

Annual Report and Accounts

1 April 2014
to
31 March 2015

Leeds and York Partnership NHS Foundation Trust

**ANNUAL REPORT AND ACCOUNTS
1 April 2014 to 31 March 2015**

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

CONTENTS

PART A – ANNUAL REPORT

| | Page |
|---|-----------|
| 1 THE STRATEGIC REPORT | 9 |
| 1.1 Chair's address | 9 |
| 1.2 The Chief Executive's report | 10 |
| 1.3 About our Trust | 13 |
| 1.4 Our strategy | 13 |
| 1.5 Equality and diversity | 15 |
| 1.6 Equal opportunities | 16 |
| 1.7 Human rights | 17 |
| 1.8 Service user care | 17 |
| 1.9 Principal risks for the organisation | 27 |
| 1.10 Service user experience and involvement | 28 |
| 1.11 Partner relations | 30 |
| 1.12 Valuing our staff | 30 |
| 1.13 Mental Health Act Managers | 37 |
| 1.14 Gender profile of the Trust | 38 |
| 1.15 Corporate social responsibility | 39 |
| 1.16 Sustainability | 40 |
| 1.17 Health and safety | 42 |
| 1.18 Financial performance | 43 |
| 1.19 Counter-fraud | 47 |
| 1.20 Going concern | 47 |
| 1.21 Preparation of the accounts | 47 |
| 2 THE DIRECTORS' REPORT | 48 |
| 2.1 Introduction | 48 |
| 2.2 Composition of the Board of Directors | 48 |
| 2.3 Profile of members of the Board of Directors | 50 |
| 2.4 Meetings of the Board of Directors | 54 |
| 2.5 Register of Directors' Interests | 54 |
| 2.6 Evaluation of the Board of Directors | 55 |
| 2.7 The Audit Committee | 55 |
| 2.8 Directors' statement as to disclosures to the auditors | 57 |
| 2.9 How we are using our foundation trust status to improve care | 57 |
| 2.10 Quality governance reporting | 58 |
| 2.11 Regulatory performance | 59 |
| 2.12 Our auditors | 59 |
| 2.13 Accounting policies | 60 |
| 2.14 Political and charitable donations | 60 |
| 2.15 Disclosures as per schedule 7 of the Large and Medium Sized Companies Regulations 2008 | 60 |
| 2.16 Other disclosures as required by the NHS FT Annual Reporting Manual 2014/15 | 61 |
| 3 COUNCIL OF GOVERNORS | 63 |
| 3.1 Composition of the Council of Governors | 63 |
| 3.2 Changes to the Council of Governors | 65 |
| 3.3 Meetings of the Council of Governors | 67 |
| 3.4 Duties of the Council of Governors | 70 |
| 3.5 Working together | 70 |
| 3.6 Sub-committees of the Council of Governors | 71 |
| 3.7 The Register of Governors' Interests | 72 |
| 4 MEMBERSHIP | 73 |
| 4.1 Our constituencies and eligibility to join | 73 |
| 4.2 Number of members | 73 |
| 4.3 Developing a representative membership | 74 |
| 4.4 Membership recruitment and engagement | 74 |

| | | |
|-----|--|----|
| 4.5 | The membership office | 74 |
| 5 | REMUNERATION REPORT | 75 |
| 5.1 | Introduction | 75 |
| 5.2 | Annual statement on remuneration | 75 |
| 5.3 | Senior managers remuneration policy | 76 |
| 5.4 | Annual report on remuneration | 79 |
| 5.5 | Off-payroll engagements | 83 |
| 5.6 | Directors' and governors' expenses | 84 |
| 5.7 | Senior employees' pension entitlements, remuneration and benefits in kind | 84 |
| 6 | DISCLOSURES AS PER THE CODE OF GOVERNANCE | 89 |
| 6.1 | Compliance with the Code of Governance | 89 |
| 6.2 | Disclosure statements to be made in the Annual Report | 89 |
| 7 | STATEMENTS | 94 |
| 7.1 | Statement of the Chief Executive's responsibilities for preparing the financial statements | 94 |
| 8 | ANNUAL GOVERNANCE STATEMENT | 95 |

PART B – QUALITY REPORT

| | | |
|-----|--|-----|
| 1 | STATEMENT ON QUALITY FROM THE CHIEF EXECUTIVE | 109 |
| 2 | PRIORITIES FOR IMPROVEMENT AND STATEMENTS OF ASSURANCE FROM THE BOARD | 111 |
| 2.1 | Priorities for improvement | 111 |
| 2.2 | Statement of assurance from the Board of Directors | 116 |
| 2.3 | Additional mandatory quality indicator sets to be included in the 2014/15 Quality Report | 129 |
| 3 | REVIEW OF QUALITY PERFORMANCE IN 2014/15 | 133 |
| 3.1 | Improving quality of LYPFT in 2014/15 | 133 |
| 3.2 | PALS and complaints | 136 |
| 3.3 | Service user network | 139 |
| 3.4 | PLACE assessments results | 140 |
| 3.5 | Serious incidents | 142 |
| 3.6 | Measure for success | 144 |
| 3.7 | Monitor targets | 151 |
| | Annex A: Third-party statements | 154 |
| | Annex B: 2013/14 Statement of directors' responsibilities in respect of the Quality Report | 164 |
| | Annex C: Independent auditors limited assurance report to the Council of Governors on the Quality Report | 166 |

PART C – ANNUAL ACCOUNTS AND STATEMENTS

| | | |
|-----|--|-----|
| 1 | THE ANNUAL ACCOUNTS AND RELATED STATEMENTS | |
| 1.1 | The statement of directors' responsibilities | 171 |
| 1.2 | Independent auditors' report to the Council of Governors - annual accounts | 172 |
| 1.3 | The annual accounts | 180 |

**PART A
ANNUAL REPORT
2014/15**

SECTION 1 – THE STRATEGIC REPORT

1.1 THE CHAIR'S ADDRESS

In the last twelve months there has been a remarkable change in public and political perspectives on both mental health and learning disabilities. These labels do not do justice to the diversity and depth of suffering our service users and almost always their carers, present to us. In fact the need is so wide that as a single Trust we only respond to a relatively small part of the spectrum of illness and disability that these broad-labelled words represent. Nonetheless when I reflect upon our successes and relative failures over the past year I am struck by the impact on the quality of people's lives we are capable of achieving.

In particular I recall the many occasions when our staff have not only accomplished their duties within their normal contract, but beyond that have 'gone the extra mile', so to speak, and responded to challenges well beyond that which they are routinely expected to deal with. All too often some of our service users struggle with daily life in ways that may seem mundane when glimpsed from the top of an organisation and not least at Board level. Examples include waiting after a day's work until a taxi arrives for somebody with a learning disability; driving a desperately anxious carer to visit his spouse across the sprawl that is Leeds, again well out of hours; or in one case a Nurse Manager coming into a hospital on a weekend evening in order to bring pizzas to a group of staff traumatised by an apparent suicide earlier in the day.

Chairing a foundation trust as I have for the past five years has afforded me an insight into the complexity of daily life in an organisation whose primary duty is to help people with mental health and learning disability needs. It is not a straightforward business; the focus in recent decades on 'recovery' and wherever possible living independently results in a mosaic of premises and services far removed from the classical stereotype of a general hospital. For one thing the metrics by which performance is measured and thereby compared are not as uniform or unambiguous as they can be in the acute sector. The almost-weekly reporting last winter of the A&E performance is but one example where our sector remains comparatively invisible.

My Board colleagues are passionate about our services and provide the advocacy they warrant. Our Council of Governors is representative of our communities within the Leeds city region. Challenge and thereby support both into and within those two bodies is a constant.

The year now coming to a close reflects that sense of challenge. Most of what we have been doing is captured elsewhere in this report. Examples include our commitment to smoking-free premises across our dispersed estate; the decision to pay at least the recognised living wage to our staff; and our commitment to examine new even radically different ways of configuring our services; not solely in pursuit of financial savings but in order to enhance the quality of service delivery. This last commitment presages enormous impending change in the relationship between the NHS and local government. That is a challenge for which this Foundation Trust is well positioned to effect sustainable change.



Frank Griffiths
Chair of the Trust

1.2 THE CHIEF EXECUTIVE'S REPORT

Welcome to our 2014/15 Annual Report which provides a summary of our work during this period.

1.2.1 Working together in difficult times

The government has ensured that NHS finances have only just kept pace with inflation, however this has resulted in 'flat cash' with no growth in resources coupled with year-on-year efficiency requirements. Local authorities also face unprecedented financial pressures, which inevitably impacts on the work of the NHS. At the same time the new commissioning structures of the NHS have been bedding-in with new ways of working and new networks of relationships being established.

We are also working with a degree of uncertainty about the full impact of changes in the national and local strategic context within which the Trust is working, including: the new care models outlined in NHS England's strategy for the NHS *The NHS Five Year Forward View*; the changes proposed in the Dalton review; the new Vanguard status; and more recently the newly-elected Conservative party's manifesto.

At the heart of our work are partnerships. Our health and social care communities share a common purpose of improving people's health, as well as providing help and support to people in times of difficulty. Though the future is uncertain we continue to closely collaborate with our partners in Leeds and York to ensure that we are as efficient and effective as we can be to ensure that people get the right service, in the right place, at the right time, provided by people with the right skills and expertise. We also directly engage with people in local communities to listen and respond to their concerns and ideas, also to develop their awareness, and responsiveness to mental health issues and learning disabilities.

Internally during the last year we have been successful at both remaining financially stable and continuing to develop and improve services. We have also met all of our statutory requirements. Each of the communities that we serve has different challenges. What follows are specific examples of where we have made a positive difference to people's lives.

Leeds Mental Health Care Group

- In 2014 our Crisis Assessment Service piloted a new approach to working with the police to support people with mental health needs (the Street Triage Service)
- Our Rehabilitation and Recovery Service has implemented a new model of care which reduces reliance on inpatient care and builds on providing community alternatives for service users
- We have worked with commissioners and partners to reduce the time that service users wait for assessment by our Memory Services.

York and North Yorkshire Care Group

- Work has been undertaken to review the future of Bootham Park Hospital whilst focusing on short-term environmental improvements
- Our Crisis Care services have been significantly developed with the introduction of the Emergency Department Liaison Service at York Hospital; the Street Triage Service with the North Yorkshire Police; and further improvements to the Section 136 suite at Bootham Park Hospital
- The Vale of York Clinical Commissioning Group has invested in Improving Access to Psychological Therapies (IAPT) services. We have increased the numbers of people being seen from around 4% of the population to 14% and reduced the time from referral to assessment
- Our approach to developing and delivering recovery focused care in York has resulted in close working with 'Converge' at the York St John's University.

Specialist Services and Learning Disability Care Group

- Our Child and Adolescent Mental Health (CAMHS) inpatient services for the York locality relocated to Mill Lodge provide a better environment
- The community eating disorders service provided expert support and care to service users through the delivery of intensive home interventions
- We continued to work with local GPs to support people with learning disabilities to increase uptake of annual health checks
- Working in partnership as part of a consortium, the Leeds Addiction Unit has been successful in winning part of the new contract to provide addiction services in Leeds.

You can read more about these and other developments in our clinical services in Section 1.8 of this report.

The Vale of York Clinical Commissioning Group has tendered the provision of their local mental health services. As the provider of most of the services in the locality we are clear about what is needed to provide a high quality service, including the additional investments that are needed, and have submitted a bid that we believe best reflects the needs of the people we serve.

1.2.2 Sign-up to safety

Many NHS organisations have participated in the national ‘*Sign-up to Safety*’ programme. This has five pledges:

1. **Putting safety first.** Commit to reduce avoidable harm in the NHS by half and make public our locally-developed goals and plans
2. **Continually learn.** Make NHS organisations more resilient to risks, by acting on the feedback from service users, carers and staff, and by constantly measuring and monitoring how safe our services are
3. **Being honest.** Be transparent with people about our progress to tackle patient safety issues and support staff to be candid with service users and their families if something goes wrong
4. **Collaborating.** Take a lead role in supporting local collaborative learning, so that improvements are made across all services
5. **Being supportive.** Help people understand why things go wrong and how to put them right. Give staff the time and support to improve and celebrate progress.

These are easy to sign up to but difficult to implement and we have put a lot of work into understanding what these mean for us in practice. I look forward to working with colleagues, service users, carers, and partner agencies to make these undertakings a reality.

1.2.3 The Care Quality Commission (CQC)

We were fully inspected by the CQC in September 2014. The CQC found that our staff were compassionate and caring. Though the CQC assessed the Trust as a whole as ‘requires improvement’, they recognised that services in Leeds and York are at different stages of development.

Following their inspection we are following through our action plan agreed with the CQC. One practical example is changing our inpatient services for people with dementia in York into single sex units to ensure that care is provided in environments which best meets people’s needs for privacy and dignity.

The CQC was also satisfied that we had a good process to assess and address environmental risks in our inpatient services in York following a previous inspection, and we have now rolled this process out in our Leeds inpatient services.

More details about the inspection can be found in the Quality Report which is in Part B of this report.

1.2.4 Corporate services

Though our clinical services are the 'front end' of our organisation we simply cannot do any clinical work without support services.

Your Voice Counts – Moving Forward Together Programme

Listening to the concerns of our staff and tapping into their ideas for what needs to improve or change is very important. This year we launched the *Your Voice Counts – Moving Forward Together programme*. This gives staff the opportunity to provide feedback and get involved in making changes on the key issues that matter to them. The programme has focused on two issues: appraisals and communication between managers and staff. In future, the Trust plans to build on the success achieved so far and to enable more staff to get involved in delivering local change and improvements.

Workforce Development Directorate – 'best in class'

Our Human Resources and Learning and Development Teams received national recognition through being awarded the Chartered Institute of Personal Development (CIPD) Human Resources and Learning Development Team of the Year award in September 2014. The judging panel commented that "the level of achievements by the team stood out by their sheer scale and that this was possible by prioritising important goals through an all-encompassing workforce development strategy".

Supporting staff in difficulty

We have implemented a new absence reporting system called Firstcare from November 2014, to both support our colleagues and manage attendance in a better way. Whilst still early days we are anticipating that this should help to reduce absence rates and help managers to support their staff's health and well-being.

We have recruited a full-time physiotherapist to support and provide treatment and preventative advice and strategies to staff with muscular-skeletal problems, this is one of our top reasons for staff sickness.

Apprenticeships

We have been working on developing apprenticeships in the Trust. Following a successful pilot in our Learning Disabilities Service, where four out of six apprentices went into full time support worker roles, by the time this report is published we will have launched apprenticeships in our mental health services. This will train 10 apprentices for a year to gain a level 2 Diploma in Health and Social Care as well as numeracy, literacy and IT qualifications with a guaranteed an interview for a full-time health support worker role.

And finally...

As you can see, this has been a busy year, and you can read much more about 2014/15 in the body of this report. We remain realistic about the challenges we face but resolute in working with others to help people to meet their goals in improving their health and their lives, as well as our Trust making an active and positive contribution to society.



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

In September 2013 we launched our refreshed Trust Strategy *Improving health, improving lives*, which describes what we want to achieve over the next five years (to 2018) and how we plan to get there. The strategy is designed around the three key elements of quality: effective care that improves outcomes for people who use our services; safe care; and positive service user and carer experience.

Our strategic intent as set out in our Trust Strategy (2013 to 2018); five-year Strategic Plan (2014 to 2019) and two-year Operational Plan (2014 to 2016) has been fully aligned with national policy, commissioner priorities, and the challenges and opportunities we see ahead over the next one to five years. We have continued to work alongside commissioners and providers across Leeds and York to develop integrated strategic objectives and plans.

1.4.1 Our goals, strategic objectives and priorities

Our three key goals 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 the measures of success we want to achieve by 2018, and milestones to track our progress. 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 strategy for 2013 to 2018 can be found below and all our strategy documents are on our website.

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 which is 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, the 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 |

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 on our website.

We have continued to use the Equality Delivery System (EDS), a framework developed through the NHS, to help us assess our equality performance against our equality objectives. The EDS comprises 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 2015 through the EDS Advisory Panel we reviewed our annual equality performance. The panel comprises 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 ten outcome areas judged as 'achieving'. This was an improvement in the grading for all four of the areas

from the 2013/14 assessment. These areas include meeting people's individual health needs, access to services, service user involvement in decisions about their care, 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 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 who have 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 including a new stress pathway tool-kit, an Employee Assistance programme (EAP) providing counselling and other support to staff, flexible working arrangements 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. We have developed an annual programme of development sessions to provide our staff with the knowledge and expertise that they require when working with our service users and staff from diverse communities. Subject areas include deaf and hard of hearing, blind and partially sighted, refugees and asylum seekers, and working with language interpreters.

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 Trust 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 Care Groups

The Care Services Directorate includes those services that provide direct clinical care to our service users in Leeds, York and North Yorkshire. The directorate is made up of three care groups which were established in 2013/14, these are:

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

We believe that this remains the best way to deliver our services because this arrangement:

- Strengthens clinical leadership and ensures that the care we provide for service users is safe and even more effective
- Reduces our management costs and ensures that the front-line delivery of care is protected
- Matches the delivery of our care to the local commissioning groups and specialist commissioners who ask us to provide care and services to the people they cover
- Makes 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.

In 2014/15 we have completed the appointment of key leadership posts in the care groups. The associate directors and clinical directors work together within the care groups to ensure that our services remain safe, effective, efficient, well managed and well governed.

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 the people who provide their care. We will therefore continue to harness opportunities to increase the time that clinical staff have to work directly with service users. Working with the Chief Clinical Information Officer we have continued to review how we ensure that our information systems support the delivery of high quality and safe care without placing an excessive burden on clinical staff. We will continue to improve these systems, working with staff and service users to achieve this.

All the care groups understand that we are one of many partner organisations who come together to provide support and 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 which deliver positive outcomes for our service users.

In 2014/15 we have had the opportunity to critically review and evaluate how we deliver care in the Vale of York as part of re-tendering for these services. This has given us the opportunity to work with a wide range of service users, carers, staff and partner organisations to develop new and innovative models of care for the future. We are confident in the new models we have proposed, which build on the work we have already developed, and we will be using the learning from this experience across all care groups 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 2014/15 we have developed training programmes for staff within community mental health teams, focusing on building key skills, competencies and attitudes to enhance the delivery care for people with needs around psychosis, dementia, dual diagnosis and personality disorder. Most nursing staff in the Leeds Mental Health Care Group have also undertaken training specific to working with service users with needs relating to both mental health and learning disabilities.

Recovery is key to our on-going thinking and planning for developing sustainable services which place service user needs at the heart of what our services do. We understand that recovery will mean different things to different people and we have embraced this diversity within our recovery programme. In the last year we have critically appraised the role of the Peer Support Worker and concluded that this role has much to add in developing hope and optimism for service users, by engaging with staff who have a lived experience of mental health services. In the next year we will be ending the Peer Support Worker pilot and investing in these roles by embedding them within our Community Mental Health teams in both Leeds and York.

In December 2014 we were able to realise our plan to significantly improve the accommodation for those children and adolescents who require inpatient care when the service moved from Lime Trees to the newly refurbished Mill Lodge in York. The new unit provides much more spacious accommodation, which is better adapted to meet the needs of these young people. This has also allowed us to increase the number of CAMHS beds which has been a national priority this year for NHS England commissioners and reduces the likelihood of young people being admitted to out of area beds.

The Trust's services were inspected by the Care Quality Commission (CQC) in September 2014. More details of the outcome of this inspection can be found in the Quality Report which is in Part B of this Annual Report. The CQC found that our staff were compassionate and caring and the care groups have undertaken action to make improvements in some areas highlighted by the CQC. In York our inpatient services for those people with dementia have now been changed to single-sex units, where previously they were mixed-sex. This ensures that care is provided in environments which best meets people's needs for privacy and dignity. The CQC were satisfied that we had a good process to assess and address environmental risks in our inpatient services in York following a previous inspection, and we have now rolled this process out in our Leeds inpatient services. This is to ensure that our inpatient environments are as safe as possible.

We are committed to continuously improving the quality of the services we provide. To achieve this, engagement with service users and carers is essential. Our Recovery and Social Inclusion Team has continued to support the Leeds Service User Network (SUN) and a York SUN has been established this year. Our Learning Disability and Specialist Services have also continued to develop their approaches to service user and carer engagement. During the coming year we will engage with all of these groups to ensure that we are responding and changing services in line with their views and, where services users and carers wish to actively participate and shape future services, that we are doing this meaningfully. The Care Services Directorate Leadership Team acknowledged this year that engagement with our staff could be improved and made this a priority. Each care group has taken steps this year to engage a wide group of staff in the development of the care groups' priorities and business plans, they will build on this approach over the coming year to widen this approach, thereby ensuring that as many ideas as possible about how services can be improved are considered.

It is critical that service users achieve their agreed goals for improving their health and their 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. We recognise that across the range of mental health and learning disability services that we provide, different outcome measures are needed which best meet the needs of service users, these measures will continue to be introduced.

1.8.1.1 Leeds Mental Health Care Group

The Leeds Mental Health Care Group provides a range of acute and community-based services to service users over the age of 18, which focus on service user need. The range of services includes:

- Community Mental Health Teams
- Care Home Team
- Memory Service
- Crisis Assessment Services
- Intensive Community Services including the Home-Based Treatment Team
- Younger People with Dementia Team
- Psychological and Psychotherapy Services
- Assertive Outreach Team
- Older People's Liaison Mental Health Service (based at St James's Hospital)
- Mental Health Inpatient Services
- Dementia Inpatient Service
- Rehabilitation and Recovery Services
- Healthy Living Service.

Key achievements for the Leeds Mental Health Care Group during 2014/15

During 2014/15 the Care Group has worked hard to improve the services we provide and to enhance service user experience. Some of these achievements are listed below.

- ✓ We have tested out our approach to delivering integrated care pathways and received feedback from staff on this. This feedback has been extremely useful and has allowed us to make changes to our approach to ensure we can deliver standardised and high quality care without taking time from clinical teams which is better used caring for service users face-to-face. We have now completed the development of integrated pathways for cognitive impairment / dementia and personality disorder and will be rolling these out within teams in the next year. We will make our integrated care pathways available to service users and carers through a variety of media to allow maximum access to this information
- ✓ Improving access to services has been a key priority for the Care Group in the last year. This has both focused on the development of new and innovative services to ensure that support is available more rapidly and in the right place to support service users experiencing mental health crises and reducing the time people are waiting to be seen by services
- ✓ In 2014 our Crisis Assessment Service has, as part of national project, piloted a new and innovative approach to working with the police to support people with mental health needs. This approach, known as Street Triage, aimed to rapidly see people about whom police officers had concerns in the community to avoid their being detained using S136 of the Mental Health Act. The service allows police officers to telephone the crisis team and expect a response in less than 45 minutes from our staff who will then assess the person. In 2014 this led to a 32% reduction in the use of S136 and has been so successful that it has been continued and extended to provide a 24-hour service which has resulted in even bigger reductions in the use of detentions
- ✓ Following an in-depth review of our rehabilitation and recovery services we have implemented a new model of care that reduces reliance on inpatient care and builds on providing community alternatives for service users. Critically the model ensures joint working between the Trust and partner organisations as a single Recovery

Centre Team. This ensures that all services are available to meet the needs of this group of service users and are delivered as a single package of care. We will be evaluating this new approach to delivering rehabilitation and recovery services over the next year and will provide regular feedback to service users and staff on our findings. We will use this evaluation to help develop and build on this new approach across all our services

- ✓ Working with our commissioners we have agreed to meet a target to ensure that 80% of service users receive an assessment of their needs by our Community Mental Health Teams within 14 days of referral. At the end of the year we have exceeded this target; 84% of service users were seen or spoken with within this timeframe
- ✓ Demand for our Adult Acute Inpatient Services has remained relatively stable in the last year; however, we have needed to place some service users in out-of-area beds. Overall we have used around 600 fewer out-of-area bed days in 2014 compared with the previous year, but recognise this still needs improvement. Our aim remains to ensure that all service users needing admission are admitted to a Trust bed as this provides a better experience for service users and carers and keeps the maximum resource available to be invested locally to improve care. In January 2014 we opened the overnight suite at the Becklin Centre to reduce the number of people being placed out-of-area. In the next year we will improve options and opportunities for service users with the opening of the Crisis Assessment Unit. This unit will provide a safe space for service users to receive extended crisis assessment without the need for full admission to hospital when this is not needed
- ✓ In the last year we have worked with commissioners and partners to reduce the time that service users wait for assessment by our Memory Services. Our Memory Services provide specialist assessment, diagnosis and treatment for people with cognitive impairment and dementia. In the last year we have reduced access times from 13 weeks to around 10 weeks from referral to initial assessment. We understand this needs to be improved further and will be working with commissioners and partners, aiming to reduce access times to 6 weeks in the coming year
- ✓ Ensuring that our staff have completed the right training to help them deliver safe and effective care is important for us. During 2014/15, as well as delivering service-specific clinical training we have achieved 80% compliance for staff attending compulsory training, however we aim to increase this to at least 90%.

Future priorities for the Leeds Mental Health Care Group

In the coming year our key priorities are linked to the delivery of the Leeds Mental Health Framework outcomes which have been collaboratively developed by the clinical commissioning groups. The framework guides developments and investment and is matched to the national mental health strategy *no health without mental health*. We must also ensure that our services are sustainable and represent value for money for our commissioners. Crucial to this will be the continued investment in and development of community and alternative to admission services to reduce reliance on inpatient admission. We will focus on better and faster access for service users and on offering wider choice and support for service users in the community, integrating this care delivery with our key partners.

A key challenge for all health services will be an ageing population and it is important that our services are ready to meet this challenge. Over the next year we will be working with partners to establish local targets for early detection, initial assessment and rates of diagnosis and embedding the integrated care pathway to assist with the delivery of evidence-based standards of care. We have reviewed the opportunities to develop services and will be implementing these focusing primarily on increasing choice for people and maintaining people's wellbeing whilst enabling them to live at home for longer. We will also strengthen the level of expert advice and knowledge available within the acute hospitals, through increasing the resource to support the Older People's Liaison Services at St James's Hospital and Leeds General Infirmary.

The majority of the money spent is on inpatient care and we believe that increasing investment in community services will deliver significant benefits and positive outcomes for service users. We continue to believe that avoiding hospital admission is positive for service users and wherever possible this should be the aim of our services. We have also continued to benchmark our services with other specialist mental health and learning disabilities trusts over the last year. Using this information and building on the work to be completed to improve alternatives to hospital admission, we will be reducing the bed base in the coming year. Over the last year we have seen lower numbers of admissions to some wards and low bed occupancy, which has given us this opportunity to change. Allied to these changes in the bed base will be developments in the acute care pathway, including the introduction of the Crisis Assessment Unit to offer service users the opportunity to receive additional assessment and support without the need for full admission to hospital.

Over the past year we have introduced our new partnership-focused model of care for people with severe and enduring mental health problems. This has been achieved through our newly-designed Rehabilitation and Recovery Service. Over the coming year we will be carefully reviewing this new model of care against agreed criteria that will predominantly focus on improving outcomes for service users. We believe that the partnership model of care, which ensures that service users are able to receive a full package of care seamlessly from a number of providers, reduces delays and duplications and increases choice.

Service users with both physical health and mental health problems, or who choose to attend for assessment through Accident and Emergency, should expect to receive rapid and expert assessment of their mental health needs, and for this to be included as part of their care plan. We have a number of liaison services integrated with acute physical health care, including the Acute Liaison Psychiatry Service and Older People's Liaison Services. Over the coming year we will be working to develop and improve these services further.

Over the next year we will be exploring the development of new business opportunities and new markets into which the Care Group may wish to venture. This will require the Care Group to operate in very different ways and it is therefore important that we invest time and energy into verifying that this is the right way forward for us. In the first instance, we would be looking to work in partnership to develop these services and these will strengthen and augment the existing pathways used by our service users to prevent admission or reduce the amount of time people spend in hospital.

A key theme over the forthcoming year will be ensure that service users are offered a real and informed choice related to where and how they receive care and what this care looks like. This will require that services are more flexible and adaptable and that ensure service users receive consistent and accessible information in a variety of media to suit everyone's needs. We will also ensure that information on our integrated care pathways is available to service users to help them understand the choices available to them and provide a framework for informed and collaborative decision making.

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 part of a much wider group of partners who support people with mental illness. We understand that it is important to bring all staff groups along with us and to embed a shared vision for the future of mental health services in Leeds. We need to give staff, partners and service users information on the need for change and the potential consequences of not moving forward. We also need to equip our staff with usable and fit-for-purpose information systems that allow them to spend time with service users rather than being burdened by the need to collect information. It is important to have a clinician led development of these IT systems and the Care Group will support clinicians to achieve this. The Care Group has a challenging number of cost improvements to make this year and whilst we firmly believe this is achievable we also recognise that this will need to be carefully managed with staff. To achieve these savings it is fundamental that staff understand and engage with the business plan. The Care Group will continue through existing groups and

meetings to have a meaningful conversation with staff, service users, families, carers and other partners with regard to the business plan.

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). In the past year, the Vale of York CCG has tendered these services and much work has been undertaken in the Care Group to develop a strong and innovative vision for the delivery of care over the next five years. Integral to our bid is working collaboratively with partners from statutory and third-sector organisations, improving choice for service users, making access to services more rapid and easier and delivering cost-effective and sustainable services.

Key achievements for the York and North Yorkshire Care Group during 2014/15

- ✓ Much work has been undertaken to review the future of Bootham Park Hospital. We understand and recognise the importance of Bootham Park to the delivery of inpatient and community care in York; however, we must balance this with the need to provide safe and effective care. We have completed work to eliminate ligature risks from the fabric of the building and have completed a review of the security of the building, meaning that service users can expect to receive safe care. Our long-term plan continues to be to provide inpatient services from new facilities which will be fit-for-purpose and allow delivery of modern mental health care
- ✓ We have completed our roll-out of the PARIS information system to services in York and North Yorkshire. We believe that providing a single information system across the Trust will ensure that clinical teams will have access to the right information at the right time and in the right place to deliver effective care. Over the next year we will be further improving the information system and delivering the benefits that this will bring
- ✓ Our Crisis Care Services have been significantly developed over the last year with the introduction of the Emergency Department Liaison Service, Street Triage Service and further embedding the S136 (health-based place of safety) suite at Bootham Park Hospital. Service users can expect to receive a rapid and high quality assessment of their needs wherever they come into contact with services, which will support recovery from acute mental distress and avoid hospital admission where this is not necessary. The single point of access has been further refined and developed in York, ensuring that service users will receive a rapid allocation of their care to the right service, to meet their needs without delay
- ✓ Over the last year we have embedded the new Community Mental Health Team model which has seen a reduction in the number of teams from five to two. This has enabled us to utilise the specialist skills and knowledge that our clinical staff have, in order to achieve the optimum outcomes for our service users. We recognise that finding suitable and accessible accommodations for these new hub teams is a high priority and by working with our commissioners and NHS Property Services, we expect to have a solution by the end of September 2015
- ✓ There has been a continuing need to place service users who have required inpatient care in out-of-area beds. Increasingly, we have been able to place those service users within a bed in our services and we believe this ensures both continuity of care and improved communication between inpatient and community services. York and Leeds inpatient services will become further aligned, with the introduction of a single bed management approach which will achieve fully flexible use of beds across the localities in the coming year
- ✓ There has been a national drive to increase availability of the Improving Access to Psychological Therapies services (IAPT). This has resulted in investment in the service by our commissioners, and the service adapting to implement new

approaches to increase the numbers of people it is able to see. The service is now operating group work for some service users and has adopted a system of telephone triage by experienced and qualified therapists. Whilst we recognise that there is much work to complete to embed these changes, the early results have been promising; we have increased the number of people being seen from around 4% of the population to 14% and reduced the time from referral to assessment

- ✓ We have concluded our review of how we deliver care to service users with cognitive impairment / dementia in York. We recognised that these services were not configured to best meet the future challenges of an ageing population and that different and new approaches would be required to meet this demand. York has, and will continue to have a higher proportion of service users aged 65 and above and our service provision needs to reflect this. Our model proposes a new Memory Service which will be appropriately resourced to meet this demand and which will build expertise to maximise people's wellbeing. We will expand our Care Homes Team to become a new Dementia Support Team and this will provide intensive support where people live; whether they reside in a care home or their own home. We will be working in partnership with the third sector to maximise choice and to ensure that we are able to support people through to diagnosis of their illness and beyond
- ✓ Our approach to developing and delivering recovery-focused care in York has resulted in close working with Converge at York St John University. We are developing a multi-agency partnership to provide a recovery college which will offer a 'signposting service' that provides mental health service users and professionals with guidance on learning opportunities. This service will offer both face-to-face advice and a web-based resource. We aim to involve university students and peer mentors in keeping the guide up to date. This approach will also provide a peer role that will work with service users accessing our community-based services and support them in accessing opportunities available to them within the developing recovery college/hub.

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, high quality, safe and cost effective. In the next year we have agreed that in order to focus on the building of quality and sustainable services, there will be no savings expected from our York services. The future business plan for York and North Yorkshire therefore emphasises quality improvements, increased partnership working, improving access and staff development.

- ✓ Service users benefit from care delivered by staff that have the knowledge, skills, experience and attitudes to do this. We will have a programme of staff development in place which will be developed by our Organisational Development Team to achieve this. Our development plan will be based on thorough skills assessment, to be undertaken with teams which will identify areas where skills, knowledge and attitude can be improved. This will also be based on the skills, knowledge and attitudes linking to each of the integrated care pathways
- ✓ Working with colleagues in the Child and Adolescent Mental Health Services (CAMHS) we will design services which ease transition from younger people's to adult mental health services. We believe that this group of service users will benefit from having a bespoke, seamless service which is tailored to their needs and which supports the transition from one service to the other in a timeframe that they are comfortable with. We will also be ensuring that younger people receive specialist out-of-hours support including rapid and specialist assessment in crisis, supported by the emergency department Liaison and Crisis Assessment Team
- ✓ We believe that the introduction of a single point of access in York and North Yorkshire has improved the experience of both service users and referrers, who can now be assured that they will be directed to the right Trust service to meet their

needs. In the next year we aim to further develop the Single Point of Access (SPA) to include all mental health providers, including other statutory and third-sector organisations. We plan to open a 'front door' for our services, allowing service users and potential service users to access specialist support, advice and information, both in person and virtually, from a range of partners

- ✓ Following on from last year's work to our new service model for people with cognitive impairment and dementia we will begin implementation of the new service. This will focus on improving access to assessment and diagnosis to ensure people are able to receive all the support to which they are entitled. The service will strengthen what is currently available, including the Care Homes Team. It will do this by expanding the team to become a dementia support team, able to meet the intensive needs of service users seven days per week whether they live in a care home or their own home, and will do this along with the on-going support provided by Dementia Forward. We will build on the current liaison role available to people admitted to the York District Hospital, to reduce length of stay in hospital and support effective discharge planning.

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. Services in the Vale of York CCG area have been tendered within the last year and we have submitted a robust bid to win the contract. However, there is a risk that we are not selected as the preferred provider for these services and this would result in the Trust not being in a position to implement the improvements we envisage for the locality.

1.8.1.3 Specialist Services and Learning Disability Care Group

The Specialist Services and Learning Disability Care Group comprise 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
- Offender Management Service
- 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 the Leeds or the York clinical 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 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.

Key achievements for the Specialist Services and Learning Disability Care Group during 2014/15

During 2014/15 the Specialist Services and Learning Disability Care Group has continued to develop outcome-based services and to develop our service delivery from accommodation and estate which better meets the needs of service users. The last year has seen the

development of robust governance arrangements for services to ensure that we continue to provide safe and effective services.

- ✓ CAMHS inpatient services for the York locality have been relocated from Lime Trees to Mill Lodge to provide a better environment for the younger people who require this level of care. This move has meant an increase in the number of inpatient beds which are provided and will ensure that more young people can receive care close to their families and carers. The Lime Trees site remains open, providing day services and a base for community teams
- ✓ We have completed a review of the women's low secure unit in York which opened early in the year. The unit ensures that women requiring this high level of care can be treated locally in purpose-built accommodation specifically designed to meet the needs of this client group
- ✓ Waiting times for the Gender Identity Service remain higher than the Trust would like as the commissioned capacity within the service is lower than the demand for it. The service has, however, been working hard to keep in touch with service users and support them during this wait. We have developed systems to ensure that service users know how long they are likely to wait for the service and have developed innovative ways for staff and service users to keep in touch
- ✓ The Community Eating Disorders Service has been embedded in the last year to offer expert support and care to service users to both prevent admission to hospital and to support discharge from hospital through the delivery of intensive home interventions. The team has rapidly expanded the number of service users it provides care to, supporting people living in Leeds as part of the Yorkshire Centre for Eating Disorders in partnership with primary care, third-sector partners and the Leeds Teaching Hospitals NHS Trust
- ✓ Our Learning Disability Services have focused on developing the inpatient care that we are able to provide in Leeds by improving the service we offer at Parkside Lodge. These plans enable the service to meet a wider range of needs for people with learning disabilities, allowing us to centralise services and reduce the overall numbers of beds we will need in the future. The service is now scoping how this model can be implemented for service users in York to ensure they have access to the same range of care at a centralised site
- ✓ We have continued our work with local GPs to support people with learning disabilities to increase the uptake of annual health checks. People with learning disabilities face significant health inequalities and this work has been designed to take an integrated approach to address this issue. We have worked with a number of practices to ensure that people with learning disabilities have their physical health needs better identified and addressed and we will look at ways to roll this out further in the future in both Leeds and York
- ✓ Working in partnership as part of a consortium, the Leeds Addiction Unit has been successful in winning part of the new contract to provide addiction services in Leeds. The new consortium and new models of care are being developed for implementation of the new service.

