repayment of the liability and a finance cost so as to produce a constant rate of finance over the life of the lease. The finance cost for each year is then calculated by applying this finance rate to the opening lease liability for the financial year. The finance cost is recognised in 'finance costs' in the Statement of Comprehensive Income.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as part of the PFI Operating Expenses in the Statement of Comprehensive Income.

c) Operating lease for the Land

The land that the PFI building is built on, is classified as an operating lease in accordance with IAS 17.

Assets contributed by the Trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trusts Statement of Financial Position.

Other assets contributed by the Trust to the operator

Assets contributed, eg cash payments and surplus property, by the Trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

Leeds and York Partnership NHS Foundation Trust did make an initial 'bullet' payment of cash upfront of £5.4m. This was off set against the initial liability (based on the fair value cost of the building less the £5.4m).

Notes to the accounts - 1. Accounting policies (continued)

1.8 Intangible Assets

1.8.1 Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. The Trust holds software licences as Intangible assets. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably. Where internally generated assets are held for service potential, this involves a direct contribution to the delivery of services to the public.

Purchased computer software licences are capitalised as intangible non-current assets where expenditure of at least £5,000 is incurred. They are amortised over the shorter of the term of the licence and their useful economic lives, currently between 3 and 10 years depending on the software licence.

1.8.2 Internally generated intangible assets

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

Expenditure on research is not capitalised.

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

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

1.8.3 Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management. Subsequent intangible assets are measured at fair value. Revaluation gains and losses and impairments are treated in the same manner as for property, plant and equipment, see notes 1.6.2 and 1.6.5.

1.8.4 Amortisation

Intangible assets are amortised on a straight line basis over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Amortisation is recognised in the Statement of Comprehensive Income.

1.9 Inventories

Inventories are valued at the lower of cost and net realisable value, using the first in - first out cost formula. Inventories are identified in note 16. The Trust's inventories do not include drugs, but comprise stationery, oil and other work stores.

1.10 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, balances with banks and investments in banks. Cash and bank balances are recorded at the current values of these balances in the Trust's cash book. These balances exclude monies held in the Leeds and York Partnership NHS Foundation Trust's bank account belonging to patients (see "third party assets" below). Interest earned on bank accounts is recorded as "interest receivable" in the period to which it relates. Bank charges are recorded as operating expenditure in the periods to which they relate.

1.11 Provisions

Leeds and York Partnership NHS Foundation Trust provides for present legal or constructive obligations that are of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rate in real terms. The discount rate for early retirement and injury benefit provisions (both use the HM Treasury's pension discount rate) is 1.8% (2.35% in 2012/13) in real terms. The discount rate for other provisions from 2013/14 varies depending on the timing of the liability from -1.9% (up to 5 years), -0.65% (5 - 10 years) and 2.2% over 10 years (in 2012/13 the rates were -1.8%, -1.0% and 2.2% respectively).

Notes to the accounts - 1. Accounting policies (continued)

1.11 Provisions (continued)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party; the receivable is recorded as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Clinical negligence costs

From 1 April 2000, the NHS Litigation Authority (NHSLA) took over full financial responsibility for all Existing Liabilities Scheme (ELS) cases unsettled at that date and from 1 April 2002 all Clinical Negligence Scheme for Trusts (CNST) cases. Provisions for these are included in the accounts of the NHSLA. Although the NHSLA is administratively responsible for all cases from 1 April 2000, the legal liability remains with the Trust.

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the NHS Foundation Trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims. Leeds and York Partnership NHS Foundation Trust does not include any amounts in its accounts relating to these cases. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 25.

Non-clinical risk pooling

Leeds and York Partnership NHS Foundation Trust participates in the Property Expenses Scheme (PES) and the Liabilities to Third Parties Scheme (LTPS). Both are risk pooling schemes under which the Trust pays an annual contribution to the NHSLA and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises; these are the only amounts included in the accounts of the Leeds and York Partnership NHS Foundation Trust.

1.12 Contingencies

Contingent assets, ie 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 in note 26 where an inflow of economic benefits is probable.

Contingent liabilities are provided for where a transfer of economic benefits is possible. Otherwise, they are not recognised, but are disclosed in note 26 unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control, or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.13 Value added tax (VAT)

Most of the activities of Leeds and York Partnership 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.

1.14 Corporation tax

Leeds and York Partnership 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. There is a power for HM Treasury to disapply the exemption in relation to specified activities of a Foundation Trust (s519A (3) to (8) ICTA 1988). Accordingly, the Trust is potentially within the scope of corporation tax in respect of activities which are not related to, or ancillary to, the provision of healthcare. Until the exemption is disappplied, the foundation trust has no corporation tax liability.

Notes to the accounts - 1. Accounting policies (continued)

1.15 Foreign exchange

The functional and presentational currency of the Trust is sterling.

Transactions that are denominated in a foreign currency are converted into sterling at the exchange rate ruling on the date of each transaction. Gains and losses that result are taken to the Statement of Comprehensive Income.

1.16 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since Leeds and York Partnership NHS Foundation Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts, note 29, in accordance with the requirements of the HM Treasury FReM.

1.17 Leases

Finance leases

Where substantially all the risks and rewards of ownership of a leased asset are borne by Leeds and York Partnership NHS Foundation Trust, the asset is recorded as property, plant and equipment and a corresponding liability is also 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 by the interest rate implicit in the lease. The implicit rate is that which discounts the minimum lease payments and any unguaranteed residual interest to the fair value of the asset at the inception of the lease.

The asset and liability are recognised as property, plant and equipment at the inception of the lease and de-recognised when the liability is discharged, cancelled or expires.

The annual rental is split between the repayment of the liability and a finance cost so as to produce a constant rate of finance over the life of the lease. The finance cost for each financial year is calculated by applying this finance rate to the opening lease liability for the financial year. The finance cost is recognised in the Statement of Comprehensive Income.

Contingent rentals are recognised as an expense in the period in which they are incurred. The 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. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings

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

1.18 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 original NHS Trust.

HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the cost of capital utilised by Leeds and York Partnership NHS Foundation Trust, is paid over 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 Trust. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for donated assets and the average daily balance of cash held with the Government Banking Service, the National Loans Fund and PDC receivable/payable. Average relevant net assets are calculated as a simple mean of opening and closing relevant net assets.

In accordance with the requirements laid down by the Secretary of State (as the issuer of PDC) the dividend for the year is calculated on the actual average relevant net assets as set out in the pre-audit version of the accounts. The dividend is not revised should any adjustment to net assets occur as a result of the audit of the accounts.

Notes to the accounts - 1. Accounting policies (continued)

1.19 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 trust's not been bearing their own risks (with any insurance premiums being included as normal revenue expenditure). Note 31 is compiled directly from the losses and special payments register which is prepared, as per the FT ARM, on an accruals basis (with the exception of provisions for future losses).

1.20 Financial Instruments and financial liabilities

Recognition

Financial assets and financial liabilities which arise from contracts for the purchase and sale of non-financial items (such as goods or services), which are entered into in accordance with Leeds and York Partnership NHS Foundation Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs ie, when receipt or delivery of the goods or services is made.