Future priorities for the Specialist Services and Learning Disability Care Group

The Care Group will be focusing on three distinct areas of quality improvement in the coming year across all services. These have been agreed following engagement with staff and will be implemented using the principles of service improvement. Each service area will tailor their approach to achieving this to the needs of their service users and staff.

Area of Quality Improvement 1 – Each service area will continue to refine outcome measures for service users which reflect the specialist nature of the services which

we provide. It is important that our measures reflect the distinct character of our services in order to demonstrate how these positively impact on our service users. This will allow us to actively market these demonstrated benefits for service users to a range of commissioners. Our outcome measures will include those completed by clinicians and those completed by service users.

Area of Quality Improvement 2 - Each service area will demonstrate improved and accessible local clinical governance arrangements within their service areas. These will include each service identifying local quality improvement objectives. Each area will be expected to evidence increased clinical staff engagement in their governance processes.

Area of Quality Improvement 3 - Each service area will develop and implement a plan for improving service user and carer involvement and feedback within their areas. We will report progress against these plans to the Care Group governance meeting.

Other priorities for the Care Group are listed below.

- We will be expanding our Neurodevelopmental Disorder Services in the coming year and bring together the Autism Diagnosis Service and the Attention Deficit Hyperactivity Disorder Service to maximise the expertise available to service users. Additional money has been made available to the services to expand both the level of direct service they are able to offer but also increase the amount of training that they are able to undertake with mainstream mental health services. This additional money will also allow the service to provide post-diagnostic support for people with autism to improve the service we are able to provide
- Our Learning Disability Services have continued to work with commissioners, service users and carers to develop a future model which responds to the needs for respite care. We understand the importance of getting this model right and will continue to work and engage with a wide range of partners, service users, carers and staff to achieve this
- Our Forensic Services will undertake a range of work to improve discharge planning for service users and in so doing; aim to reduce the length of stay for people in hospital and to improve the transition of care from hospital to community. Developing effective and efficient community pathways will be critical to achieving this as part of a service-wide strategy which will be produced this year
- Improving the pathway for Gender Identity service users to receive support from primary care is important to ensure that people remain supported and have their needs met. We will be developing shared care protocols with colleagues in primary care to achieve this and improve the experience of service users
- Our Eating Disorder Services will continue their work with partners to improve the transition for service users from adolescent to adult services. Working jointly with Child and Adolescent Mental Health (CAMHS) colleagues we will develop a revised and flexible care pathway across the transition, including shared input from both services
- Our Perinatal Services will continue to develop their community pathway to provide support for parents and children across Yorkshire and the Humber, outreaching from our inpatient services. This level of specialist and expert support will both aim to prevent admission to hospital but also increase the wellbeing of service users focusing clearly on recovery.

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. New national service specifications for Specialist Personality Disorder, Child and Adolescent Mental Health and Low Secure Services are being developed and the requirement within these will need to be fully understood by those services.

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 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 or sufficiently engaged to deliver new models of care
- **Estates:** continuing to provide services from premises, of which the Trust is not in direct control that have been identified as not suitable from an environmental perspective
- **Informatics:** failure to engage workforce in emerging technology trends
- **Income:** loss of contract income when services are tendered
- **Governance:** breaching our regulatory requirements (Monitor)
- **Information governance:** inaccurate information supplied to commissioners and in statutory returns or failure to provide adequate assurance of the accuracy of that information
- **Clinical (general):** NHS Vale of York CCG decision to continue with the tender of mental health and learning disability services at a time when LYPFT has been and will continue to deliver a major programme of improvements, specifically the estates changes planned for Bootham Park Hospital and the quality improvement plans for both Bootham Park Hospital inpatient wards and the Community Units for the Elderly (CUE's)
- **Information technology:** IT capacity to deliver challenging pace of IT developments to support new models/business 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 for the 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 the controls and mitigations. The strategic risk register is regularly reviewed by the Executive Team and the positive impact of the mitigations assessed. The Audit Committee also receives a high-level report twice each year which indicates risk movement and hence the impact of risk management plans.

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 people who use our services 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 the community survey was sent to a random sample of 1,200 service users. Following an intensive promotional campaign, including posters and regular messages encouraging people to complete the survey, our response rate has improved from 27% in 2013 to 30% in 2014. This is exactly equal to the national average, but falls short of the 40% national target set by NHS Surveys. Our response rate puts us in the second highest quadrant along with 20 other trusts; only three trusts achieved the top quadrant and no trust met the national target.

The 2014 inpatient survey was sent to 406 of our service users who were discharged from inpatient services between July and December 2013. Our return was 26%, again in the higher quadrant nationally; however this equates to only 107 people responding. Therefore we should be concerned when acting upon outputs from this survey, to ensure we triangulate feedback from other sources.

Following the 2014 inpatient survey a workshop session was held with operational managers and clinical leaders from Care Groups; and a number of key areas of focus were agreed:

- Safety and security of inpatients
- Increasing time available for staff to spend directly with inpatient service users
- Improving discharge planning, including ensuring that service users and carers and / or their families are fully aware of plans and understand what to do in a crisis
- Improving information provided to inpatient service users and their carers, particularly about:
 - Interventions (including medication)
 - What to expect during an inpatient stay, including the activities they will be involved in
 - The Mental Health Act
 - Their discharge from our services.

Actions to improve these areas will be co-ordinated with key actions identified from the 2014 community survey, which were:

- A coordinated Trust-wide approach to physical healthcare for community and community mental health teams
- Outcomes and arrangements for service users in crisis.

Actions from the two surveys will translate into an improvement plan, which the Patient Experience Team will oversee.

1.10.2 Dealing with concerns – our complaints and PALS service

The recent Care Quality Committee inspection highlighted concerns about our management of Patient Advice and Liaison Service (PALS) and complaints including concern that capacity in each of these areas was inadequate. A business case to expand the Complaints Team was approved and we have now recruited a new Complaints and PALS Manager (for a fixed term of one year) reporting to the Head of Patient Experience and supported by the existing Complaints Officer.

A business case to expand the PALS team was also successful and the new structure will be led by the Complaints and PALS Manager, supported by a PALS Team Leader and two part-time PALS officers, one based in Leeds and one in York.

The PALS team is also supported by two volunteers who have a specific remit to raise the profile of PALS in our units and promote the service. Since January two social work students from Leeds Beckett University have commenced 90-day placements with our PALS service as part of their MA in social work. This has also created more capacity for promoting the service and increasing activity.

Significant progress has been made in the governance and quality assurance of complaints responses and there is now much closer working between the central Complaints Team and the care services directorate.

The complaints procedure has been revised in its entirety and will be operational from 1 April 2015. Training for investigators, in line with the new procedure also commenced in April.

We have looked at the ways in which people can provide feedback to us. These include a review of written materials (leaflets, posters), a review of information available on our website, and raising staff awareness about how service users or those acting on their behalf can provide feedback. This encompasses referrals to the PALS service (for advice and concerns) and the compliments process.

In all, we have now put robust measures in place to address all the issues raised by the CQC regarding complaints and PALS and we are seeking feedback from service users and complainants on their experience of using our improved processes.

1.10.3 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 our wards and services. These meetings are an opportunity for the 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.

The Involvement, Engagement and Membership Team has a programme of public events throughout the year. The 'Building your Trust' model provides the organisation with an opportunity to consult with people who use our services, and allows us to seek people's views about proposed service improvements and developments. During January and February 2015 the re-tendering of services in York and North Yorkshire was the focus of these events in York, and we are currently planning a 'smoke-free' workshop with the project group, to consult and engage with people on this new initiative.

'Everything you need to know about...' events are designed to inform our members about aspects of mental health and learning disability. They are led by some of the senior clinicians in the Trust and provide an opportunity for services to showcase their work.

Recruiting members to represent the local community continues to be a priority for the Council of Governors. Assurance is provided to the Membership and Development Committee, a sub-group of the Council of Governors, on a quarterly basis in respect of progress with this. Because membership recruitment is essential for a foundation trust, each year the Involvement, Engagement and Membership Team works with our governors to create a themed membership campaign which provides a framework for conversations about becoming a member. It also focuses on an aspect of mental health care and provides an opportunity to showcase some of our services. This year the campaign is called *'Man Up?'* and aims to challenge assumptions about men and mental health.

1.11 PARTNER RELATIONS

1.11.1 Provider partnerships programme

Provider partnerships have developed at-a-pace in 2014/15 across both Leeds and York. In Leeds the focus has been on building on the Provider Partnerships Programme we have in place and developing new service models such as the Rehabilitation and Recovery Service. The programme has also identified areas for further development and is helping to shape the commissioner-led Mental Health Framework.

An integration programme has also been initiated between the Trust and Leeds City Council Adult Social Care. The programme aims to build on our current Section 75 agreement by improving the service user pathway from our services to Adult Social Care day support, transitional housing, and dementia day support.

Within York, we have established the York Collaborative, which has brought together a number of third-sector providers to look at how we can work better together. The collaborative has successfully identified opportunities and developments and agreed a comprehensive service model to complement how we provide services. A number of initiatives related to the model, such as peer support work, recovery college developments, and housing liaison are already underway.

1.11.2 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
- Love Arts York: the Involvement, Engagement and Membership Team has been working closely with Converge and York St John University to create a Love Arts festival in York. Similar to the festival in Leeds, the programme of events aims to raise awareness and encourage understanding around mental health and learning disabilities through art and creativity
- The Volunteer Services have developed relationships with York University and York St John University to help encourage students to become volunteers and are now providing an information hub in Bootham Park Hospital for people using services and their carers.

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 National recognition for our workforce teams

In September 2014 we received national recognition for our workforce teams by the Chartered Institute of Personal Development (CIPD) for the prestigious Human Resources / Learning and Development Team of the Year. The judging panel said “the rapport between teams was clear to see and their passion was palpable”.

1.12.2 Volunteers

Our Voluntary Services department continues to provide a high quality service across our sites, working in partnership with volunteers, staff, service users and external voluntary organisations. The service actively recruits people who have used our services.

During 2014/15 we have developed new areas of volunteering whilst continuing to support existing schemes and their volunteers. This includes the establishment of a volunteer-run information and drop-in centre at Bootham Park Hospital in York. The centre operates for five days per week and provides recovery-focused information and social support to our service users and carers.

We have continued to develop our partnership work with Age UK and Create, in supplying a joint befriending service for older adults and with Minds in Motion, a community service that supports people with dementia and their carers, run by students from the University of York.

We currently have 240 active volunteers and for many of them 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 both 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.

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

Staffside is the elected body of the representative trade unions in our 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 management.

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 by continuing to have involvement in service redesign and management restructuring, and also in communication and engagement with staff. Staffside has also actively encouraged staff to complete the annual staff survey. It has continuing involvement in the development of our strategy and in workforce issues through involvement in the Workforce Steering Group. It is successfully working in partnership with Human Resources and managers to support staff going through significant change due to the on-going change programme. Staffside members continue to contribute to the job evaluation process under Agenda for Change to ensure fairness and equity in pay banding. It has also continued to support staff who are redeployed in order to minimise any redundancies.

Taking some of the feedback from the *Bright Ideas* initiative into the new *Your Voice Counts* programme over the last year Staffside has continued to engage with staff and participate in the ideas implementation groups.

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

1.12.4 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:

- In 2014/15 we successfully piloted the *Your Voice Counts – Moving Forward Together* programme. This has supported staff to work in ideas implementation groups to gather feedback and also deliver key changes on two priority areas which arose from the 2013 staff survey; the two areas for action being: improving Trust appraisals and improving communication between managers and staff. We are planning further roll-out of the programme in 2015/16
- We have appointed a new Head of Communications to lead on developing the Communication Strategy. Progress has been made in 2014/15 to provide a new Trust intranet and it utilises social media to communicate both formal and informal information and feedback from key events. There is also a Trust blog which 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, which recognises exceptional contribution to our objectives and values
- ‘*What our director’s say*’ and ‘*What our governors say*’ are regular briefings and updates for staff on what is happening at a strategic level across our organisation. These are posted on our intranet site
- In 2014/15 our executive directors held face-to-face briefing and engagement sessions to which all staff were invited. These were on important topics, such as CQC feedback and action planning
- Our Chief Executive Officer and other directors blog regularly to share updates and information on important Trust issues
- 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 service improvement, staff have been involved in the design of new service models through consultation and process mapping. A Workforce Impact Analysis Toolkit has been piloted to ensure those leading change projects consider the impact on our workforce. 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 members of the Board of Directors undertake regular service walkabouts in services and teams across our organisation.

1.12.5 Our staff survey

Results from the NHS staff survey 2014

This is the eleventh annual staff survey in which we have participated. Table 1C below shows our performance in respect of response rate, and tables 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

| 2013 survey | | 2014 survey | | Trust movement between years |
|-------------|------------------|-------------|------------------|------------------------------|
| Trust | National average | Trust | National average | |
| 46% | 48% | 48% | 42% | +2% |

We encouraged staff to complete the survey utilising a joint approach between management and Staffside representatives. This included regular joint staff briefings and Staffside representatives talking directly to staff about the benefits of completing the survey. Staff were also regularly informed about the survey using Trust-wide communications, reminders via managers and our intranet. The response rate increased from that achieved in 2013 and was above the average response rate for mental health trusts in England in 2014. We are providing regular feedback on the basis of 'You Said, We Did' to ensure that staff understand the value of providing feedback. 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 have seen the largest local change since the 2013 staff survey is in relation to the number of staff appraised in the last 12 months. The Trust's score for 2014 is 87%, which is a 7% increase on the 2013 survey. Other areas where the Trust has done well compared to other mental health and learning disability trusts is in relation to the percentage of staff agreeing they would feel secure raising concerns about unsafe clinical practice and in relation to staff receiving job-relevant training, learning or development. To further support and focus on innovation and improvement we are continuing to develop an organisational development cohort of staff who can champion and bring their expertise to support teams and projects across our Trust. This work is supported by the Head of Organisational Development.

Since the 2013 survey results we have used a workforce engagement approach to delivering changes on two key areas arising from the survey feedback. The *Your Voice Counts* programme has enabled feedback and changes to be delivered on our appraisal system and communications between managers and staff. As a result of the programme an appraisal myth buster campaign has been run, providing important information and clarification on the appraisal system as well as appraisal paperwork being simplified. Important changes have been made to improve communication between managers and staff. These include the introduction of directors' blogs and a scheme to support work shadowing to improve communication and understanding of different roles within the Trust.

The tables below show the results from the 2014 staff survey; specifically the top five ranking scores, where we are in the best 20% of trusts, and the bottom five ranking scores where we are in the worst 20% of trusts.

| | 2013 survey | | 2014 survey | | Trust movement between years |
|--|-------------|------------------|-------------|------------------|------------------------------|
| | Trust | National average | Trust | National average | |
| Table 1D – Staff survey top five ranking scores | | | | | |
| Top five ranking scores (where we are in the best 20% of trusts) | | | | | |
| Percentage of staff receiving job relevant training, learning or development in last 12 months | 79% | 82% | 84% | 82% | +3% |
| Percentage of staff agreeing that they would feel secure raising concerns about unsafe clinical practice | * | * | 71% | 69% | * |
| Percentage of staff believing the Trust provides equal opportunities for career progression or promotion | 92% | 89% | 90% | 86% | -2% |
| Percentage of staff reporting errors, near misses or incidents witnessed in the last month | 93% | 92% | 93% | 92% | 0% |
| Work pressure felt by staff (score between 1 – 5, low score = good) | 2.96 | 3.07 | 3.01 | 3.07 | 0.05 |

*New key finding – no comparative score available for 2013

Table 1E – Staff survey bottom five ranking scores

| | 2013 survey | | 2014 survey | | Trust movement between years |
|---|-------------|------------------|-------------|------------------|------------------------------|
| | Trust | National average | Trust | National average | |
| Bottom five ranking scores (where we are in the worst 20% of trusts) | | | | | |
| Staff motivation at work (Score between 1- 5. High score = good) | 3.79 | 3.85 | 3.70 | 3.84 | -0.09 |
| Job satisfaction (Score between 1- 5. High score = good) | 3.67 | 3.67 | 3.59 | 3.67 | -0.08 |
| Percentage of staff reporting good communication between senior management and staff. (The higher the score the better) | 27% | 31% | 25% | 30% | -2% |
| Percentage of staff experiencing physical violence from patients, relatives or the public in the last 12 months. (The lower the score the better) | 26% | 19% | 25% | 18% | -1% |
| Effective team working | 3.79 | 3.83 | 3.77 | 3.84 | -0.02 |

1.12.5.1 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 2015/16. Feedback from the quarterly staff friends and family survey and an internal barometer check is also used to take more regular feedback from staff and ensure the Trust is focusing on the right issues.

Our response to the 2014 survey is to focus on the five 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 2015 survey. The *Your Voice Counts* programme will continue to support on-going feedback and change from the 2014 staff survey.

1.12.5.2 Future priorities and targets

In light of the findings from the 2014 staff survey, and to continue the achievements to date from the *Your Voice Counts* programme the following have been identified as future priorities and targets for 2015/16:

- Staff motivation at work
- Job satisfaction
- Team working
- Reducing the number of staff experiencing violent incidents from staff, service users and carers
- Improving the standard of communication between senior managers and staff
- Increasing the quality of appraisals.

1.12.6 Sickness absence

At the end of March 2015 our absence rate increased to 5% from a position of 4.5% at April 2014. This is above our target of 4.2%. The latest figures released by the Health and Social Care Information Centre (HSCIC) show an increase in overall sickness absence in the NHS, rising to 4.79% in December 2014 from 4.35% in December 2013. Despite this, for the coming year we have maintained our ambitious target of 4.2% and we will continue with our efforts to improve attendance, thereby improving quality and reducing costs. The reasons for the increase in sickness absence levels include the significant affect of the rise in the level of sickness absence due to stress and other mental health-related absences and due to muscular-skeletal related absence. Again, there are

similar national trends in these areas. These are areas where we are focussing our efforts to support staff and improve attendance.

The tables below show our sickness absence rate during 2014/15 and also present some statistics around the number of days lost due to sickness absence.

Table 1F – Sickness absence (percentage for 2014/15)

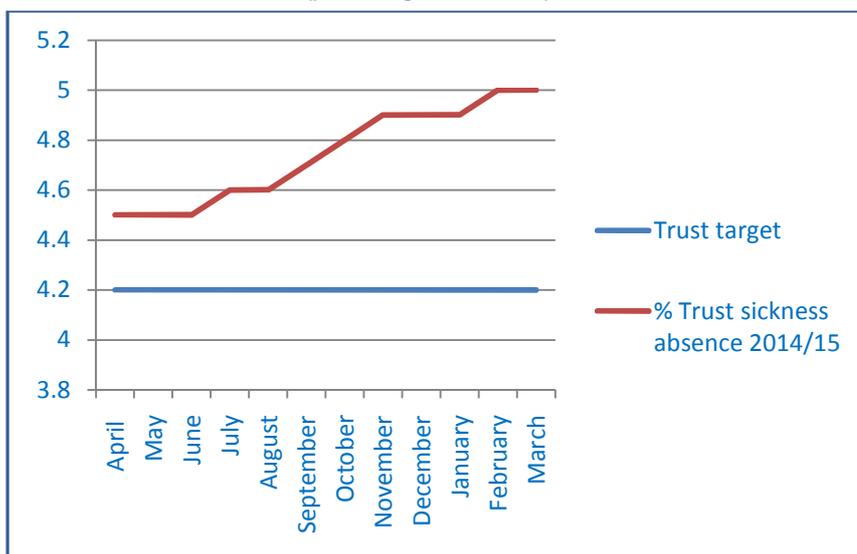


Table 1G – Sickness absence as reported in the FTCs (Foundation Trust Consolidation schedules)

| | 2013/14 number | 2014/15 number |
|---------------------------|----------------|----------------|
| Days lost due to sickness | 30,672 | 33,140 |
| Year lost due to sickness | 3,207 | 3,267 |

In June 2014 we piloted a new sickness absence reporting system called First Care and we rolled this out across the whole of our Trust in November 2014 for an initial 12-month period. This provides a single point of access for sickness reporting and provides greater support for managers in understanding absence rates, having quicker referral rates to Occupational Health, a more effective return to work processes and more consistent reporting. We are now at a stage where managers are becoming familiar with the system, and with HR support we are developing local attendance management action plans to address high levels of absence and ‘hot-spot’ areas.

A full-time physiotherapy service was established in April 2014 as muscular-skeletal (MSK) is one of our top reasons for absence. We have implemented four physiotherapy clinics to support a reduction in high absence levels and provide education and advice to prevent injury / absence where possible. The service has worked in partnership with other experts and professionals to review and improve our in-house training provision in the areas of moving and handling and the prevention and management of violence and aggression. We have also launched five videos for staff highlighting causes of common MSK problems and self-management strategies. We continue to promote our Employee Assistance Programme to provide staff support both from a work and personal perspective. We anticipate that this will provide additional support for staff absences related to stress, anxiety, depression and other mental health conditions. A new stress pathway online toolkit was implemented in 2015 and in 2015/16 this will be further publicised and embedded.

We signed up to the Department of Health’s *Public Health Responsibility Deal* and gave a commitment to a number of pledges including smoking cessation, occupational health and chronic conditions. Our progress is monitored and supported by our Health and Wellbeing Group and our

health and wellbeing programme has supported smoking cessation, 'Dry January', and the seasonal flu campaign.

1.12.7 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 an overall occupational health services for 10,000 employees in the region and continues to operate service level agreements for external contracts.

During 2014/15 the main achievements include:

- An Occupational Health Service short film produced to promote and increase awareness
- The development of five short muscular-skeletal (MSK) educational films for common MSK disorders
- The trial of a bespoke stress course to support staff suffering with stress
- Improving and streamlining work health assessment process for volunteers
- Focused physiotherapy interventions for high absence areas 'hot spots' across the Trust
- Fast track physiotherapy appointments for MSK alerts received via Firstcare.

1.12.8 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, 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 2014/15 we introduced our team member skills training which is accredited at ILM level 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 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 our 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 the detention of 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 are subject to a Community Treatment Order.

As part of the Board of Directors' review of governance structures it established a Mental Health Legislation Committee which is a sub-committee of the Board. This is chaired by a non-executive director (Keith Woodhouse), who also regularly sits as a MHAM. This committee met four times during 2014/15. The Mental Health Act Managers' Forum reports into the Mental Health Legislation Committee, and met three times during 2014/15. This forum is also chaired by a non-executive director to ensure a direct link to the Board of Directors in accordance with the Mental Health Act Code of Practice.

The recruitment of further MHAMs continued during 2014/15 and 10 new MHAMs were appointed. The regular recruitment drives ensure diversity is addressed within the group and that the organisation retains sufficient panel members to review detention and CTOs in accordance with the Trust's own standard. A further recruitment drive is currently in place to ensure we continue to retain a sufficient number of MHAMs to meet our responsibilities in regard to the review of detention and Community Treatment Orders. These new managers are expected to be confirmed in place during the early part of 2015/16.

We are committed to ensuring that our MHAMs are appropriately trained for their role and that all new managers attend a one-day induction followed by a period of observation with support from experienced MHAMs. On-going training is provided at forum meetings and a training day was held for all MHAMs in March 2015 which was very well received, with a high level of attendance.

During 2014/15 the process for the review of the extension of a Community Treatment Order was improved to ensure the MHAMs have sufficient information available to them. This new process requires all clinicians to provide written reports with full hearings being held where there was any indication that the service user was contesting. Further reviews of the processes will take place in the light of the publication of the new Mental Health Act Code of Practice which took effect on 1 April 2015. 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 2014/15 there were 82 appeal hearings of which 70 were heard within our standard of 15 days. The MHAMs reviewed 138 renewals of detention and 139 extensions of CTOs.

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. Once again we wish to thank our Mental Health Act Managers for their dedication and the skill they apply when undertaking this vital role.

We currently have 38 Mental Health Act Managers and the table below shows those people who have acted in this capacity during 2014/15.

Table 1H – Mental Health Act Managers during 2014/15

| Mental Health Act Managers during the period 1 April 2014 to 31 March 2015 | | |
|---|-------------------|------------------|
| Bernadette Addyman | Kathleen Fenwick* | Claire Morris |
| Ian Addyman | Roger Helm | Muhammad Patel |
| Kashif Ahmed | K Wendy Henry | Jennifer Patrick |
| Nasar Ahmed | Alison Herbert | Debra Pearlman |
| Maggie Archer | Jill Hetherton | Anne Rice |
| Enid Atkinson | Nancy Hill* | Jenny Roper |
| Janis Bottomley | Ian Hughes | Angela Senior* |
| Marilyn Bryan | Lorna James | Nicholas Smith* |
| Deborah Byatt | Peter Jones | Nicola Swan |
| Aqila Choudhry | Brian Kemp | Claire Turvill |
| Lucy Cole | Heather Limbach | David Walkden |
| Brian Councell | Andrew Marran | Mike Wash* |
| Lindsay Councell | Bernard Marsden | Thomas White |
| Judith Devine | Roger Mattingly | Keith Wood* |
| Pauline English* | James Morgan | Michael Yates |

* Retired from the role during 2014/15

| Non-executive directors also acting as Mental Health Act Managers during the period 1 April 2014 to 31 March 2015 | |
|--|-----------------|
| Steven Wrigley-Howe | Keith Woodhouse |

1.14 GENDER PROFILE OF OUR TRUST

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

Table 1I – Gender profile of our Trust

| Group | Number male | Number female |
|-----------------|-------------|---------------|
| Directors | 7 | 6 |
| Senior managers | 79 | 159 |
| Employees | 839 | 2,235 |

For the purpose of this disclosure 'senior managers' are defined as all Agenda for Change staff on band 8 and above, 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 used the arts within our services to promote recovery and wellbeing. We have also undertaken a wide range of activities that enable service users to participate in the cultural life of our cities. Below are some of the highlights of 2014/15:

- Arts and Minds have continued to develop partnerships with a range of education providers. Students from the Leeds College of Music have run music workshops in older people's wards at The Mount, which have had very good outcomes. Staff described how "it brought a lot of warmth and positivity to the ward and service users seemed calmer and were socialising". The Swarthmore Education Centre has run a further year's arts course for people with dementia, which can be accessed through the Occupational Therapists in our services. They have also run taster sessions in our services to promote the take up of courses as a pathway on from services
- The Skippko arts organisation ran a very positive arts project with the Perinatal Unit. Participants reported that it helped them feel calmer and alleviated their anxiety; "I discovered that I can increase my self esteem, build my confidence, and feel good about myself!"
- Cloth Cat ran a very successful music project at the Newsam Centre Forensic Unit. The project was funded by profits raised at monthly music nights at Inkwel where service users had the opportunity to perform
- Arts and Minds held three successful creative networking events at the Leeds Grand Theatre, The Tetley, and Duke Street Studios. We have also initiated a 'Culture Club' that meets monthly to see shows, exhibitions, artist's talks etc. Both of these initiatives aim to enable members to connect with the cultural life of Leeds and build new networks to help sustain their mental health
- Arts and Minds' Film to Change group made three films throughout the year which they wrote, directed and produced. The films were shown at the Leeds International Film Festival to an audience of 100 people, with the aim of challenging stigma and discrimination
- Our fourth Leeds Love Arts festival took place last autumn, with the aim of raising public awareness of mental health and contributing to a reduction of stigma and discrimination. The main focus for the festival was a two-day conference, the first of its kind for the festival. This conference aimed to engage with the Trust's services and inspire delegates to incorporate creativity into their practice. The conference included a total of 28 structured conversations alongside creative presentations, performances, workshops, and films by artists and organisations. Alongside the conference we held 20 festival events over two weeks and we developed partnerships with 45 arts organisations. Whilst the Arts and Minds project is a Trust-wide service, because of commissioning differences much of the activity takes place in Leeds. However, we were keen to take good practice into York and the first York Love Arts Festival took place in spring 2014, delivered by a steering group formed of local arts and mental health partners. This partnership model has continued to build, supported by the Board of Directors and the Converge project at York St John University. Plans are underway for an even bigger York Love Arts Festival in 2015.

1.15.2 Time to Change

This year our partnership with the local authority and voluntary sector in Leeds has been reviewed, and whilst it continues to support the national anti-stigma campaign ('*Time to Change*') the local

commissioners feel that the project has reached a natural end. During the five-year life span it has won national recognition and was awarded the Time to Change Positive Practice Award.

As a Trust we have agreed to continue the anti-stigma work and especially the work around the Living Library, now re-named '*Real Voices*'. A group of 20 people has been trained and supported to be 'real voices', telling their story of lived experience, and helping to change people's perceptions about mental health.

The original project will continue until September 2015 and will then be brought in-house to continue its anti-stigma work.

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 have established 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 has been externally evaluated in the last 12 months and based on a 2007/08 baseline (2008/09 baseline for York), a carbon emissions reduction of 10.9% has been reported for 2013/14.

This compares favourably with the NHS strategy target of 10% by 2014/15 (and was achieved one year early). However, the achievement compares less favourably with our original stated intention of a 25% reduction over the same period. This 25% target was based around the planned disposal of old estate, which has either not yet occurred or has been revised.

The CMP has helped us to fulfil our commitment towards carrying out our activities with due consideration to the environment, whilst 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 CMP.

During 2014/15 the Trust reviewed and refreshed the Sustainability Policy. This process resulted in the inauguration of the Sustainable Development Management Committee whose brief is to create, establish, develop and monitor a Sustainable Development Management Plan. This plan will act as an 'umbrella' document for the renewed CMP, existing Waste Procedure and travel plans, and will be linked to other Trust-wide procedural documents such as the Estates Strategy, the Procurement Strategy, the Health and Wellbeing Action Plan and the Business Continuity Plan.

The Sustainable Development Management Committee is a governance Committee linked to our strategic objective 4; (We provide efficient and sustainable services). The committee is also using the Good Corporate Citizen Assessment framework and provide input into the refreshed CMP.

Table 1J - Waste and environment statistics for 2014/15

Please note: The information provided in this table is based on the year-end information available as at 4 May 2015. 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 2014/15 ¹ the Leeds sites consumed 11,299,245 kWh of gas , which equates to 2,074 tonnes of CO2e³ . In 2014/15 ¹ the York sites consumed 6,806,308 kWh of gas , equal to 1,249 tonnes of CO2e . | In 2014/15 ² we spent £188,083 purchasing gas in Leeds ² . In 2013/14 the gas for York services cost £216,761 . |
| | Indirect energy emissions | In 2014/15 ¹ the Leeds sites consumed 4,760,904 kWh of electricity , which equates to 2,498 tonnes of CO2e³ . In 2014/15 ¹ the York sites consumed 1,351,363 kWh of electricity , which equates to 709 tonnes of CO2e³ . | In 2014/15 ² we spent £213,292 purchasing electricity in Leeds ² . The cost of electricity supplied to York sites in 2013/14 was £158,707 . |
| | Official business travel emissions | Grey fleet⁴: In 2014/15 mileage travelled by the grey fleet amounted to 2,277,977 miles. A decrease of 5.8% on 2013/14. Lease cars: (Figures for 2014/15 still unknown at the time of publishing) 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 one electric car in the fleet used by the Crisis Resolution Team at the Becklin Centre. This vehicle is classified as being emission-free. Four power-assisted bicycles introduced to St Mary's House in July 2014 have so far travelled approximately 250 miles. | Grey fleet: In 2014/15 we spent £1,062,322 on mileage for the grey fleet; a decrease of 8.9% . Lease cars: (Figures for 2014/15 still unknown at the time of publishing) 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 2014/15 the figures for commercial waste are as follows: <ul style="list-style-type: none"> Total waste arising approx.: 250,000 kg 5,248.650 m3 of waste services were procured (Leeds and York) Waste recycled: 52.5% = 2,755.541 m3 of procured services Waste to RDF⁶: 47.5% = 2,493.108 m3 of procured services Waste incinerated: 0 kg. Zero waste to landfill. | Commercial waste: In 2014/15 the cost of disposing of commercial waste was £38,305 . | |
| | Healthcare waste: For 2014/15 the figures for healthcare waste are as follows: <ul style="list-style-type: none"> Total bulk waste: 71,572 kg. (2013/14 = 83,203) This figure includes York properties. Of this: <ul style="list-style-type: none"> Waste landfilled (offensive 18.01.04): 56,002kg = 78.2% (2013/14 = 77.6%) Waste autoclaved (infectious 18.01.03): 13,287kg = 18.6% (2013/14 = 18.8%) Waste incinerated (sharps and pharmaceutical 18.01.03/09): 2,209kg (3.1%) (2013/14 = 3.5%). | Healthcare waste: In 2014/15 the cost of disposing of all healthcare waste was £39,858 (2013/14 = £36,457). | |
| Finite resources | It is not possible to accurately report on water figures for 2014/15 at this time. | | |

¹ These are the final figures for 2014/15, but include estimates for Leeds electricity for Feb 2015 in lieu of bills from British Gas. The figures include Trust-managed and leased sites as well as eight PFI sites from which we operate.

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 again this year.

³ CO2e = Carbon dioxide equivalent 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

The Carbon Management Plan is in the process of being updated. In 2015/16 it will continue to provide the framework for much of our environmental agenda in the next year and beyond. The plan will include the following initiatives:

- A goal for a 34% reduction in carbon emissions by 2020 based on 2007/08 data
- New technologies, ideas and initiatives aimed at carbon reduction with the aim of specifically focusing on carbon 'hotspots' which have not been previously concentrated on, in particular staff engagement, transport, travel and procurement will have an enhanced profile as well as a focus on continuing to lower emissions from our buildings through a mix of new ideas and technologies, ensuring existing projects are producing results
- Options for carbon reduction in NHS Property Services' owned buildings in York as well as the PFI estate in Leeds (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 for partnership working will be investigated and plans developed
- The impact of recent initiatives aimed at influencing staff travel behaviour to, from and between our sites will continue to be the subject of focus. We are committed to implementing initiatives such as reducing single-occupancy car journeys to many of our sites. The success of these initiatives is monitored using the annual West Yorkshire travel to work survey
- During 2015/16 we will continue to promote the provision of power-assisted bicycles for staff travelling on business. They will be based at St Mary's House and the Assertive Outreach Team in York. It is also envisaged that we will put considerable effort into investigating and piloting provision of pool electric or hybrid vehicles in order to alleviate car parking pressures and encourage a shift in travel behaviour at one or two chosen sites
- Efforts continue to be focused 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.

1.17 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 that may arise when providing a public service. This includes the 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. 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. The Trust has undertaken the following audits and inspections between April 2014 and March 2015:

- 86 health and safety audits
- 92 health and safety inspections
- 44 food safety audits
- 103 fire safety audits
- 20 security inspections.

Managers also have a responsibility for the safety of service users, carers and members of the 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.

1.18 FINANCIAL PERFORMANCE

1.18.1 Overview

The Trust's financial performance during 2014/15 remained very strong, building on the good performances of previous years and contributing to an underlying overall solid financial position. Maintaining a stable, sustainable financial position, in the context of increasing operational pressures and limited funding is an important on-going strategic objective for the Trust. The key performance metrics against which we monitor and assess our financial performance are: the income and expenditure position (statement of comprehensive income); the cost improvement plans (savings targets); the capital investment programme, and liquidity.

The statement of comprehensive income shows a surplus of £5.6 million for the year ended 31 March 2015. This was significantly higher than the small surplus planned (£0.7m) but lower than the previous year. Again, as in the previous year the financial performance reflects a range of non-recurrent factors and exceptional items, including: unutilised 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 £1.5m, just under 1% of our annual turnover.

During the year we reassessed our capital programme to take into account the scale and pace of delivering some key strategic items which required further consultation, eg the redevelopment of Parkside Lodge for Learning Disability Services. There was also some minor slippage in other estate schemes, specifically the refurbishment of a community hub, which will now complete earlier in 2015/16. There was a reprioritisation of information technology investment with some accelerated spend as we focussed on the roll-out of our core clinical system to services in York and benefitted from some national investment through the technology fund to support document management and electronic prescribing. Overall we delivered a good level of investment of £4.5m, which was much higher than the previous year.

The cost improvement schemes planned for the year under-delivered but this was primarily linked to slippage in agreeing plans and funding for our Crisis Assessment Service in Leeds, which required some estate reconfiguration. This will be delivered in the first part of 2015/16. The slippage was largely offset by revenue generation being ahead of expectation in specialist services. Combined cost savings and revenue generation delivered £4.6m in the year.

The overall financial performance as measured by Monitor, our regulator, is assessed on 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 metrics. As is shown in the table below, we ended the year as an overall 4, with increased liquidity to 65 days compared to 60 at the end of the previous year. Our long-term fixed PFI repayments and expected lower surpluses will result in a reduction to an overall 3 from 2015/16. This is still recognised as a good level of performance and the Trust remains strong on liquidity, linked to relatively high cash reserves.

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

| Year ending 31 March 2015 | Score | Risk Rating Category |
|-----------------------------------|--------------|-----------------------------|
| Capital service cover | 2.15 | 3 |
| Liquidity | 65 days | 4 |
| Continuity of service risk rating | | 4 |

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

For the financial year ending 31 March 2015 we have reported a surplus of £5.6 million in comparison to a surplus of £8.9 million in the previous year (2013/14).

Operating income

Our income for the year overall remained broadly static at £179.5 million (£179.9 million in 2013/14), after taking into account movements in tariff deflation and the impact of recurrent and non-recurrent funding changes across the years. Income received in respect of service user care activities is predominantly received on a fixed-block basis but during the year we received additional recurrent allocations from our CCG commissioners to support service developments including our Crisis Assessment Service in Leeds (£0.7 million) and Section 136 Service and IAPT investment in York (£0.6 million). We also received a further £1.5 million from Leeds non-recurrently to support key initiatives. A major investment from the Specialist Commissioner in the year related to the opening of the new Women's Low Secure Unit in York (£3.4 million) and significant additional cost-per-case income for other Low Secure and Eating Disorder specialist services. These will all impact recurrently from 2015/16.

Operating expenses

The total operating expenses for the year was £169.6 million (£166.6 million in 2013/14), which is a net increase of just under 2.0%. This is after taking into account cost inflation, savings targets and expenditure to match new funding. Staff costs are our single largest operating expense and this increased by 4.4% in the year. The only material adverse impact on pay costs was the increased use of agency staffing during the year, affected by both the need for some short-term support in certain areas, the level of vacancies and some difficult to recruit areas. All of this is being addressed in our future workforce planning. Purchase of healthcare from other NHS bodies increased during the year with the impact of the Trust taking responsibility for out-of-area placements on behalf of York. Other expenditure has significantly decreased linked primarily to a non-recurrent benefit of releasing unutilised provisions in respect of management of change.

1.18.3 The statement of financial position

The summary of the Trust's overall value shows a net increase in taxpayers' equity of £6.9 million to £55.8 million as at 31 March 2015. This reflects the impact of the surplus generated in the year and the net impact of asset disposals and revaluations. In particular, during the year the Trust disposed of one of its PFI assets. The Trust also received Public Dividend Capital from the Department of Health in relation to technology funding to support electronic prescribing and electronic document management. Working capital (net current assets less net current liabilities) has increased marginally by £2.9 million, of which the net cash increase was £9.4 million. The surplus cash held 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.

1.18.4 Future financial outlook and risks

The Trust has prepared an operational financial plan for 2015/16, which supports us to deliver the objectives set out for the year, continue to release a reasonable level of efficiency, manage pressures and risk, whilst still generating a small planned income and expenditure surplus of £0.8m. We also intend to spend c£5.7m investing in our estate and information technology infrastructure both of which are important enablers to our plans.

Last year the Trust identified a number of challenges for 2015/16, some generic to the health sector (eg impact of continued constrained revenue allocations and requirements of integrated health funding with social care) and a specific risk due to expected re-procurements of two services: the Vale of York Mental Health and Learning Disability Services and the Addictions Service in Leeds. Both of these procurements materialised. The Trust was successful in a partnership bid for a city-wide Addictions Service, although with a significantly reduced share of business as the service specification is very different. The outcome of the Vale of York tender is not finalised at the point of writing this report, but the financial impact of an adverse outcome would not generate a significant risk to sustainability in the short/medium term.

The Trust will be reviewing its strategic plan during 2015/16 to take account of external factors specifically understanding the context of direction in relation to the five-year forward view and integration, alongside expected changes in the way specialist services may be commissioned going forward.

Recognising the wider financial challenges of the NHS and social care the Trusts financial strategy remains focused on supporting the organisation to achieve its goals and maintain a strong stable position, which minimises financial risk. We fully recognise the balance between financial sustainability, 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. Based on our planned surplus for 2015/16, our capital expenditure plans and the high level of cash headroom, the Trust has a high degree of confidence in its financial sustainability over the medium term.

1.18.5 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 and for 2015/16 our financial plans reflect the nationally-agreed 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 2015/16 (2015/16 already includes a 1.6% 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.

1.18.6 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.

1.18.7 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 2014/15. 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.

1.18.8 How we involve our staff in understanding financial performance

Financial plans are set in the context of an annual planning process. We are required to complete a one-year Operational Plan (2015 – 2016) and we are currently one year into our five-year Strategic Plan (2014 – 2019). Both documents are produced in the context of our overarching strategy. 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.

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.

1.19 COUNTER-FRAUD

Between 1 April and 31 May 2014 Baker Tilly provided our Local Counter-Fraud Services. Following a competitive process led by the Chief Financial Officer, supported by the Chair of the Audit Committee, the Local Counter-Fraud Specialist (LCFS) service was, from the 1 June 2014, provided by a collaboration between West Yorkshire Audit Consortium (WYAC) and North Yorkshire Audit Services (NYAS). These organisations specialise in all aspects of internal audit, counter-fraud and investigations work, primarily across the NHS but also the public, corporate and not-for-profit sectors. WYAC and NYAS have a team of accredited and experienced LCFS personnel.

Our LCFS has conducted work across all generic areas of counter-fraud activity, 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.

A former employee of the Trust appeared in Court during 2014 charged in connection with a major fraud. Criminal proceedings are on-going and we continue to assist the police with this matter.

1.20 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.

1.21 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 Trusts) 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: 21 May 2015

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 individually are responsible for the day-to-day operational management of the organisation, the non-executive directors, as part of the unitary Board, 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 2014/15 there have been no changes to the NED team. Further information about our non-executive directors is set out in the Remuneration Report in Part A section 5 of this Annual Report.

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 |
| Director of Nursing | Medical Director |
| Chief Operating Officer | Director of Workforce Development |

There has been one change in the Executive Director Team during 2014/15. Beverley Murphy, Chief Nurse and Director of Quality Assurance resigned from her position with effect from 29 October 2014 to take up a new executive director post with the West London Mental Health NHS Trust. The Nominations Committee has led on the appointment process for the vacancy this created and agreed that the title would be changed to Director of Nursing. On 3 November 2014 Mr Anthony Deery was appointed as the Interim Director of Nursing and transferred to the Trust on secondment from Northumberland Tyne and Wear NHS Foundation Trust. He was then appointed substantively to the post with effect from 1 April 2015.

2.2.3 Members of the Board of Directors

At the end of 2014/15 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 2015. It shows the name of the Chair of the Trust and Deputy Chair; the Senior Independent Director; 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 2015.

Table 2A – Members of the Board of Directors as at 31 March 2015

| 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 up to 6 November 2014) | 3-year appointment from 7 November 2013 |
| Steven Wrigley-Howe | Non-executive Director (Deputy Chair from 6 November 2014*) | 3-year appointment from 6 February 2013 |
| EXECUTIVE TEAM | | |
| Chris Butler | Chief Executive | |
| Jill Copeland | Chief Operating Officer (Deputy Chief Executive) | |
| Dawn Hanwell | Chief Financial Officer | |
| Dr Jim Isherwood | Medical Director | |
| Anthony Deery | Interim Director of Nursing | |
| Susan Tyler | Director of Workforce Development | |

* Keith Woodhouse was Deputy Chair between 7 November 2013 and 6 November 2014

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. Frank also chairs the Council of Governors and its sub-committees. In addition to this Frank 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 is a charity supporting organisations working in the field of social and educational exclusion. He is also a Trustee of Action Zambia, a charity that supports Chainama Hills Hospital in Lusaka with its infrastructure and patient amenities. More recently Frank has become a board member of the Mental Health Network which is associated with the NHS Confederation.

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.

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 of 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 national 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 has a Chair in Applied Health Research in the School of Healthcare at the University of Leeds, and prior to this held a personal chair at York from 2009 – 2015. Carl 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 100 publications and articles 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

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 (Deputy Chair of the Trust)

Steven was appointed as a non-executive director on 6 February 2013 and Deputy Chair of the Trust on 6 November 2014. He is a member of the Quality Committee, the Mental Health Legislation

Committee and 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 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 a Mental Health Act Manager.

In 2014 he directed the first Love Arts York festival, 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 is also a director of the Dublin-based charity The Rehab Group and of two of its UK subsidiaries. He was previously a Trustee of York Mind and prior to joining the Trust he also worked with national Mind on a number of service user engagement projects.

He has over 20 years' experience within healthcare in various management and executive roles including ten 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. Chris is involved in the work of the Royal College of Nursing's 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 profession. 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 development and business planning; partnership working; and the Trust's programme management office. She is also the Deputy Chief Executive of the Trust.

In her previous role in the Trust, Jill 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. Before joining the Trust, 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 over 25 years; 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 Masters in Business Administration from Manchester Business School. She is committed to working with people and local communities to improve services so they provide the very best outcomes for the people who need them.

Anthony Deery, Interim Director of Nursing

Anthony joined the Trust on 3 November 2014 as the Interim Director of Nursing and came to the Trust on secondment from Northumberland Tyne and Wear NHS Foundation Trust, however, he has been appointed substantively to the post with effect from 1 April 2015. His clinical background is in mental health and general nursing. He has worked in both the UK and US healthcare systems and has senior experience in policy development, standard setting, commissioning and operational management within the NHS.

Anthony has senior NHS experience having joined the Trust from Northumberland Tyne and Wear NHS Foundation Trust, where he worked as a Group Nurse Director, and prior to this he was Head of Mental Health Strategy at the Healthcare Commission between 2005 and 2009, and Head of Mental Health Operations at CQC between 2009 and 2011.

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.

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

The Board of Directors meets on a six-weekly basis (subject to timeframes prescribed by Monitor in respect of the submission of key documents and returns); however, the Chair of the Trust will call a meeting between these time to deal with any urgent business should the need arise. 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 2014/15 the Board of Directors met on 12 occasions. The table below shows directors' attendance at those meetings. Attendance at Board meetings is also reported to the Council of Governors at each of its meetings.

Table 2B – Attendance at Board of Directors' meetings during 2014/15

| Name | Number of meetings directors were eligible to attend | 24 April 2014 | 22 May 2014 | 19 June 2014 | 31 July 2014 | 18 September 2014 | 30 October 2014 | 14 November 2014 (Extraordinary) * | 2 December 2014 | 7 January 2015 (Extraordinary) * | 29 January 2015 | 18 February 2015 (Extraordinary) * | 5 March 2015 (Extraordinary) * | 26 March 2015 |
|--------------------------------|--|---------------|-------------|--------------|--------------|-------------------|-----------------|------------------------------------|-----------------|----------------------------------|-----------------|------------------------------------|--------------------------------|---------------|
| Non-executive directors | | | | | | | | | | | | | | |
| Frank Griffiths (Chair) | 13 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Margaret Sentamu | 13 | - | ✓ | Note 1 | ✓ | ✓ | - | ✓ | ✓ | ✓ | - | ✓ | ✓ | ✓ |
| Julie Tankard | 13 | ✓ | ✓ | ✓ | Note 2 | ✓ | ✓ | - | ✓ | ✓ | ✓ | - | ✓ | ✓ |
| Gill Taylor | 13 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | - | ✓ | - | ✓ | ✓ | ✓ | - |
| Carl Thompson | 13 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Keith Woodhouse | 13 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | - | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Steven Wrigley-Howe | 13 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Executive directors | | | | | | | | | | | | | | |
| Chris Butler | 13 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Jill Copeland | 13 | ✓ | ✓ | ✓ | ✓ | ✓ | - | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Anthony Deery | 7 | | | | | | | - | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Dawn Hanwell | 13 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | - | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Jim Isherwood | 13 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | - | Note 3 | - | ✓ | - | - | ✓ |
| Beverley Murphy | 6 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | | | | | | |
| Susan Tyler | 13 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

* These meetings were extraordinary meetings called at short notice and not all directors were able to attend due to previous diary commitments

Note 1 Attended part of private meeting only

Note 2 Attended the private meeting only by telephone

Note 3 Attended the public meeting only

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.

We have in place a 360-degree evaluation process which is used in support of the evaluation of the effectiveness of the Board and its members. This will allow the views of Board members themselves, governors and staff to provide feedback with it then fed into the appraisals of individual members and also an action plan for any actions pertaining to the Board as a whole.

To support the evaluation process all Board members have recently 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. In 2014/15 the structure reached the point where it had been in operation for one year and the sub-committees of the Board carried out an effectiveness review using a pre-determined questionnaire. The findings of the evaluation were discussed in each of the meetings and areas of development were identified.

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 to present papers on specific matters. 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 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 2014/15 the following members served on the committee as substantive members: Julie Tankard, who was the chair of the committee; Dr Gill Taylor; and Margaret Sentamu. 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 the West Yorkshire Audit Consortium, our internal auditors who provide our internal audit and counter-fraud services.

The table below shows the number of Audit Committee meetings in 2014/15 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 | 19 May 2015 | 9 June 2015 | 12 September 2015 | 13 November 2015 | 23 January 2015 |
|---|-------------|-------------|-------------------|------------------|-----------------|
| Substantive non-executive director members | | | | | |
| Julie Tankard (chair from 1 June 2013) | ✓ | ✓ | ✓ | ✓ | ✓ |
| Gill Taylor | ✓* | ✓ | ✓ | ✓ | ✓ |
| Margaret Sentamu | ✓ | ✓ | - | ✓ | - |
| Other non-executive directors who attended meetings in 2014/15 | | | | | |
| Frank Griffiths (Chair of the Trust) | | | | ✓ | |
| Keith Woodhouse (non-executive director) | | | | | ✓ |

* Attended part of the meeting by phone

During 2014/15 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; and the Counter-fraud Service. It has received and reviewed both regular progress reports and the concluding annual reports for the work of Internal Audit and the Counter-fraud Teams. The Audit Committee assesses the effectiveness of external and internal audit by reviewing the periodic reports from the auditors and monitoring the pre-agreed key performance indicators.

One key matter of business in 2014/15 was supporting the process for the appointment of the internal auditors. Whilst it is the responsibility of the Chief Financial Officer to appoint the internal auditors the Audit Committee, and particularly the Chair of the Audit Committee supported this process in terms of being involved in the selection evaluation process in order to provide outside scrutiny.

Through the year the committee has received assurance through the review 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. In line with Provision C.3.9 of the NHS Foundation Trust Code of Governance (updated July 2014) the Audit Committee is required to report their considerations of any significant issues in relation to the financial statements, operations and compliance. Two key matters that the committee considered as part of the Enhanced Audit Report, which the committee received in May 2015, were financial sustainability and estates valuation. The committee received an update report from the Chief Financial Officer and was assured that these matters were being picked up by the Finance and Business Committee and being looked at in detail.

The committee has also discussed the current fraud case which is making its way through the court. It will continue to receive update reports on this matter as information is available.

In March 2015 the committee reviewed its own effectiveness. It did this through a series of questionnaires that were circulated to members and staff who regularly attend the committee. It found that there were no significant areas of weakness and no major changes to the way in which it operated.

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 2014/15 we have used the benefits of being a foundation trust in the following ways:

- Members and governors 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 were fully involved in reviewing the measures for our strategy through the Strategy Committee and Council of Governors' meetings

- We 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 2014, we rounded off our *Food for Thought* campaign. We also held our Annual Members’ Meeting where the Board of Directors and Council of Governors made reports to members and the public on the work and our performance over the previous financial year
- Governors continued to monitor plans for the development of our membership in the Leeds, York and North Yorkshire regions over the next five years through the Membership and Development Committee.

2.10 QUALITY GOVERNANCE REPORTING

The Quality Report contains a comprehensive review of the quality of our services and the priorities for quality improvement. This is set out in full in Part B of this Annual Report. 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 (see Part A, Section 8 for the full Annual Governance Statement).

A key part of the Board’s assurance on quality and safety is the Quality Committee, which is chaired by a non-executive Director (Professor Carl Thompson). 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 through monitoring compliance with those standards required for the delivery of high quality care.

The Board of Directors 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 also 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. We strive to ensure that we have the right people in the right places working to consistent quality standards as articulated in our policies and that this ensures that we are well governed and that service users are provided with consistently high quality care.

In 2014/15 the Trust was inspected between 29 September and 5 October 2014 as part of the Care Quality Commission’s comprehensive inspection programme. The inspection team looked at the Trust as a whole and in more detail at 11 core services, including inpatient mental health wards and community-based mental health, crisis response and learning disability services.

The Trust was given an overall rating of ‘requires improvement’ (see summary table below).

Table 2D – CQC Ratings from the 2014 inspection

| Five key questions | Overall rating for the Trust |
|--------------------------|------------------------------|
| Are services safe? | Requires improvement |
| Are services effective? | Requires improvement |
| Are services caring? | Good |
| Are services responsive? | Requires improvement |
| Are services well led? | Requires improvement |
| Overall | Requires improvement |

The inspectors found many areas of good practice and received many positive comments about care from service users and carers. This included care for women with personality disorders at Clifton House in York, the ‘meaningful and extensive’ activities for service users at the Newsam Centre in Leeds and the Crisis Assessment Service at the Becklin Centre in Leeds.

There were a smaller number of areas where the inspectors found some issues with services including the quality of the environment where care was being delivered, the level of staffing available at all times to meet the needs of service users, and the level of training that staff had received.

The Care Quality Commission has set the Trust 19 ‘must-do’ actions and 23 ‘should-do’ actions across its clinical services. The Trust has agreed an action plan that addresses the key concerns highlighted in the report.

There have been no inconsistencies between the Annual Governance Statement and reports arising from the Care Quality Commission reviews and inspections. Further information on the quality of our services and the Board’s priorities for improving clinical quality are 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 8 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

Previously in 2013/14 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 commenced on 1 June 2014 with the audit of the annual accounts for 2014/15.

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 2014/15 is detailed in the table below:

Table 2E – Cost of statutory audits

| | |
|---------------------|----------|
| The Annual Accounts | *£49,756 |
| The Quality Report | £8,980 |

* The fee for auditing the annual accounts for 2014/15 has increased by £3,000 which is an extra fee applied by PricewaterhouseCoopers to cover the additional work necessary as a result of the enhanced audit reporting requirements included in ISA 700.

2.12.2 Internal audit services

Our internal audit services are provided by the West Yorkshire Audit Consortium (WYAC) in conjunction with their collaborative partner North Yorkshire Audit Services (NYAS). WYAC and NYAS have signed a Memorandum of Understanding. This sets out the arrangements for the two organisations to work seamlessly together. Both organisations are specialist providers of internal audit services to the NHS. The internal audit service was market tested in 2014 and WYAC was appointed from 1 June 2014. Prior to this audit services were provided by Baker Tilly.

The Internal Audit Team is led by Nigel Bell (ACA) who is the Head of Audit at WYAC. He is supported by Sharron Blackburn (CPFA) as Client Manager. Sharron is the Deputy Head of Internal Audit at NYAS. The remaining team of auditors and specialists is drawn from across both organisations' audit teams. WYAC also has a strategic partnership with Deloitte, which facilitates access to further specialist resources, industry-leading tools and techniques.

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 our objectives. The audit opinion may be used by the Accounting Officer to support the 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 2F – 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 | <ul style="list-style-type: none"> • 1.8.1.3 |
| An indication of likely future developments | 7(1) (b) Schedule 7 | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • Section 1.12.3 • Section 1.12.4 |
| 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 | <ul style="list-style-type: none"> • Section 1.12.3 |
| Actions taken in the financial year to encourage the involvement of employees in the NHS foundation trust's performance | 11(3) (c) Schedule 7 | <ul style="list-style-type: none"> • Section 1.12.4 |
| 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 | <ul style="list-style-type: none"> • Section 1.18.8 |
| 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 1.18.5 |

2.16 OTHER DISCLOSURES AS REQUIRED BY THE NHS FOUNDATION TRUST ANNUAL REPORTING MANUAL 2014/15 AS DETERMINED BY MONITOR

The Annual Reporting Manual for 2014/15 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 2G – 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 1.12.5 (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 1.10.2 |
| 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 1.10.3 |



Chris Butler
Chief Executive

Date: 21 May 2015

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 a 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. Until December 2014 Jenny Roper was the Lead Governor; however, she stepped down as a governor at the end of December 2014 and Claire Woodham, who is an elected governor for the constituency of Leeds: Service User was elected by the Council as Lead Governor with effect from 18 February 2015.

Our Council of Governors has 34 seats. There are 27 elected governors and seven 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 2014/15 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 2014/15.

Table 3B – Elected governors

| Name | Constituency | Maximum term of office elected for | Date appointed from | Date term of office ends / ended | Number of terms served |
|-------------------------|--|------------------------------------|---------------------|----------------------------------|------------------------|
| Jackie Ainsley-Stringer | Public: Leeds | 3 years | 17.08.13 | 16.08.16 | 1 st |
| Andy Bottomley *** | Carer: Leeds | 3 years | 17.04.11 | 16.04.14 | 2 nd |
| | Re-appointed | 3 years | 16.04.14 | 15.04.17 | 3 rd |
| Richard Brown *** | Public: York and North Yorkshire | 3 years | 16.04.14 | 15.04.17 | 1 st |
| Paul Cockcroft * | Staff Non-clinical: Leeds and York & North Yorkshire | 3 years | 12.04.12 | 14.10.14 | 1 st |
| Annie Dransfield *** | Carer: Leeds | 3 years | 24.03.11 | 23.03.14 | 2 nd |
| | | 3 years | 16.04.14 | 15.04.17 | 3 rd |
| Lindsay Dransfield *** | Public: Leeds | 3 years | 16.04.14 | 15.04.17 | 1 st |
| Stephen Howarth | Public: Leeds | 3 years | 17.08.13 | 16.08.16 | 1 st |
| Andrew Johnson *** | Staff Clinical: Leeds and York & North Yorkshire | 3 years | 16.04.14 | 15.04.17 | 1 st |
| Philip Jones | Public: Leeds | 3 years | 17.08.13 | 16.08.16 | 1 st |
| Andrew Marran | Public: Leeds | 3 years | 17.08.13 | 16.08.16 | 3 rd |
| Gary Matfin | Staff Clinical: Leeds and York & North Yorkshire | 3 years | 17.08.13 | 16.08.16 | 1 st |
| James Morgan *** | Public: York and North Yorkshire | 3 years | 16.04.14 | 15.04.17 | 1 st |
| Pamela Morris | Staff Non-clinical: Leeds and York & North Yorkshire | 3 years | 12.04.12 | 11.04.15 | 3 rd |
| Stephen Morris | Service User: Leeds | 3 years | 17.08.13 | 26.08.14 | 1 st |
| Becky Oxley *** | Service User: Leeds | 3 years | 27.11.14 | 27.11.17 | 1 st |
| Laura Phipp *** | Service User: York & North Yorkshire | 3 years | 27.11.14 | 26.11.17 | 1 st |
| Alan Procter | Carer: Leeds | 3 years | 17.08.13 | 16.08.16 | 1 st |
| Julia Raven | Carer: York and North Yorkshire | 3 years | 12.04.12 | 11.04.15 | 1 st |
| Karl Roberts *** * | Public: York and North Yorkshire | 3 years | 27.11.14 | 08.01.15 | 1 st |
| Jenny Roper * | Public: Leeds | 3 years | 01.11.12 | 31.12.14 | 2 nd |
| Libby Rowlands *** | Service User: York & North Yorkshire | 3 years | 27.11.14 | 27.11.17 | 1 st |
| Ann Shuter | Service User: Leeds | 3 years | 12.04.12 | 11.04.15 | 1 st |
| Barbara Sim * | Public: York & North Yorkshire | 3 years | 17.08.13 | 19.06.14 | 1 st |
| Heather Simpson | Staff Clinical: Leeds & York and North Yorkshire | 3 years | 17.08.13 | 16.08.16 | 2 nd |
| Nicola Swan | Public: Rest of England and Wales | 3 years | 17.08.13 | 16.08.16 | 1 st |
| Maria Trainer | Service User: Leeds | 3 years | 17.08.13 | 16.08.16 | 3 rd |
| Chris Ward * | Service User: York & North Yorkshire | 3 years | 17.08.13 | 27.06.14 | 1 st |
| Mark Willis | Staff Clinical: Leeds and York and North Yorkshire | 3 years | 12.04.12 | 11.04.15 | 1 st |
| Claire Woodham | Service User: Leeds | 3 years | 17.08.13 | 16.08.16 | 1 st |

* Indicates those governors who stepped down during 2014/15, before the end of their term of office

** Indicates those governors who came to the end of their term of office during 2014/15 and either did not stand for re-election or were not re-elected

*** Indicates those governors who were newly elected or re-elected part-way through 2014/15

Table 3C – Appointed governors

| Name | Constituency | Maximum term of office elected for | Date appointed from | Date term of office ends / ended | Number of Terms served |
|--------------------|----------------------|------------------------------------|---------------------|----------------------------------|------------------------|
| Colin Clark | Equitix Ltd | 3 years | 14.02.14 | 13.02.17 | 3 rd |
| John Dossey | Tenfold | 3 years | 05.09.12 | 04.09.15 | 1 st |
| Cllr Helen Douglas | City of York Council | 2 years 7 months | 29.10.12 | 31.05.15 | 1 st |
| Ted Hanley * | Leeds City Council | 3 years | 11.12.14 | 16.06.14 | 1 st |
| Ant Hanlon | Volition | 3 years | 27.02.14 | 26.02.14 | 1 st |

* Indicates those governors who stepped down during 2014/15, before the end of their term of office

** Indicates those governors who came to the end of their term of office during 2014/15 and were not re-appointed

*** Indicates those governors who were newly appointed or re-appointed during 2014/15

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: Paul Cockcroft, Ted Hanley, Jenny Roper, Barbara Sim and Chris Ward.

3.2.1 Elected governors

Elections are carried out in accordance with the election rules as set out in Annex 5 of the Constitution (elected governors are in the constituencies 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 two rounds of elections which concluded on 16 April 2014 and on 27 November 2014. We also started another round of elections but because this second round concluded on 30 April 2015 the outcome of this election will be reported in next year's Annual Report.

3.2.1.1 Elections that concluded on 16 April 2014

In April 2014 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 April 2014 election

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

This round of elections was concluded on 11 April 2014 and we were successful in filling seats as follows:

Table 3E – Elected unopposed

| Name | Constituency elected to: |
|------------------|--|
| Andy Bottomley | Carer: Leeds |
| Annie Dransfield | Carer: Leeds |
| Andrew Johnson | Staff Clinical: Leeds & York and North Yorkshire |

Table 3F – Elected by ballot

| Name | Constituency elected to: |
|--------------------|----------------------------------|
| Richard Brown | Public: York and North Yorkshire |
| Lindsay Dransfield | Public: Leeds |
| James Morgan | Public: York and North Yorkshire |

The percentage turnout figures for each of the constituencies where a ballot was held were: Public: Leeds (5.9%); Public: York and North Yorkshire (9.7%).

3.2.1.2 Elections that concluded on 27 November 2014

In November 2014 we had a number of vacant seats, particularly in the York and North Yorkshire constituencies. Because of the important changes we were making to both Bootham Park Hospital and the Lime Trees unit and because of the pending tender submission for York services it was agreed that it was important to have representation in these and other vacant constituencies. We therefore held an election to fill the following seats:

Table 3G – Seats included in the November 2014 election

| Constituency | Name of constituency | Number of seats included in the election |
|------------------------|-----------------------------|---|
| Public | York and North Yorkshire | 1 |
| Service User | Leeds | 1 |
| | York and North Yorkshire | 2 |
| Service User and Carer | Rest of United Kingdom | 1 |

This round of elections was concluded on 27 November 2014 and we were successful in filling seats as follows:

Table 3H – Elected unopposed

| Name | Constituency elected to: |
|----------------|--|
| Karl Roberts | Public: York and North Yorkshire |
| Laura Phipp | Service User: York and North Yorkshire |
| Libby Rowlands | Service User: York and North Yorkshire |

Table 3I – Elected by ballot

| Name | Constituency elected to: |
|-------------|---------------------------------|
| Becky Oxley | Service User: Leeds |

The percentage turnout figures for each of the constituency where a ballot was held were: Service User: Leeds (10.6%).

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 2014/15 there were a number of changes to our appointed governors. One appointed governor stepped down before the end of their term of office. This was Cllr Ted Hanley who stepped down on 16 June 2014.

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 2014/15 the Council of Governors met formally six times; five formal Council meetings and one Annual Members' Meeting. All formal Council 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, and the Annual Members' Meeting is a public meeting.

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 2014/15. 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 and marked with 'N/A' 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 2014.

Table 3G – Number of meetings attended by each governor

| Name | Appointed (A) or elected (E) | Number of formal meetings eligible to attend (including the Annual Members Meeting) | FORMAL COUNCIL MEETINGS ACTUALLY ATTENDED | | | | | 23 September 2014 (the Annual Members' Meeting) |
|-------------------------|------------------------------|---|---|-------------|------------------|-----------------|------------------|---|
| | | | 6 May 2014 | 2 July 2014 | 2 September 2014 | 4 November 2014 | 18 February 2015 | |
| Jacque Ainsley-Stringer | E | 6 | - | ✓ | - | ✓ | - | ✓ |
| Andrew Bottomley *** | E | 6 | ✓ | - | ✓ | ✓ | ✓ | ✓ |
| Richard Brown *** | E | 6 | ✓ | - | ✓ | ✓ | ✓ | ✓ |
| Colin Clark | A | 6 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Paul Cockcroft * | E | 4 | ✓ | - | - | N/A | N/A | - |
| John Dossey | A | 6 | ✓ | - | - | - | ✓ | - |
| Cllr Helen Douglas | A | 6 | ✓ | - | - | - | - | ✓ |
| Annie Dransfield *** | E | 6 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Lindsay Dransfield | E | 6 | ✓ | - | - | - | - | - |
| Cllr Ted Hanley | A | 1 | ✓ | N/A | N/A | N/A | N/A | N/A |
| Ant Hanlon | A | 6 | - | - | ✓ | ✓ | ✓ | ✓ |
| Steve Howarth | E | 6 | - | ✓ | ✓ | ✓ | ✓ | - |
| Andrew Johnson *** | E | 6 | ✓ | - | ✓ | ✓ | ✓ | ✓ |
| Philip Jones | E | 6 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Andrew Marran | E | 6 | ✓ | ✓ | ✓ | - | - | ✓ |
| Gary Matfin | E | 6 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| James Morgan *** | E | 6 | - | - | - | ✓ | ✓ | ✓ |
| Pamela Morris | E | 6 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Stephen Morris | E | 2 | ✓ | - | N/A | N/A | N/A | N/A |
| Becky Oxley *** | E | 1 | N/A | N/A | N/A | N/A | ✓ | N/A |
| Laura Phipp *** | E | 1 | N/A | N/A | N/A | N/A | ✓ | N/A |
| Alan Procter | E | 6 | ✓ | ✓ | - | ✓ | ✓ | ✓ |
| Julia Raven | E | 6 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

| Name | Appointed (A) or elected (E) | Number of formal meetings eligible to attend (including the Annual Members Meeting) | FORMAL COUNCIL MEETINGS ACTUALLY ATTENDED | | | | | 23 September 2014 (the Annual Members' Meeting) |
|--------------------|------------------------------------|--|---|-------------|---------------------|--------------------|---------------------|---|
| | | | 6 May 2014 | 2 July 2014 | 2 September 2014 | 4 November 2014 | 18 February 2015 | |
| Karl Roberts *** * | E | 0 | N/A | N/A | N/A | N/A | N/A | N/A |
| Jenny Roper * | E | 5 | ✓ | ✓ | ✓ | ✓ | N/A | ✓ |
| Libby Rowlands *** | E | 1 | N/A | N/A | N/A | N/A | - | N/A |
| Ann Shuter | E | 6 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Barbara Sim * | E | 1 | - | N/A | N/A | N/A | N/A | N/A |
| Heather Simpson | E | 6 | ✓ | ✓ | ✓ | - | ✓ | ✓ |
| Nicola Swan | E | 6 | - | - | - | ✓ | - | ✓ |
| Maria Trainer | E | 6 | - | ✓ | ✓ | - | ✓ | ✓ |
| Chris Ward * | E | 1 | - | N/A | N/A | N/A | N/A | N/A |
| Mark Willis | E | 6 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Claire Woodham | E | 6 | ✓ | - | ✓ | ✓ | ✓ | ✓ |

* Indicates those governors who stepped down during 2014/15, 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 2014/15 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 2014/15 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 at 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.

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. 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. To help to develop the relationship between the governors and the NEDs two main mechanisms for this have been developed. 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 NED will present to governors how the NEDs 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.

To allow governors to better understand the work of our Trust and to allow a further opportunity to observe NEDs holding the executive directors to account for performance governors are invited to observe at three Board sub-committees: the Quality Committee; the Finance and Business Committee; and the Mental Health Act Committee. Whilst governors do not have the right of membership at these committees the chair of the committee may invite observations from governors if and when appropriate.

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 | 6 May 2014 | 2 July 2014 | 2 September 2014 | 4 November 2014 | 18 February 2015 |
|--------------------------------|------------|-------------|------------------|-----------------|------------------|
| Non-executive directors | | | | | |
| Frank Griffiths | ✓ | ✓ | ✓ | ✓ | ✓ |
| Margaret Sentamu | ✓ | ✓ | ✓ | ✓ | ✓ |
| Julie Tankard | ✓* | - | - | - | - |
| Gill Taylor | - | ✓* | - | ✓ | ✓* |
| Carl Thompson | - | - | ✓ | ✓* | - |
| Keith Woodhouse | ✓ | ✓ | ✓* | - | - |
| Steven Wrigley-Howe | ✓ | ✓ | ✓ | - | - |
| Executive directors | | | | | |
| Chris Butler | ✓ | ✓ | ✓ | ✓ | ✓ |
| Jill Copeland | ✓ | ✓ | ✓ | ✓ | ✓ |
| Anthony Deery | N/A | N/A | N/A | ✓ | ✓ |
| Dawn Hanwell | ✓ | ✓ | - | - | - |
| Jim Isherwood | ✓ | - | ✓ | - | - |
| Beverley Murphy | ✓ | ✓ | ✓ | N/A | N/A |
| 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, 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.

Firstly, there are three public constituencies: Leeds; York and North Yorkshire; and 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.

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 & North Yorkshire Non-clinical Staff: Leeds and York & North Yorkshire |

4.2 NUMBER OF MEMBERS

Table 4B – Total membership by constituency

| Public constituency | Number of members |
|---|-------------------|
| Public: Leeds | 9552 |
| Public: York and North Yorkshire | 1241 |
| Public: Rest of England and Wales | 1923 |
| Total public members (* including 39 members outside England and Wales) | 12755 * |

| Service User and Carer constituency | Number of members |
|---|-------------------|
| Service user: Leeds | 630 |
| Service user: York and North Yorkshire | 101 |
| Carer: Leeds | 377 |
| Carer: York and North Yorkshire | 51 |
| Service User and Carer: Rest of the UK | 112 |
| Total service user and carer members | 1271 |

| Staff constituency | Number of members |
|--|-------------------|
| Clinical staff: Leeds and York & North Yorkshire | 3374 |
| Non-clinical staff: Leeds and York & North Yorkshire | 897 |
| Total staff members | 4271 |

Membership has grown steadily to the current figure of 18,297 as at 31 March 2015. This table illustrates 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 continued to target a number of student events this year to increase our younger membership.

The Involvement, Engagement and Membership Team is keen to encourage the involvement of the Council of Governors in the recruitment and engagement of members in line with Monitor's latest good practice guide. 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 helps us to support our governors, who in turn promote membership and involvement to the general public, service users, carers, staff and stakeholders.

Our annual membership campaign as usual plays a dual role of show-casing good practice across the organisation and helping to combat the stigma experienced by people with learning disabilities and mental health problems. Our aim is to constantly 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 of work that we need to develop, particularly to increase our membership amongst groups who are traditionally harder to engage with. These are:

- The circulation of membership forms to partner organisations, linked to the *Man Up?* membership campaign
- Work with third sector organisations to promote health and well-being in men's mental health
- The continued development of a Love Arts programme across York and North Yorkshire
- The development in partnerships of anti-stigma campaigns across whole area
- Encouraging present members to share the membership magazine *Imagine* with their families and friends and thereby introduce new members.

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 ftmembership.lypft@nhs.net.

SECTION 5 – REMUNERATION REPORT

5.1 INTRODUCTION

In company law 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’. The Annual Reporting Manual indicates that this means those who influence the decisions of the Trust as a whole rather than the decisions of individual directorates or services. For the purpose of this Remuneration Report the description ‘senior managers’ will refer to the executive directors and the non-executive directors holding positions on the Board of Directors.

The Remuneration Report contains details of senior managers’ remuneration and pensions. It also sets out further information about the appointment of those senior managers (where these have occurred during 2014/15) as required by Monitor’s Code of Governance. The narrative and figures in this report relate to those individuals who have held office as a senior manager of the Trust during 2014/15.

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

5.2 ANNUAL STATEMENT ON REMUNERATION

Remuneration for senior managers is determined by two committees: the Remuneration Committee (a sub-committee of the Board of Directors made up of all the non-executive directors), which is responsible for the remuneration pertaining to the executive directors; and the Appointments and Remuneration Committee (a sub-committee of the Council of Governors made up of a majority of governors), which is responsible for the remuneration pertaining to the non-executive directors.

5.2.1 Remuneration Committee – executive directors’ remuneration

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 and also prevailing salaries within the wider NHS. 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 and similar posts.

In respect of the ‘cost of living award’, in 2014/15 executive directors were awarded 1% non-consolidated, non-recurrent uplift which was in line the percentage awarded nationally to public sector staff. This was agreed at the April Remuneration Committee meeting and applied with effect from 1 April 2014. The committee will continue to be mindful of the uplift awarded to staff and comply with any national guidance issued by the government in respect of annual pay awards and uplifts when determining that which should be awarded to the executive directors in the future.