Financial assets and financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policies for leases.

All other financial assets and financial liabilities are recognised when Leeds and York Partnership NHS Foundation Trust becomes a party to the contractual provisions of the instrument.

Derecognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or Leeds and York Partnership NHS Foundation Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and Measurement

Financial assets are categorised as 'loans and receivables' and 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, and are included in current assets.

Leeds and York Partnership NHS Foundation Trust's loans and receivables comprise: current investments, cash at bank and in hand, 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, the 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.

Other financial liabilities

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, the estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability. They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities. Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Impairment of financial assets

At the Statement of Financial Position date, Leeds and York Partnership 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 asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the income and expenditure account and the carrying amount of the asset is reduced through the use of a bad debt provision.

Notes to the accounts - 1. Accounting policies (continued)

1.21 Accounting standards that have been issued but have not yet been adopted

a) IASB standard and IFRIC interpretations

Under paragraph 30 of IAS 8, entities need to disclose any new IFRSs that are issued but not yet effective and that are likely to impact the entity.

The following accounting standards have been issued but have not yet been adopted. The Trust cannot adopt new standards unless they have been adopted in the FT ARM issued by Monitor. The FT ARM generally does not adopt an international standard until it has been endorsed by the European Union for use by listed companies. In some cases, the standards may be interpreted in the FT ARM and therefore may not be adopted in their original form. The analysis below describes the anticipated timetable for implementation and the likely impact on the assumption that no interpretations are applied in the FT ARM.

IFRS 9, 'Financial instruments' – classification and measurement

This standard replaces IAS 39, 'Financial instruments: recognition and measurement'. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortised cost.

The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. For liabilities, the standard retains most of the requirements of IAS 39. Effective date of 2017/18, but not yet endorsed by the EU

IFRS 10, 'Consolidated financial statements'

This standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included in the consolidated accounts. It may impact the entities which are consolidated. Standard is expected to be effective in 2014/15.

IFRS 11, 'Joint arrangements'

This standard provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form.

There are two types of joint arrangement: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed. Standard has an effective date of 2014/15.

IFRS 12, 'Disclosures of interests in other entities'

This standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. Effective date of 2014/15 but not yet adopted by the EU.

Amendments to IFRS 10, 11 and 12 on transition guidance

These amendments provide additional transition relief in IFRSs 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period.

For disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before IFRS 12 is first applied. The amendments are expected to become effective in line with the relevant standard.

IAS 27 (revised 2011), 'Separate financial statements'

This standard includes the provisions on separate accounts that are left after the control provisions of IAS 27 have been included within the new IFRS 10. The impact on Leeds and York Partnership NHS Foundation Trust is the requirement to consolidate Charitable Funds into the Trusts accounts from 2013/14 (as per Note 1.25 and Note 33).

IAS 28 (revised 2011), 'Associates and joint ventures'

This standard includes the requirements for associates and joint ventures that have to be equity accounted following the issue of IFRS 11. Effective date of 2014/15 but not yet adopted by the EU.

Amendment to IAS 32, 'Financial instruments: Presentation', on offsetting financial assets and financial liabilities

This amendment updates the application guidance in IAS 32, 'Financial instruments: Presentation', to clarify some of the requirements for offsetting financial assets and financial liabilities in the Statement of Financial Position. Amendment is expected to be effective in 2014/15.

Notes to the accounts - 1. Accounting policies (continued)

1.21 Accounting standards that have been issued but have not yet been adopted (continued)

Amendments to IAS 36, 'Impairment of assets'

These amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. Amendments are expected to be effective in 2014/15.

Amendment to IAS 19 regarding defined benefit plans

This narrow scope amendment applies to contributions from employees or third parties to defined benefit plans, and aims to simplify the accounting for contributions that are independent of the number of years of employee service. Amendment is effective from 01 July 2014.

b) Government Financial Reporting Manual (FReM) changes

In preparing the FT ARM, Monitor must take account of the requirements of the Government FReM issued by HM Treasury. In some cases, where there is a compelling reason, HM Treasury may grant permission for Monitor not to adopt a change to the FReM in the FT ARM.

c) Other changes

From 2013/14 the exemption applicable to NHS FTs from consolidating NHS charitable funds that they control has been removed from the FT ARM. The effect on Leeds and York Partnership NHS Foundation Trust is the need to consider whether charitable fund income, expenditure, assets, liabilities and reserves should be consolidated within the Trusts main accounts. Income and expenditure between the Trust and the charitable fund would be eliminated on consolidation. The outcome of this is detailed in note 1.25 - Charitable Funds below.

1.22 Accounting standards issued that have been adopted early by Leeds and York Partnership NHS Foundation Trust

No new accounting standards or revisions to existing standards have been early-adopted in 2013/14.

1.23 Critical accounting judgements and key sources of estimation uncertainty

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

1.24 Private Patient Income cap

Previously, NHS Foundation Trusts were required to disclose private patient income where this exceeded the amount specified in the FT ARM. This disclosure is no longer required.

1.25 Charitable Funds

Under IAS 27 (revised) Leeds and York Partnership NHS Foundation Trust is required to consolidate any Charitable Funds that meet the definition of a subsidiary contained in the standard. HM Treasury has previously granted dispensation to NHS FT organisations in this respect, however this dispensation ended in 2013/14. Leeds and York Partnership NHS Foundation Trust has therefore considered the need to consolidate Charitable Funds within the main Trust accounts and concluded, although the Trust continues to meet the criteria within the accounting standard, the value of the Charitable Fund is not material and will not therefore be consolidated within the Trusts main accounts.

IAS 27 (revised) also requires specific disclosures to be included in the accounts. The dispensation previously granted did not include the requirement for appropriate disclosure and consequently note 33 - Charitable Funds, has and continues to be included in the Trusts accounts in compliance with these disclosure requirements.

2 Operating segments

Leeds and York Partnership NHS Foundation Trust provides mental health and learning disability services across the cities of Leeds and York and parts of North Yorkshire, to over 1.8 million people.

The majority of Trust income (by value) is on a block basis. The Trust contracted with Leeds Clinical Commissioning Groups (CCGs) for 51% of its income (54% in 2012/13 NHS Leeds) and North Yorkshire CCGs for 16% (19% NHS North Yorkshire and York in 2012/13) of its income. The Trust also had contracts with NHS England, Health Education England and the Local Authority for the provision of clinical services and education training services.

Three operating segments are reported below. The operating segments include Leeds Services and North Yorkshire and York (NYY) Services. There is also an additional hosted services segment which includes the Commercial Procurement Collaborative (CPC), Research and Development, the Care Pathways and Packages Project and the Northern School of Child and Adolescent Psychotherapy.

The reportable segments are those used by the Trust's Board and management (the 'Chief Operating Decision Maker' as defined in IFRS 8 Operating Segments) to run the business and are based on the directorate level split of the mental healthcare services offered. Segment information is presented on the same basis as that used for internal reporting purposes. The surplus or deficit for each segment is used to inform the Board of Directors on performance and to assist in negotiations with commissioners on the cost and resources needed to maintain services at a level consistent with the need of the population.