The other matter of executive remuneration which the committee agreed on during 2014/15 was the salary to be paid in respect of the Director of Nursing post, which was recruited to during the financial year. This was agreed taking account of the advice from the Chief Executive comparable salaries within other organisations.

Further information about the work of the Remuneration Committee can be found below in section 5.4.2.

5.2.2 Appointment and Remuneration Committee – non-executive directors’ remuneration

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. It will also award annual percentage uplifts to non-executive directors in line with that received by Trust staff. For 2014/15 the Appointments and Remuneration Committee met on 2

September 2014 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 4 November 2014 and ratified an annual uplift ('cost of living award') for non-executive directors of 1% with effect from 1 April 2014, which was in line with the percentage awarded to staff; and was also consistent with the decision taken by the Remuneration Committee in respect of executive directors for the period 2014/15.

There were no other changes made to the non-executive directors' remuneration during 2014/15.

5.3 SENIOR MANAGERS' REMUNERATION POLICY

5.3.1 Future policy tables

This section describes the policy narrative relating to the components of the remuneration packages for senior managers (executive and non-executive directors). Each of the components detailed in these tables supports the Trust in terms of its long-term strategic objectives.

- **Strategic Objective 3** – Valuing and developing our workforce (putting in place a benchmarked remuneration package to fairly remunerate our Board; recognising the liability and responsibility they carry; thereby attracting an appropriately skilled and qualified senior team to lead the organisation)
- **Strategic Objective 4** – Maintaining efficiency and sustainability (ensuring there is an appropriate use of resources and that senior managers are remunerated at an appropriate level so as to gain value for money).
- **Strategic Objective 5** – Ensuring we govern our Trust effectively (having remuneration policies in place to ensure the remuneration packages are not subjective, but evaluated, reviewed and applied appropriately)

Table 5A – Remuneration policy for executive directors

| Element | Policy |
|--|--|
| Salary | 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. The maximum amount that can be paid will be determined by the Remuneration Committee. There are no annual increments associated with executive directors' salaries. |
| Taxable benefits | This will in the main be any mileage rates paid which are over and above the HMRC threshold or any other benefit in kind applicable at the time of remuneration. |
| Annual performance related bonuses | The Trust does not pay any annual performance-related bonuses to executive directors; however, Section 5.3.2 (below) sets out the process for performance appraisals (not linked to pay). |
| Long-term performance-related benefits | The Trust does not pay any long-term performance related bonuses to executive directors, however; Section 5.3.2 below sets out the process for performance appraisals (not linked to pay). |
| Pension-related benefits | Pension rights for executive directors are determined by the NHS Pension Scheme. The maximum payable (by the employee and the employer) is determined by the NHS Pension Scheme. |

| Element | Policy |
|---|---|
| Percentage uplift (cost of living increase) | <p>The Remuneration Committee will decide if the executive directors will be awarded a percentage uplift for each financial year and what level this will be. In doing this the committee is mindful of the uplift awarded to staff and will comply with any national guidance issued by the government in respect of annual pay awards and uplifts when determining that which should be awarded to the executive directors in the future.</p> <p>The maximum that could be paid will be guided by the national pay awards made to staff on Agenda for Change.</p> |
| Other remuneration (e.g. relocation expenses) | Any other expenses paid to executive directors would be paid in accordance with the Trust policy. There are no items of other expenditure which are applicable only to executive directors. |

Table 5B – Remuneration policy for non-executive directors

| Element | Policy |
|---|--|
| Fee payable | <p>The non-executive directors are paid an amount of remuneration which has been approved by the Appointments and Remuneration Committee and ratified by the Council of Governors. This amount will, from time-to-time, be benchmarked against other similar foundation trusts by an external company, with the findings presented to the Council of Governors for consideration. Any in-year uplift will be in recognition of 'cost of living' increases and will be based on (if not equal) to that paid to staff through national pay bargaining.</p> <p>The maximum amount that can be paid will be determined by the Appointments and Remuneration Committee. There are no annual increments associated with non-executive directors' salaries.</p> |
| Additional fees for any other duties | <p>The remuneration for the Chair of the Trust recognises the specialist role and extra time commitment over and above that of the other NEDs. The Chair of the Audit Committee is also remunerated in recognition of the specific skills and responsibility this role requires. All other non-executive directors are remunerated equally.</p> <p>The maximum amount that can be paid will be determined by the Appointments and Remuneration Committee.</p> |
| Percentage uplift (cost of living increase) | <p>The Appointments and Remuneration Committee will decide if the non-executive directors will be awarded a percentage uplift for each financial year and what level this will be. In doing this the committee is mindful of the uplift awarded to staff when determining the level that should be awarded to the non-executive directors in the future.</p> <p>The maximum that could be paid will be guided by the national pay awards made to staff on Agenda for Change.</p> |
| Travel | Travel costs will be reimbursed through the payroll and will be supported by a completed travel claim form supported by the appropriate receipts. Costs incurred will be reimbursed on a like-for-like basis with mileage being paid at a fixed pence per mile. |
| Mental Health Act Manager remuneration | <p>Where a non-executive director carries out the duties of a mental health act manager they are remunerated in accordance with the policy relating to all mental health act managers as agreed by the Board of Directors. (It should be noted that these amounts are not reported in the Remuneration Report).</p> <p>The maximum amount that can be paid will be determined by the Board and will apply to all Mental Health Act Managers and not just non-executive directors.</p> |
| Pension contributions | No pension deductions are made from non-executive directors' remuneration and no contribution is made to a pension fund in respect of any non-executive director. |
| Other remuneration | Any other expenses paid to non-executive directors would be paid in accordance with the Trust policy. There are no items of other expenditure which are applicable only to non-executive directors. |

It should be noted that paragraph 7.2 of the executive directors' contract allows the Trust to recover any monies owed at any time via deductions from salary.

There have been no new components of the remuneration packages for either executive or non-executive directors since the 2013/14 Remuneration Report. There have also been no changes to the policy pertaining to the existing components of the remuneration package since the last Remuneration Report.

It should be noted that employees of the Trust are paid on Agenda for Change (AfC) bandings with an incremental scale; executive and non-executive directors are paid on a fixed salary which has no element of incremental scale. The level of salary paid to those on AfC is determined nationally, whereas the remuneration of the executive and non-executive directors are determined by the Remuneration and the Appointments and Remuneration Committees respectively.

5.3.2 Performance and appraisals

Performance and appraisals are not linked to remuneration and there is no element of performance related pay in senior managers' salaries or remuneration packages.

The appraisal of individual Board members identifies strengths and good performance, and also areas for development. The appraisal looks at an individual's development needs, which inform tailored Personal Development Plans (PDPs).

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). The agreed objectives are reported to the Remuneration Committee for all executives. These objectives are monitored through a series of one-to-one meetings (appraisals), which take place at various points in the year. The Chair of the Trust carries out the appraisal of the Chief Executive and appraisals for the other executive directors are carried out by the Chief Executive. The Chair of the Trust will apprise each executive director in terms of their performance as a member of the unitary Board. This will also be fed into their overall appraisal.

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 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 27 January 2015 by the Chair of the Trust and a summary report provided to the full Council at its meeting on 18 February 2015.

5.3.3 Service contract obligations (policy on off-payroll engagements)

We have in place a policy in respect of off-payroll engagements which sets out the requirements that must be followed for such engagements. In order to be an off-payroll engagement it must meet a specific definition and for the purposes of reporting in this Annual Report, specific criteria. The policy covers all off-payroll engagements with specific reference to those for highly-paid staff as defined by HM Treasury.

The policy acknowledges that off-payroll engagements may sometimes be appropriate and beneficial and it is therefore important that these engagements are transparent and open. We also acknowledge that we have a duty of care and responsibility in relation to the tax affairs of individuals engaged by the Trust.

Any off-payroll engagements should:

- Only be made via the Procurement Team, with an authorised requisition and purchase order in place. Under no circumstances should Trust employees engage with any agency or individual (personal service company) directly without consultation with the Procurement Team
- In all circumstances appropriate contracts and / or framework agreements should be in place between the Trust and either the individual, agency or personal service company
- All contracts and / or framework agreements should include a clause giving the Trust the right to seek assurance in relation to income tax and national insurance

- In all circumstances, the appointing officer should undertake a risk assessment as to whether or not assurance needs to be sought that the individual is paying the appropriate amount of tax and national insurance. This will also apply to circumstances where it was unforeseen at the time of appointment, i.e. once it becomes apparent that the criteria for highly-paid engagements will be met, a risk assessment should be carried out.

In all circumstances where payments are made gross either via an agency or directly to a personal service company, then assurance should be sought (in line with contractual clauses) in relation to income tax and national insurance obligations. Where this has been requested, but refused or not received, the contract should be terminated.

The Trust policy includes the recommendations from the government review of the tax arrangements of public sector appointees, presented to parliament in May 2012, as required.

Assurance is given that the Trust has no executive or non-executive director employed or appointed on an off-payroll engagement and that no director's contract places any obligations on the Trust in respect of remuneration.

Information regarding payments made in respect of off-payroll engagement can be found below in section 5.5.

5.3.4 Policy on payment for loss of office

The notice period for an executive director is three months and this was set by the Remuneration Committee. The executive directors' contract covers a number of issues relating to the grounds on which a directors' contract may be terminated and under what circumstances pay in lieu of notice may be paid. The contract also contains a paragraph that indicates the circumstances under which PILON may be paid by a lump sum.

Payment for loss of office does not apply to non-executive directors as they are not employed.

5.3.5 Statement of consideration of employment conditions elsewhere in the Trust

In determining the level of salary for executive director posts the Remuneration Committee will take into account the level of salary for direct reports to ensure there is sufficient differential to take account of the level of liability and responsibility that Board members have. The Trust has not consulted with staff when setting this remuneration policy, although it should be noted that a staff governor was a member of the Appointments and Remuneration Committee (the committee with responsibility for setting the remuneration of non-executive directors) during 2014/15.

5.3.6 Policy on notice periods

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. Non-executive directors do not have a contract of employment; they have an appointment letter. Non-executive directors are not subject to employment law or regulations.

5.4 ANNUAL REPORT ON REMUNERATION

This section includes a description of the work of the committees that are involved in the appointments of both the executive and non-executive directors, and in determining their respective salaries and remuneration. These are:

- The Remuneration Committee (a sub-committee of the Board of Directors), made up of all the non-executive directors, chaired by the Chair of the Trust
- The Appointments and Remuneration Committee (a sub-committee of the Council of Governors) made up of a majority of governors
- The Nominations Committee (a sub-committee of the Board of Directors) made up of a mix of executive and non-executive directors.

5.4.1 Directors' contracts

Details of the contract start date for the Chief Executive and other members of the Executive Team who have served during 2014/15 are set out in the table below, and as at 31 March 2015 no director has given notice to leave the Trust.

Table 5C – Executive directors who have served during 2014/15

| Name | Title | Date appointment effective from | Date left the Trust |
|------------------|---|---------------------------------|---------------------|
| Chris Butler | Chief Executive | 1 January 2005 | N/A |
| Jill Copeland | Chief Operating Officer | 1 April 2011 | N/A |
| Anthony Deery | Interim Director of Nursing * | 3 November 2014 | N/A |
| Dawn Hanwell | Chief Financial Officer | 1 August 2012 | N/A |
| Dr Jim Isherwood | Medical Director | 1 September 2012 | N/A |
| Beverley Murphy | Chief Nurse / Director of Quality Assurance | 1 April 2013 | 31 October 2014 |
| Susan Tyler | Director of Workforce Development | 1 January 2012 | N/A |

* Anthony Deery was appointed as Interim Director of Nursing with effect from 3 November 2014, and appointed substantively through a process which took place during 2014/15. This appointment took effect from 1 April 2015.

Details of the non-executive directors who have served during the course of 2014/15 are shown in the table below along with details of their current terms of appointments.

Table 5D – Non-executive directors that have served during 2014/15

| 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 |
| 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 |
| Keith Woodhouse | 7 November 2014 | 3 years | 6 November 2017 | Second |
| Steven Wrigley-Howe | 6 February 2013 | 3 years | 5 February 2016 | First |

5.4.2 The Remuneration Committee (a sub-committee of the Board of Directors)

The Remuneration Committee sets the remuneration for the executive directors. The committee is a sub-committee of the Board of Directors; it is chaired by the Chair of the Trust and is made up of all the non-executive directors. A copy of the Terms of Reference for this committee is on our website.

The Remuneration Committee is independent of the executive arm of the Board of Directors. However, during 2014/15 the committee has taken advice from the following officers of the Trust: Chris Butler, Chief Executive, who has provided information on how the executive directors have met their agreed objectives and provided context to proposals around the salary for the Director of Nursing; Susan Tyler, the Director of Workforce Development in relation to employment matters; and Cath Hill, the Head of Corporate Governance who has provided secretariat support and advice on matters of governance.

In 2014/15 there were five formal meetings of the committee held on 24 April, 31 July, 2 September, 2 December 2014 and 29 January 2015. The table below shows the number of Remuneration Committee meetings that were attended by each member of the committee.

Table 5E – The Remuneration Committee

| Name | 24 April 2014 | 31 July 2014 | 2 September 2014 | 2 December 2014 | 29 January 2015 |
|--|---------------|--------------|------------------|-----------------|-----------------|
| Frank Griffiths (Chair of the committee) | ✓ | ✓ | ✓ | ✓ | ✓ |
| Margaret Sentamu | - | - | ✓ | ✓ | - |
| Julie Tankard | ✓ | - | ✓ | ✓ | ✓ |
| Gill Taylor | ✓ | - | - | ✓ | ✓ |
| Carl Thompson | ✓ | - | ✓ | ✓ | ✓ |
| Keith Woodhouse | ✓ | ✓ | ✓ | ✓ | ✓ |
| Steven Wrigley-Howe | ✓ | ✓ | ✓ | ✓ | ✓ |

In addition to the areas of work outlined in section 5.2.1 above, the committee also:

- Agreed the objectives for the Chief Executive and the other executive directors for 2014/15
- Agreed the overarching timeframe for agreeing and receiving information in respect of executive directors' appraisals
- Considered the outcome of the 360 degree appraisal process for the executive directors
- Agreed refreshed contracts for executive directors which now take account of the regulation changes relating to the 'Fit and Proper Person's Test'
- Received a report from the Chair of the Trust on the effectiveness of executive directors as members of the Board of Directors.

5.4.3 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.

In 2014/15 there were two formal meetings of the Appointments and Remuneration Committee; on 2 September 2014 and 27 January 2015. The table below shows the number of meetings attended by each member.

Table 5F – The Appointments and Remuneration Committee

| Name | 2 September 2014 | 27 January 2015 |
|--|------------------|-----------------|
| Frank Griffiths (Chair of the committee) | ✓ | ✓ |
| Pamela Morris (elected governor) | ✓ | ✓ |
| Jenny Roper (elected governor) | ✓ | ✓ |
| Julia Raven (elected governor) | N/A | ✓ |
| Steven Howarth (elected governor) | N/A | ✓ |
| Colin Clark (appointed governor) | ✓ | - |

In addition to the areas of work outlined in section 5.2.2 above the committee also approved a formal procedure for the appointment of non-executive directors. This was later ratified by the Council of Governors and sets out in detail to process that will be followed for such appointments. This is also set out below in summary format.

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

The appointment processes for non-executive directors is normally carried out through a competitive interview process. The first step in this process is 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) receives the role profile and person specification against which appointments are made. It is also the responsibility of the committee to agree the process and timetable for the appointment process in hand.

The process and timetable will then be signed off by the Council of Governors. Candidates are sought predominantly using external search companies and the NHS Jobs website. A panel consisting of a majority of governors headed by the Chair of the Trust will draw up a shortlist of candidates from the applicants. An interview panel will be formed, which again has a majority of governors (four governors in total), the Chair of the Trust and an independent assessor. The panel then conducts the interviews and chooses the preferred candidate based on merit. Once the panel had made its choice a recommendation is made to the Council of Governors and it is for the Council of Governors to ratify 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. Our process also now takes account of the new CQC regulation in relation to the Fit and Proper Person’s Test.

During 2014/15 there were no appointments of non-executive directors.

5.4.4 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 a panel made up of a majority of non-executive directors will lead on the appointment process to appoint to the skill set.

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 who provides secretariat support and advice on governance matters.

In 2014/15 the Nominations Committee met on two occasions, 31 July 2014 and 12 February 2015, to consider the skills and experience required for the executive director appointment processes pertaining to the Director of Nursing.

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

Table 5G – The Nominations Committee

| Name | 31 July 2014 | 12 February 2015 |
|---|--------------|------------------|
| Frank Griffiths (Chair of the committee) | ✓ | ✓ |
| Chris Butler (Chief Executive) | ✓ | ✓ |
| Carl Thompson (non-executive director) | - | ✓ |
| Susan Tyler (Director of Workforce Development) | ✓ | - |
| Steven Wrigley-Howe (non-executive director) | ✓ | ✓ |
| Keith Woodhouse (non-executive director) | ✓ | - |

5.4.4.1 Appointment of executive directors in 2014/15

In 2014/15 there was one appointment to the executive director team. At the end of October 2014 Beverley Murphy (Chief Nurse and Director of Quality Assurance) left the Trust to take up an executive director post with the West London Mental Health NHS Trust. Anthony Deery was appointed as the Interim with effect from 3 November 2014 and came to the Trust on secondment from Northumberland Tyne and Wear NHS Foundation Trust. Following a process agreed by the Nominations Committee, an interview panel made up of a majority of non-executive directors met on 5 March 2015 and appointed Anthony substantively to the post to take effect from 1 April 2015.

5.5 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 2015, for more than £220 per day and lasting for longer than six months.

Table 5H – Off-payroll engagements

| | |
|--|---|
| Number of existing engagements as of 31 March 2015 | |
| Of which: | |
| The number that have existed for less than one year at time of reporting | 6 |
| The number that have existed for between one and two years at time of reporting | 2 |
| The number that have existed for between two and three years at time of reporting | 0 |
| The number that have existed for between three and four years at time of reporting | 0 |
| The number that have existed for four or more years at time of reporting | 0 |

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.

The following table relates to all new off-payroll engagements, or those that reached six months in duration, between 1 April 2014 and 31 March 2015, for more than £220 per day and lasting for longer than six months.

Table 5I – Off-payroll engagements

| | |
|--|----|
| Number of new engagements, or those that reached six months in duration, between 1 April 2014 and 31 March 2015 | 10 |
| Number of the above which include contractual clauses giving the Trust the right to request assurance in relation to income tax and National Insurance obligations | 7 |
| Number for whom assurance has been requested | 3 |
| Of which: | |
| The number for whom assurance has been received | 3 |
| 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 finished, one has been successful in obtaining employment. These three assignments were for highly specialist skill sets in capital project management and IT, which were not available through existing framework agreements at the time.

Table 5J shows any off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, between 1 April 2014 and 31 March 2015.

Table 5J – 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 |

5.6 DIRECTORS' AND GOVERNORS' EXPENSES

The following table sets out the total paid to directors (executive and non-executive) and governors for out-of-pocket expenses resulting from incurring costs of travel and subsistence during 2014/15.

Table 5K – Directors' and governors' expenses

| | 2014/15 | | | 2013/14 |
|-------------------------|--|---|--|--|
| | Number in office throughout the reporting period | Number receiving expenses in the reporting period | The aggregate sum paid in the reporting period £00 | The aggregate sum paid in the reporting period £00 |
| Executive directors | 7* ¹ | 3 | 15 | 16 |
| Non-executive directors | 7 | 6 | 26 | 14 |
| Governors | 29* ² | 14 | 27 | 20 |

*¹ Beverley Murphy is included in this number

*² Appointed governors have not been included in this figure as their organisations pay the cost of travel

Please note that expenses pertaining to the executive and non-executive directors are shown in more detail the 'Benefits in kind' column in table 5M below.

5.7 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 5.7 is consistent with the financial statements.

5.7.1 Pension entitlements for senior employees (subject to audit)

Table 5L – 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 – 7.5 | 20 - 25 | 60 - 65 | 411 | 472 | 49 | 35 | 0 |
| Jill Copeland Chief Operating Officer | 0 – 2.5 | 0 – 2.5 | 35 - 40 | 110 - 115 | 652 | 695 | 27 | 19 | 0 |
| Anthony Deery Interim Director of Nursing | 10 – 12.5 | 32.5 - 35 | 25 - 30 | 80 - 85 | 0 | 511 | 209 | 146 | 0 |
| Dawn Hanwell Chief Financial Officer | 0 – 2.5 | 0 – 2.5 | 35 - 40 | 115 - 120 | 677 | 721 | 26 | 19 | 0 |
| Dr Jim Isherwood Medical Director | 0 – 2.5 | 0 – 2.5 | 55 - 60 | 165 - 170 | 1,209 | 1,037 | (204) | (143) | 0 |
| Beverley Murphy Chief Nurse / Director of Quality Assurance | 0 – 2.5 | 0 – 2.5 | 35 - 40 | 110 - 115 | 596 | 634 | 13 | 9 | 0 |
| Susan Tyler Director of Workforce Development | 0 – 2.5 | 0 – 2.5 | 45 - 50 | 135 - 140 | 890 | 950 | 35 | 25 | 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.

Non-executive directors do not receive pensionable remuneration and consequently there are no entries for them in respect of pensions. Beverley Murphy resigned from her position as Chief Nurse / Director of Quality Assurance on 2 November 2014. Anthony Deery was appointed as Interim Director of Nursing on 3 November 2014 on a secondment basis from Northumberland Tyne and Wear NHS Foundation Trust.

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

| Name and title | 2014/15 | | | | | 2013/14 | | | | |
|---|--------------------------|--------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------------------|--------------------------|--------------------------|
| | 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 nearest £100 | (bands of £2500) £000 | (bands of £5000) £000 | (bands of £5000) £000 | (bands of £5000) £000 | Rounded to nearest £100 | (bands of £2500) £000 | (bands of £5000) £000 |
| Chris Butler Chief Executive | 155 – 160 | 0 | 0 | 37.5 – 40 | 195 – 200 | 150 – 155 | 0 | 0 | 40 – 42.5 | 195 – 200 |
| Jill Copeland Chief Operating Officer | 110 – 115 | 0 | 0 | 7.5 – 10 | 120 – 125 | 110 – 115 | 0 | 4 | 22.5 – 25 | 135 – 140 |
| Anthony Deery Interim Director of Nursing | 35 – 40 | 0 | 0 | 615 – 617.5 | 650 – 655 | 0 | 0 | 0 | 0 | 0 |
| Dawn Hanwell Chief Financial Officer | 110 – 115 | 0 | 11 | 7.5 – 10 | 120 – 125 | 110 – 115 | 0 | 5 | 62.5 – 65 | 175 – 180 |
| Jim Isherwood Medical Director | 95 – 100 | 65 – 75 | 0 | 10 – 12.5 | 170 – 175 | 95 – 100 | 70 – 75 | 0 | 55 – 57.5 | 220 – 225 |
| Beverley Murphy Chief Nurse / Director of Quality Assurance | 60 – 65 | 0 | 1 | 5 – 7.5 | 65 – 70 | 100 – 105 | 0 – 5 | 4 | 830 – 832.5 | 935 – 940 |
| Susan Tyler Director of Workforce Development | 100 – 105 | 0 | 3 | 7.5 – 10 | 105 – 110 | 100 – 105 | 0 | 3 | 52.5 – 55 | 150 – 155 |
| Frank Griffiths Chair of the Trust | 40 – 45 | 0 | 1 | 0 | 40 – 45 | 40 – 45 | 0 | 2 | 0 | 40 – 45 |
| Margaret Sentamu Non-executive Director | 10 - 15 | 0 | 2 | 0 | 10 – 15 | 10 – 15 | 0 | 0 | 0 | 10 – 15 |
| Julie Tankard Non-executive Director | 10 – 15 | 0 | 0 | 0 | 10 – 15 | 10 – 15 | 0 | 0 | 0 | 10 – 15 |
| Gill Taylor Non-executive Director | 10 – 15 | 0 | 6 | 0 | 10 – 15 | 10 – 15 | 0 | 4 | 0 | 10 – 15 |
| Carl Thompson Non-executive Director | 10 – 15 | 0 | 3 | 0 | 10 – 15 | 10 – 15 | 0 | 1 | 0 | 10 – 15 |
| Keith Woodhouse Non-executive Director | 10 – 15 | 0 – 5 | 7 | 0 | 10 – 15 | 10 – 15 | 0 – 5 | 2 | 0 | 10 – 15 |
| Steven Wrigley-Howe Non-executive Director | 10 – 15 | 0 | 7 | 0 | 10 – 15 | 10 – 15 | 0 | 5 | 0 | 10 – 15 |

Beverley Murphy resigned as Chief Nurse / Director of Quality Assurance with effect from 2 November 2014. Anthony Deery was appointed as Interim Director of Nursing on 3 November 2014 on a secondment basis from Northumberland Tyne and Wear NHS Foundation Trust.

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 relate to his duties as a Mental Health Act Manager.

'Benefits In Kind' for Board members relates to the reimbursement of out of pocket expenses incurred whilst on Trust business.

5.7.2 Median remuneration

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

Table 5N – Median remuneration

| | 2014/15 | 2013/14 |
|--|-----------|-----------|
| Band of highest paid directors' total remuneration (£'000) | 160 – 165 | 165 - 170 |
| Median Salary (£) | 25,603 | 26,220 |
| Ratio | 6.37 | 6.33 |

The banded remuneration of the highest paid director in the Trust in the financial year 2014/15 was £163,059 (2013/14 £165,934). This was 6.37 times (2013/14, 6.33) the median remuneration of the workforce, which was £25,603 (£26,220 2013/14).

In 2014/15 six employees (2013/14 it was three employees) received remuneration in excess of the highest paid director. Remuneration for these employees ranged from £163,994 to £183,426 (2012/13 it was £169,674 to £182,792).

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 the Trust on 31 March 2015 are included in the calculation.

For agency staff the calculation is based on the number of the agency staff who worked for the Trust on 31 March 2015. The agency fee was identified and removed based on invoices previously paid.



Chris Butler
Chief Executive

Date: 21 May 2015

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 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. The Leeds and York NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance, most recently revised in July 2014, based on the principles of the UK Corporate Governance Code issued in 2012.

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. The Remuneration Committee has also agreed that the pension rights for executive directors are determined by the NHS pension scheme.</p> <p>However, staff on the next level down are paid under the NHS Agenda for Change pay structure and these arrangements are not within the remit of the Remuneration Committee, but are governed by national pay grades and rates and are externally determined.</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 2014 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 | The Annual Report should identify the: <ul style="list-style-type: none"> • Chairperson and 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 5.4.4 • Table 2C in Section 2.7 • Section 5.4.2 • Section 2.4 |
| A.5.3 | The Annual Report should identify: <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 3G in Section 3.3 and table 3H 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 | The Board of Directors should include in its Annual Report a description of each director's skills, expertise and experience. 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. | <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 |
| B.2.8 | The Annual Report should describe the process followed by the council of governors in relation to appointments of the chairperson and non-executive directors. | <ul style="list-style-type: none"> • Section 5.4.3.1 |

| 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 5.4.3 (Appointments and Remuneration Committee) • Section 5.4.4 (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 are 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 | <p>The Board of Directors should state in the Annual Report how performance evaluation of the</p> <ul style="list-style-type: none"> • Board • Board committees • Directors including the chairperson, <p>has been conducted.</p> | <ul style="list-style-type: none"> • Section 2.6.1 • Section 2.6.2 • Section 5.3.2 |
| B.6.2 | Where there has been external evaluation of the board and or governance of the Trust, 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 2.10 |

| 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 | The 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 | <p>A separate section of the Annual Report should describe the work of the Audit Committee in discharging its responsibilities. The report should include:</p> <ul style="list-style-type: none"> 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 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 • 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
- 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: 21 May 2015

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 2014 to 31 March 2015.

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 on-going 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 2015 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. It 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 and each member of the Board of Directors has corporate and joint responsibility for the management of risk across the organisation.

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 Legislation 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 Director of Nursing has overall lead responsibility for the development and implementation of organisational risk management, including local security management. However, all executive directors have responsibility for the effective management of risk within their own area of direct responsibility. The Chief Financial Officer (CFO) has delegated responsibility for managing the development and implementation of financial risk (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 and Responsible Officer. 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 training that all staff must complete in order to comply with legislative and regulatory standards. 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. At the end of March 2015 the compliance rate for compulsory training overall was 79%. We have in place systems for monitoring the uptake of compulsory training, which includes a report to the Quality Committee and 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 an overarching project through the Project Management Office is focused on ensuring that the Trust achieves its target of 90% by April 2015. However, it should be noted that as part of the CQC action plan there has been an agreement to extend the deadline for achieving this target until the end of June 2015.

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.

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 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 Head of Clinical Governance also produces a quarterly integrated report that brings together information about serious incidents, complaints, claims and PALS enquiries. This is presented to the Quality Committee and feeds into Care Group Clinical Governance Councils to ensure learning from incidents.

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 risk management standards

The Trust is committed to effective and timely investigation and response to any claim. The Trust follows the requirements of the NHS Litigation Authority (NHSLA) in the management of claims.

- Clinical negligence claims are covered by the NHS Litigation Authority Clinical Negligence Scheme for Trusts (CNST). The CNST handles all clinical negligence claims against the Trust, the Trust is the legal defendant, however, the NHSLA takes over full responsibility for handling the claim and meeting the associated costs
- Employer liability claims are covered by the NHS Litigation Authority Risk Pooling Scheme for Trusts (RPST) and Liability to Third Parties Scheme (LTPS). LTPS covers employers' liability claims, from straightforward slips and trips in the workplace to serious manual handling, bullying and stress claims. In addition, LTPS covers public and products liability claims, from personal injury sustained by visitors to NHS premises to claims arising from breaches of the Human Rights Act, the Data Protection Act and the Defective Premises Act
- Public liability claims (as above)
- Claims in respect of loss or damage to Trust property are covered by the NHS Litigation Authority RPST Property Expenses Scheme (PES).

8.4 THE RISK AND CONTROL FRAMEWORK

The Trust has in place a comprehensive Risk Management Policy that has been ratified by the Quality Committee 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 through Staffnet. This system is used by staff to assess and record risk assessments, scoring risks using a 5 x 5 assessment of likelihood and impact. Risks are then captured on the appropriate risk register which could be local, directorate or strategic. During 2014 a corporate (extreme) risk register was introduced which offers the Executive Team a way of stratifying the risk register to facilitate a keener focus on organisational extreme risks. Oversight of the corporate (extreme) risk register is a key communication tool and also enables the Executive Team to question areas where the potential impact of the risk falls outside of what is tolerable – the risk appetite.

Clinical risk management is based on a structured clinical assessment model under pinned by CPA and supported by decision-making aids. During 2014/15 the content of clinical risk training was revised according to the work of Dr Alys Cole-King and Care Groups are beginning the implementation of the improved training materials.

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.

8.4.1 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, and the Mental Health Legislation Committee. The BAF has been audited in-year and found to be fit-for-purpose.

8.4.2 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.

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. Work has commenced with the Matrons to develop an assurance process based upon a series of mock CQC inspections. These will go live in 2015.

In September and October 2014 we became the first mental health trust to undergo a full inspection under new inspection arrangements developed by the CQC. Our inspection reports were published on 16 January 2015, and the Trust received an overall rating of 'requires improvement'.

Where compliance actions or improvement actions have been received as a result of an inspection, robust action plans have been implemented. A CQC Fundamental Standards working group has been established, chaired by the Interim Director of Nursing to monitor progress against the compliance actions. Progress is reported to the Quality Committee and the Board of Directors. The Trust will ensure a consistent focus on the issues until we are able to satisfy the CQC of full compliance.

8.4.3 Fraud, corruption and bribery

The Trust has procedures in place that reduce the likelihood of fraud, corruption and bribery occurring. These include an Anti-fraud and Bribery Procedure, 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.

Our LCFS has conducted work across all generic areas of counter-fraud activity, 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.

A former employee of the Trust appeared in Court during 2014 charged in connection with a major fraud. Criminal proceedings are on-going and the Trust continues to assist the police with this matter.

8.4.4 Principle risks to compliance with licence 4.6 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 includes a governance structure with three locally-determined Board sub-committees, over and above those required in statute (Quality Committee, Finance and Business Committee and the Mental Health Legislation Committee). This ensures that members of the Board are more closely involved in the governance of the organisation, and are closer to assurance on the quality of services (clinical and non-clinical). There is also a structure beneath the Executive Team to ensure this is sufficient to meet the needs of the executive in delivering their individual portfolios and in supporting 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 the 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. The Trust also has a Corporate Governance Strategy which describes the framework for corporate governance and which references all the documents that sit within that framework. 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.

On a quarterly basis the Board receives an Integrated Quality and Performance Report that 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.

8.4.5 Corporate Governance Statement

The Corporate Governance Statement (CGS) has been prepared in accordance with the guidance in the Risk Assessment Framework; its completion in 2014/15 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 21 May 2015 for it to be signed off before submission to Monitor.

8.4.6 Public stakeholders

The Trust involves public stakeholders in identifying and managing risks to its strategic objectives in a number of ways. These include:

- Working with partners in health and social services in considering business and service change. The Trust has a framework for managing change to services agreed as part of its contracts with its main commissioners across Leeds and York. The Trust also has good relationships with Overview and Scrutiny Committees in both Leeds and York, with an excellent record of obtaining agreement for significant service change
- Active relationships with Healthwatch and service user and carer groups, working with these groups on the management of service risks and change
- An Associate Director of Strategy and Partnerships reporting directly the Chief Operating Officer, having responsibility for sustaining effective relationships with the key public stakeholders
- Active engagement with governors on strategic, service, and quality risks and changes including active engagement in the preparation of the Quality Accounts and the setting of strategic priorities.

8.4.7 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.

8.4.8 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 arrangements in place to ensure that the Foundation Trust complies with the Equality Act 2010. It has approved equality objectives for 2014/15 and reviewed the results of a comprehensive self-assessment against the national Equality Delivery System 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.

8.4.9 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

The immediate, in-year and potential future risks; those that have been identified as strategic risks on the Strategic Risk Register are:

- **Partnership working:** capacity and capability of partners (voluntary sector and/or primary care) to support new models of care
- **Workforce:** workforce not equipped or sufficiently engaged to deliver new models of care

- **Estates:** continuing to provide services from premises, of which the Trust is not in direct control of, that have been identified as not suitable from an environmental perspective
- **Informatics:** failure to engage workforce in emerging technology trends.
- **Income:** loss of contract income when services are tendered.
- **Governance:** breaching our regulatory requirements (Monitor)
- **Information governance:** inaccurate information supplied to commissioners and in statutory returns or failure to provide adequate assurance of the accuracy of that information
- **Clinical (general):** NHS Vale of York CCG decision to continue with the tender of mental health and learning disability services at a time when LYPFT has been and will continue to deliver a major programme of improvements, specifically the estates changes planned for Bootham Park Hospital and the quality improvement plans for both Bootham Park Hospital inpatient wards and the community units for the elderly (CUE's).
- **Information technology:** IT capacity to deliver challenging pace of IT developments to support new models/business requirements.

Each of these risks has an identified executive director and management lead. These risks will be managed through the risk management, risk register and operational planning 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 the controls and mitigations. The strategic risk register is regularly reviewed by the Executive Team and the positive impact of the mitigations assessed. The Audit Committee also receives a high-level report twice each year which indicates risk movement and hence the impact of risk management plans.

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

We have a comprehensive system for setting strategic objectives and priorities. In September 2013 we launched our refreshed Trust Strategy *Improving health, improving lives*, which describes what we want to achieve over the next five years (to 2018) and how we plan to get there. Our strategic intent, set out in our Trust Strategy (2013 to 2018), five-year Strategic Plan (2014 to 2019) and two-year Operational Plan (2015 to 2017) has been fully aligned with national policy, commissioner priorities, and the challenges and opportunities we see ahead over the next one to five years. Our Trust Strategy, five-year Strategic Plan and two-year Operational Plan have all been ratified by our Board of Directors with all three documents being an accurate reflection of the current shared vision of our Board, having had regard for the views of our Council of Governors, stakeholders and staff.

Our Trust Strategy is designed around the three key elements of quality: effective care that improves outcomes for people who use our services; safe care; and positive service user and carer experience, which are reflected within our three strategic goals. Our five strategic objectives describe what we need to do to achieve our goals, with clear measures demonstrating how we have achieved our goals and objectives. Strategic Objective 4 sets out our priorities to provide efficient and sustainable services. We have robust plans in place to ensure that we offer value for money and remain financially strong. Measures have been agreed to ensure that the Board is able to monitor compliance with achieving this objective. These measures are monitored through the Programme Management Office with progress being reported to the Finance and Business Committee and to the Board of Directors.

The financial strategy for the coming year is set out in the Trust's two-year Operational Plan. This shows on a projected basis what the expected financial performance for the coming year is to be. There is in place a comprehensive process for developing the plan with there being consultation with the Council of Governors and sign-off by the Board of Directors prior to submission to Monitor. To be assured of progress against plan (both financial and operational) the Board receives a quarterly update with the Strategy Implementation Board and the Programme Management Office taking operational control.