Further detail of each directorate can be found in the Annual Report of the Trust.

	Leeds		York and North Yorkshire		Hosted Services		Total	
	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Income by segment								
Income from activities	121,420	117,872	38,775	37,141	-	-	160,195	155,013
Other operating income	9,480	12,994	2,043	2,655	7,231	7,444	18,755	23,093
TOTAL INCOME	130,900	130,866	40,819	39,796	7,231	7,444	178,950	178,106
TOTAL EXPENDITURE	(117,407)	(118,893)	(40,871)	(38,669)	(7,316)	(7,636)	(165,594)	(165,198)
EBITDA	13,493	11,974	(53)	1,127	(85)	(193)	13,355	12,908
Non Operating Income and Expenditure Total	(4,338)	(8,606)	(54)		(10)	(33)	(4,402)	(8,639)
Surplus/(Deficit) from continuing operations	9,155	3,367	(107)	1,127	(95)	(226)	8,953	4,269

a) Income includes £162m (£167m in 2012/13) from NHS organisations (primarily £95m from Leeds CCGs and £30m from York CCGs).

b) Expenditure includes employee expenses £124,402k (£126,695k in 2012/13), premises £8,965k (£7,012k in 2012/13), depreciation and amortisation £3,663k (£3,672k in 2012/13) and establishment £3,523k (£5,515k in 2012/13).

c) In the 2012/13 comparative figures some items of expenditure (depreciation, non-current asset impairment, reversal of impairments, profit/loss on disposal) were included in operating expenses in the accounts but as non-operating expenses in the segmental analysis. For 2013/14 all items of expenditure are included in the same categories in the segmental analysis as in the accounts.

d) Gains on disposal and the reversal of impairments (£996k) is included in the non-operating income and expenditure total (£2,064k in 2012/13) for segmental reporting in order to include EBITDA. In notes 4 and 5 these items are included as other operating income and expenditure as required.

3 Revenue from patient care activities

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
NHS Trusts	53	16
Clinical Commissioning Groups and NHS England (prior year PCT's)	147,414	144,581
Foundation Trusts	208	201
Strategic Health Authorities (prior year only)		1,496
Local Authorities	4,312	1,283
NHS other		13
Non-NHS:		
Income for social care clients	7,433	7,410
Other	775	13
Total revenue from patient care activities	160,195	155,013

Leeds and York Partnership NHS Foundation Trust participates in a pooled budget arrangement with Leeds CCGs and Leeds City Council as a provider of services.

As a provider of healthcare services, Leeds and York Partnership NHS Foundation Trust does not make contributions to the pool, but receives funding from the pool to provide some of its services for people with learning disabilities.

All income from patient care activities is classed as commissioner requested services (CRS).

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
4 Other operating revenue		
Research and development	1,021	2,111
Education and training	4,054	3,909
Non-patient care services to other bodies	2,349	4,722
Other income:		
Inter NHS Foundation Trust	1,991	1,985
Inter NHS Trust	1,534	1,728
Inter RAB	3,905	6,071
Inter Other WGA bodies	193	35
Other (outside WGA)	3,452	2,109
Gain on disposal of assets held for sale	108	7
Gain on disposal of other tangible fixed assets	2	
Reversal of impairments of property, plant and equipment	883	2,057
Reversal of impairments of intangible assets	3	
Income in respect of staff costs where accounted on gross basis	256	423
Total Other Operating Revenue	19,751	25,157
	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
5 Operating expenses		
Services from Foundation Trusts	532	682
Services from other NHS Trusts	836	719
Services from CCGs and NHS England (prior year PCT's)	47	736
Services from other NHS bodies		13
Purchase of healthcare from non NHS bodies	2,729	4,115
Employee expenses - Executive Directors	870	809
Employee expenses - Non Executive Directors' costs	189	178
Employee expenses - Staff	123,532	125,886
Drugs costs	2,664	2,477
Supplies and services - clinical (excluding drugs)	1,600	1,908
Supplies and services - general	1,817	1,427
Establishment	3,467	5,515
Research and development	1,170	1,939
Transport (business travel only)	1,550	
Transport	786	1,064
Premises	6,629	7,012
Increase/(decrease) in provision for impairment of receivables	45	20
Change in provisions discount rate(s)	71	
Rentals under operating leases - minimum lease payments	2,462	2,715
Depreciation on property, plant and equipment	3,568	3,591
Amortisation of intangible assets	95	81
Impairments of property, plant and equipment	632	2,858
Impairments of intangible assets		16
Impairments of assets held for sale		53
Audit fees - statutory audit and regulatory reporting	68	66
Other audit fees	23	45
Clinical negligence	197	228
Loss on disposal of intangible fixed assets		2
Loss on disposal of other property plant and equipment	11	6
Consultancy services	212	541
Patient's travel	30	42
Redundancy	182	906
Early retirement	33	63
Insurance	164	109
Losses, ex-gratia and special payments	76	5
Other	10,304	5,977
Total operating expenses	166,591	171,804

Rentals under operating leases are disclosed separately from 2012/13. These were previously included as establishment, supplies and services or premises costs.

£2,729k of expenditure categorised as purchase of healthcare from non NHS bodies relates to payments to private sector healthcare providers, (£4,115k in 2012/13).

Other expenditure and rentals under operating leases includes £6,322k (£5,961k and £361k respectively) in relation to PFI costs (£6,113k in 2012/13). These are primarily monthly service charge payments to the operators of the two PFI schemes to which Leeds and York Partnership NHS Foundation Trust is party (see note 24).

Details of the Directors' remuneration can be found in section 5 of the Annual Report.

In 2012/13 establishment costs included business travel expenses, which are now separately categorised under transport (business travel only).

5.1 Auditors remuneration

The Council of Governors appointed PricewaterhouseCoopers LLP (PwC) as external auditors of the Foundation Trust for the five year period commencing 1 June 2009. The statutory and regulatory audit fees were £56k (2012/13 £55k) excluding value added tax. This was the fee for an audit in accordance with the Audit Code issued by Monitor in March 2011.

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Financial Audit	47	46
Quality Accounts	9	9
Charitable Funds Independent Examination		3
Other non-audit services	23	45
Total	79	102

The external auditors' liability is limited to £1m, excluding death or personal injury caused by that persons negligence, that persons fraud or anything else that cannot by law be limited.

6 Operating leases

6.1 As lessee

35% (by value) of the leasing arrangements are made up of rental of the land under the PFI Schemes/finance leases. The contract end dates for 'Equitix' and 'Revival' properties are July 2028 and August 2019 respectively. Other leases are for buildings, vehicles and other equipment.

The Revival properties are for the land at two community units, Millside and Towngate House, for inpatient and day care for adults with severe mental illness together with a base for a Community Mental Health Team. The scheme started in September 1998 and is contracted to end in September 2019. The contract includes a break clause, which needs to be invoked by 31 May 2014 for a 31 May 2015 exit. At the end of the contract the Trust has an option to renew for 10 years.