As part of the annual planning process we are required to identify our Cost Improvement Plans (CIPs). All our CIPs have been through the standard quality and delivery impact assessment

process, with a CIP pro-forma being completed for each individual scheme. Each scheme has been scored and electronically signed off by both the Medical Director and the Interim Director of Nursing and is monitored through the Programme Management Office. Our CIP processes have been endorsed by our commissioners and are subject to an annual internal audit. Our recent internal audit review has provided 'significant assurance' that we have an embedded and comprehensive process for ensuring that the actual impact of CIPs is quality assessed prior to approval and implementation of each scheme.

At the end of 2014/15, achievement against the CIP plan was 30.3%. There were a number of mitigating factors for this slippage including delayed redesign of the acute care pathway in the Leeds Mental Health Group, a delay in implementing a process to reduce handover time and an over-achievement of revenue generation within the Eating Disorders Inpatient Service. Work has been undertaken to look at all schemes (those carried forward from 2014/15 and those new for 2015/16) to ensure they are realistic and achievable.

The Quality Committee is routinely assured on the impact and mitigations of all CIP schemes to ensure we are maintaining the quality and delivery of our services. The Finance and Business Committee on a quarterly basis receives the financial progress against each individual scheme. The Board of Directors is also advised of progress with our cost improvement plans via the quarterly Operational Plan progress report.

The Trust operates within a well defined corporate governance framework, with financial governance being set out through a number of documents including the Corporate Governance Policy, Standing Financial Instructions, financial procedures, the 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 for committing resources
- 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 the 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; progress against strategy and annual plan measures; and minutes from its sub-committees including the Audit Committee
- **Internal Audit** (West Yorkshire Audit Consortium) 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 reports issued in the year have generated a 'significant assurance' opinion:

"Significant assurance is 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 weakness in the design and / or inconsistent application of controls, put the achievement of particular objectives at risk."

Whilst a significant overall opinion has been provided, attention is drawn to the fact that there have been three reports issued in 2014/15 with a 'limited assurance' opinion.

Report reference LY01 Safer staffing: the review identified weaknesses in the validation processes in place for completing the safe staffing reports. There were a number of instances identified where shift data was not extracted from the E-roster workforce data into the safe staffing report. The review was undertaken on the first required published figures and the recommendations were used to improve the process in future months.

Report reference LY07, Complaints: the review identified a number of issues with regard to the Trust's management of complaints. It was found that there were a number of non-compliances with the Complaints Management Procedure, but this but this was deemed to be attributable to the fact that the procedure was regarded as being defunct and the Trust was in the process of re-designing the system.

Report reference LY09 Migration from CPD to PARIS: the focus of the audit was the effective migration of data from CPD to PARIS and the training of staff to support good data quality going forward once transferred. The ability to verify the accurate and complete migration of data was impacted by the unavailability of reports that were used to input data to PARIS. A review of demographic data highlighted reductions in the completeness of this data for the services reviewed following migration.

- **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 the Trust's internal controls, including 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 and external 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** is made up of the Quality Committee, the Mental Health Legislation 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 INFORMATION GOVERNANCE

8.7.1 Incidents relating to information governance

Below is an analysis of our information governance incident reporting records for 2014/15. This shows seven incidents that have sensitivity factors that classify them as a serious incident requiring investigation (SIRI), reportable via the national online tool.

Table 8A - Summary of incidents involving personal data as reported to the Information Commissioner's Office in 2014/15

| Date of incident (month) | Nature of incident | Nature of data involved | Number of people potentially affected | Notification steps |
|--------------------------|---|---|---------------------------------------|---|
| April 2014 | Unauthorised disclosure | Name, address, NHS number, clinical information | 1 | Individual notified by care team, by post |
| August 2014 | Unauthorised disclosure | Name, address, NHS number, clinical information | 1 | Individual notified by care team, by post |
| September 2014 | Unauthorised disclosure | Name, address, NHS number, clinical information | 3 | Individual notified by care team, by post |
| October 2014 | Unauthorised disclosure | Name, address, NHS number, clinical information | 1 | Individual notified by care team, by post |
| February 2015 | Unauthorised disclosure | Name, address, NHS number, clinical information | 1 | Individual notified by care team, by post |
| Further action taken | <p>All incidents have been reported for escalation to the Information Commissioner's Office (ICO) via the national online reporting tool.</p> <p>A local senior management fact-find has been undertaken in the wake of each incident and process improvements have been actioned, where appropriate, to prevent recurrence. At the time of writing we are engaging with the ICO investigations into the August – February breaches and will act on the findings.</p> <p>The ICO investigation into the April 2014 breach concluded with no further action required, based on the ICO taking the view that this resulted entirely from human error, not systemic or organisational failure.</p> <p>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.</p> | | | |

The Trust has a highly developed Information Governance (IG) function and framework which utilises subject matter expertise from IG, ICT, networks, informatics, health records and systems administration. It maintains effective links with the Trust's clinical teams through directorate and clinician representative delegates at the monthly Information Governance Group meetings. The Trust's Senior Information Risk Owner (SIRO) (Chief Financial Officer) and Caldicott Guardian (Medical Director) are members of this group. The group is the parent of the Data Quality Sub-Group and in turn is a sub-group of the Finance and Business Committee, thereby maintaining a reporting line to the Board of Directors as required by regulation.

The group monitors IG breach incidents, maintaining oversight of level 2 SIRI breaches, as well as triggering appropriate responses to clusters or themes of low-level non-SIRI incidents.

8.7.2 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 'satisfactory' as at 31 March 2015, achieving Level 2 or higher for all IG requirements.

8.8 ANNUAL QUALITY REPORT

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS foundation trust boards on the form and content of Annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The Interim Director of Nursing is the executive director with the responsibility for lead on quality including the Quality Report. The Quality Committee 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 patient records' systems. The Data Quality Team deals with erroneous entries and there are systems and 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 warehouse is used to ensure that data quality issues are dealt with proactively and quickly to maintain data integrity.

8.9 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 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 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 Legislation 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.

8.10 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 and has in place a sufficient system of internal control to manage the strategic and other organisational risks.



Chris Butler
Chief Executive

Date: 21 May 2015

PART B
THE QUALITY REPORT
2014/15

SECTION 1 – STATEMENT ON QUALITY FROM THE CHIEF EXECUTIVE

This is the 2014/15 Quality Report of the Leeds and York Partnership NHS Foundation Trust (the Trust).

We provide services to thousands of people across Leeds and York. We do this when people have become unwell, often quite vulnerable and are in need of specialist help. We also have a broader purpose which is to improve the health and well-being of the people who use our services. We achieve this by being active in our communities, working to address the broader determinants of health for people with mental health problems and learning disabilities. We do not do this alone; indeed one of our key strengths is the close partnerships we have with others to provide excellent mental health and learning disability care that supports people to achieve their own goals whilst at the same time focusing on broader issues, such as combating stigma and discrimination.

We deliver through the expertise and the professionalism of our people. Most of those who work in the Trust are at the frontline in providing services. Also important are those people who make the work of the clinical professionals possible, from administrative support staff to people working in our supplies department. We will not make our aspirations for services, service users, and carers a reality unless all of us, regardless of our role, do the right thing in the right way. Consequently, values are critical to us. I want to spend a moment to describe these.

| | |
|--------------------------------------|---|
| 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 |

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

For me, our Quality Report is as important to us as our Financial Accounts, as the provision of high quality services is why the Trust exists. I am very clear that 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 and despite our best efforts, we do not get it right all the time, and we will make mistakes. However, transparency about our successes and challenges are vital to our commitment to providing ever-better services that enable people who use our services to live their lives to the full.

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

A handwritten signature in black ink, appearing to read 'Chris Butler', with a stylized flourish at the end.

Chris Butler
Chief Executive

Date: 21 May 2015

SECTION 2 – PRIORITIES FOR IMPROVEMENT AND STATEMENTS OF ASSURANCE

2.1 PRIORITIES FOR IMPROVEMENT

Our Trust strategy for 2013 - 2018 identifies our overarching priorities as:

| | |
|--|--|
| 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 Strategic Plan and 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 and our two-year Operational Plan, which describe what we want to achieve over the next two to five years (to 2018) and how we plan to get there.

We refreshed our Strategy 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.

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 (sub-committee of the Council of Governors).

Further information about how we have addressed the priorities outlined in our 2014/15 Quality Report, along with our quality improvement initiatives for 2015/16 are as follows.

2.1.1 Priority 1 (clinical effectiveness)

People achieve their agreed goals for improving health and improving lives

Progress against 2014/15 initiatives:

a) *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.

We have undertaken extensive work over the last 12 months to implement outcome measures. A clinician-reported outcome measure (CROM) is now completed for people who use our services and the patient-reported experience measure (PREM), which

includes the friends and family test, went live on 1 January 2015. Further work is required to ensure all service users are routinely offered a patient-reported outcome measure (PROM) and an identified lead is now in post to deliver this work as a key objective for each Care Group.

- b) *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.*

We have established a cohort of Peer Support Workers across Leeds and are currently bidding for funding from the Leeds clinical commissioning groups to make these roles recurrent, with the intention of transferring the roles into the voluntary sector following our planned review of Community Mental Health Teams in 2015/16. Establishment of Peer Support Workers in York was delayed due to other priorities in the York Care Group, but we have worked up plans for voluntary sector partners to develop Peer Support Worker roles as part of our bid for the tender of mental health and learning disability services. We also have the opportunity to submit a bid to be involved in the peer support research project following collaboration with mental health services in Melbourne, Australia.

In conjunction with voluntary sector partners we have also established a Recovery Centre within our Leeds Rehabilitation and Recovery Service. The evaluation and outcome of this will be closely monitored. Our Converge partnership with York St John University continues to develop non-stigmatised approaches to supporting people's recovery in the Vale of York.

- c) *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.*

We have built a prototype of the core and cognitive impairment/dementia integrated care pathway in the testing environment of our clinical information system. This resulted in a full model office test that concluded that the integrated care pathway clinical content was useful and applicable to clinical practice, however was not useable within the current version and configuration of our clinical information system.

Over the last year we have also designed and developed the psychosis/common mental health integrated care pathway and personality disorder integrated care pathway.

Initiatives to be implemented in 2015/16:

- a) Working with partners across Leeds, we will develop and implement an integrated pathway for dementia care. This will provide rapid access for individuals with first diagnosis of dementia, and post-diagnostic support and maintenance of people with complex needs to support them to remain in their own home environment for as long as possible. This is likely to include sub-contracting of Memory Support Workers to the voluntary sector (Alzheimer's Society).
- b) We will build on the work underway in 2014/15 to improve recovery planning with care plans. This includes developing and implementing mechanisms for measuring the qualitative aspects of care planning and service users' own experiences of this across all our services.

This is building on initiatives such as advance statements, Lived Experience Network, mHealth digital developments, and will include the development of Health Coaches within the workforce.

From April 2015, we intend to merge together this work along with our outcomes and integrated care pathway priorities. This work will be managed under three strands: planning care and wellbeing; increasing choice; and embedding recovery principles into practice. Helping service users to understand what their mental health issues are, how they can self-manage and then quickly access support when needed is at the core of our plans. Individualised care pathways based on care clusters will set out how service users can self-manage their care and live their lives as independently as possible.

- c) Within North Yorkshire and York, we will continue our work with commissioners to provide clear pathways for service users with needs relating to cognitive impairment and dementia. Our plans include investment in Memory Services and Care Homes Teams, with a resultant decrease in use of inpatient beds.

2.1.2 Priority 2 (patient safety) People experience safe care

Progress against 2014/15 initiatives:

- a) *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 comes to an end in December 2014.*

We piloted a Street Triage Service, which has prevented 30% of people picked up by the police from being taken to the Health-based Place of Safety (136 suite); and provided more support for people with drug and alcohol problems to access Crisis Services.

- b) *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.*

We also launched our Crisis Assessment Unit with two beds to provide an environment within which service users can receive a longer period of assessment as an alternative to admission.

- c) *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.*

Providing safe care is our highest priority and having the right number of staff with the right skills is an essential part of delivering safe care. We have measures in place to make sure our wards are well staffed.

From April 2014 we started to display our staffing levels on each inpatient ward. The displays show who is in charge and how many nursing staff are planned to be on duty and the actual numbers on duty at any one time. This information does not include other staff such as Occupational Therapists and Psychologists, so the total number of staff present on each ward is higher than the number displayed.

During July 2014 we developed our displays further to make sure they were as clear as possible for service users, carers and visitors to understand.

Staffing is also discussed at our public Trust Board meetings.

Initiatives to be implemented in 2015/16:

- a) Our recent Care Quality Commission inspection highlighted concerns around the way we handle complaints. During 2015/16 we will:
- Implement a revised complaints procedures and easily accessible document explaining how someone can make a complaint
 - We will provide signposting for feedback, including reviews of written materials (leaflets, posters), the Trust website and raising staff awareness about how service users can provide feedback. It also encompasses referrals to the PALS service (for advice and concerns) and our compliments processes
 - We will provide a named contact for each complaint, enabling a more personal experience
 - Implement an assessment process for all complaints, so that more senior and experience staff members can be allocated to investigate more serious complaints
 - We will implement a locally managed process for lower severity complaints, to allow local staff to respond to the complainant personally. All complaints will still be recorded and reported; and the corporate team will continue to oversee local complaints management.
- b) Develop approaches to balance robust management of sickness absence with measures to keep our workforce healthy. This is encompassed under three key targets:
- Reduce musculoskeletal absence to 9.8% of all absence
 - Reduce stress-related absence to 15% of all absence
 - Reduce sickness level to 4.2%.
- c) Ensure our workforce (including our bank workforce) is competent to deliver safe care as a priority for 2015/16. This new scheme will include the following key deliverables:
- Review the use of seclusion and restraint within the workforce
 - In order to deliver the 'No Force First' agenda, we will develop competencies within the workforce through prevention and management of violence and aggression training
 - Introduce the new care certificate for Healthcare Support Workers to ensure minimum standards of education and training
 - Develop a cohort of trained Health Coaches to cascade model of health coaching to clinicians, to support the Recovery Programme.

2.1.3 Priority 3 (patient experience)

People have a positive experience of their care and support

Progress against 2014/15 Initiatives:

- a) *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.*

Feedback from younger adults suggests that more could be done to ensure that our services meet the needs of people from this age group. Over the last year we have established a forum of clinicians, managers, young people and partners and developed improvement plans for young people-friendly services. In addition, transition groups have been established in Leeds and York to coach young people about accessing adult services.

During 2015/16 we will improve the transition from adolescent to adult Eating Disorder Services, working jointly with Child and Adolescent Mental Health Services in York. This will include the development of a revised and flexible care pathway across the transition, including shared input from both services.

- b) *To continually improve the service user's experience and complement the existing services on the acute care pathway, the 'Crisis Assessment Unit' at 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 on-going care put in place without the need for lengthy admission to hospital. This links into the Trust's on-going 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.

We have continually worked with partners across Leeds and are redesigning a new single point of access that acts as the only route into all of our services.

- c) *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, St Mary's Hospital. This will ensure all service users of the Learning Disability Inpatient Services are accommodated in a safe, high quality building that meets with privacy and dignity standards.*

In Leeds, we will implement our plans to relocate inpatient services onto one site at Parkside Lodge, including development of a new model for health respite. This will allow us to leave less suitable premises at Woodland Square, St Mary's Hospital in Leeds. We are currently working with Leeds City Council to develop alternative ways of providing planned care (health respite) for people with a learning disability.

- d) *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, and 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. They will help to embed a cycle of continuous improvement in the quality of our services.*

In 2014/15, the Care Quality Commission gave the Trust an overall rating of 'requires improvement' (further detail at Section 2.6). However, they rated 70% of our services as good and reported that one service was outstanding. The Trust is determined to ensure all of our services are of a consistently high standard. To help achieve this we will take forward a rolling programme of quality visits. These are being developed, in conjunction with our Matrons, as an additional form of quality assurance. They will replace the previous 'mock Care Quality Commission inspections' and will have a developmental focus. It is envisaged that the key elements of this process would be:

- A supportive process – with team briefings prior to implementation
- Clinically-focussed – with a lead Nurse leading each visit
- To include self-assessment and a mixture of planned and unannounced visits,
- Developmental – utilising the Care Quality Commission's five questions and based on the provider compliance assessment criteria. The aim is to generate local learning.

Initiatives to be implemented in 2015/16

- a) During 2015/16, we will design and implement a new single point of access that acts as the only route into any of our services and other mental health services. This includes:
- Recruiting a skilled workforce that can effectively triage all service users and allocate them to the appropriate service for their needs
 - Include voluntary sector and Adult Social Care providers to ensure that service users receive a genuine choice of all mental health services available in the local health economy
 - Offer service users choice of provider and evidence-based treatment that is supported by the use of technology

- b) Working closely with Leeds Commissioners, third sector and Adult Social Care partners, we will review our Community Mental Health Teams to develop more effective pathways into social care and voluntary sector support. This is likely to see a greater focus on recovery and choice of treatment for service users, with clear pathways into a 'scaffolding' of support provided on a locality basis by the third sector. As part of this work, we are developing plans to integrate Adult Social Care mental health services more closely with our services.
- c) Within North Yorkshire and York, we are currently reviewing our primary care services, aiming to improve the way that primary care mental health services are organised and co-ordinated with the rest of our services, so that people can access services quickly and easily. We are developing proposals to deliver an integrated primary and secondary service single point of access. This work will be undertaken jointly with Third Sector providers to develop a comprehensive model of partnership working that will promote service user choice and recovery.
- d) In relation to the Mental Health Act, we will be reviewing current equality impacts on diverse groups and agreeing and implementing improvement measures for 2015/16.

2.2 STATEMENT OF ASSURANCE FROM THE BOARD

The following sections (2.2.1 to 2.2.9) provide assurance on the services provided by the Trust.

2.2.1 Health services

During 2014/15 Leeds and York Partnership NHS Foundation Trust provided and/or sub-contracted six relevant health services. These are:

- 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 2014/15 represents 100% of the total income generated from the provision of relevant health services by Leeds and York Partnership NHS Foundation Trust for 2014/15.

2.2.2 Participation in clinical audits and national confidential enquiries

During 2014/15, two national clinical audits and one national confidential enquiry covered relevant health services that Leeds and York Partnership NHS Foundation Trust provides. During that period Leeds and York Partnership NHS Foundation Trust participated in 100% of national clinical audits and 100% of national confidential enquiries in which it was eligible to participate.

The national clinical audits and national confidential enquiries in which Leeds and York Partnership NHS Foundation Trust was eligible to participate in during 2014/15 are shown in Table 1.

The national clinical audits and national confidential enquiries in which Leeds and York Partnership NHS Foundation Trust participated during 2014/15 are shown in Table 1.

The national clinical audits and national confidential enquiries in which Leeds and York Partnership NHS Foundation Trust participated, and for which data collection was completed during 2014/15 are listed below, alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

The Trust has also commissioned the National Confidential Inquiry into Suicides and Homicides to undertake a bespoke review of the unexpected deaths that have taken place between December 2012 and December 2014. This will involve a deeper qualitative review of a number of cases and the National Confidential Inquiry into Suicides and Homicides will report their findings to the Trust in July 2015.

Table 2A - National audit participation

| Audit or enquiry | Participation (yes/no) | Number of cases required | Number of cases submitted |
|---|------------------------|--------------------------|---------------------------|
| POMH-UK Topic 12b Prescribing for people with personality disorder | Yes | No set number required | 33 |
| POMH-UK Topic 9c Anti-psychotic prescribing in people with a learning disability | Yes | No set number required | 100 |
| National Confidential Enquiry into Suicide and Homicide by People with Mental Illness | Yes | No set number required | 100% of cases identified |

The reports of four national clinical audits were reviewed by the provider in 2014/15 and Leeds and York Partnership NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided (see Table 2B).

Table 2B - National audit findings review

| Audit or enquiry | Status | Quality improvement actions |
|--|--------------------------|--|
| POMH-UK Topic 4b Prescribing anti-dementia drugs | Implementing action plan | Minimise the anti-cholinergic burden for people with cognitive impairment. Improve the recording of pulse rate prior to commencing cholinesterase inhibitor treatment and during monitoring appointments. Improve recording of functional, behavioural and global assessments as defined by POMH-UK. |
| POMH-UK Topic 10c Prescribing anti-psychotics for children and adolescents | Implementing action plan | Improve information gathering at the start of treatment with the use of an up-to-date monitoring sheet. Improve the monitoring of service users on anti-psychotic medication with the use of an up-to-date monitoring sheet. |
| POMH-UK Topic 12b Prescribing for people with a personality disorder | Review in progress | Action plan in process of agreement. |
| POMH-UK Topic 14 Prescribing in substance misuse: alcohol detoxification | Review in progress | Action plan in process of agreement. |

The reports of 54 local clinical audits were reviewed by the provider in 2014/15. Of these reports, 38 had action plans for quality improvement, and the remainder had action plans in development. Leeds and York Partnership NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided (see Table 2C, below).

Table 2C - Local audit findings review

| Title | Quality improvement actions |
|---|--|
| National Audit of Schizophrenia | <p>To improve practice and documentation of the monitoring of physical health indicators in line with NICE guidance (S4) by:</p> <ul style="list-style-type: none"> • Providing training for venepuncture and ECG (Electrocardiogram) across the care group • Develop plans to establish physical health monitoring clinics and then clozapine clinics as joint clinics between Community Mental Health Team and Intensive Community Services <p>To improve the delivery and documentation of interventions to improve the physical health of service users (including, but not exclusively for problems identified through the recommended monitoring) by:</p> <ul style="list-style-type: none"> • Developing and implementing a checklist to prompt appropriate lifestyle interventions for service users who are prescribed anti-psychotic medication • Implementing routine use of 'My Physical Health' resource developed by Rethink to follow service users as they move between teams. |
| Mental Health Act - Section 58 | <p>To improve the safety of people and ensure that only medications duly authorised by a Form T2 or T3 are administered by:</p> <ul style="list-style-type: none"> • Reminding all relevant staff of the requirement for routine monitoring and compliance checks. <p>To improve the quality of completion of T2 and T3 forms by:</p> <ul style="list-style-type: none"> • Introducing routine scrutiny of all T2 and T3 forms by Health Records staff, using a checklist to identify and rectify form completion errors. <p>To improve the documentation of discussions regarding medication plans, capacity assessments and involvement of SOADs (Second Opinion Appointed Doctor) by:</p> <ul style="list-style-type: none"> • Modifying the existing Section 58 pro-forma in order to create a user-friendly tool for completion by Responsible Clinicians. |
| Clinical Supervision | <p>It was agreed to regard this project as complete. However, the following recommendations were made, for action by individual care groups, in order to maintain the improvements achieved:</p> <ul style="list-style-type: none"> • Identify areas for improvement • Produce an agreed action plan to support achieving improvement in the agreed areas • Monitor the implementation of the action plan through the care group governance structure • Monitor engagement in clinical supervision through routine 1:1 meetings • Identify aspects of clinical supervision for clinical audit within the care group, either as a priority or local project (as appropriate/applicable) |
| Audit of CORE form completion for Liaison Psychiatry outpatients in the LP Department | <ul style="list-style-type: none"> • To discuss the possibility to replace CORE-34 outcome measure with CORE-10 outcome at the November Clinical Governance Council Liaison Psychiatry meeting. Simplifying the assessment hopefully will encourage service users to complete the form on discharge and increase % of completion • In order to increase % of completion of discharge assessment, a reminder via email will be sent to all clinicians asking to encourage and support service user to complete a CORE-10 form on discharge |

| Title | Quality improvement actions |
|--|---|
| Audit of compliance with NICE Guideline for 'Venous Thromboembolism reducing the risk' | <ul style="list-style-type: none"> • Ensure all new Core and Higher Trainees placed at Yorkshire Centre for Psychological Medicine are aware of the NICE guideline during their induction and reminded of it through clinical supervision. This shall include the importance of offering both verbal and written information to the patient and their family members/carers regarding Venous Thromboembolism Prophylaxis, if required to be prescribed • To design and include a prompt for carrying out Venous Thromboembolism risk assessment on the admissions check list |
| Improving physical health care at West ICS | <ul style="list-style-type: none"> • Create time during induction period of trainees to discuss the needs of physical examination and investigations and the new recommendation with regard to this • Design poster to put in doctor's office • Review the Multi-Disciplinary Team review template to ensure more accurate documentation of physical needs, and focus on ensuring those that need one do receive one. |
| Driving advice in acute mental health care (non- dementia patients) (DVLA) | <ul style="list-style-type: none"> • To improve awareness of the DVLA (Driver Vehicle Licensing Authority) guideline of clinical staff, a poster will be designed and held in the unit • To improve awareness of the DVLA guideline within service users: a) a 'driving status' prompt will be inserted in the 'initial engagement' template for service users on admission; b) a leaflet (based on the poster) will be designed and issued to service users. This will be documented in initial engagement. |
| ECG and prescribing practice in WNW Memory Clinic | <ul style="list-style-type: none"> • To increase awareness of the current practice among clinicians presenting the audit findings at the next staff meeting • To develop a local guideline across the Memory Services in Leeds in order to standardise practice. Guideline to be reviewed and approved by clinicians and managers of the Memory Services • To discuss at the regional meeting the possibility of reviewing current practice across services and discuss the possibility of having a regional guidelines for all Memory Services: A semi-structured questionnaire should be developed and then completed by Trust and regional consultants at the Yorkshire and the Humber Old Age Psychiatry Meeting. |
| Medical Record Keeping in Southfield House | <ul style="list-style-type: none"> • To discuss the introduction of a template where patient identifier, date and time are entered into a header, and space for signature and identifier of the clinician in footer of each page • To improve awareness within clinicians a reminder of the Trust policy and basic standards of record-keeping should be designed. This should be in prominent places within the department. |
| ECG and haematological investigation at South ICS | <ul style="list-style-type: none"> • To ensure at least one permanent medic in the team has access to the server and it is referred to each morning in the Multi-Disciplinary Team meeting • To appoint a lead person(s) responsible for co-ordinating the taking and documenting of blood tests and ECGs (Electrocardiograms) • To design a set pro-forma for the FY1 doctors to fill in in and place into the Recovery Plan for each patient, to include reference to blood tests and ECG's (Electrocardiograms) taken • To create two lists of tests required with a guide as to which tier applies to which patient. To disseminate this to staff at team meetings and put up posters in clinical areas • To create a file/binder immediately and work with admin or IT around scanning the ECGs (Electrocardiograms) on to PARIS (electronic patient record). |

| Title | Quality improvement actions |
|---|--|
| Advice on driving in Dementia Memory Clinics | <ul style="list-style-type: none"> • To improve the documentation rate to 100%: a Memo Aid (A4 prompt) will be produced and included in local induction packs • To design and introduce a simple leaflet which provides appropriate advice to those service users who drive. |
| Completion and documentation of physical monitoring requirements for Clozapine patients | <ul style="list-style-type: none"> • To discuss with the Information Technology department possibility to generate a Pharmacy prompt on PARIS in order to remind the clinician/Pharmacy/Clozapine clinic staff to check blood and follow up results • To inform consultant responsible for junior doctors' induction of the findings of the audit. To discuss the importance of including the need for Clozapine monitoring in the junior doctor's induction • To design and maintain a register of service users on Clozapine in out-patient department in order to improve way to access and review blood results • To develop a pro-forma to record blood results and any further action taken. This should be then copied as a letter and faxed to GP. |
| Documentation of lithium and correspondence to GP | <ul style="list-style-type: none"> • To improve awareness of the current practice and areas of low compliance the results will be shared and disseminated in the following way: <ol style="list-style-type: none"> 1. Junior doctors' afternoon educational meeting 2. Consultants and SSE Locality Manager will be informed via emails asking for any feedback 3. An email to be sent to the Chief Pharmacist with the results of the audit for discussion at the next Medicines Optimisation Group meeting for further recommendations and actions • To ensure information on lithium prescriptions and monitoring to be including in the trainee induction for Doctors at South East Community Mental Health Team. |
| Monitoring according to shared care guidelines | <ul style="list-style-type: none"> • Present audit findings and recommendations at Medicine Optimisation Group meeting. Request that shared care guidelines are made more prominent on Staff-net • To request the Head of Pharmacy reviews current guideline to improve measuring BMI (Body Mass Index). Chief Pharmacist to be asked to investigate whether abdominal girth or BMI (Body Mass Index) is the more useful measure, and the less useful measure dropped • To submit a business case for requesting appropriate equipment to perform blood pressure and body habitus measurements within Resource Centre Clinic rooms at St Mary's Hospital. |
| Depression in In Reach | <ul style="list-style-type: none"> • Guideline to be inserted in the trainee induction pack • To improve awareness of the current practice and guideline: audit's findings will be disseminated in the following meetings: weekly Multi-Disciplinary Team, Clinical Governance Council, weekly doctors' teaching. |

| Title | Quality improvement actions |
|--|--|
| A clinical audit of the Journey Day Service OT Group work programme for people with personality disorder | <ul style="list-style-type: none"> • The Journey service leaflet to be included in the appointment letter, with the statement of 'Enc: Journey service leaflet' at bottom of page to evidence its inclusion • To re-design the assessment form including the following tick boxes in order to document that the following areas were clearly explained to the Service User: a) the recovery processes and its relationship to Journey; b) Intervention options and improvement of quality of life; c) Confidentiality • To add a tick box on the assessment form confirming Journey information pack has been given to the service user • The following actions will help to improve documentation of and communication of the assessment summary: <ol style="list-style-type: none"> 1. Instruction to be communicated to the Journey staff in the team meeting that if the service user is offered a place on Journey, the Assessment Summary letter is sent to them regardless of whether the service user exits the assessment process after the initial assessment meeting 2. The Assessment Summary letter to be automatically sent to the service user's GP and their referrer (if not a self-referral) • Instruction to be communicated via email or during meeting to the Journey staff team that for any service user where Journey is the main care provider, the Assessment Summary letter has to be placed on PARIS as the formal 'Care Planning' • For Journey staff to be reminded that they must record all 'interactions' with and / or about service users on PARIS (email and reminder poster in the staff room) • In week 5 sessions 'Personality Disorder and Occupation' the NICE 'Clinical Guideline 78' to be identified and a reference copy to be available in the group session. Journey manual to be adjusted accordingly. |
| Memory Services national accreditation programme | <ul style="list-style-type: none"> • To add question about whether service users are asked if they wanted to know their diagnosis in the holistic assessment and evidence the information in letter to referrer • To design a consent document for all service users to cover sharing information and with whom • To remind staff to offer an informal letter to the service user where appropriate – on communications meeting agenda • Give Dementia Guide to service users, including leaflets about the Memory Service and Dementia Services in Leeds. |
| Documentation of handover at Yorkshire Centre for Psychological Medicine | <ul style="list-style-type: none"> • Ensure preceptorship documentation includes reference to handover form • Using weekly staff meeting to remind staff of their responsibilities in completing handover form • Group Team to ensure groups are facilitated, recorded and reviewed regularly. |
| Team communication with the Service User's GP | <ul style="list-style-type: none"> • To raise awareness amongst medics and administrative staff of the results of this audit: audit findings to be presented at the local staff meeting • To ensure all letters are inputted onto PARIS and filed in the paper case notes (where paper case notes still used): to remind administrative staff to follow agreed procedure via email and regular staff meeting • Training on use of Big Hand to continue so that medics can use Big Hand; training to be extended to locum doctors. |
| Admissions process followed at Yorkshire Centre for Psychological Medicine | <ul style="list-style-type: none"> • Email sent to all administration staff to remind to print out admission checklist on pink paper • To improve upon the consistency of use of the admission checklist the audit findings were presented at the service meeting and reminder to be sent by email • To ensure only one admission checklist (master copy) exists at any one time (on the I drive): check one (latest) master copy on I Drive and archive / delete others. |

| Title | Quality improvement actions |
|---|--|
| Discharge process followed on Yorkshire Centre for Psychological Medicine | <ul style="list-style-type: none"> To improve consistency in completing discharge check list: issue to be discussed at forthcoming staff meetings and minutes to be sent to all staff, including new staff members, regarding the need for this to be consistent To ensure only one admission checklist (master copy) exists at any one time (on the I drive): check one (latest) master copy on I drive and archive / delete others A reminder should be sent to all clinicians highlighting that all forms need to be stored in the discharge pack and delivered consistently to the administration staff for inputting onto the electronic database. |
| Defensible documentation of advice sought from Child Protection (Safeguarding) Department (Leeds and Specialist Services) | <ul style="list-style-type: none"> All child safeguarding staff to utilise the same template for recording of advice requests Safeguarding Administrator to be trained to input on PARIS and cut and paste advice log and action plan into safeguarding section in service user records Ensuring that advice provided by the Safeguarding Team is progressed and subsequently documented and encouraging use of the safeguarding section on PARIS: documentation guidance into safeguarding training level 2 and PARIS training. |
| Care approach standards on completed care plans for service users discharged on Community Treatment Orders (CTO) | <ul style="list-style-type: none"> Ensure all members of the Community Mental Health Team are aware of the recommendations by sharing audit findings by email with attached report of the findings. The email should highlight areas that need improvement such as name of responsible clinician. |
| Prescribing anti-dementia drugs | <ul style="list-style-type: none"> To include relevant domains (of functional, behavioural and global assessments) in year of care template for dementia reviews (Leeds) To develop best practice guideline for regional use for routine blood pressure and ECG (Electrocardiogram) monitoring prior to commencing cholinesterase inhibitor treatment (Leeds) Distribute pharmacy advice and Faculty lecture. Consultants will highlight to GPs where there may be scope for minimising the burden (York)To discuss with consultants and lead nurse to amend medics and nursing Memory Clinic pro-forma so that these are more readily identifiable (York) To discuss and agree the new process at York's Memory Clinic forum that includes Physicians in order to clarify whether routine blood pressure recording and ECGs (Electrocardiograms) are required for all starting an ACE Inhibitor (York). |
| Anti-psychotic medication in CAMHS (Child and Adolescent Mental Health Service) | <ul style="list-style-type: none"> To update monitoring sheets in line with NICE guidance (clinical guideline 155) in order to improve monitoring of service users on antipsychotic medication. |
| DVLA (Driver Vehicle Licensing Authority) guidelines in South Community Mental Health Team (York) | <ul style="list-style-type: none"> Present results at Community Mental Health Team business meeting and forward to Modern Matron to raise awareness for inpatient units. Addition of DVLA (Driver Vehicle Licensing Authority) status to holistic considered impractical but to look into small addition to SAMP (Safety Assessment and Management Plan) Discuss feasibility of additions to existing patient leaflets/ producing new patient leaflet. |
| Compliance of high-dose antipsychotic monitoring (red cards) | <ul style="list-style-type: none"> Implementation of baseline monitoring for all service users prior to initiation of antipsychotic therapy, regardless of dose Reviewing current high-dose anti-psychotic monitoring guidelines and proposing additional monitoring parameters to be taken into account e.g. body mass index, plasma glucose and lipid profiles Produce patient information leaflets to raise awareness of the importance of regular monitoring when on HDAT (high dose anti-psychotics). |

| Title | Quality improvement actions |
|---|--|
| Depression guidelines in CAMHS (Child and Adolescent Mental Health Service) | <ul style="list-style-type: none"> • Team instructed by email to improve compliance with obtaining MFQs, SAMPS (Safety Assessment and Management Plans), family history of bipolar disorder, collecting information from Young People alone and written formulations • Checklist summarising NICE guidance e-mailed to team • Make amendments to pathway flowchart. |
| Information transfer between inpatient services and the Intensive Home Treatment Team when the latter facilitates early discharge from hospital | <ul style="list-style-type: none"> • Excel spread sheet documenting arrival of notes (accessible via all staff on X Drive) • Develop a protocol that ensures that when service users are discharged from Bootham Park Hospital their notes (inpatient, medical notes, drug chart and PDL) are collated and delivered on the same day to the appropriate channel. |
| GP discharge summaries from North and East Community Mental Health Teams | <ul style="list-style-type: none"> • Present the findings at the Community Mental Health Team business meetings to get the Multi-Disciplinary Team's view on the results, posters to be displayed in the North East Hub and emailed to staff. • Consider modifying the proposed Leeds and York Partnership NHS Foundation Trust pro-forma prior to use to ensure elements are not missed • Raise this at the Community Mental Health Team business meeting to remind all staff • Community Mental Health Team staff to involve the Doctor in writing the discharge summary where the patient is on medication. |
| Longer-term management of self-harm | <ul style="list-style-type: none"> • The results of the audit will be discussed with the Lime Trees team to raise awareness of practice. • A team discussion regarding the importance of using structured care plans and how this will work with PARIS. |
| Handover documentation | <ul style="list-style-type: none"> • New SHO (Senior House Officer) handover pro-forma developed, distributed, and emailed to and consultants to make aware and put into practice • Consultant to review the process of this and discuss the effectiveness of the template and process. |
| Transfer of care letters | <ul style="list-style-type: none"> • Create database on CPD (Core Patient Database) specific to the Intensive Home Treatment Team (home based treatment) caseload • Create an Excel spread sheet to facilitate monitoring in 'real time' the progression of transfer of care letters • Review and update the Intensive Home Treatment Team admission and discharge checklists; 're-launch' the checklists to ensure all team members are familiar with them • Review folders on x-drive; ensure that all team members are aware of and using correctly. |
| Audit on the authorisation and recording of the section 17 leave | <ul style="list-style-type: none"> • Review the layout of the Section 17 leave form to facilitate the clear recording of the duration for which the form is valid and date on which it must be reviewed • Inpatient units to review Mental Health Act papers for service users currently detained, and ensure that any expired Section 17 leave forms are crossed out • Reminder to be sent to Responsible Clinicians and unit managers to ensure that expired Section 17 forms are crossed off whenever a new form is written or when a patient is discharged from section • Review the format of the Section 17 leave form to improve the prominence of these recording boxes • Review format of Section 17 leave form to incorporate confirmation that the risk assessment has been reviewed, and cross-reference with medical notes and nursing care plans. |

| Title | Quality improvement actions |
|--|---|
| Minimum standards on admission to Bootham Wards 1 and 2 | <ul style="list-style-type: none"> • Induction to include teaching on admission clerking and the holistic assessment. • Email supervisors to ask that admission clerking is discussed with trainees. |
| An Audit of Medical Management of Seclusion in Learning Disability Inpatients | <ul style="list-style-type: none"> • Pro-forma developed for seclusion and included as part of the seclusion record book • Laminated copy of the requirements of medical staff, including on call doctors, added to the seclusion record book • Findings presented to Associate Medical Director for doctors in training; guidance/instruction on seclusion included in the junior doctor induction pack • Re-audit in August 2015. |
| Mental Health Act Sections 58, 132 and 17 Audit | <ul style="list-style-type: none"> • Multi-disciplinary team meetings ensure that the Responsible Clinician feeds back SOAD (Second Opinion Appointed Doctor) assessment outcome to service users under their care • A copy of the original section paperwork will be kept for service users with a renewed section on admission or transfer • Each unit to have named individual responsible for filing Section 17 forms and for sending relevant copies to medical records, service users and cares where applicable • For each unit to continue monitoring these standards monthly using the agreed monthly monitoring tool • For all the units to re audit in 6 months to evaluate progress and identify any further interventions if needed • Clinical Team Managers to capture feedback from service users of their expectations around the identified 19 standards in 'your views group' and then assimilated into further recommendations and action plans. |
| An audit of pain assessment amongst older people with dementia in an inpatient setting | <ul style="list-style-type: none"> • The Royal College of Physician's algorithm for pain assessment in older people will be reviewed by the team in conjunction with best practice guidance to produce an algorithm for pain assessment on admission to The Mount • The team will consider which observational assessment tool will be most appropriate for use at The Mount and under which circumstances it should be used • Practice will be reviewed in order to monitor progress. A time frame for this is currently being confirmed. |
| Prescription Chart Audit - Becklin Centre Ward 4 | <ul style="list-style-type: none"> • Pharmacy staff have agreed to include the recommendations from the audit in the induction presentation and training for the junior doctors that will next take place in February 2015 • Drug cards to be electronic in near future and will remove the need for using any paper cards. The electronic drug chart is in the process of approval and will probably be implemented by the end of 2015 • If the new electronic drug chart does not come into practice by August 2015, re-audit the drug chart and complete the audit cycle. |
| Physical health monitoring Becklin Centre | <ul style="list-style-type: none"> • Out-of-hours pathway to be updated by ward consultant. • Findings of the audit to be disseminated to all junior doctors • Findings and recommendations to be discussed at consultant's clinical supervision • Findings and recommendations presented in doctors teaching sessions • Request for additional ECG (Electrocardiogram) machines sent to Lead Care Group Consultant. |

| Title | Quality improvement actions |
|---|---|
| Care planning for first tier tribunals and Mental Health Act Manager hearings | <ul style="list-style-type: none"> • Summary of findings to be sent in Trust's Consultant newsletter. • Findings disseminated through Care Group governance structures • Report submitted to Mental Health Act Committee • Investigate a process to enable Mental Health Act Managers or first tier tribunal members to raise concerns about the quality or content of reports and share these with the manager of the team involved • Monitor concerns regarding delays in decision-making and discharge by Tribunals/Hearings • Undertake investigations of reported delays in decision-making and discharge on a case-by-case basis. |