The Equitix contract is for the seven mental health units, Becklin Centre, Newsam Centre, The Mount, Asket Croft, Asket House, Parkside Lodge and Little Woodhouse Hall, providing a comprehensive range of mental health services. The first unit opened in December 2001 and the last unit opened in February 2003. The contract end date is July 2028.

Other building leases include a 15 year lease on Trust headquarters at Thorpe Park (the break clause in the current lease has been activated and a new 5 year lease agreed from June 2014) and other non specialised properties used for clinical purposes. Vehicle leases are for cars supplied to qualifying staff under a vehicle lease scheme. Other equipment leases are mainly for photocopy equipment in the various Trust properties.

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Payments recognised as an expense		
Minimum lease payments	2,462	2,715
Sub-lease payments		
	2,462	2,715
Total future minimum lease payments		
	2014	2013
	£000	£000
Payable:		
Not later than one year	2,356	2,643
Between one and five years	4,189	5,081
After 5 years	4,165	4,347
Total	10,710	12,071

7 Employee costs and numbers

7.1 Employee costs	Year Ended 31 March 2014			Year Ended 31 March 2013		
	Total	Permanently Employed	Other	Total	Permanently Employed	Other
	£000	£000	£000	£000	£000	£000
Salaries and wages	99,732	95,211	4,521	101,672	95,394	6,278
Social security costs	7,551	7,551		7,726	7,726	
Employer contributions to NHS pension scheme	12,469	12,469		12,311	12,311	
Agency/Contract staff	5,278		5,278	5,208		5,208
Employee benefits expense	125,030	115,231	9,799	126,917	115,431	11,486

There were no employee benefits paid in the year ended 2013/14 (£nil in 2012/13)

In addition to the above:

Charged to capital		
Recharged income	(628)	(222)
Total employee costs	124,402	126,695

Full details of the Directors' remuneration can be found in section 5 of the Annual Report, of which a summarised version is given below.

The disclosures required under the Hutton report can also be found in section 5 of the Annual Report.

	Year ended	
	31 March 2014	Year ended 31 March 2013
	£000	£000
Directors' remuneration		
Aggregate emoluments to Executive Directors	750	727
Remuneration of Non-Executive Directors	189	168
Pension cost	99	95
	1,038	990

Remuneration of non-executive directors include Mental Health Act Managers £72k (£53k in 2012/13).

7.2 Monthly average number of people employed (wte)	Year Ended 31 March 2014			Year Ended 31 March 2013		
	Total	Permanently Employed	Other	Total	Permanently Employed	Other
	Number	Number	Number	Number	Number	Number
Medical and dental	209	206	3	218	213	5
Administration and estates	602	588	14	619	607	12
Healthcare assistants and other support staff	261	261		284	284	
Nursing, midwifery and health visiting staff	1,454	1,454		1,437	1,437	
Scientific, therapeutic and technical staff	415	394	21	404	377	27
Social care staff	13		13	15		15
Other includes agency, contract and bank	229		229	254		254
Total	3,183	2,903	280	3,231	2,918	313

7.3 Staff exit packages

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by
Exit package cost band			
Less than £10,000	2 (2)	13 (4)	15 (6)
£10,001 - £25,000	3 (4)	0 (4)	3 (8)
£25,001 - £50,000	0 (4)	0 (2)	0 (6)
£50,001 - £100,000	2 (6)	2 (6)	4 (12)
£100,001 - £150,000	0 (2)	0 (0)	0 (2)
£150,001 - £200,000	0 (0)	0 (0)	0 (0)
Total number of exit packages by type	7 (18)	15 (16)	22 (34)
Total resource cost (£000)	182 (906)	142 (557)	324 (1,463)

Figures in brackets relate to 2012/13.

The above reporting requirements cover the total costs of exits agreed in the year. They include payments under the Civil Service Compensation Scheme (CSCS), payments under any other compensation schemes where applicable, eg other NDPBs, and any other payments made (special severance payments).

Exit packages for Board members are included above with further detail in the Directors Remuneration Report. There were no exit packages for Board members in 2013/14 (0 in 2012/13).

7. Employee costs and numbers (continued)

7.4 Non compulsory (other departures agreed)

	Agreements (Number of)	Total value of agreements £000
Early retirements in the efficiency of the service - contractual costs	2	95
Non-contractual payments requiring HMT approval	13	47
Total	15	142
Of which:		
non-contractual payments made to individuals where the payment value was more than 12 months of their annual salary		

As a single exit package can be made up of several components, each of which will be counted separately in this note, the total number above may not necessarily match the total numbers in note 7.3 (staff exit packages), which will be the number of individuals.

Non-contractual payments requiring HMT approval includes any non-contractual severance payment made following judicial mediation, and 12 (£45,787) relating to non-contractual payments in lieu of notice.

The Remuneration Report provides details of exit payments payable to individuals named in that report.

8 Retirements due to ill-health

During 2013/14 there were 5 (6 in 2012/13) early retirements from the Trust agreed on the grounds of ill-health. The estimated additional pension liability of this ill-health retirement will be £366k (£518k in 2012/13). The cost of this ill-health retirement will be borne by the NHS Business Services Authority - Pensions Division.

9 Better Payment Practice Code

	Year Ended 31 March 2014		Year Ended 31 March 2013	
	Number	£000	Number	£000
Total Non-NHS trade invoices paid in the year	21,330	40,201	22,217	40,363
Total Non-NHS trade invoices paid within target	20,057	38,029	20,204	36,333
Percentage of Non-NHS trade invoices paid within target	94%	95%	91%	90%
Total NHS trade invoices paid in the year	1,475	11,803	1,321	11,541
Total NHS trade invoices paid within target	1,120	10,093	1,066	11,256
Percentage of NHS trade invoices paid within target	76%	86%	81%	98%

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

10 Finance Income

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Bank accounts	141	501
Total	141	501

This figure includes accrued interest of £2k (2012/13 £38k)

11 Other gains and losses

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Loss on disposal of intangible assets		(2)
Gain on disposal of property, plant and equipment	110	1
Loss on disposal of property, plant and equipment	(11)	
Total	99	(1)

12 Finance Costs

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Interest on obligations under finance leases	314	333
Interest on obligations under PFI contracts:		
- main finance cost	2,372	2,462
- contingent finance cost	1,609	1,453
Other interest expense	1	
Total	4,296	4,248

13 Intangible assets

2013/14:	Computer software - purchased	£000	2012/13:	Computer software - purchased	£000
Gross valuation at 1 April 2013		334	Gross valuation at 1 April 2012		384
Additions purchased		97	Additions purchased		4
Disposals other than by sale			Disposals other than by sale		(8)
Reclassifications			Reclassifications		
Revaluation/indexation		(67)	Revaluation/indexation		(46)
Gross valuation at 31 March 2014		364	Gross valuation at 31 March 2013		334
Accumulated amortisation at 1 April 2013		52	Accumulated amortisation at 1 April 2012		28
Disposals other than by sale			Disposals other than by sale		(6)
Revaluation		(105)	Revaluation		(67)
Impairments		(3)	Impairments		16
Charged during the year		95	Charged during the year		81
Accumulated amortisation at 31 March 2014		39	Accumulated amortisation at 31 March 2013		52
Net book value			Net book value		
Purchased		325	Purchased		282
Total at 31 March 2014		325	Total at 31 March 2013		282

Purchased computer software licences are capitalised as intangible fixed assets where expenditure of at least £5k is incurred. They are amortised over the shorter of the term of the licence and their useful economic lives, currently between 3 and 10 years depending on the software licence. The remaining economic life is assessed each year.

Quotations were sought in 2013/14 for the software licences and this led to a reverse impairment of £3k (impairment of £16k in 2012/13).

14 **Property, plant and equipment**

	Land	Buildings excluding dwellings	Assets under construct and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
2013/14:	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2013	3,255	46,107	558	834	423	4,795	920	56,892
Transfers by modified absorption						416		416
Additions purchased			578	58		1,154		1,790
Additions donated								
Reclassifications		427	(434)			7		
Reclassified as held for sale								
Disposals					(55)	(111)	(25)	(191)
Revaluation/indexation (losses)/gains	(45)	(770)	(249)	21			14	(1,029)
Impairments	(10)		(453)			(108)		(571)
At 31 March 2014	3,200	45,764		913	368	6,153	909	57,307
Accumulated depreciation at 1 April 2013	18	212	249	575	301	3,053	709	5,117
Transfers by modified absorption						151		151
Disposals					(42)	(107)	(25)	(174)
Reclassified as held for sale								
Revaluation/indexation (losses)/gains	(50)	(1,803)	(249)	15			11	(2,076)
Impairments	16	55						71
Reversal of Impairments		(883)						(883)
Charged during the year	16	2,668		70	32	735	47	3,568
Accumulated depreciation at 31 March 2014		249		660	291	3,832	742	5,774
Net book value								
Total at 31 March 2014	3,200	45,515		253	77	2,321	167	51,533
Asset financing								
Owned	3,200	24,070		253	77	2,321	167	30,088
Finance lease		781						781
PFI		20,642						20,642
Donated		22						22
Total at 31 March 2014	3,200	45,515		253	77	2,321	167	51,533

The latest revaluation of land and buildings was carried out by the Valuation Office with an effective date of 1 April 2014.

Specialist land and buildings in operational use are valued at Depreciated Replacement Cost (DRC), using a Modern Equivalent Asset basis (MEA). The MEA basis includes consideration of modern building techniques, occupancy rates and service delivery output.

Non specialist land and buildings in operational use are valued at open market value, assuming existing use.

The Foundations Trust's property, plant and equipment are held for service delivery, rather than for cash generating purposes. Consequently, in accordance with the FT ARM, the "value in use" is assumed to be at least equal to the cost of replacing the service potential provided by the asset unless there has been a reduction in service potential. When measuring impairments, the recoverable amount for operational properties is considered to be the value in use rather than the 'fair value less costs to sell'.

£265k of IT assets were transferred from the former North Yorkshire and York PCT on 1st April 2013. £108k of this was impaired due to the details of the assets being unspecified.

The disclosure of protected assets is no longer required from 2013/14. There are no restrictions imposed on the use of donated assets.

14. Property, plant and equipment (continued)

14.1 Property, plant and equipment - prior year

	Land	Buildings excluding dwellings	Assets under construct and	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
2012/13:								
Cost or valuation at 1 April 2012	3,700	54,848	1,765	864	434	4,222	1,229	67,062
Additions purchased			1,469	34		662		2,165
Additions donated								
Reclassifications		2,597	(2,676)			13	66	
Reclassified as held for sale	(350)							(350)
Disposals other than by sale				(62)	(10)	(102)	(397)	(571)
Revaluation/indexation (losses)/gains	(70)	(10,982)		(2)	(1)		22	(11,033)
Impairments	(25)	(356)						(381)
At 31 March 2013	3,255	46,107	558	834	423	4,795	920	56,892
Accumulated depreciation at 1 April 2012	2	8,620	40	565	268	2,624	1,016	13,135
Disposals				(56)	(10)	(102)	(397)	(565)
Reclassified as held for sale								
Revaluation/indexation (losses)/gains	(100)	(11,760)		(1)	(1)		17	(11,845)
Impairments	100	2,549	209					2,858
Reversal of impairments		(2,057)						(2,057)
Charged during the year	16	2,860		67	44	531	73	3,591
Accumulated depreciation at 31 March 2013	18	212	249	575	301	3,053	709	5,117
Net book value								
Total at 31 March 2013	3,237	45,895	309	259	122	1,742	211	51,775
Asset financing								
Owned	3,205	23,768	309	259	122	1,742	211	29,616
Finance leased	32	912						944
PFI		21,192						21,192
Donated		23						23
Total at 31 March 2013	3,237	45,895	309	259	122	1,742	211	51,775
NBV Protected Assets at 31 March 2013	2,657	45,050						47,707
NBV Unprotected Assets at 31 March 2013	580	845	309	259	122	1,742	211	4,068
NBV Total at 31 March 2013	3,237	45,895	309	259	122	1,742	211	51,775

14. Property, plant and equipment (continued)

14.2 Classification of impairments for Parliamentary budgeting purposes

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Loss or damage from normal operations	64	
Abandonment of assets in course of construction	453	209
Over specification of assets	108	
Changes in Market Place	7	3,131
Reversals of impairments	(886)	(2,057)
At 31 March	(254)	1,283

15 Capital commitments

Contracted capital commitments at 31 March not otherwise included in these accounts:

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Property, plant and equipment	129	45
Total	129	45

16 Inventories

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Consumables and work in progress	72	72
Total	72	72
Of which held at net realisable value:	72	72

16.1 Inventories recognised in expenses

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Inventories recognised as an expense in the year	15	16
Total	15	16

17 Trade and other receivables

	Current		Non-current	
	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
NHS receivables - revenue	4,075	2,141		
Other receivables with related parties	125	237		
Accrued Income	672	701		
Provision for the impairment of receivables	(172)	(132)		
Prepayments	1,051	777	2,993	2,677
PDC Receivable		90		
VAT	420	310		
Other receivables	2,647	1,731		
Total	8,818	5,855	2,993	2,677

The majority of trade is with Clinical Commissioning Groups (CCGs), as commissioners for NHS patient care services. As CCGs are funded by Government to buy NHS patient care services, no credit scoring of them is considered necessary.

Credit scoring is not applied to 'other receivables'

17.1 Receivables past their due date but not impaired

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
By up to three months	2,815	1,451
By three to six months	534	83
Total	3,349	1,534

The Trust does not consider the above debtors, past their due date, to be impaired, based on previous trends and experience.

17.2 Provision for impairment of receivables

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Balance at 1 April	132	112
Amount written off during the year	(5)	
Increase/(decrease) in receivables impaired	45	20
Balance at 31 March	172	132

The increase in the provision for the year ended 31 March 2014 has been provided for after taking all factors into consideration regarding the potential for recovery.

18 Cash and cash equivalents

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Balance at 1 April	31,716	23,497
Net change in year	5,814	8,219
Balance at 31 March	37,530	31,716
Made up of		
Cash with Government Banking Service	869	31,568
Commercial banks and cash in hand	161	148
Other current investment	36,500	
Cash and cash equivalents as in statement of financial position	37,530	31,716
Cash and cash equivalents as in statement of cash flows	37,530	31,716

The other current investment is a fixed term investment for seven days at 0.39% with the National Loans Fund.