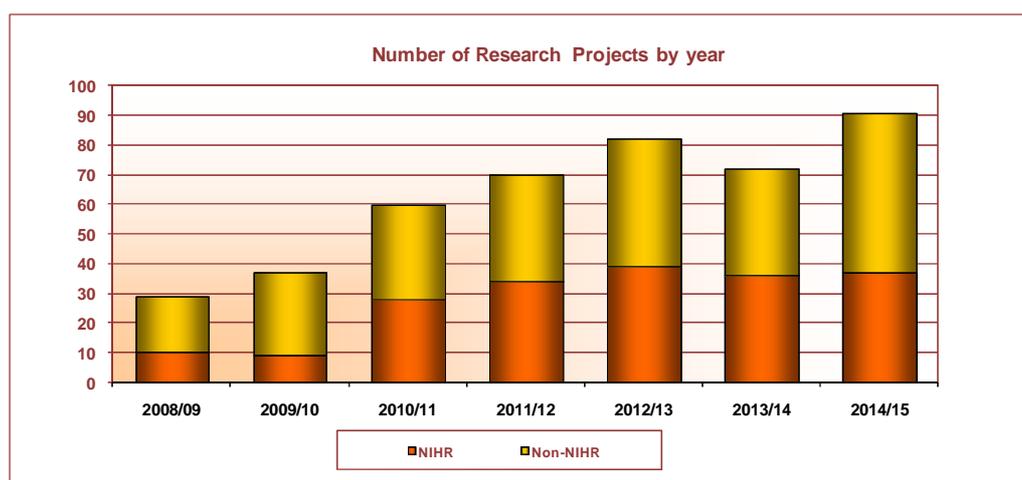
2.2.3 Participation in clinical research

The number of service users receiving relevant health services provided or sub-contracted by Leeds and York Partnership NHS Foundation Trust in 2014/15, that were recruited during that period to participate in research approved by a NHS Research Ethics Committee (REC) was 689. In addition, 1,035 LYPFT staff took part in research studies conducted in the Trust in 2014/15. These staff studies do not require NHS REC approval.

Recruitment was made up of:

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

Leeds and York Partnership NHS Foundation Trust was involved in 91 research studies in mental health and learning disabilities in 2014/15. 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 treatment possibilities, and active participation in research can lead to successful service user outcomes.



2.2.4 Commissioning for Quality and Innovation (CQUIN)

A proportion of Leeds and York Partnership NHS Foundation Trust's income in 2014/15 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 2014/15 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 2014/15 conditional upon achieving quality improvement and innovation goals was £2,191k (Leeds Services), £475k (North Yorkshire and York Services) and £485k (Specialist Commissioning Group). The monetary total for the associated payment in 2014/15 was £3,151k.

Full details of our CQUINs for each of our commissioners can be obtained on request.

2.2.5 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 2014/15.

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.

The Trust was inspected between 29 September and 5 October 2014 as part of the Care Quality Commission's comprehensive inspection programme. The inspection team looked at the Trust as a whole and in more detail at 11 core services including inpatient mental health wards and community-based mental health, crisis response and learning disability services.

As referred to above, Leeds and York Partnership NHS Foundation Trust has been given an overall rating of 'requires improvement' (see summary table below) -

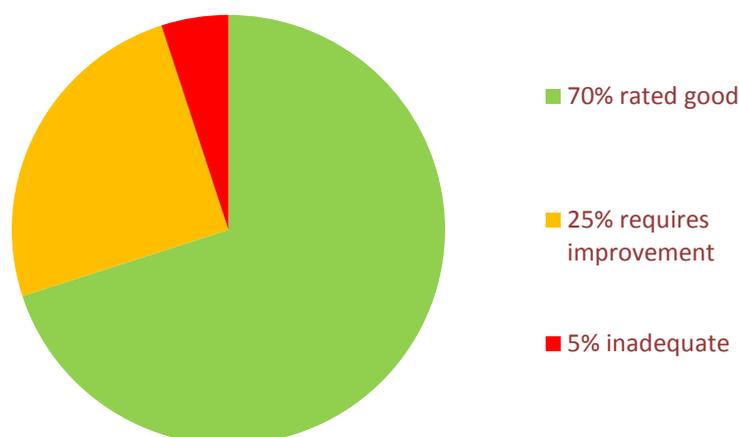
Table 2D – CQC rating

| Five key questions | Overall rating for the Trust |
|---------------------------|-------------------------------------|
| Are services safe? | Requires improvement |
| Are services effective? | Requires improvement |
| Are services caring? | Good |
| Are services responsive? | Requires improvement |
| Are services well led? | Requires improvement |
| Overall | Requires improvement |

The inspectors found many areas of good practice and received many positive comments about care from service users and carers. This included care for women with personality disorders at Clifton House in York, the 'meaningful and extensive' activities for service users at The Newsam Centre in Leeds and the Crisis Assessment Service at The Becklin Centre in Leeds. Although not part of the overall rating due to its specialist nature, they reported that our Eating Disorder Service was outstanding.

There were a smaller number of areas where the inspectors found some issues with services including the quality of the environment where care was being delivered, the level of staffing available at all times to meet the needs of service users and the level of training that staff had received.

Proportionality of ratings across services



We have been given five 'compliance actions' by the Care Quality Commission across the organisation which means these are areas that require immediate attention to address essential standards of quality and safety. These include:

- Safety and suitability of premises
- Systems for identifying, handling and responding to complaints
- Ensuring staff receive appropriate training, supervision and appraisals
- Ensuring there are enough suitably qualified, skilled and experienced staff at all times to meet service users' needs
- Eliminating mixed sex accommodation

Action plans

The Care Quality Commission has set the Trust 19 'must-do' actions and 23 'should-do' actions across its clinical services. The Trust has agreed an action plan that addresses the key concerns highlighted in the report.

The Trust has already taken actions to address many of these concerns. These include:

- Moving inpatient Children's Mental Health Services in York into newly refurbished accommodation at Mill Lodge in Huntington
- A serious incident within one of our community units for older people, Worsley Court, led to concerns regarding the standards of nursing practice. The Trust made the decision to close Worsley Court in October 2014. This was to allow a period of re-training for the staff and to implement a quality improvement plan to improve the quality of nursing care. The unit reopened in January 2015 following the completion of the quality improvement plan
- Addressing mixed-sex accommodation issues by designating Worsley Court as a male-only facility and making the Meadowfields elderly inpatient unit in York a female-only unit.

2.2.6 Information on the quality of data

Leeds and York Partnership NHS Foundation Trust submitted 2,519 records during 2014/15 (April to December 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
 - 99.6% for admitted patient care
 - 99.9% for outpatient care
 - 97.8% for all service users as submitted in the Mental Health Minimum Dataset.

- Which included the patient's valid General Medical Practice Registration Code was
 - 100% for admitted patient care
 - 99.7% for outpatient care
 - 98.0% for all service users as submitted in the Mental Health Learning Disability Dataset.

2.2.7 Information governance

Leeds and York Partnership NHS Foundation Trust's information governance assessment report overall score for 2014/15 was 75% and graded 'satisfactory' (green).

2.2.8 Clinical coding error rate

Leeds and York Partnership NHS Foundation Trust was not subject to the payment by results clinical coding audit during 2014/15 by the Audit Commission.

2.2.9 Data quality

Leeds and York Partnership NHS Foundation Trust has taken the following actions to further improve data quality during 2014/15:

- Continued awareness raising in both Leeds and York which included road-shows on several sites across the Trust
- Continuation of review of coding systems to ensure that they are fit to purpose
- Continuation of 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
- Updated the Trust's quality policy and other operational documents concerned with data quality
- Maintained the data quality assurance processes that are in place Trust-wide
- 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 2015/16:

- Continued awareness raising in both Leeds and York including forming a data quality network
- Working with teams to improve their data quality including improved data quality reporting of their performance
- Continuation of project for the 'redesign of data quality tools for identifying, monitoring and correcting errors'
- Assimilating data quality processes into York services following PARIS Implementation ensuing standards are maintained and improved
- Updating Trust operational documents concerned with data quality

- Quality assurance of all Trust data-sets including MHLDDS (mental health and learning disability data-set), CDS (Commissioning Data-Set) and CAMHS (Child and Adolescent Mental Health Services).

2.3 ADDITIONAL MANDATORY QUALITY INDICATOR SETS TO BE INCLUDED IN THE 2014/15 QUALITY REPORT

For 2014/15 all Trusts are required to report against a core set of indicators, for at least the last two reporting periods.

Table 2E - Additional quality indicators with our performance against each one

| Measure | Performance | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|---------------------------|---------------------------|--------------------------|-----------------------------------|----------------------------------|--|---------------------------|---------------------------|--------------------------|-----------------------------------|----------------------------------|-------|-------|-------|-------|------|-------|-------|-------|-------|-------|------|-------|-------|-------|-------|-------|------|-------|-------|-------|-------|-------|------|-------|
| <p>The percentage of service users on Care Programme Approach who were followed up within 7 days after discharge from psychiatric inpatient care during the reporting period.</p> | <table border="1"> <thead> <tr> <th data-bbox="608 707 703 938"></th> <th data-bbox="703 707 826 938">LYPFT 2013/14 performance</th> <th data-bbox="826 707 949 938">LYPFT 2014/15 performance</th> <th data-bbox="949 707 1072 938">2014/15 national average</th> <th data-bbox="1072 707 1195 938">2014/15 highest Trust performance</th> <th data-bbox="1195 707 1315 938">2014/15 lowest Trust performance</th> </tr> </thead> <tbody> <tr> <td data-bbox="608 938 703 981">Qtr 1</td> <td data-bbox="703 938 826 981">95.0%</td> <td data-bbox="826 938 949 981">96.0%</td> <td data-bbox="949 938 1072 981">97.0%</td> <td data-bbox="1072 938 1195 981">100%</td> <td data-bbox="1195 938 1315 981">93.0%</td> </tr> <tr> <td data-bbox="608 981 703 1023">Qtr 2</td> <td data-bbox="703 981 826 1023">95.7%</td> <td data-bbox="826 981 949 1023">96.2%</td> <td data-bbox="949 981 1072 1023">97.3%</td> <td data-bbox="1072 981 1195 1023">100%</td> <td data-bbox="1195 981 1315 1023">91.5%</td> </tr> <tr> <td data-bbox="608 1023 703 1066">Qtr 3</td> <td data-bbox="703 1023 826 1066">95.6%</td> <td data-bbox="826 1023 949 1066">95.9%</td> <td data-bbox="949 1023 1072 1066">97.3%</td> <td data-bbox="1072 1023 1195 1066">100%</td> <td data-bbox="1195 1023 1315 1066">92.3%</td> </tr> <tr> <td data-bbox="608 1066 703 1104">Qtr 4</td> <td data-bbox="703 1066 826 1104">95.4%</td> <td data-bbox="826 1066 949 1104">96.5%</td> <td data-bbox="949 1066 1072 1104">97.2%</td> <td data-bbox="1072 1066 1195 1104">100%</td> <td data-bbox="1195 1066 1315 1104">93.1%</td> </tr> </tbody> </table> | | | | | | | LYPFT 2013/14 performance | LYPFT 2014/15 performance | 2014/15 national average | 2014/15 highest Trust performance | 2014/15 lowest Trust performance | Qtr 1 | 95.0% | 96.0% | 97.0% | 100% | 93.0% | Qtr 2 | 95.7% | 96.2% | 97.3% | 100% | 91.5% | Qtr 3 | 95.6% | 95.9% | 97.3% | 100% | 92.3% | Qtr 4 | 95.4% | 96.5% | 97.2% | 100% | 93.1% |
| | | LYPFT 2013/14 performance | LYPFT 2014/15 performance | 2014/15 national average | 2014/15 highest Trust performance | 2014/15 lowest Trust performance | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Qtr 1 | 95.0% | 96.0% | 97.0% | 100% | 93.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Qtr 2 | 95.7% | 96.2% | 97.3% | 100% | 91.5% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Qtr 3 | 95.6% | 95.9% | 97.3% | 100% | 92.3% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Qtr 4 | 95.4% | 96.5% | 97.2% | 100% | 93.1% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Leeds and York Partnership NHS Foundation Trust considers that this data is as described for the following reasons:</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <ul style="list-style-type: none"> • Performance is monitored on a weekly basis to minimise the risk of any breaches and actions are put in place where necessary. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>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.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Measure | Performance | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---------------------------|---------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------|-------|------|---------------|------|-------|-------|-------|-------|-------|------|-------|-------|-------|-------|-------|------|-------|-------|-------|-------|-------|------|-------|-----|------|------|-----|------|------|-----|------|------|-----|------|------|-----|------|-------|
| <p>The percentage of admissions to acute wards for which the Crisis Resolution Home Treatment Team acted as a gatekeeper during the reporting period.</p> | <table border="1" data-bbox="608 338 1315 734"> <thead> <tr> <th></th> <th>LYPFT 2013/14 performance</th> <th>LYPFT 2014/15 performance</th> <th>2014/15 national average</th> <th>2014/15 highest Trust performance</th> <th>2014/15 lowest Trust performance</th> </tr> </thead> <tbody> <tr> <td>Qtr 1</td> <td>96.0%</td> <td>100%</td> <td>98.0%</td> <td>100%</td> <td>81.8%</td> </tr> <tr> <td>Qtr 2</td> <td>95.6%</td> <td>99.1%</td> <td>98.5%</td> <td>100%</td> <td>93.6%</td> </tr> <tr> <td>Qtr 3</td> <td>97.8%</td> <td>99.1%</td> <td>97.8%</td> <td>100%</td> <td>73.0%</td> </tr> <tr> <td>Qtr 4</td> <td>95.3%</td> <td>99.6%</td> <td>98.1%</td> <td>100%</td> <td>59.5%</td> </tr> </tbody> </table> <p>Leeds and York Partnership NHS Foundation Trust considers that this data is as described for the following reasons:-</p> <ul style="list-style-type: none"> Performance is continually monitored to minimise the risk of any breaches and actions are put in place where necessary. <p>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.</p> | | LYPFT 2013/14 performance | LYPFT 2014/15 performance | 2014/15 national average | 2014/15 highest Trust performance | 2014/15 lowest Trust performance | Qtr 1 | 96.0% | 100% | 98.0% | 100% | 81.8% | Qtr 2 | 95.6% | 99.1% | 98.5% | 100% | 93.6% | Qtr 3 | 97.8% | 99.1% | 97.8% | 100% | 73.0% | Qtr 4 | 95.3% | 99.6% | 98.1% | 100% | 59.5% | | | | | | | | | | | | | | | |
| | LYPFT 2013/14 performance | LYPFT 2014/15 performance | 2014/15 national average | 2014/15 highest Trust performance | 2014/15 lowest Trust performance | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Qtr 1 | 96.0% | 100% | 98.0% | 100% | 81.8% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Qtr 2 | 95.6% | 99.1% | 98.5% | 100% | 93.6% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Qtr 3 | 97.8% | 99.1% | 97.8% | 100% | 73.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Qtr 4 | 95.3% | 99.6% | 98.1% | 100% | 59.5% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The percentage of service users aged:</p> <p>(i) 0 to 15; (ii) 16 or over</p> <p>re-admitted 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.</p> | <p>Service Users 0 to 15: We have not received any readmissions for this age group during 2014/15.</p> <p>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). Performance below is taken from internal information systems as data from the Health and Social Care Information Centre is not available.</p> <table border="1" data-bbox="612 1261 1310 1977"> <thead> <tr> <th></th> <th>LYPFT 2013/14 Performance</th> <th>LYPFT 2014/15 performance</th> <th>2014/15 national average</th> <th>2014/15 Highest Trust Performance</th> <th>2014/15 lowest Trust performance</th> </tr> </thead> <tbody> <tr> <td>Apr</td> <td>4.3%</td> <td>5.7%</td> <td rowspan="12">NOT AVAILABLE</td> <td rowspan="12"></td> <td rowspan="12"></td> </tr> <tr> <td>May</td> <td>6.7%</td> <td>7.7%</td> </tr> <tr> <td>Jun</td> <td>4.4%</td> <td>3.8%</td> </tr> <tr> <td>Jul</td> <td>5.3%</td> <td>6.6%</td> </tr> <tr> <td>Aug</td> <td>4.9%</td> <td>5.4%</td> </tr> <tr> <td>Sep</td> <td>7.9%</td> <td>4.9%</td> </tr> <tr> <td>Oct</td> <td>6.3%</td> <td>9.9%</td> </tr> <tr> <td>Nov</td> <td>6.3%</td> <td>2.7%</td> </tr> <tr> <td>Dec</td> <td>5.2%</td> <td>4.7%</td> </tr> <tr> <td>Jan</td> <td>8.3%</td> <td>9.6%</td> </tr> <tr> <td>Feb</td> <td>4.9%</td> <td>4.5%</td> </tr> <tr> <td>Mar</td> <td>6.8%</td> <td>12.4%</td> </tr> </tbody> </table> | | LYPFT 2013/14 Performance | LYPFT 2014/15 performance | 2014/15 national average | 2014/15 Highest Trust Performance | 2014/15 lowest Trust performance | Apr | 4.3% | 5.7% | NOT AVAILABLE | | | May | 6.7% | 7.7% | Jun | 4.4% | 3.8% | Jul | 5.3% | 6.6% | Aug | 4.9% | 5.4% | Sep | 7.9% | 4.9% | Oct | 6.3% | 9.9% | Nov | 6.3% | 2.7% | Dec | 5.2% | 4.7% | Jan | 8.3% | 9.6% | Feb | 4.9% | 4.5% | Mar | 6.8% | 12.4% |
| | LYPFT 2013/14 Performance | LYPFT 2014/15 performance | 2014/15 national average | 2014/15 Highest Trust Performance | 2014/15 lowest Trust performance | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Apr | 4.3% | 5.7% | NOT AVAILABLE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| May | 6.7% | 7.7% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jun | 4.4% | 3.8% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jul | 5.3% | 6.6% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Aug | 4.9% | 5.4% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sep | 7.9% | 4.9% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Oct | 6.3% | 9.9% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Nov | 6.3% | 2.7% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Dec | 5.2% | 4.7% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jan | 8.3% | 9.6% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Feb | 4.9% | 4.5% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mar | 6.8% | 12.4% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Measure | Performance | | | | | | | | | | | | | | | |
|--|--|--------------------------------|------|--------------------|------|------------------|--|-----|-----|-----|-----|---|-----|-----|-----|-----|
| | <p>Leeds and York Partnership NHS Foundation Trust considers that this data is as described for the following reasons:</p> <ul style="list-style-type: none"> 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. <p>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.</p> | | | | | | | | | | | | | | | |
| <p>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.</p> | <p>The results from the 2014 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):-</p> <table border="1" data-bbox="580 701 1342 943"> <thead> <tr> <th></th> <th>2014</th> <th>2013</th> <th>2012</th> <th>National average</th> </tr> </thead> <tbody> <tr> <td>Did this person listen carefully to you?</td> <td>77%</td> <td>79%</td> <td>81%</td> <td>78%</td> </tr> <tr> <td>Were you given enough time to discuss your condition and treatment?</td> <td>65%</td> <td>69%</td> <td>74%</td> <td>70%</td> </tr> </tbody> </table> <p>250 completed surveys were returned to the Trust, which gives a response rate of 30%.</p> <p>Leeds and York Partnership NHS Foundation Trust considers that this data is as described for the following reasons:</p> <ul style="list-style-type: none"> Survey obtained directly from Quality Health. <p>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:</p> <ul style="list-style-type: none"> Feedback from completed surveys are analysed and triangulated with our other feedback methods. | | 2014 | 2013 | 2012 | National average | Did this person listen carefully to you? | 77% | 79% | 81% | 78% | Were you given enough time to discuss your condition and treatment? | 65% | 69% | 74% | 70% |
| | 2014 | 2013 | 2012 | National average | | | | | | | | | | | | |
| Did this person listen carefully to you? | 77% | 79% | 81% | 78% | | | | | | | | | | | | |
| Were you given enough time to discuss your condition and treatment? | 65% | 69% | 74% | 70% | | | | | | | | | | | | |
| <p>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.</p> | <p>April 2014 to March 2015:</p> <p>Performance below is taken from our internal information systems and is what is reported to NRLS. Data from the Health and Social Care Information Centre is not available.</p> <table data-bbox="443 1496 951 1563"> <tr> <td>Severe Harm (Severity 3 and 4)</td> <td>5.8%</td> </tr> <tr> <td>Death (Severity 5)</td> <td>1.5%</td> </tr> </table> <p>Leeds and York Partnership NHS Foundation Trust considers that this data is as described for the following reasons:</p> <ul style="list-style-type: none"> 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. Risk Management produces a newsletter monthly where any identified learning/issues from the Trust Incident Review Group can be highlighted. <p>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.</p> | Severe Harm (Severity 3 and 4) | 5.8% | Death (Severity 5) | 1.5% | | | | | | | | | | | |
| Severe Harm (Severity 3 and 4) | 5.8% | | | | | | | | | | | | | | | |
| Death (Severity 5) | 1.5% | | | | | | | | | | | | | | | |

| Measure | Performance |
|---------|---|
| | <p>To ensure we consistently meet the duty of candour:</p> <ul style="list-style-type: none"> • 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 – REVIEW OF QUALITY PERFORMANCE 2014/15

3.1 IMPROVING THE QUALITY OF LEEDS AND YORK PARTNERSHIP NHS FOUNDATION TRUST'S SERVICE IN 2014/15

Below is a selection of the work that some of the Trust's services have undertaken over the past year to improve the quality of the services they provide.

3.1.1 New Child and Adolescent Mental Health Services unit

We opened our new Child and Adolescent Mental Health Service Inpatient unit at Mill Lodge in York in December 2014. The residential unit, which was previously based at Lime Trees in the Clifton area moved into refurbished and improved premises at Mill Lodge in Huntington.

There has been an increase from the current nine to 16 beds, in line with a national increase in Child and Adolescent Mental Health Service beds, meaning that more young people with mental health issues in York can stay within their local community and be near to their families. Young people at the unit also benefit from accommodation with washing facilities, leisure facilities and improved wheelchair access. There is also a therapeutic kitchen and quiet areas.

3.1.2 Apprenticeship scheme

Representatives from our Trust attended the Health Education Yorkshire and Humber Apprenticeship Awards. Our trust was shortlisted for three awards: Intermediate Apprentice of the Year (Clinical), Employer of the Year and Partnership of the Year (for our links with Leeds City College).

We are delighted that our Trust was highly commended for Employer of the Year and won the award for Partnership of the Year with Leeds City College.

Our Trust's apprenticeship scheme was first launched in December 2012, with six candidates being offered twelve-month apprenticeship contracts. Following the recruitment process at the end of 2013, four of these apprentices have now secured full time health support worker positions in the service. Five new starters began their apprenticeship contracts in February 2014 and we wish them well.

We are now looking to launch a new apprenticeship programme in mental health services. We are looking to recruit ten new apprentices commencing in April 2015. The apprenticeships will last for one year and they will include two placements within our clinical services, lasting six months each. The apprentices will also attend college to study a level 2 diploma in health and social care and level 1 certificate in numeracy, literacy and IT.

On successful completion of the apprenticeship, the apprentices will be guaranteed an interview for a Health Support Worker position within our organisation. The apprenticeship programme is open to anyone who is interested and applications started at the beginning of January.

3.1.3 Students rate our Trust as a great place to do a work placement

Over the course of November we received feedback from 60 students, who have been on a healthcare placement at the Trust, and 97% of them left positive views about working for us.

Below are some of the comments the students made:

- Occupational Therapy student comment regarding placement at South/South East Community Mental Health Team

"I recommend future students prepare for their placement by taking up appropriate reading relevant to the setting and ask questions throughout. I was able to participate in MDT and referral meetings and given the opportunity to see the OT process from start to

finish. I was also made to feel part of the team throughout and I would encourage future students to engage with staff and service users in order to develop your experience in this field. My educator was more than accommodating to my needs and explained fully everything I needed and wanted to know. This setting is invaluable to future students and a credit to the NHS. The level of compassion and care delivered was amazing, I would have no problems in recommending this setting.”

- OT student comment regarding placement at West/North West Community Mental Health Team

“This was an excellent placement for me to consolidate my skills as a third year OT student. I was treated with respect and given an appropriate amount of autonomy which really increased my personal and professional confidence. My educator was supportive and gave me sound feedback, advice and inspiration. It was a really valuable learning experience which has made me feel ready for "real life" practice.”

- Student Nurse comment regarding a placement Asket House

“I would recommend Asket House to other students on placement and to friends or family that may have needed this form of care. The whole team were lovely and worked really hard, they all showed a dedication to helping those in the service and would bend over backwards to try and help the users. There are a variety of activities made available and the site itself is clean and very welcoming. Patient care was brilliant, the staff really went above and beyond to look after patients, and it was seen how appreciative the patients were for it.”

- Student Nurse comment regarding placement on Wards 3 and 4 at The Mount

“Hands down the best placement I have had thus far in terms of learning, feedback and support, Can they all get a medal? Seriously, it was a cracking placement!”

3.1.4 Innovative mental health Street Triage Service launched

The Street Triage Team was created jointly by Leeds and York Partnership NHS Foundation Trust and North Yorkshire Police in partnership with local health commissioners at NHS Vale of York clinical commissioning group and funding from North Yorkshire County Council and City of York Council.

The Street Triage Team includes Mental Health Nurses, Occupational Therapists, Social Workers and Health Support Workers from York Crisis and Access Service at Bootham Park Hospital, who are ‘on duty’ with police officers during busy periods of the day, seven days a week in York and Selby. They are supported by two mental health professionals that provide either telephone advice to North Yorkshire Police or are dispatched to an incident.

The aim of the scheme is to improve people’s experiences and help them get the right care, at the right time and in the best place. It also aims to reduce the numbers of people who are detained under Section 136 of the Mental Health Act.

The Street Triage model is already showing positive results: according to North Yorkshire Police, a similar scheme launched in Scarborough in March 2014 has seen a marked reduction in the number of people with mental health illnesses taken into police custody, while Leeds and York Partnership NHS Foundation Trust have found that a similar pilot initiative in Leeds has already started to show encouraging results with a 22% reduction in the number of people detained under Section 136 of the Mental Health Act.

3.1.5 Keep fit classes

The physiotherapy department, at Bootham Park Hospital, has seen record numbers of service users attending keep fit sessions. Over the last year, a total of 986 service users accessed keep fit sessions from across all three wards at Bootham Park Hospital.

Staff have been working hard to promote the benefits of better physical health amongst people with mental health conditions. As well as running the keep fit exercise class on Ward 6 for older adult service users, they have recently been linking up with the team at HEAL (Healthy Eating, Active Living), offering a taster session for staff and service users on Nordic walking.

In addition to promoting better physical health, staff also run relaxation sessions aimed at providing a more holistic treatment to the service user. Over the last year, 282 service users have participated in relaxation classes. The relaxation service has recently undergone an evaluation, with initial results indicating that 94% of service users reported an increase in the level of their relaxation after the class.

3.1.6 Trust champions Dementia Friends

Staff have been supporting the Dementia Friends campaign which aims to help members of the public understand what it might be like to live with dementia and turn that understanding into action.

Two Occupational Therapists and a Registered Mental Health Nurse are the Trust's Dementia and Mental Health Liaison Practitioners working within the new Integrated Neighbourhood Teams in Leeds (Leeds Community Health and Leeds Social Services).

They have all completed their Dementia Friends Champion training and are now delivering Dementia Friends information sessions to staff within the Integrated Neighbourhood Teams and Leeds and York Partnership NHS Foundation Trust community teams in Leeds.

3.1.7 Women's low-secure unit in York

In May 2014, we opened our new women's low secure unit in York. The new unit has been integrated into the existing Forensic Psychiatry Service and means that more women requiring specialist low secure care can be treated closer to home.

As well as providing a service for women, existing male users of the services at Clifton House benefit from a new activity centre with gym, a training centre with supervised access to IT and a visitors' area.

3.1.8 NHS Foundation Trust and University join forces to win an Innovation Award

The Trust, in conjunction with York St John University, were awarded a Mental Health and Wellbeing award for Converge - a programme of short courses for people who use mental health services. The courses, which help to develop confidence, improve life skills and reduce social exclusion, includes exercise and music classes, theatre, dance, art, life coaching and business start-up. Converge has seen a 30%-60% reduction in use of mental health services by those taking part. The courses are taught by University staff and students. They not only provide a valuable resource for mental health service users, but also allow university students an opportunity to work alongside people who use mental health services, enhancing their employability and their experience.

3.1.9 New service opens at York Hospital

During 2014, we launched a brand new mental health and self-harm assessment service in York Hospital Emergency Department. The Acute Liaison Psychiatry Service (ALPS) is provided in the Emergency Department (ED), 24 hours a day, seven days a week, meaning people accessing ED with mental health problems will see a significant improvement in their access to care. Assessments for people aged 18 and over are conducted by a Mental Health Nurse based at the service. The service is also staffed by a Senior Clinical Lead, who provides clinical expertise between 9:00 am and 5:00 pm weekdays, and a Consultant Psychiatrist provides medical support and supervision for staff.

3.1.10 HR award

We won a Chartered Institute for Personnel and Development (CIPD) People Management Award. The People Management award was won by the Human Resources and Learning Development Team for the brilliant work they have done to reduce sickness levels at the Trust and how they work with others within the organisation.

3.2 PALS AND COMPLAINTS

As a Trust, we want to work with anyone who has a complaint in a fair, open and honest way. If there are any issues found, we share any lessons learnt across the whole Trust.

Examples of feedback from individuals who use the Trust's services include:

"My boyfriend has transitioned gender from female to male. He went to Leeds Gender Identity Clinic as this was the closest one. Despite an initial long wait for appointment, they made him feel at ease and spoke to him frankly and succinctly but also sensitively.

Jo booked all his appointments and in the appointments I was present for she was friendly and professional.

He went to a private clinic for his assessment for testosterone due to waiting times but the NHS also had a valuable role and gave support when he needed it, providing advice about various matters including fertility.

My boyfriend has now had a bilateral mastectomy following a referral from the Gender Identity Clinic and is progressing well. He and I are very grateful for everything that has been done for him."

"I came to hospital after taking an overdose to end my life very depressed and scared, after constant care and love and support by the amazing team on Ward 4 I've now been discharged as I'm now happy full of confidence and very happy with life, I cannot put into words how grateful I am but promise to use what I've experienced and learned to help others, I've had a fantastic experience on ward 4 and met new friends that will stay in my life for ever, please keep on helping people with mh because you are truly saving lives, I will never forget any of you lots of love x"

"I've had depression now for 23 years and have managed quite well with medication but on occasion suffer relapses. Recently in July/August 2014 had a particularly nasty relapse that required emergency care. I felt very poorly and suicidal a lot of the time and found every hour of the day and night a real struggle. The crisis team came out to me and suggested I go to St Mary's house in Chapeltown Leeds every day for a while where I would get the support and care needed to get me through this difficult period. I really didn't want to go but was told I had to. I'm so glad I did.

These highly professional and dedicated people gave first class care and I would like to take this opportunity to thank everyone there especially Mick, Maria, Euleen, Faith and the doctor who treated me for all the wonderful care, support and total understanding. And also to my lovely CPN Hazel who visits me at home. You are all angels! Thank you so much."

"Went for assessment at Millfield House in Yeadon as I had entered a period of crisis. I answered all question honestly and truthfully, only to be told that because I drink too much that there was nothing that they could do for me. Was told that basically my depression is my fault because I drink and that I should quit the booze, eat healthy food and take some exercise and I would be fine! !

Been depressed for years. Been 100% totally ignored by Leeds Mental Health for 18 months, and then a thoroughly demoralizing experience when finally seen.

Moving away from a series of set questions would be an improvement"

Our Response:

As the Clinical Lead responsible for Millfield House I was very disappointed to hear about your experience, especially when you felt you were in crisis. I would welcome the opportunity to discuss your feelings about your assessment and to better understand your concerns.

On occasions, when members of the team feedback the outcome of an assessment, the person may not actually agree with the plan. However, I do expect members of the team to convey any decisions in a sensitive, professional and collaborative manner. The team have recently updated the holistic assessment and within this are a number of cues to aid the assessment discussion. This may be one reason why your assessment may have felt like a series of questions.

I am more than happy to discuss this with you. This can be arranged for you via the Patient Advice and Liaison Service, telephone Freephone 0800 0525790.

Community Mental Health Team Clinical Team Manager

3.2.1 Patient Advice and Liaison Service (PALS)

In 2014/15, the Trust received 501 enquiries to our PALS team. We respond to each call on an individual basis; and record the reason for the contact and the outcome.