19	Non-current assets held for sale	Property, Plant and Equipment £000
	Balance brought forward 1 April 2013	729
	Plus assets classified as available for sale in the year	
	Less Impairment of assets held for sale	
	Less assets sold in the year	<u>(729)</u>
	Balance carried forward 31 March 2014	<u>729</u>
	Balance brought forward 1 April 2012	665
	Plus assets classified as available for sale in the year	350
	Less Impairment of assets held for sale	(53)
	Less assets sold in the year	<u>(233)</u>
	Balance carried forward 31 March 2013	<u>729</u>

There are no assets currently held for sale.

20 Trade and other payables

	Current	
	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
NHS payables	3,047	4,346
Amounts due to other related parties	1,905	1,683
Non NHS trade payables - capital	377	783
Accruals	4,991	6,319
Other	3,799	3,707
Total	<u>14,119</u>	<u>16,838</u>

21 Borrowings

	Current		Non-current	
	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
PFI liabilities	1,260	1,163	27,598	28,858
Finance Lease Liabilities	253	214	1,741	1,994
Total	<u>1,513</u>	<u>1,377</u>	<u>29,339</u>	<u>30,852</u>

The prudential borrowing code requirements in section 41 of the NHS Act 2006 have been repealed by the Health and Social Care Act 2012 with effect from 1 April 2013. Therefore, the disclosures that were provided previously in relation to the prudential borrowing limit is no longer required from 2013/14.

22 Other liabilities

	Current	
	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Deferred Income	1,846	2,627
Total	<u>1,846</u>	<u>2,627</u>

23 Finance lease obligations

Amounts payable under finance leases:	Minimum lease payments		Present value of minimum lease payments	
	Year ended	Year ended	Year ended	Year ended
	31 March	31 March	31 March	31 March
	2014	2013	2014	2013
	£000	£000	£000	£000
Within one year	542	526	525	509
Between one and five years	2,308	2,237	1,934	1,875
After five years	252	845	186	605
Less future finance charges	(1,108)	(1,400)		
Total minimum lease payments	<u>1,994</u>	<u>2,208</u>	<u>2,645</u>	<u>2,989</u>
Included in:				
Current borrowings	253	214	525	509
Non-current borrowings	<u>1,741</u>	<u>1,994</u>	<u>2,120</u>	<u>2,480</u>
	<u>1,994</u>	<u>2,208</u>	<u>2,645</u>	<u>2,989</u>

The finance lease arrangement is for the provision of two community units, for inpatient and day care for adults with severe mental illness together with a base for a community mental health team. The estimated capital value is £4,916k. The scheme started in September 1998 and is contracted to end in September 2019. At the end of the contract the Trust has an option to renew for 10 years.

The present value of minimum lease payments is £2,645k (£2,989k 2012/13), calculated from the minimum lease payments figures of £1,994k (£2,208k 2012/13) with the future finance charges at £1,108k (£1,400k 2012/13) added back. This figure is discounted at 0.49% per month (6.00% per annum) for 65 months (77 months 2012/13) which is the remaining life of the agreement.

24 Private Finance Initiative (PFI) contracts

PFI schemes on-Statement of Financial Position

The PFI contract is for the provision of seven mental health units, providing a comprehensive range of mental health services. The estimated capital value of the PFI scheme is £43,778k. The first unit opened in December 2001 and the last unit opened in February 2003. The contract end date is July 2028. The Trust has the right to purchase the units at market value at the end of the contract.

More detail is provided in the PFI accounting policy in note 1.

Minimum amounts payable under the contract:

Asset financing component	Gross Payments		Present value of payments	
	Year ended	Year ended	Year ended	Year ended
	31 March	31 March	31 March	31 March
	2014	2013	2014	2013
	£000	£000	£000	£000
Not later than one year	5,144	4,989	4,952	4,802
Later than one year, not later than five years	20,578	19,954	16,654	16,150
Later than five years	42,870	46,560	22,693	23,878
Sub total	<u>68,592</u>	<u>71,503</u>	<u>44,299</u>	<u>44,830</u>
Less: finance cost attributable to future periods	(39,734)	(41,482)	(15,441)	(14,809)
Total	<u>28,858</u>	<u>30,021</u>	<u>28,858</u>	<u>30,021</u>

Services component

Services component	Gross Payments	
	Year ended	Year ended
	31 March	31 March
	2014	2013
	£000	£000
Not later than one year	6,055	5,872
Later than one year, not later than five years	24,220	23,487
Later than five years	50,458	54,802
Total	<u>80,733</u>	<u>84,161</u>

The future services amounts due as at 31 March 2014 reflect an adjustment for the RPI indexation of the unitary payment applied during 2013/14.

The amount charged to operating expenses during the year in respect of services was £5,961k (2012/13 £5,763k).

25 Provisions

	Current		Non-current		
	Year ended	Year ended	Year ended	Year ended	
	31 March	31 March	31 March	31 March	
	2014	2013	2014	2013	
	£000	£000	£000	£000	
Pensions relating to other staff	141	139	1,622	1,549	
Legal claims	131	85			
Redundancy	1,734	308			
Other	877	688	1,011		
Total	2,883	1,220	2,633	1,549	
	Pensions relating to other staff	Legal claims	Redundancy	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2012	1,635	55	100	18	1,808
Arising during the year	106	79	556	688	1,429
Change in discount rate	54				54
Used during the year	(140)	(28)	(348)	(7)	(523)
Reversed unused	(13)	(21)		(11)	(45)
Unwinding of discount	46				46
At 31 March 2013	1,688	85	308	688	2,769
At 1 April 2013	1,688	85	308	688	2,769
Arising during the year	117	173	1,734	1,888	3,912
Change in discount rate	71				71
Used during the year	(141)	(80)	(308)		(529)
Reversed unused	(11)	(47)		(688)	(746)
Unwinding of discount	39				39
At 31 March 2014	1,763	131	1,734	1,888	5,516
Expected timing of cash flows:					
In the remainder of the spending review period to 31 March 2015	141	131	1,734	877	2,883
Between 1 April 2015 and 31 March 2019	563			1,011	1,574
Thereafter	1,059				1,059
TOTAL	1,763	131	1,734	1,888	5,516

The pensions provision is in respect of employees who have taken early retirement through injury or prior to 1995. These provisions are calculated using current year payments and GAD tables as issued by the Office for National Statistics. The GAD tables provide an estimate of remaining lives which the provision is based on.

The legal claims provision is in respect of excess payments paid to NHS Litigation Authority for employers' and public liability claims. NHS Litigation Authority provides estimates of the likely outcome of the case and damages / costs to be paid. The provision is calculated based on these estimates. There are also three employment tribunals in progress that have been provided for.

Other provisions comprise the commitment placed on the Trust in ensuring it meets its obligations in respect of dilapidation costs (£605k, £0k 2012/13) and the cost associated with the interim solution for vacating Bootham Park Hospital and Limetrees (£1,283k, £0 in 2012/13).