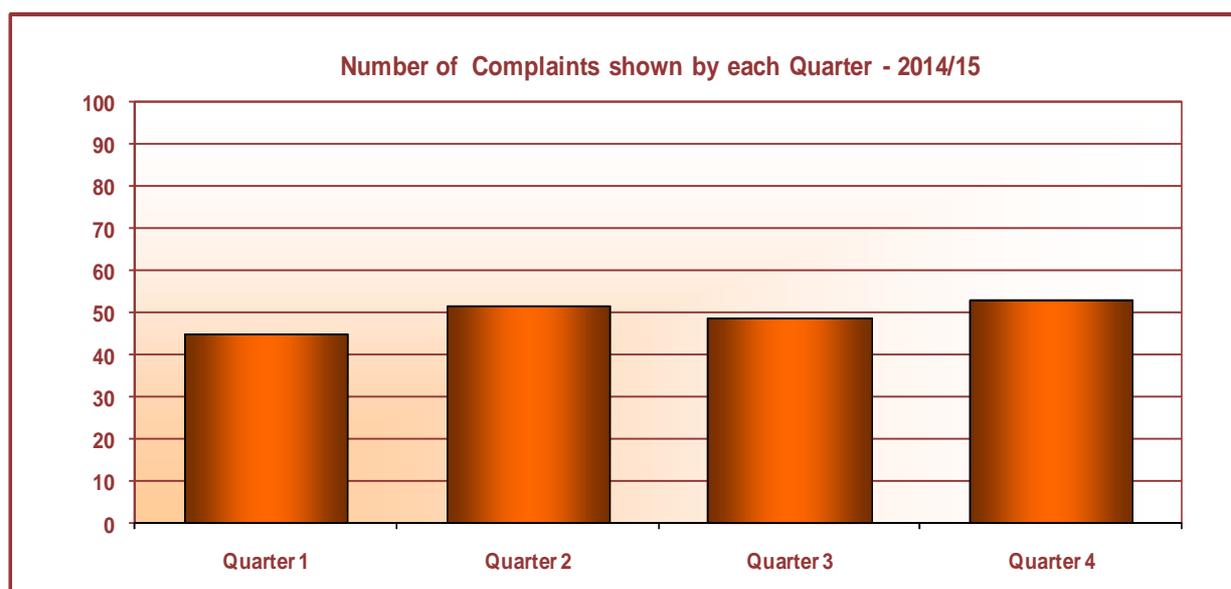
Consistently the main reason for contacting PALS is 'general concern', followed by 'general information request' and then 'complaint information'. These are national reporting categories and in 2015/16 our improved recording and reporting system will allow us to record greater detail about reasons for contacting PALS, to enable improved analysis of themes and trends; and to help us to learn from feedback received through this route. The new system will also support the recording of compliments so that we have a more balanced view of how people experience our services.

For a large majority of PALS contacts, the outcome is the provision of advice or information. A number are referred on to Trust services, other organisations' PALS services, external agencies or our Complaints Team.

In quarter 4 of 2014/15 and quarter 1 of 2015/16 we are increasing capacity within our PALS service, to ensure that we can provide a personal presence in each of our main hospitals. Our team will include student social workers and volunteers, working alongside directly employed staff members, to offer a richer and more visible advice and liaison service across the Trust.

3.2.2 Complaints

In 2014/15, the Trust received 199 formal complaints.



We welcome complaints as a valuable source of feedback that can be used to inform service improvements, enabling us to provide high quality services for our service users and carers.

In 2014/15 we have made significant changes both to our complaints management staffing structure and to our complaints management systems and processes. These have been designed to improve complaints response times; improve complainant satisfaction; and to support care services in investigating and responding to complaints. The changes will also allow for lessons learnt to be shared across all services, improving good practice. We now report on open complaints to each Care Group every week, tracking the progress of complaint responses to ensure that we provide a timely response which is open and honest, apologising where we have made mistakes; and learning lessons for the future.

Where we have identified actions that we need to take as a result of a complaint investigation, we will share this with the complainant; and our central complaints team will follow up to ensure the action is completed.

We have reviewed the way in which we capture themes from complaints, moving away from six broad themes to a larger number of more specific themes. Issues with clinical care and treatment continue to be the highest rated theme. It is disappointing that staff attitude is also a consistently high factor in complaints received; this is a key area for improvement in the coming year.

In 2015/16 we will begin a rolling programme of values-based training for complaints investigators. We will also work to improve the rate of feedback that we receive following complaint responses, so that we can better evaluate our success in improving our processes. Our aim is to ensure that each complainant feels that they have been properly listened to, had their complaint taken seriously, received a meaningful apology where appropriate; and that lessons have been learned and actions taken in response to the complaint.

3.3 SERVICE USER NETWORKS

Service User Networks (SUN) gives a voice to our service users and allows them to express their views; exploring what works well in our Trust and what areas may need improvement. Being part of the network means that attendees can share experiences and feel that they are being actively involved with their care. Members of staff with lived experience are also invited to come along.

3.3.1 Who are the SUN members?

People who use our services, carers and staff form the main part of our (SUN) membership. We also promote the network to local community groups so people with a diverse range of knowledge and life experiences can make their voices heard. We encourage people to tell their own stories. This is a positive experience for all service users and helps to unite the group. Members have the chance to be involved in key areas of the Trust such as; taking part in interview panels, Psychiatrist training and test ward rounds, prior to inspections.

SUN members can bring their ideas or concerns about Trust services and they will be reported to the Trust governance/committee meetings for comment and action. This ensures that issues are quickly and directly addressed. SUN helps service users play a more active role in their own recovery, by knowing that their recommendations are valued and acted upon.

3.3.2 Leeds Service User Network

Our Leeds Service User Network (SUN) is a monthly get-together for service users, carers and staff to share ideas. The group works hand-in-hand with the Trust in order to improve the services it provides. The events have a very friendly atmosphere. As recovery and social inclusion workers, our task is to host the sessions by encouraging service users to give their views on topics that relate to Trust members. People are also invited to participate in community involvement events and get to know each other. Each month, a variety of guest speakers are invited. This gives attendees relevant information and two-way feedback to inspire and help them with continued personal recovery.

3.3.3 York Service User Network

The York Service User Network was recently launched on 26 September 2014. It currently meets on the last Thursday of every month at the Friends Meeting House in York, 1.30pm – 3.00pm. The aim is to become a knowledgeable and informative service user and carer-led group and to be involved in the development of best practices throughout our mental health services.

3.4 PLACE ASSESSMENT RESULTS

Patient-Led Assessments of the Care Environment (PLACE) have replaced the old Patient Environment Action Team (PEAT) inspections. The assessments apply to hospitals, hospices and day treatment centres providing NHS funded care.

Good environments matter. Every NHS patient should be cared for with compassion and dignity in a clean, safe environment. Where standards fall short, they should be able to draw it to the attention of managers and hold the service to account. PLACE assessments provide motivation for improvement by providing a clear message, directly from service users, about how the environment or services might be enhanced.

PLACE inspections were undertaken at all inpatient units within the Trust during 2014 and the published results are below alongside our 2013 results.

3.4.1 National results 2014

The national average score for:

- Cleanliness was 97.3%
- Food and hydration was 88.8%
- Organisation food was 87.7%
- Ward food was 90.0%
- Privacy, dignity and wellbeing was 87.7%
- Condition, appearance and maintenance was 92.0%

Green = Above national average 2014

Red = Below national average 2014

Table 3A – PLACE scores

| Site | % cleanliness | | % food and hydration | | % privacy, dignity and wellbeing | | % condition, appearance and maintenance | |
|-----------------------------------|---------------|---------------|----------------------|---------------|----------------------------------|---------------|---|---------------|
| | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 |
| Worsley Court | 96.26% | 98.21% | 87.20% | 92.94% | 80.0% | 74.26% | 82.76% | 93.44% |
| Parkside Lodge | 97.17% | 96.30% | 89.07% | 89.41% | 93.0% | 94.55% | 92.25% | 94.44% |
| Bootham Park Hospital | 94.79% | 99.63% | 94.71% | 93.23% | 84.83% | 94.07% | 78.57% | 92.54% |
| Peppermill Court | 92.86% | 99.62% | 80.23% | 90.81% | 66.15% | 87.35% | 76.72% | 94.17% |
| The Mount | 90.90% | 98.51% | 86.92% | 94.72% | 97.98% | 94.80% | 93.75% | 93.96% |
| 1-5 Woodland Square | 98.20% | 98.51% | 94.82% | 94.89% | 87.73% | 73.33% | 80.88% | 89.17% |
| Newsam Centre | 95.36% | 97.04% | 91.72% | 94.38% | 98.50% | 95.23% | 94.0% | 96.54% |
| Asket House | 94.57% | 97.01% | 88.05% | 74.13% | 89.23% | 91.05% | 96.30% | 100% |
| Liaison Psychiatry Inpatient Unit | 94.78% | 99.57% | 85.96% | 92.16% | 88.15% | 84.23% | 71.88% | 92.65% |

| Site | % cleanliness | | % food and hydration | | % privacy, dignity and wellbeing | | % condition, appearance and maintenance | |
|------------------|---------------|---------------|----------------------|---------------|----------------------------------|---------------|---|---------------|
| | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 |
| Becklin Centre | 95.30% | 93.44% | 95.88% | 93.30% | 96.54% | 95.99% | 96.30% | 96.55% |
| Millside CUE | 98.84% | 98.44% | 92.85% | 94.50% | 97.95% | 91.91% | 96.48% | 99.37% |
| Meadowfields CUE | 94.20% | 98.64% | 94.55% | 94.71% | 86.90% | 80.17% | 84.75% | 89.68% |
| Acomb Garth | 94.25% | 98.42% | 95.25% | 94.07% | 94.0% | 73.56% | 87.79% | 84.17% |
| Clifton House | 96.92% | 99.47% | 94.51% | 91.33% | 96.17% | 94.25% | 83.13% | 87.06% |
| Lime Trees | 94.84% | 99.07% | 92.36% | 93.67% | 84.0% | 77.87% | 76.98% | 85.48% |
| Towngate House | 95.42% | 98.99% | 92.92% | 93.66% | 93.17% | 87.38% | 96.58% | 97.44% |

Table 3B

| Site | % Organisation Food 2014 | % Ward Food 2014 |
|------------------------------------|--------------------------|------------------|
| Worsley Court | 89.44% | 97.37% |
| Parkside Lodge | 86.27% | 91.81% |
| Bootham Park Hospital | 87.07% | 100% |
| Peppermill Court | 87.29% | 94.87% |
| The Mount | 86.27% | 100% |
| 1-5 Woodland Square | 88.02% | 99.50% |
| Newsam Centre | 86.27% | 97.06% |
| Asket House | 82.32% | 68.46% |
| Liaison Psychiatry In-patient Unit | 87.58% | 97.44% |
| Becklin Centre | 84.07% | 100% |
| Millside CUE | 85.83% | 100% |
| Meadowfields CUE | 88.02% | 100% |

| Site | % Organisation Food 2014 | % Ward Food 2014 |
|----------------|--------------------------|------------------|
| Acomb Garth | 88.68% | 100% |
| Clifton House | 88.17% | 96.43% |
| Lime Trees | 89.82% | 98.65% |
| Towngate House | 84.07% | 100% |

NOTE: Separate results for the organisational and ward-based food assessments are not available for 2013.

Statistics from the Health and Social Care Information Centre, showed Bootham Park Hospital's food is among the best in the country. The hospital, had a quality rating of 100% and level of choice rated at 87%.

3.5 SERIOUS INCIDENTS

During 2014/15, 44 serious incidents requiring investigation were reported by the Trust, the types of incidents are seen in Figure 1. This year saw an increase in the numbers of reported serious incidents 27 were reported in 2013/14 and 28 were reported in 2012/13. The most frequently reported serious incidents are suspected suicide and unexpected death.

There have been no Department of Health defined 'never events' within the Trust during 2014/15. Never events are serious, largely preventable patient safety incidents that should not occur if the available preventative measures have been implemented.

Figure 1 – Type of serious incidents reported

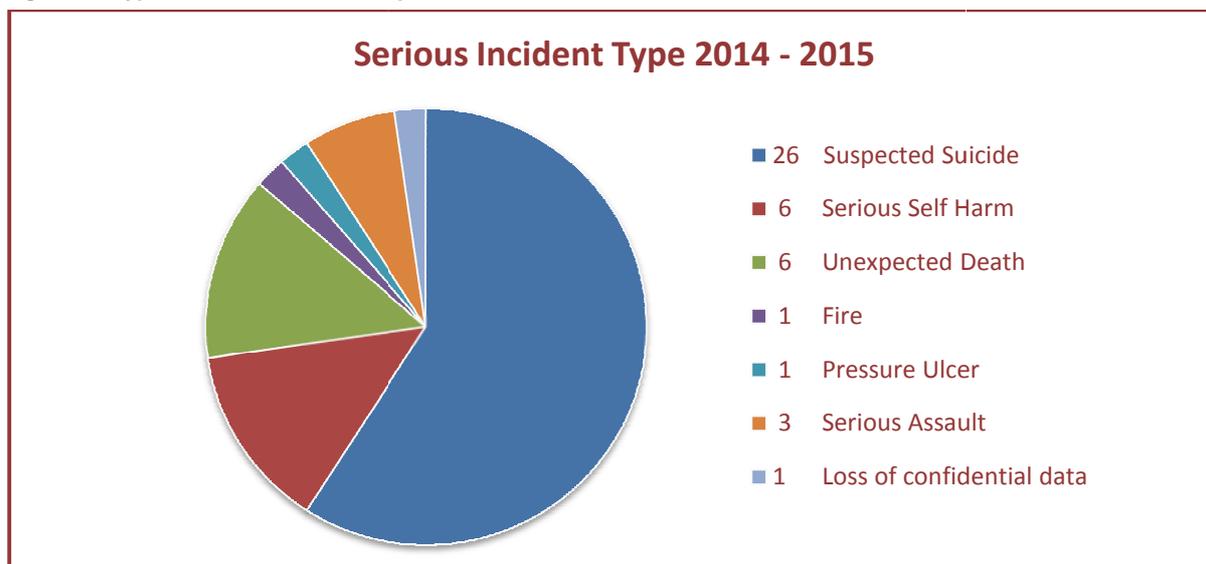
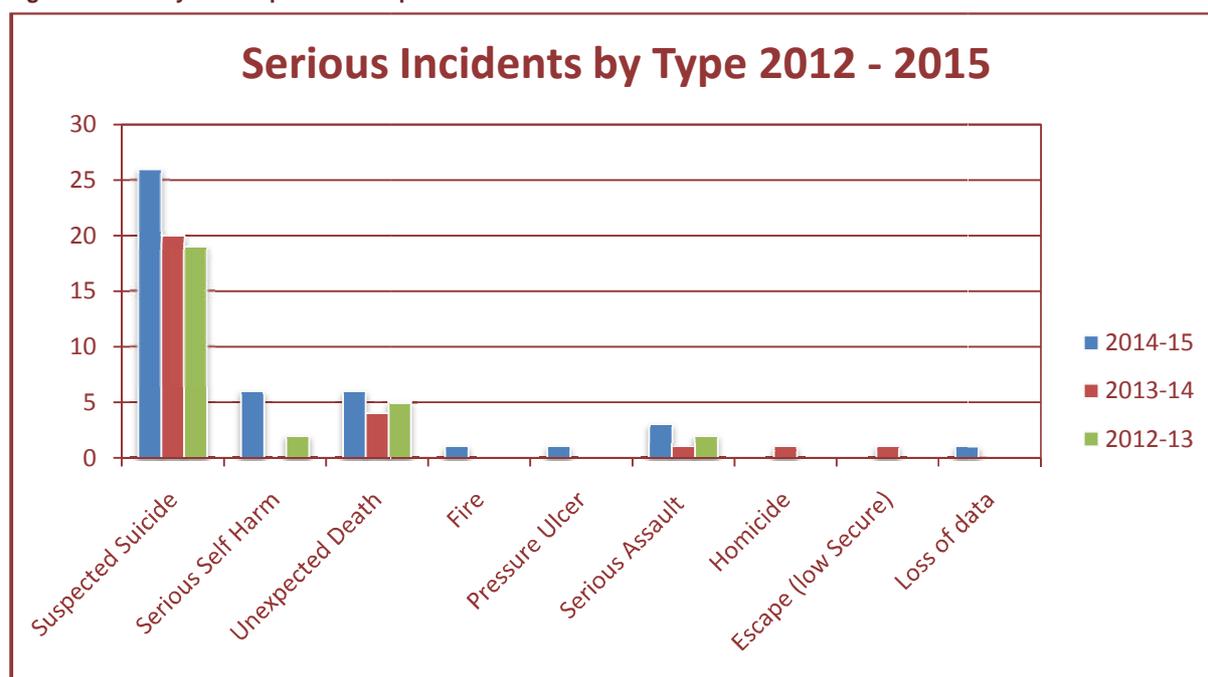


Figure 2 - Three-year comparison of reported serious incidents



3.5.1 Learning lessons

The task of the Trust Incident Review Group is to ensure that serious incidents are robustly reviewed and that learning is captured and shared throughout the organisation to inform and develop future practice that is both safe and effective. Members of the Trust Incident Review Group, as leaders in the organisation, are expected to demonstrate the following behaviours, which are recognised as being likely to reduce risk and make healthcare more safe

- The concept of a fair blame culture
- Constantly and consistently assert the primacy of safely meeting service users and carers' needs
- Expect and insist upon transparency, welcoming warnings of problems
- Recognise that the most valuable information is about risks and things that have gone wrong
- Hear the service user voice, at every level, even when that voice is a whisper
- Seek out and listen to colleagues and staff
- Expect and achieve co-operation, without exception
- Give help to learn, master and apply modern improvement methods
- Use data accurately, even where uncomfortable, to support healthcare and continual improvement
- Lead by example, through commitment, encouragement, compassion and a learning approach
- Maintain a clear, mature and open dialogue about risk
- Infuse pride and joy in work
- Help develop the leadership pipeline by providing support and work experiences to enable others to improve their own leadership capacity
- Recognise that some problems require technical action but that others are complex and may require many innovative solutions involving all who have a stake in the problem.

3.5.2 Top themes

Learning from experience is critical to the delivery of safe and effective services in the NHS. Though it should be noted that lessons learnt following root cause analysis (RCA) reviews are rarely found to have a direct causal link to the incident it is essential that we take all opportunities to improve the care

we provide to service users and their families. Therefore to avoid repeating mistakes we need to recognise and learn from them, to ensure that the lessons are communicated and shared and that plans for improving safety are formulated and acted upon. The findings and learning from any adverse event within the Trust may have relevance and valuable learning for the local team and also other teams and services. Below are the top themes identified at the Trust Incident Review Group meetings during the period 2013/14. We are currently in the process of qualifying the themes for 2014/15.

- The review of risk training
- Care Programme Approach
- Record keeping
- Family involvement/support to carers
- Working with partners
- Safeguarding.

3.5.3 Serious incident cumulative action plan

The procedures around serious incident identification and resulting reports are very strong however, an area for improvement was identified by the Trust Incident Review Group to ensure that the action plans following serious incidents are completed and the evidence is collated and held in a central location.

To aid this process a cumulative action plan by Care Group was devised and is held centrally by Risk Management. From this action plan a monthly report is sent to each care group, requesting an update on all actions and the submission of evidence. Clinical Directors have the responsibility to assure themselves there is evidence of progress.

3.5.4 HM Coroner inquests

During 2014/15, 35 Coroner inquests have been held. Below is a summary of the conclusions:

- | | |
|------------------|----|
| • Accidental | 6 |
| • Misadventure | 1 |
| • Drug related | 3 |
| • Suicide | 21 |
| • Narrative | 1 |
| • Natural causes | 2 |
| • Open | 1 |

No reports to prevent future deaths were issued by the Coroner for the Trust.

3.6 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 Trust 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.

As part of Monitor's requirement, Leeds and York Partnership NHS Foundation Trust needs to obtain assurance through substantive sample testing over one local indicator included within this Quality Report, as selected by the Council of Governors. The indicator chosen was 'Outcomes have been

improved for people who use our services – proportion of service users who have had a HoNOS (Health of the Nation Outcome Scales) assessment completed by the specified date'

Leeds and York Partnership NHS Foundation Trust uses the following criteria for measuring the indicator for inclusion in this Quality Report:

- The indicator is presented as a proportion of service users who have had a HoNOS assessment completed by the specified date
- The specified date is at admission and defined review points, which could be every six to 12 months
- Specialist services such as Leeds Addiction Unit, Liaison Psychiatry and Gender Identity are excluded from the indicator
- The month of March 2015 has been specified for PricewaterhouseCoopers' work.

Currently 54.78% of 'in scope' service users (service users for services commissioned by the clinical commissioning groups) have had a HoNOS assessment completed. However, 61% of service users (all mental health service users) had a HoNOS assessment completed in March 2015. This is against a target of 90% to be achieved by the end of 2015/16.

Leeds and York Partnership NHS Foundation Trust measures are set out under each priority as follows:

**3.6.1 Priority 1 (clinical effectiveness):
People achieve their agreed goals for improving health and improving lives**

Table 3C - Performance of Trust against selected measures

| Measure | Performance | | | | | | | | | | | | |
|--|--|------------|---|------------|------|-----|-----|------|-----|-----|-------|-----|-----|
| <p>People report that the services they receive definitely help them to achieve their goals</p> <p>(Source - Strategy Measure/ National Community Service User Survey)</p> | <div data-bbox="518 1131 1300 1646" style="text-align: center;"> <table border="1" style="margin: auto;"> <caption>Chart Data: People report that the services they receive definitely help them to achieve their goals</caption> <thead> <tr> <th>Year</th> <th>Leeds & York Partnership NHS Foundation Trust (%)</th> <th>Nat Av (%)</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>~45</td> <td>~45</td> </tr> <tr> <td>2013</td> <td>~45</td> <td>~45</td> </tr> <tr> <td>2014*</td> <td>~40</td> <td>~45</td> </tr> </tbody> </table> </div> <p>As this question has been changed in the 2014 Community Mental Health Survey, the Question has been included in the 'Your Views' survey as a patient related experience measure (PREM). This has been rolled out as part of the friends and family test.</p> <p>Using the (PREM) will enable more accurate quality performance. It is proposed that the Trust wait for at least six months before a baseline is established with average figures from the (PREM).</p> <p>Performance is currently calculated using the question: "Have you agreed with someone from NHS Mental Health Services what care you will receive?"</p> | Year | Leeds & York Partnership NHS Foundation Trust (%) | Nat Av (%) | 2012 | ~45 | ~45 | 2013 | ~45 | ~45 | 2014* | ~40 | ~45 |
| Year | Leeds & York Partnership NHS Foundation Trust (%) | Nat Av (%) | | | | | | | | | | | |
| 2012 | ~45 | ~45 | | | | | | | | | | | |
| 2013 | ~45 | ~45 | | | | | | | | | | | |
| 2014* | ~40 | ~45 | | | | | | | | | | | |

| Measure | Performance |
|--|--|
| <p>Clinical outcomes have been improved for people who use our services</p> <p>(Source: Strategy Measure)</p> | <p>Reports showing changes in HoNOS and SWEMWBS scores by cluster and also a quality indicators report by cluster have been developed collaboratively with Leeds and York Partnership NHS Foundation Trust Health Informatics Service.</p> <p>Narrative has been added to these reports based on the work with the CPPP Quality and Outcomes Group. The narrative describes expected changes in scores within each cluster.</p> <p>These reports are now provided to Leeds Clinical Commissioning Group and Vale of York Clinical Commissioning Group on a quarterly basis.</p> <p>Leeds and York Partnership NHS Foundation Trust Health Informatics have agreed to provide a report that will establish baselines and provide on-going monitoring of the 2015/16 milestones.</p> <p>Currently 54.78% of 'in scope' service users (service users for services commissioned by the clinical commissioning groups) have had a HoNOS assessment completed. However, 61% of service users (all Mental Health service users) had a HoNOS assessment completed in March 2015. This is against a target of 90% to be achieved by the end of 2015/16.</p> |
| <p>Carers report that their own health needs are recognised and they are supported to maintain their physical, mental and emotional health and well-being</p> <p>(Source – Strategy Measure)</p> | <p>Work will commence on the triangle of care which will measure carers' experiences against the principles set out in the triangle of care approach.</p> |

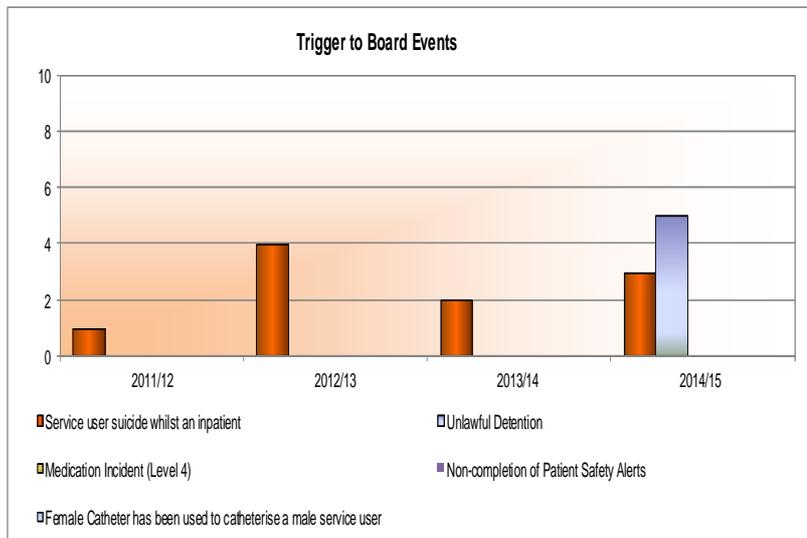
3.6.2 Priority 2 (patient safety): People experience safe care

Table 3D - Performance of Trust against selected measures

| Measure | Performance | | | | | | | | | | | | | | | | | | | | | |
|---|--|--|---|--|---------|----|----|---------|----|----|---------|----|----|---------|----|----|---------|----|----|-----------|----|----|
| <p>People who use our services report that they experienced safe care</p> <p>(Source: Strategy measure/National Mental Health Inpatient Service User Survey)</p> | <div data-bbox="635 454 1449 965" data-label="Figure"> <table border="1"> <caption>People who use our services report that they experience safe care</caption> <thead> <tr> <th>Year</th> <th>Leeds & York Partnership NHS Foundation Trust (%)</th> <th>Nat Av (%)</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>80</td> <td>80</td> </tr> <tr> <td>2013</td> <td>80</td> <td>80</td> </tr> <tr> <td>2014</td> <td>85</td> <td>80</td> </tr> </tbody> </table> </div> <p>This question has been included in the new patient related experience measure (PREM). Using the data provided will enable more accurate quality performance. It is proposed that the Trust waits for at least six months before a baseline is established with average figure from the PREM.</p> <p>Results available from PREM in February 2015 states that 86%* of our service users experienced safe care. It is proposed that the Trust waits for at least six months before a baseline is established with average figure from the PREM.</p> | Year | Leeds & York Partnership NHS Foundation Trust (%) | Nat Av (%) | 2012 | 80 | 80 | 2013 | 80 | 80 | 2014 | 85 | 80 | | | | | | | | | |
| Year | Leeds & York Partnership NHS Foundation Trust (%) | Nat Av (%) | | | | | | | | | | | | | | | | | | | | |
| 2012 | 80 | 80 | | | | | | | | | | | | | | | | | | | | |
| 2013 | 80 | 80 | | | | | | | | | | | | | | | | | | | | |
| 2014 | 85 | 80 | | | | | | | | | | | | | | | | | | | | |
| <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). <p>(Source: Strategy measure)</p> | <div data-bbox="611 1249 1457 1760" data-label="Figure"> <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>65</td> <td>30</td> </tr> <tr> <td>2010/11</td> <td>65</td> <td>30</td> </tr> <tr> <td>2011/12</td> <td>65</td> <td>30</td> </tr> <tr> <td>2012/13</td> <td>75</td> <td>20</td> </tr> <tr> <td>2013/14</td> <td>70</td> <td>25</td> </tr> <tr> <td>2014/2015</td> <td>65</td> <td>25</td> </tr> </tbody> </table> </div> <p>(All service user incidents – inpatient and community)</p> <p>We have a high level of reporting and a low degree of harm when incidents occur. An organisation with a high rate of reporting indicates a mature safety culture. This maturity enhances openness and provides a truer reflection of current practice that 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 | 65 | 30 | 2010/11 | 65 | 30 | 2011/12 | 65 | 30 | 2012/13 | 75 | 20 | 2013/14 | 70 | 25 | 2014/2015 | 65 | 25 |
| Year | % where "no harm" has occurred (NPSA score 1) | % where "low harm" has occurred (NPSA score 2) | | | | | | | | | | | | | | | | | | | | |
| 2009/10 | 65 | 30 | | | | | | | | | | | | | | | | | | | | |
| 2010/11 | 65 | 30 | | | | | | | | | | | | | | | | | | | | |
| 2011/12 | 65 | 30 | | | | | | | | | | | | | | | | | | | | |
| 2012/13 | 75 | 20 | | | | | | | | | | | | | | | | | | | | |
| 2013/14 | 70 | 25 | | | | | | | | | | | | | | | | | | | | |
| 2014/2015 | 65 | 25 | | | | | | | | | | | | | | | | | | | | |

| Measure | Performance |
|---------|-------------|
|---------|-------------|

Number of trigger to Board events
(Source: Strategy measure)

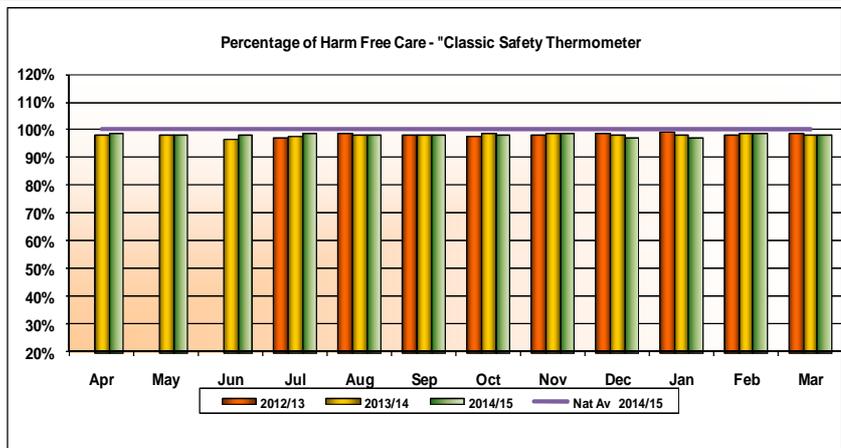


The Trust maintains a high level of reporting where no harm has occurred. This demonstrates a mature, proactive and open patient safety culture.

(Medical incidents Level 4 relates to those incidents where medication has been prescribed, dispensed and administered and harm has been caused)

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)

(Source: CQUIN)



The data highlights the number of service users recorded as having 'no harm'.

Processes have been put in place across all relevant services to enable the capture and reporting of this data.

Data will continue to be collected and submitted to the Health and Social Care Information Centre on a monthly basis.

**3.6.3 Priority 3 (patient experience):
People have a positive experience of their care and support**

Table 3E - Performance of Trust against selected measures

| Measure | Performance | | | | | | | | | | | | |
|--|--|--------|---|--------|------|-----|-----|------|-----|-----|------|-----|-----|
| <p>People who use our services report overall rating of care in the last 12 months as very good/excellent</p> <p>(Source: Strategy measure from the Mental Health Community Service User Survey)</p> | <div data-bbox="639 488 1444 981" data-label="Figure"> <table border="1"> <caption>People who use our services report overall rating of care in last 12 months very good/excellent</caption> <thead> <tr> <th>Year</th> <th>Leeds & York Partnership NHS Foundation Trust</th> <th>Nat Av</th> </tr> </thead> <tbody> <tr> <td>2013</td> <td>60%</td> <td>52%</td> </tr> <tr> <td>2014</td> <td>70%</td> <td>72%</td> </tr> </tbody> </table> </div> <p>The rating system for this measure has changed to a numerical scale of 0 (poor) to 10 (very good). Performance has been calculated using the rating on 6 to 10.</p> <p>250 service users responded to the 2014 National Community Service User Survey.</p> | Year | Leeds & York Partnership NHS Foundation Trust | Nat Av | 2013 | 60% | 52% | 2014 | 70% | 72% | | | |
| Year | Leeds & York Partnership NHS Foundation Trust | Nat Av | | | | | | | | | | | |
| 2013 | 60% | 52% | | | | | | | | | | | |
| 2014 | 70% | 72% | | | | | | | | | | | |
| <p>People who use our services report definitely treated with respect and dignity by staff providing care</p> <p>(Source: Strategy measure from the Mental Health Community Service User Survey)</p> | <div data-bbox="639 1227 1444 1742" data-label="Figure"> <table border="1"> <caption>People report definitely treated with respect and dignity by staff providing care</caption> <thead> <tr> <th>Year</th> <th>Leeds & 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> <tr> <td>2014</td> <td>72%</td> <td>74%</td> </tr> </tbody> </table> </div> <p>This question has been included in the 'Your Views' survey as a Patient Related Experience Measure (PREM). This has been rolled out as part of the Friends and Family Test. Using the Patient Related Experience Measure (PREM) will enable more accurate quality performance.</p> <p>250 service users responded to the 2014 National Community Service User survey.</p> | Year | Leeds & York Partnership NHS Foundation Trust | Nat Av | 2012 | 88% | 85% | 2013 | 85% | 85% | 2014 | 72% | 74% |
| Year | Leeds & York Partnership NHS Foundation Trust | Nat Av | | | | | | | | | | | |
| 2012 | 88% | 85% | | | | | | | | | | | |
| 2013 | 85% | 85% | | | | | | | | | | | |
| 2014 | 72% | 74% | | | | | | | | | | | |

| Measure | Performance |
|---|--|
| <p>Carers report that they are recognised, identified and valued for their caring role and treated with dignity and respect</p> <p>(Source: Strategy measure)</p> | <p>Following the local carers survey in 2012, a baseline of 49% was set.</p> <p>A reviewed and updated carer 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 website and rolled out via the Carers Team in lieu of a comprehensive survey platform being procured for all surveys.</p> |

With the exception of:

- Clinical outcomes have been improved for people who use our services
- Carers report that their own health needs are recognised and they are supported to maintain their physical, mental and emotional health and well-being
- Number of trigger to Board events
- Carers report that they are recognised, identified and valued for their caring role and treated with dignity and respect.
-

All other measures on pages 145 to 150 are governed by standard national definitions. The measures bullet-pointed above; have been selected as part of the Trust's strategy.

3.7 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 Trust Board of Directors and Council of Governors.

Table 3F – Performance against Monitor targets

| Monitor target | 2014/15 | Threshold | | | | | | | | |
|--|--|-----------|-------|-------|-------|-------|-------|-------|-------|-------------------|
| Seven 7 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 2014/15:</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>96.0%</td> <td>96.2%</td> <td>95.9%</td> <td>96.5%</td> </tr> </tbody> </table> | Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 | 96.0% | 96.2% | 95.9% | 96.5% | 95% |
| Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 | | | | | | | |
| 96.0% | 96.2% | 95.9% | 96.5% | | | | | | | |
| Care Programme Approach (CPA) service users 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 2014/15:</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>96.1%</td> <td>99.4%</td> <td>99.4%</td> <td>96.1%</td> </tr> </tbody> </table> | Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 | 96.1% | 99.4% | 99.4% | 96.1% | 95% |
| Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 | | | | | | | |
| 96.1% | 99.4% | 99.4% | 96.1% | | | | | | | |
| <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: $\text{\textcircled{A}}$</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 service users (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 2014/15:</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>2.4%</td> <td>1.5%</td> <td>1.4%</td> <td>1.6%</td> </tr> </tbody> </table> | Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 | 2.4% | 1.5% | 1.4% | 1.6% | No more than 7.5% |
| Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 | | | | | | | |
| 2.4% | 1.5% | 1.4% | 1.6% | | | | | | | |

| Monitor target | 2014/15 | 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 teams in the year ended 31 March 2014: A</p> <ul style="list-style-type: none"> The indicator should be expressed as a percentage of all admissions to psychiatric inpatient wards Service users recalled on Community Treatment Order should be excluded from the indicator Service users 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 Service users 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 exclude An admission should be reported as gate-kept by a Crisis Resolution Team where they have assessed* the service user before admission and if the Crisis Resolution Team was 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> <ul style="list-style-type: none"> 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>We have maintained a position of compliance throughout 2014/15.</p> <table border="1" data-bbox="683 344 1214 465"> <thead> <tr> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> </thead> <tbody> <tr> <td>100%</td> <td>99.1%</td> <td>99.1%</td> <td>99.6%</td> </tr> </tbody> </table> | Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 | 100% | 99.1% | 99.1% | 99.6% | <p>95%</p> |
| Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 | | | | | | | |
| 100% | 99.1% | 99.1% | 99.6% | | | | | | | |

| Monitor target | 2014/15 | Threshold | | | | | | | | |
|--|---|---|-------|-------|-------|-------|-------|-------|-------|-----|
| <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 2014/15:</p> <table border="1" data-bbox="683 344 1216 465"> <thead> <tr> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> </thead> <tbody> <tr> <td>99.6%</td> <td>99.4%</td> <td>99.4%</td> <td>99.4%</td> </tr> </tbody> </table> | Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 | 99.6% | 99.4% | 99.4% | 99.4% | 97% |
| Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 | | | | | | | |
| 99.6% | 99.4% | 99.4% | 99.4% | | | | | | | |
| <p>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> | <p>We have maintained a position of compliance throughout 2014/15:</p> <table border="1" data-bbox="683 624 1216 745"> <thead> <tr> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> </thead> <tbody> <tr> <td>67.9%</td> <td>74.5%</td> <td>72.9%</td> <td>68.3%</td> </tr> </tbody> </table> | Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 | 67.9% | 74.5% | 72.9% | 68.3% | 50% |
| Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 | | | | | | | |
| 67.9% | 74.5% | 72.9% | 68.3% | | | | | | | |
| <p>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)</p> | <p>For the six recommendations, five have been assessed as a level 4 (the highest rating) and 1 at a level 3</p> | Not applicable as set out in the compliance framework 2012/13 | | | | | | | | |
| <p>Meeting commitment to serve new psychosis cases by Early Intervention Teams. This target is only applicable to North Yorkshire and York services as Early Intervention is provided by Aspire within Leeds.</p> | <p>Data provided for 2014/15 demonstrates we have exceeded the contract target, with 58 new cases of psychosis supported by the Early Intervention Team.</p> | 95% of contract value (contract value is 34 new cases) | | | | | | | | |

ANNEX A – THIRD PARTY STATEMENTS



Leeds North Clinical Commissioning Group

Leeds North Clinical Commissioning Group statement for Leeds and York Partnership NHS Foundation Trust's Quality Report 2014/15

Leeds North CCG welcomes the opportunity to comment on Leeds & York Partnership Foundation Trust's Quality Account for 2014-15. We are also providing this comment on behalf of Leeds West CCG and Leeds South and East CCG, who have also reviewed the account.