Payments made against the pensions provisions are quarterly to the NHS Business Services Authority Pensions Division. Due to the nature of the other provisions, there is no certainty regarding the timing of payments.

The unwinding of discount on the provisions appears as a finance cost on the face of the Statement of Comprehensive Income.

£261k is included in the provisions of the NHS Litigation Authority at 31 March 2014 in respect of the clinical negligence liabilities of the Trust (31 March 2013 £39k).

Leeds and York Partnership NHS Foundation Trust has no expected reimbursements for any class of provision made.

26 Contingencies

26.1 Contingent liabilities

	Year ended	Year ended
	31 March	31 March
	2014	2013
	£000	£000
Other	43	31
Total	43	31

Contingent liabilities represent excess payments not provided for on legal cases being dealt with by NHSLA, on the Trust's behalf, (primarily in respect of employer's liability - £43k in 2013/14 and £31k in 2012/13). Due to the nature of the amounts and timing of the cash flows it would be impractical to estimate the value and timings of the amounts and cash flows.

27 Financial Instruments

Leeds and York Partnership NHS Foundation Trust's financial assets are classified either as 'loans and receivables' or 'as available for sale' financial assets. All the Trust's financial liabilities are classified as 'other liabilities'.

Leeds and York Partnership NHS Foundation Trust undertakes active financial risk management to manage its exposure to risk, particularly credit risk and treasury risk. Similar to general risk management, financial risk management requires identifying its sources, measuring it and implementing plans to address them.

27.1 Financial assets - carrying amount	Loans and receivables
	£000
Embedded derivatives	
Receivables	4,678
Cash at bank and in hand	31,716
Other financial assets	
Total at 31 March 2013	<u>36,394</u>
Embedded derivatives	
Receivables	7,347
Cash at bank and in hand	37,530
Other financial assets	
Total at 31 March 2014	<u>44,877</u>
Ageing of over due receivables included in Financial Assets	
Receivables overdue by:	
1-30 days	1,835
31-60 days	726
61-90 days	253
91-180 days	535
	<u>3,349</u>

27.2 Financial liabilities - carrying amount

	£000
Embedded derivatives	
Payables	14,336
PFI and finance lease obligations	32,229
Other borrowings	
Provisions under contract	2,769
Other financial liabilities	
Total at 31 March 2013	<u>49,334</u>
Embedded derivatives	
Payables	11,654
PFI and finance lease obligations	30,852
Other borrowings	
Provisions under contract	5,516
Other financial liabilities	
Total at 31 March 2014	<u>48,022</u>

27.3 Fair values of loans and receivables and other financial liabilities

The fair value of current loans and receivables are considered to be equal to their carrying amounts. There are no non-current loans and receivables.

The fair values of current other financial liabilities are considered to be equal to their carrying amounts.

27.4 Financial risk management

IFRS 7 requires disclosure of the role that financial instruments have had during the year in creating or changing the risks a body faces in undertaking its activities. Leeds and York Partnership NHS Foundation Trust's activities are incurred primarily under annual service agreements with local Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. Consequently the Trust's financial risks are relatively small in comparison with commercial entities. The Trust does not use financial instruments to alter or hedge its risk and therefore their importance to the Trust's finances are similarly relatively low.

Credit risk

This is the risk that other parties may not pay amounts that are due from them to Leeds and York Partnership NHS Foundation Trust. The majority of the Trust's income comes from contracts with other public sector bodies, however, and therefore the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2014 are in receivables from customers as disclosed in the Trade and other receivables note.

Leeds and York Partnership NHS Foundation Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's Standing Financial Instructions and policies agreed by the Board of Directors. The Trust mitigates the risks surrounding treasury management by investing in low risk banks / government backed investors. Trust treasury activity is subject to review by the Trust's internal auditors.

27.4 Financial risk management (cont)

Liquidity risk

Leeds and York Partnership NHS Foundation Trust's net operating costs are incurred primarily under annual service agreements with local Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. Leeds and York Partnership NHS Foundation Trust also largely finances its capital expenditure from funds generated through operating surpluses. Consequently, the Trust is not considered to be exposed to significant liquidity risks (the inability of paying financial liabilities).

Leeds and York Partnership NHS Foundation Trust's main long term liability is its PFI obligation, with the contract ending in 2028. Further information on the commitments under this contract are provided in note 24.

Market risk

Market risk comprises three elements: foreign currency risk, interest rate risk and price risk.

Foreign currency risk

This is the risk that Leeds and York Partnership NHS Foundation Trust's income and expenditure could be affected materially by foreign exchange gains and losses on foreign currency transactions. However the Trust has no foreign currency income and negligible foreign currency expenditure. Consequently, exposure to currency risk is not significant.

Interest rate risk

This is the risk that Leeds and York Partnership NHS Foundation Trust's income and expenditure could be materially affected by changes in interest rates on financial liabilities, eg borrowing and financial assets. However a high percentage of the Trust's financial assets and a high percentage of its financial liabilities carry nil or fixed rates of interest. Leeds and York Partnership NHS Foundation Trust is not, therefore, exposed to significant interest-rate risk.

Price risk

As explained in note 24, Leeds and York Partnership NHS Foundation Trusts' annual unitary payment under its PFI scheme is subject to annual indexation in line with the RPIX. The Trust is therefore exposed to pricing risk in this regard. The annual adjustments are reflected in finance costs (contingent rent), operating expenses and property, plant and equipment additions respectively.

For 2013/14 the percentage increase in the unitary payment was 3.12%, equalling a monetary increase of £261k (3.79%, £419k in 2012/13).

The table below shows a sensitivity analysis of the impact on cash payments and on the surplus/deficit for the year if the uplift had been between 3.7% and 5.5%.

	Actual uplift at 3.12%	Uplift at 3.7%	Uplift at 5.5%
	£000	£000	£000
2013/14 Uplift in unitary payment			
Recognised in finance costs	66	95	185
Recognised in operating expenses	195	230	342
Recognised in surplus/deficit	261	325	527
	<u>261</u>	<u>325</u>	<u>527</u>
Net impact of sensitivities on surplus/(deficit)		(64)	(266)
	Actual uplift at 3.79%	Uplift at 3.7%	Uplift at 5.5%
	£000	£000	£000
2012/13 Uplift in unitary payment			
Recognised in finance costs	99	95	182
Recognised in operating expenses	227	222	330
Recognised in surplus/deficit	326	317	512
	<u>326</u>	<u>317</u>	<u>512</u>
Net impact of sensitivities on surplus/(deficit)		9	(186)

28 Related party transactions - senior employees

Leeds and York Partnership NHS Foundation Trust is a body corporate authorised by Monitor, the Independent Regulator of NHS Foundation Trusts in exercise of the powers conferred by the National Health Service Act 2006. There have been no material transactions, which are considered related parties to senior employees (in posts of influence) of the Trust.

28.1 Related party transactions - members of the Board of Directors

During the year Leeds and York Partnership NHS Foundation Trust had the following material transactions with entities, which are considered related parties to members of the Board of Directors of the Trust:

	Payments	Amounts owed
	£000	£000
Leeds Mind (2012/13)	7	12
University of York (2013/14)	34	16
British Telecom (2013/14)	124	

The related party with Leeds Mind left the Trust on 31 January 2013. The related party with the University of York joined the Trust on 3 July 2013. There have been no other material transactions, which are considered related parties to members of the Board of Directors of the Trust.

In 2013/14, the Trust had £5k of related party transactions with its charitable fund (2012/13 £6k).

There are no amounts due or receipts from these related parties.

28. Related party transactions (continued)

28.2 Related party transactions - UK Government ultimate parent

During the year Leeds and York Partnership NHS Foundation Trust had a significant number of material transactions with entities for which the UK Government is the ultimate parent, and so has control of. The entities with material transactions (income/expenditure over £500k and receivables/payables over £100k) are listed below:

	Income		Expenditure	
	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
London Strategic Health Authority		1,496		
Yorkshire and Humber Strategic Health Authority		6,567		33
Barnsley PCT		15,313		72
NHS England	20,729		139	
Bradford and Airedale PCT		522		
North Yorkshire and York PCT		32,503		2,962
NHS Scarborough and Ryedale CCG	721			
NHS Vale of York	29,883			
Leeds Community Healthcare	2,138	2,470	40	
NHS Leeds		100,259		242
NHS Leeds North CCG	26,119			
NHS Leeds South and East CCG	33,731			
NHS Leeds West CCG	35,411			
Leeds Teaching Hospitals NHS Trust	439	748	3,296	2,990
South West Yorkshire Partnerships NHS Foundation Trust	933	1,146	365	318
York Teaching Hospitals NHS Foundation Trust	409	378	848	1,195
Kirklees PCT		659		
Health Education England	6,761		65	
NHS Property Services			2,565	
Leeds City Council	4,019	998	1,325	1,443
Department of Health	532	994		
NHS Pensions Agency (Employers contribution)			12,524	12,511
Total	161,825	164,053	21,167	21,766

	Receivables		Payables	
	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Yorkshire and Humber Strategic Health Authority		104		346
North Yorkshire and York PCT		361		2,957
NHS Scarborough and Ryedale CCG	604			
NHS Leeds		537		2
Leeds Teaching Hospitals NHS Trust	52	134	649	741
Leeds Community Healthcare	222	303	11	38
South West Yorkshire Partnerships NHS Foundation Trust	127	67	97	82
Barnsley PCT		176		347
York Hospitals NHS Foundation Trust	107	20	204	286
NHS England	2,317		655	
Health Education England	374			
NHS Property Services	5		764	
Leeds City Council	122	155	120	389
NHS Pensions Agency (Employee and Employers contribution)			1,729	1,602
Total	3,930	1,857	4,229	6,790

28.3 Related party transactions commitments (year ended 31/3/2015)

	Income £000
Leeds Clinical Commissioning Groups	90,742
York Clinical Commissioning Groups	30,123
NHS England	21,877
Total	142,742

The Trust has no expenditure commitments with related parties for the year ending 31 March 2015.

29 Third party assets

The Trust held £444k cash and cash equivalents at 31 March 2014 (£395k 2012/13) which relates to monies held on behalf of patients. This has been excluded from the cash and cash equivalents figure reported in the accounts.

30 Intra-Government and other balances

	Current receivables £000	Non-current receivables £000	Current payables £000	Non-current payables £000
Balances with other Central Government bodies	420		4,151	
Balances with Local Authorities	163		176	
Balances with NHS bodies	4,571		3,047	
Intra Government balances	5,154		7,374	
Balances with bodies external to Government	3,664	2,993	6,745	
At 31 March 2014	8,818	2,993	14,119	
Balances with other Central Government bodies	310		4,104	
Balances with Local Authorities	237		495	
Balances with NHS bodies	2,584		4,482	
Intra Government balances	3,131		9,081	
Balances with bodies external to Government	2,724	2,677	7,757	
At 31 March 2013	5,855	2,677	16,838	

31 Losses and special payments

There were 10 cases of losses totalling £5k (9 in 2012/13 totalling £57k) and 28 special payments totalling £71k (23 in 2012/13 totalling £32k) during the year. These amounts are reported on an accruals basis, excluding provisions for future losses.

	Number	Value £000
Losses		
Cash - other	9 (8)	0 (0)
Bad debts - other	1 (1)	5 (57)
Total	10 (9)	5 (57)
Special payments		
Ex-gratia - loss of personal effects	10 (23)	1 (32)
Ex-gratia - personal injury with advice	5 (0)	23 (0)
Special severance payments	13 (0)	47 (0)
Total	28 (23)	71 (32)

Figures in brackets relate to 2012/13.

32 Events after the reporting period

The structure of the NHS changed from 1 April 2013 with overall responsibility for commissioning now with NHS England. Services previously commissioned by the Specialist Commissioning Groups (SCGs) are also now commissioned by NHS England via the Local Area Teams (LATs). Clinical Commissioning Groups (CCGs) have effectively replaced Primary Care Trusts (PCTs). The Trust's main commissioners in 2013/14 are therefore now NHS Leeds North CCG (lead commissioner for mental health), NHS Leeds South and East CCG, NHS Leeds West CCG along with Vale of York CCG (lead for mental health services), NHS Hambleton, Richmondshire and Whitby CCG, NHS Harrogate and Rural District CCG, NHS Scarborough and Ryedale CCG and South Yorkshire & Bassetlaw Local Area Team.

As a result of these changes IT assets transferred to Leeds and York Partnership NHS Foundation Trust from the former NHS North Yorkshire and York on 1 April 2013. These assets transferred at a carrying value of £265k, which resulted in an impairment of £108k, as per the Department of Health guidance, to £157k.

There were no events after the reporting period that had an impact on the Trust's 2013/14 accounts (2012/13: none).

33 Charitable Funds

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Income	13	180
Expenditure	(37)	(15)
Transfer of fixed assets		(164)
Net movement in funds	(24)	1
Current assets	218	238
Current liabilities	(17)	(13)
Total Charitable Funds	201	225

Income and expenditure in 2012/13 includes the transfer of resources from NHS York and North Yorkshire under TCS and the transfer of a fixed asset to Leeds Community Healthcare NHS Trust.

The 2013/14 Charitable Fund accounts have not yet been subject to independent review. The fee for the independent examination of the 2012/13 Charitable Fund accounts was £3k.

CONTACT INFORMATION

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Patient Advice and Liaison Services (PALS)

If you need any help or advice about our services, please contact:
Tel: 0800 0525 790 (freephone)
Email: pals.lypft@nhs.net

Membership

If you are interested in becoming a member of Leeds and York Partnership NHS Foundation Trust please contact:
The Membership Office
Tel: 0113 30 55900
Email: ftmembership.lypft@nhs.net
Web: www.leedsandyorkpft.nhs.uk/membership

Communications

If you have a media enquiry, require further information about our Trust or would like more copies of this report please contact:
The Communications Team
Tel: 0113 30 55977
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Members of the Board of Directors and Council of Governors

Can be contacted by email at the addresses shown on our website at
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