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.

The importance the Trust place on Quality and where it stands in relation to the financial accounts is clearly reflected in the Chief Executive's report.

We are pleased to note the successes from last year. The CCG has agreed to recurrently fund the Street Triage service. We have just received the review of the pilot and we look forward to working with LYPFT to develop the model further. Its success was also reported by West Yorkshire Police and commented on by the CQC.

The advance in the care of people with dementia over the last 12 months are welcomed. In addition to that reported, we are supporting the establishment of seven memory clinics in GP surgeries to increase access. We note the work undertaken to improve communication with GPs to highlight follow up requirements more clearly, and the progression of the plans to improve the environment of dementia wards at the Mount. We look forward to these improvements being sustained through 2015-16 and would also welcome improvements in the waiting time from referral to first appointment to improve the patient experience. Currently, only 45% of people are seen within six weeks.

The priorities for 2015-16 are welcomed and reflect the priorities of the CCG, namely that the workforce are skilled enough to deliver safe care; the proposed further engagement with the third and voluntary sectors to deliver care; and the development of pathways in the community to focus on recovery and choice for service users.

We feel more detail could have been given in relation to the CQUIN schemes both local and national. These have been very successful in strengthening the attention to the physical health care of service users as it is well documented that people with serious mental illness can have a much shorter life expectancy. In addition, the Mental Health payments CQUIN provides outcomes and quality reports and is must further advanced than other trusts around the country. The CQUIN to improve the quality of health checks for service users with a learning disability has also been very successful and achieved its aims for this year. The Trust has worked very proactively with the CCG in developing these schemes and contributing to the parity of esteem agenda. It is important to note that these schemes are continuing into 2015-16. In addition, the Trust is also adopting the Mental Health Safety Thermometer, a tool to assess the safety and security of service users. This is a welcome move.

On a general note we look forward to receiving reassurance that where priorities for 2014-15 have not quite been achieved, work will continue to achieve them. Examples of these are the care pathways which, due to problems, with the Clinical Information system, have not yet gone live and the introduction of the internal quality visits. In addition, we would have liked to see more references to services for people with a learning disability or who are on the autistic spectrum.

The CCG's Serious Incident review panel continues to oversee all reports that are produced by the Trust following any such incidents that have occurred. Through this mechanism the CCG will also continue to monitor trends and themes and ensure that learning is taking place.

In the autumn of 2014 a CQC visit was conducted which concluded that the Trust 'requires improvement'. The CCG has engaged with the Trust in respect of the actions required and will oversee the action plan through the established contractual arrangements. The CCG is aware however of the large amount of work by the Trust that was commended by the CCG and feels that the actions required that relate to services in Leeds should be achievable.

We look forward to working with the Trust over the coming year to deliver high quality services.

NHS Vale of York Clinical Commissioning Group statement for Leeds and York Partnership NHS Foundation Trust's Quality Report 2014/15

NHS Vale of York Clinical Commissioning Group (VOYCCG) commissions Mental Health Services from Leeds & York Partnership NHS Foundation Trust (LYPFT) and we are pleased to be able to review and comment on their Quality Report 2014/15.

We have worked hard together as Commissioners and Providers to improve the quality of patient services for the population of North Yorkshire and York. Through the contract management process the Trust has provided assurance to us as Commissioners, by sharing a range of data and quality metrics which have evidenced the quality of patient services. We are especially pleased to note the following achievements:-

- Implementation of the Street Triage team – a joint initiative by LYPFT, North Yorkshire Police, City of York Council, North Yorkshire County Council and VOYCCG. The aim of the scheme is to improve people's experiences and help them get the right care, at the right time and in the best place and reduce the number of people who are detained under Section 136 of the Mental Health Act.
- Launched the 24/7 Acute Liaison Psychiatry Service (ALPS) in York Hospital Emergency Department so that people with mental health problems can be assessed by a Mental Health Nurse based at the service.
- Opened the new Child & Adolescent Mental Health Service inpatient unit at Mill Lodge in York enabling more young people with mental health issues in York to stay within their local community and be near their families.
- Opened the new women's low secure unit at Clifton House, York.
- In conjunction with York St John University, were awarded a Mental Health & Wellbeing Award for Converge – a programme of short courses to help to develop confidence, improve life skills and reduce social exclusion.
- Improved patient feedback from the PLACE assessments on the quality of food provided.
- Human Resources won at CIPD award for the work they have done to reduce sickness levels at the Trust.

LYPFT has also demonstrated significant improvements across the majority of CQUIN indicators for 2014/15. The national and local indicators for the 2015/16 CQUIN Scheme are currently being agreed with the Trust.

The priorities identified in the Quality Report for 2015/16 clearly identify with the three elements of quality:-

- **Clinical effectiveness** – people achieve their agreed goals for improving health and improving lives.

Within North Yorkshire and York, LYPFT will continue to provide clear pathways for services users with needs relating to cognitive impairment and dementia, investment in memory services and care home teams, with a resultant decrease in the use of inpatient beds.

- **Patient safety** – people experience safe care

LYPFT will be investing further in staff well-being and staff capability and competence.

- **Patient experience** – people have a positive experience of their care and support

During 2015/16 LYPFT will focus on improving the way that primary care mental health services are organised and co-ordinated so that people can access services quickly and easily via a Single Point of Access

A recent CQC inspection highlighted concerns around LYPFT's complaints process and during 2014/15 the Trust began to make significant changes to improve complaints response times and complaint satisfaction, and support care services in investigating and responding to complaints. In 2015/16 the Trust will introduce values-based training for complaints investigators so that each complainant feels that they have been properly listened to, had their complaint taken seriously and that lessons have been learned and actions taken in response to the complaint.

The Trust faced a number of challenges last year including an increase in the number serious incidents reported relating to suspected suicide and unexpected death. We are pleased we could jointly commission an external review of these incidents and have confidence that the Trust will take forward any further actions required (report pending). The Care Quality Commission inspection in September/October 2014 gave an overall rating of 'requires improvement' and five 'compliance actions'. LYPFT have already taken action to address some of these concerns and are currently working with VOYCCG to address the estates issues. We are also pleased to see the introduction of a series of planned Quality Visits.

As a commissioner we commend this Quality Account for its accuracy, honest, and openness. We recognise that LYPFT delivers good quality patient care, and we look forward to working with the Trust to address some of the challenges we have noted above, and to bring about further improvements in quality during 2015.



NHS England Clinical Commissioning Group statement for Leeds and York Partnership NHS Foundation Trust's Quality Report 2014/15

Comments were requested from the South Yorkshire and Bassetlaw Area Team but unfortunately no formal comments were received within the required timescales for inclusion within the Quality Report.

Joint Health 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 Joint Health Overview and Scrutiny Committee but unfortunately no formal comments were received within the required timescales for inclusion within the Quality Report.



City of York Council Health Overview and Scrutiny Committee statement for Leeds and York Partnership NHS Foundation Trust's Quality Report 2014/15

The City of York Council Health Overview and Scrutiny Committee are pleased to note that LYPFT are making progress on their action plans but remain concerned by the recent findings of the Care Quality Commission and the number of inadequate ratings they gave for services LYPFT are delivering in York. It is of note that LYPFT services in Leeds appear to perform to a higher standard and we expect the provider to focus sufficient efforts and resources on their services in York to bring them up to a comparable standard.

We note the good work LYPFT have achieved in their collaboration with York St John University and hope this is a model they can replicate with York University and the voluntary and community sector over the coming year. We congratulate LYPFT on their contribution to making a s136 suite and psychiatric liaison service for the residents of York a reality and hope to see progress made throughout 2015/16 on waiting times for talking therapies and transforming the environment at Bootham Park Hospital to make it safe and accessible for all.

Healthwatch York statement for Leeds and York Partnership NHS Foundation Trust's Quality Report 2014/15

Healthwatch York welcomed the opportunity to review and provide feedback on the Trust's Quality Report and particularly appreciated a member of Trust staff presenting the draft report in person to Healthwatch York volunteers and staff.

We found the report to be well written and well presented. The use of photos and quotes from students on placement and service users really brings the document to life.

Healthwatch York is in agreement with the Trust's quality improvement initiatives for 2015/16 and we are very pleased to see the progress which has been made on the 2014/15 initiatives.

We welcome the patient reported experience measure (PREM) which went live in January 2015. We look forward to seeing how this will involve people who use the services of the Trust and what changes will take place as a result.

The Trust's planned review of its complaints procedures during the coming year is very welcome. Healthwatch York would welcome the opportunity to work with the Trust on this by helping with consultations or reviewing written materials if required.

We welcome the development of a programme of quality visits as an additional form of quality assurance. The emphasis on learning and reflection rather than blame and fear is a very positive development.

It is good to see that the Trust has already taken action to address the key concerns highlighted in the Care Quality Commission's 2014 inspection report. We look forward to seeing the improvements which will result from the rest of the Trust's action plan.

Healthwatch York is particularly pleased to see a number of Trust initiatives which are already starting to have an impact in York. These include the opening of the women's low secure unit and the Acute Liaison Psychiatry Service (ALPS) in York Hospital's Emergency Department.

The opening of the new Child and Adolescent Mental Health Service Inpatient unit is a very welcome development, allowing more young people with mental health issues in York to stay within their local community and be nearer their families.

We are very pleased that the York Service User Network is up and running and appreciate how much the Trust has supported the development of the people involved in the network. Healthwatch York has received feedback indicating that the York Service User Network is very well run and proving to be effective. Involving members of the service user network in recruiting Trust staff is a very positive initiative.

Healthwatch York feels that the way that the Trust has supported the York Service User Network to develop demonstrates a genuine commitment to involving local people who use mental health services.

Healthwatch Leeds statement for Leeds and York Partnership NHS Foundation Trust's Quality Report 2014/15

Comments were requested from Healthwatch Leeds but unfortunately no formal comments were received within the required timescales for inclusion within the Quality Report.

Healthwatch Leeds have agreed a Leeds wide approach with a feedback event in with Leeds and York Partnership NHS Foundation Trust has agreed to take part in May 2015.

Healthwatch North Yorkshire statement for Leeds and York Partnership NHS Foundation Trust's Quality Report 2014/15

Comments were requested from Healthwatch North Yorkshire but unfortunately no formal comments were received within the required timescales for inclusion within the Quality Report.

ANNEX B – 2014/15 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 2014/15 and supporting guidance
- The content of the quality report is not inconsistent with internal and external sources of information including:
 - Board minutes and papers for the period April 2014 to March 2015 (the period);
 - Draft minutes of the Meeting of the Board of Directors held on Thursday 30 April 2015
 - Papers relating to Quality reported to the Board over the period April 2014 to March 2015;
 - Feedback from the commissioners; NHS Vale of York Clinical Commissioning Group 2014/15 and Leeds North Clinical Commissioning Group dated 28 April 2014 and 30 April 2015;
 - Feedback from Healthwatch York dated 2014/15;
 - Feedback from Overview and Scrutiny Committee dated 20 April 2015;
 - 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 2015;
 - The *latest* national patient survey 2014; Mental Health Community Survey 2014;
 - The *latest* national and local staff survey 2014;
 - Care Quality Commission Intelligent Monitoring Reports dated October 2014 and November 2014;
 - The Head of Internal Audit's annual opinion over the trust's control environment dated April 2015;
- 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;

- The Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations) (published at www.monitor.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the Quality Report (available at www.monitor.gov.uk/annualreportingmanual).

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

By order of the Board



Frank Griffiths
Chair of the Trust

21 May 2015



Chris Butler
Chief Executive

21 May 2015

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 2015 (the ‘Quality Report’) and specified performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2015 subject to limited assurance (the ‘specified indicators’); marked with the symbol (A) in the Quality Report; consist of the following national priority indicators as mandated by Monitor:

| Specified Indicators | Specified indicators criteria (exact page number where criteria can be found) |
|-------------------------------------|---|
| Minimising delayed transfer of care | Criteria can be found on page 151 to 152 of the Quality Report |
| Crisis resolution home treatment | Criteria can be found on page 151 to 152 of the Quality Report |

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 indicators criteria referred to on pages of the Quality Report as listed above (the ‘Criteria’). The directors are also responsible for the conformity of their criteria with the assessment criteria set out in the NHS Foundation Trust Annual Reporting Manual (‘FT ARM’) and the ‘Detailed requirements for quality reports 2014/2015’ 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 requires to be reported on as specified in Annex 2 to Chapter 7 of the FT ARM and the ‘Detailed requirements for quality reports 2014/15’;
- The Quality Report is not consistent in all material respects with the sources specified below; and
- The specific indicators have not been prepared in all material respects in accordance with the Criteria and the six dimension of data quality set out in the ‘Detailed guidance for external assurance on quality reports 2014/15’.

We read the Quality Report and consider whether it addresses the content requirements of the FT ARM and the ‘Detailed requirements for quality reports 2014/15’; 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 financial year, April 2014 and up to March 2015 (the period);
- Draft minutes of the meeting of the Board of Directors held on Thursday 30 April 2015;

- Papers relating to quality report reported to the Board over the period April 2014 to March 2015;
- Feedback from the Commissioners; NHS Vale of York Clinical Commissioning Group 2014/15 and Leeds North Clinical Commissioning Group dated 28 April 2015;
- Feedback from Healthwatch York dated 2014/15
- Feedback from Overview and Scrutiny Committee dated 2015 April 2015;
- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated April 2014 – March 2015;
- The latest national and local staff survey 2014;
- Care Quality Commission Intelligent Monitoring Reports dated October 2014 and November 2014;
- The Head of Internal Audit's annual opinion over the Trust's control environment dated April 2015.

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

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales ('ICAEW') Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for 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 2015, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and 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 Standard on Assurance Engagement 3000 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standard Board ('ISAE 3000'). Our limited assurance procedures included:

- Reviewing the content of the Quality Report against the requirements of the FT ARM and 'Detailed requirements for quality reports 2014/15';
- 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 walkthrough 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 and extent of further procedures;
- Making enquiries of relevant management, personnel and, where relevant, third parties;
- Considering significant judgments 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; and
- Reading the 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 the 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 may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Quality Report in the context of the assessment criteria set out in the FT ARM the 'Detailed requirements for quality reports 2014/15' and the criteria referred to above.

The nature, form and content required of Quality Reports are determined by Monitor. This may result in omission of information relevant to other users, for example for the purpose of comparing the results 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 Partnership NHS Foundation Trust.

Conclusion

- Based on the results of our procedures, nothing has come to our attention that causes us to believe that for year ended 31 March 2015;
- 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 2014/15',
- The Quality Report is not consistent in all material respects with the documents specified above; 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 'Detailed guidance for external assurance on quality reports 2014/15'.

PricewaterhouseCoopers LLP
Leeds



Date: 26 May 2015

The maintenance and integrity of the Leeds and York Partnership NHS Foundation Trust's website is responsibility of the directors; the work carried out by the assurance providers does not involve consideration of the matters and, accordingly, the assurance providers 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
2014/15**

SECTION 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: 21 May 2015



Dawn Hanwell
Chief Financial Officer

Date: 21 May 2015

SECTION 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, Leeds and York Partnership NHS Foundation Trust's ('the Trust's') financial statement (the 'financial statements'):

- give a true and fair view of the state of the Trust's affairs as at 31 March 2015 and of its income and expenditure and cash flows for the year then ended; and
- have been properly prepared in the accordance with the NHS Foundation Trust Annual Reporting Manual 2014/15

What we have audited

The Trust's financial statements comprise:

- the Statement of Financial Position as at 31 March 2015;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Cash Flows for the year the ended;
- the Statement of Changes in Taxpayers' Equity for the year then ended;
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

Certain required disclosures have been presented elsewhere in the Annual Report, rather than in the notes to the financial statements. These are cross-referenced from the financial statements and are identified as audited.

The financial reporting framework that has been applied in the preparation of the financial statement is the NHS Foundation Trust Annual Reporting Manual 2014/15 issued by the Independent Regulator of NHS Foundation Trusts ('Monitor').

Our audit approach



- Overall materiality: £3.6 million which represents 2% of total income.
- We performed an audit of the complete financial information of the Trust for the year ended 31 March 2015, subject to the level of materiality outlined above
- Our audit was performed at Trust HQ, at Thorpe Park in Leeds, where the finance function is based.
- Risk of fraud in income and expenditure recognition;
- Estates: accounting for land and buildings; and
- Medium-term financial sustainability.

Leeds and York Partnership NHS Foundation Trust

The Trust provides specialist mental health and learning disability services to the population of Leeds and York, and the surrounding areas. Services are delivered from a wide range of sites across West and North Yorkshire.

There are six main areas within the Trust, which include: Leeds Care Group; York and North Yorkshire Care Group; Specialist and Learning Disability Care Group, Psychology and Psychotherapy services, Learning Disability services; and Pharmacy services.

Its primary commissioners are: NHS Leeds North Clinical Commissioning Group, NHS Leeds West Clinical Commissioning Group; and NHS Leeds South and East Clinical Group. Of the three, the lead for mental health commissioning is Leeds North Clinical Commissioning Group ('CCG').

In addition, the Trust has a contract with NHS Vale of York Clinical Commissioning Group to deliver mental health learning disability services in York and North Yorkshire. Specialist services are also commissioned directly by NHS England.

The scope of our audit and our areas of focus

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ('ISAs (UK & Ireland)').

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

The risk of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are identified as 'areas of focus' in the table below. We have also set out how we tailored our audit to address these specific areas in order to provide an opinion on the financial statements as a whole, and any comments we make on the results of our procedures should be read in this context. This is not a complete list of all risks identified by our audit.

| Area of focus | How our audit addressed the area of focus |
|---------------|---|
|---------------|---|

| | |
|---|---|
| <i>Risk of fraud in income and expenditure recognition</i> | <i>Recognition of income and expenditure</i> |
|---|---|

Management's key accounting policies, judgements and estimates relating to the recognition in income and expenditure are disclosed in note 1 to the financial statements. Further detail and explanatory notes on the balances presented in the primary statements are included in notes 2 to 5 to the financial statements.

Due to uncertainty with the financial sustainability of the sector, and planned future changes to funding mechanisms for mental health services, management have an incentive to defer income into future accounting periods and to recognise expenditure early.

In particular, the Trust needs to ensure it is

We have evaluated and tested the accounting policy for income recognition against Monitor's Annual Reporting Manual by reviewing significant transactions against contractual requirements and against the criteria within the IAS 18.

We obtained and read a sample of significant contracts, and reconciled transactions recognised by the Trust back to contracted amounts. Reconciling items related to non-recurrent income received in year, which we vouched to official contract variations.

Where income or expenditure was recorded through manual journals, we traced the journal amounts through to activity reports or invoices

Area of focus**How our audit addressed the area of focus**

correctly recognising income and expenditure against a backdrop of £2.1 million of non-recurrent income received in 2014/15 from its main commissioners (2013/14: £3.7 million).

on a sample basis to establish whether a service had been provided. All journals tested were identified as appropriate.

We consider our key areas of focus to have been:

- Recognition of income and expenditure, including through the intra-NHS agreement of balances;
- The inherent complexities in a number of contractual arrangements entered into by the Trust;
- Significant accounting estimates and judgements made by management; and manipulation of the ledgers through use of manual journals.

For transactions close to the year-end we tested that cut-off procedures had been appropriately applied on a sample basis, with no issues identified.

We examined the extent of the Trust's complex supplier arrangements, and concluded through testing that these arrangements were appropriately accounted for.

We tested expenditure recorded during the year to ensure it was appropriately recognised in that period, and did not relate to future accounting periods. This included testing repairs and maintenance expenditure back to supplier invoice to ensure the Trust was correct not to capitalise these amounts.

Intra-NHS agreement of balances

We have tested the results of the Trust's engagement with the intra-NHS agreement of balances process, including any amounts in dispute, and have considered the implications for the financial statements.

For those balances in dispute we have sought to:

- Understand the nature of the dispute, review correspondence with counterparties and challenge management's assumptions in relation to the amounts recognised;
- Review prior dispute resolution history; and
- Obtain updates on whether these balances have been subsequently agreed

We have considered the impact of these disputed items on the financial statements and concluded that there is no material impact.

Significant accounting estimates and judgements

We evaluated the tested management's accounting estimates, focusing on material provisions and accruals within the financial statements.

We assessed the completeness of management's estimates for liabilities within the financial statements by examining subsequent disbursement records and

Area of focus**How our audit addressed the area of focus**

understanding the nature of those transactions.

Our focus was on the release of provisions for redundancy cost and the provision for the cost of implementation actions to address estates issues to Bootham Park Hospital and Limetrees.

We challenged management on the reasonableness of these estimates and their utilisation, and examined relevant supporting documentation including formal Board papers and tested detailed calculations prepared by management.

We tested accruals through reference to supporting evidence such as invoices received since the balance sheet date, or by challenging management's assumptions through comparing estimate made in prior periods with actual results. No issues were identified

Manipulation of journal posted to the ledger

Our manual journals work was carried out using a risk based approach, utilising a data analytical technique to identify manual journals relating to income or expenditure , or being posted outside 'normal' office hours. We traced each identified journal entry to supporting documentation.

No issues were identified.

Estates: accounting for land and buildings

The Trust is required to regularly revalue its assets in line with Monitor's Annual Reporting Manual. We have focused on this area due to the material nature of this balance, and the consequent impact on the financial statements was it to be materially misstated.

As at the balance sheet date in 2014/15 the Trust's estate was valued at £50.7 million. The financial statements show a revaluation gain of £0.8 million which is accounted for through the Statement of Comprehensive Income.

Management's accounting policies, key judgements and use of experts relating to the valuation of the Trust's estate are disclosed in note 1 to the financial statements.

Valuations are performed by a professionally accredited expert, in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisals and Valuation Manual, and performed with sufficient regulatory to ensure that the carrying value is not materially different from fair

Valuation of the estate

Valuation of land and building requires a significant level of judgement and technical expertise to be applied, and therefore our work focused on whether the methodology, assumptions and underlying data used by the Valuer are appropriate and correctly applied.

We have evaluated the competency and objectivity of the Valuer used by the Trust through reference to the report prepared by the Valuation Office Agency, and through reference to RICS accreditation for the individual Valuer.

We used our valuation expertise and our knowledge of the Trust to evaluate and challenge the assumptions and methodology applied to be consistent with industry practice and in line with our expectations. We agreed the underlying data on which the valuation was based back to floor plans for a sample of properties, and tested a sample of new additions back to invoices to ensure they had been added at an appropriate value.

Area of focus**How our audit addressed the area of focus**

value at the balance sheet date.

The Trust has a number of Private Finance Initiative ('PFI') properties, grouped under two separate schemes. Management has invoked the break clause on one of these schemes during 2014/15, which includes two properties. The Trust exited one property in February 2015, and plans to vacate the other in May 2015.

In the current year the Trust has instructed its valuation expert to perform a valuation over its entire estate, including its PFI assets.

Specific areas of risk include:

- Accuracy and completeness of detailed information on assets provided to the evaluation expert;
- Appropriate use of underlying assumptions regarding classification of properties by the Trust;
- The methodology, assumptions and underlying data used by the valuation expert, and our access to these; and
- The accounting for PFI properties due to their complex nature.

We reviewed the disclosures made within the financial statements against the requirements of Monitor's Annual Reporting Manual, and checked the underlying accounting entries.

Our procedures did not identify any significant issues.

Private Finance Initiative

During 2014/15 management have disposed of one PFI property, and will exit another within 2015/16.

We have examined the disclosure made by management within the notes to the financial statements of the use of the break-clause and considered them to be reasonable.

We have tested the disclosure of future payments for these PFI assets within the notes to the financial statements and considered them to be reasonable.

Medium-term financial sustainability

Refer to the Annual Governance Statement, note 1 to the financial statement and pages 43 to 47 of the Annual Report

As part of our audit work, we are required to consider the on-going financial position of the Trust and the appropriateness of the going concern principle.

The Trust reported a cash balance of £46.9 million at the balance sheet date (2013/14: £37.5 million) against a plan £38.8 million.

Future cash balances are forecast to decrease marginally to £43.4 million in 2015/16, and thereafter due to planned capital expenditure.

In 2015/16 and 2016/17 the Trust's budgets anticipate that the financial surplus will decrease, with a forecast breakeven position in 2015/16, and a small forecast deficit in 2016/17.

This is an area of focus due to:

- Uncertainty surrounding the current tender for services commissioned by NHS Vale of York CCG;
- The current economic position of the Foundation Trust sector, which continues to deteriorate and remains a challenging operating environment; and

Our audit work has addressed the financial sustainability of the Trust, and sought to confirm that use of the going concern assumption is appropriate, primary through:

- Challenging the Trust's future financial plans by testing its underlying assumptions against external benchmarks, and performing a downside scenario test;
- Comparing historic performance against planned cost improvement plans in order to sensitise the Trust's cost improvement plans for 2015/16; and
- Performing sensitivity analysis on the Trust's financial plan for 2015/16, taking into account the potential loss of income represented by the current tender for services commissioned by NHS Vale of York CCG.

The work has not highlighted any significant issues to report in respect of the financial sustainability of the Trust, nor of its use of the going concern assumption.

Area of focus**How our audit addressed the area of focus**

- Anticipated future changes to the funding mechanisms for the mental health services within the NHS.
-

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Trust, the accounting processes and controls, and the environment in which the Trust operates.

In establishing our overall approach we assessed the risks of material misstatement, taking into account the nature, likelihood and potential magnitude of any misstatement. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, consistent with last year, we determined materiality for the financial statements as a whole as follows:

| | |
|--------------------------------|---|
| Overall materiality | £3.6 million (2014: £3.6 million) |
| How we determined it | 2% of income |
| Rational for benchmark applied | We have applied this benchmark, which is a generally accepted measure when auditing not for profit organisations, because we believe this to be the most appropriate financial measure of the performance of a Foundation Trust |

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £180,000 (2014: £180,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Other required reporting in accordance with the Audit Code for NHS foundation trusts**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 Trusts Annual Reporting Manual 2014/15.

Consistency of other information

| | |
|---|---|
| Under the Audit Code for NHS foundation trusts we are required to report to you if, in our opinion: | |
| <ul style="list-style-type: none"> • Information in the Annual Report is: <ul style="list-style-type: none"> – Materially inconsistent with the information in the audited financial statements; or – Apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Trust acquired in the course of performing our audit; or – Otherwise misleading. | We have no exceptions to report arising from his responsibility. |
| <ul style="list-style-type: none"> • The statement given by the directors on page 171, in accordance with provision C.1.1 of the NHS Foundation Trust Code of Governance, that they considered the Annual Report taken a whole to be fair, balanced and understandable and provides the information necessary for members to access to Trust's performance, business model and strategy is materially inconsistent with our knowledge of the Trust acquired in the course of performing our audit. | We have no exceptions to report arising from this responsibility |
| <ul style="list-style-type: none"> • The section of the Annual Governance Statement on page 55, as required by provision C.3.9 of the NHS Foundation Trust Code of Governance, describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee. | We have no exceptions to report arising from this responsibility. |
| <ul style="list-style-type: none"> • The Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2014/15 or is misleading or is 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 the risks and controls or that risks are satisfactorily addressed by internal controls. | We have no exceptions to report arising from this responsibility. |

Quality report including economy, efficiency and effectiveness of resources

Under the Audit Code for NHS Foundation Trusts we are required to report to you if, in our opinion:

- We have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources;
- We have qualified, on any aspect, our opinion on the Quality Report.

We have no exceptions to report in respect of the responsibility listed above.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement, 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 Annual Reporting Manual 2014/15.

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 opinions, has been prepared for and only for the Council of Governors of Leeds and York Partnership NHS Foundation as a body 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.

What an audit of financial statements involves

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- Whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed;
- The reasonableness of significant accounting estimates made by the directors; and
- The overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgement against available evidence, forming our own judgement, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through setting the effectiveness of controls, substantive procedures or a combination of both.

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 misstatement or inconsistencies we consider the implications for our report.

Certificate

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 2006 and the Audit Code for the NHS Foundation Trusts issued by Monitor

Ian Looker (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds



Date: 26 May 2015

- (a) The maintenance and integrity of the Leeds and York Partnership NHS Foundation Trust website is the responsibility of the directors; 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.

SECTION 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: 21 May 2015

STATEMENT OF COMPREHENSIVE INCOME

| | note | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
|---|-------|--|--|
| Operating income | 3 & 4 | 179,500 | 179,946 |
| Operating expenses | 5 | (169,571) | (166,591) |
| OPERATING SURPLUS | | 9,929 | 13,355 |
| FINANCE COSTS | | | |
| Finance income | 10 | 183 | 141 |
| Finance cost - financial liabilities | 12 | (4,297) | (4,296) |
| Finance cost - unwinding of discount on provisions | 25 | (32) | (39) |
| PDC dividend payable | | (156) | (208) |
| NET FINANCE COSTS | | (4,302) | (4,402) |
| Surplus from operations | | 5,627 | 8,953 |
| Surplus/(deficit) of discontinued operations and the gain/(loss) on disposal of discontinued operations | | | |
| SURPLUS FOR THE YEAR | | 5,627 | 8,953 |
| Other comprehensive income | | | |
| Items that will not be reclassified to income or expenditure: | | | |
| Revaluation gains and impairment losses on intangible assets | | (2) | 38 |
| Revaluation gains and impairment losses property, plant and equipment | | 792 | 1,037 |
| 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 | | 790 | 1,342 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | 6,417 | 10,295 |

The notes on pages 185 to 213 form part of this account.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

| | note | 31 March 2015 £000 | 31 March 2014 £000 |
|--|------|--------------------------|--------------------------|
| Non-current assets | | | |
| Intangible assets | 13 | 296 | 325 |
| Property, plant and equipment | 14 | 50,666 | 51,533 |
| Trade and other receivables | 17 | 3,311 | 2,993 |
| Total non-current assets | | 54,273 | 54,851 |
| Current assets | | | |
| Inventories | 16 | 83 | 72 |
| Trade and other receivables | 17 | 6,449 | 8,818 |
| Non-current assets for sale | 19 | | |
| Cash and cash equivalents | 18 | 46,891 | 37,530 |
| Total current assets | | 53,423 | 46,420 |
| Current liabilities | | | |
| Trade and other payables | 20 | (17,077) | (14,119) |
| Borrowings | 21 | (2,235) | (1,513) |
| Provisions | 25 | (1,657) | (2,883) |
| Other liabilities | 22 | (2,836) | (1,846) |
| Total current liabilities | | (23,805) | (20,361) |
| Total assets less current liabilities | | 83,891 | 80,910 |
| Non-current liabilities | | | |
| Borrowings | 21 | (26,233) | (29,339) |
| Provisions | 25 | (1,853) | (2,633) |
| Other liabilities | 22 | | |
| Total non-current liabilities | | (28,086) | (31,972) |
| Total assets employed | | 55,805 | 48,938 |
| Financed by (taxpayers' equity) | | | |
| Public dividend capital | | 19,569 | 19,119 |
| Revaluation reserve | | 7,699 | 7,389 |
| Other reserves | | (651) | (651) |
| Income and expenditure reserve | | 29,188 | 23,081 |
| Total taxpayers' equity | | 55,805 | 48,938 |

The notes on pages 185 to 213 form part of this account.

The accounts on pages 181 to 184 were approved by the Board on 21 May 2015 and signed on its behalf by:



Chris Butler
Chief Executive

Date: 21 May 2015

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

2014/15

| | Public Dividend Capital £000 | Revaluation Reserve £000 | Other Reserves £000 | Income and Expenditure Reserve £000 | Taxpayers Equity Total £000 |
|---|------------------------------------|--------------------------------|------------------------|--|-----------------------------------|
| Taxpayers' equity at 1 April 2014 | 19,119 | 7,389 | (651) | 23,081 | 48,938 |
| Surplus for the year | | | | 5,627 | 5,627 |
| Revaluation gains and impairment losses on intangible assets | | (2) | | | (2) |
| Revaluation gains and impairment losses property, plant and equipment | | 792 | | | 792 |
| Public dividend capital received | 450 | | | | 450 |
| Transfers to the income and expenditure account in respect of assets disposed of | | (242) | | 242 | |
| Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve | | (238) | | 238 | |
| Movement in year subtotal | 450 | 310 | | 6,107 | 6,867 |
| Taxpayers' equity at 31 March 2015 | 19,569 | 7,699 | (651) | 29,188 | 55,805 |

2013/14

| | 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 received | | | | | |
| 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 |

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. In 2014/15 the Trust received £450k additional PDC for capital investment through the Department of Health's technology fund.

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 185 to 213 form part of this account.

STATEMENT OF CASH FLOWS

| STATEMENT OF CASH FLOWS | Year ended 31 March 2015 note | Year ended 31 March 2014 £000 |
|--|--|--|
| Cash flows from operating activities | | |
| Operating surplus from continuing operations | 9,929 | 13,355 |
| Operating surplus | 9,929 | 13,355 |
| Non-cash income and expense: | | |
| Depreciation and amortisation | 5 3,835 | 3,663 |
| Impairments and reversals | 14 998 | (254) |
| (Increase)/decrease in trade and other receivables | 17 2,065 | (3,403) |
| (Increase)/decrease in inventories | 16 (11) | |
| Increase/(decrease) in trade and other payables | 20 1,823 | (2,393) |
| Increase/(decrease) in other liabilities | 22 990 | (781) |
| Increase/(decrease) in provisions | 25 (2,038) | 2,708 |
| (Increase)/decrease in other assets | 19 | |
| Other movements in operating cash flows | (168) | (99) |
| NET CASH GENERATED FROM OPERATIONS | 17,423 | 12,796 |
| Cash flows from investing activities | | |
| Interest received | 10 184 | 177 |
| Purchase of intangible assets | 13 (51) | (97) |
| Purchase of property, plant and equipment | 14 (3,281) | (2,196) |
| Sales of property, plant and equipment | 1,522 | 845 |
| Net cash used in investing activities | (1,626) | (1,271) |
| Adjustment for net assets de-recognised on merger | | |
| Cash flows from financing activities | | |
| Public dividend capital received | 450 | |
| Capital element of finance lease rental payments | 21 (1,113) | (214) |
| Capital element of private finance initiative obligations | 21 (1,252) | (1,155) |
| Interest element of finance lease | 12 (266) | (314) |
| Interest element of private finance Initiative obligations | 12 (4,017) | (3,976) |
| PDC dividend paid | (238) | (51) |
| Cash flows from (used in) other financing activities | | (1) |
| Net cash used in financing activities | (6,436) | (5,711) |
| Increase/(decrease) in cash and cash equivalents | 9,361 | 5,814 |
| Cash and Cash equivalents at 1 April | 37,530 | 31,716 |
| Cash and Cash equivalents at 31 March | 46,891 | 37,530 |

| Reconciliation of Statement of Financial Position to working balances adjustment in Cash Flow | 2014/15 £000s | 2013/14 £000s |
|---|------------------|------------------|
| (Increase)/decrease in receivables as per SOFP | 2,051 | (3,279) |
| Adjustments for receivables movements not related to I&E: | | |
| - Increase/(decrease) in capital receivables | | |
| - Financing transactions | 14 | (126) |
| - Absorption transfers | | 2 |
| (Increase)/decrease in receivables adjusted for non-I&E items | 2,065 | (3,403) |
| Increase/(decrease) in payables per SOFP | 2,958 | (2,730) |
| Adjustments for payables movements not related to I&E: | | |
| - (Increase)/decrease in capital payables | (1,169) | 406 |
| - Financing transactions | 34 | (69) |
| Increase/(decrease) in payables adjusted for non-I&E items | 1,823 | (2,393) |
| Increase/(decrease) in Other Liabilities per SOFP | 990 | (781) |
| Adjustments for Other Liabilities movements not related to I&E: | | |
| Increase/(decrease) in Other Liabilities adjusted for non-I&E items | 990 | (781) |
| Increase/(decrease) in provisions per SOFP | (2,006) | 2,747 |
| Adjustments for provisions movements: | | |
| - Unwinding of discount on provisions | (32) | (39) |
| Increase/(decrease) in provisions for non I&E items | (2,038) | 2,708 |
| Opening capital payables | (377) | (783) |
| Closing capital payables | (1,546) | (377) |
| Change in capital payables in-year | (1,169) | 406 |

The notes on pages 185 to 213 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 2014/15 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 (FReM) 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 FReM 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 full actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The next valuation of the scheme is due to be undertaken as at 31 March 2016.

The scheme regulations allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and with 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, as above, to reflect changes in the scheme's liabilities. In 2014/15 employee contributions are tiered depending on salary and range from 5% to 14.5%. Employer contributions for 2014/15 were 14% and will rise to 14.3% from 1 April 2015.

b) Accounting valuation

An accounting 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 2015, is based on valuation data as at 31 March 2014, updated to 31 March 2015 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 2014/15 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).

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.

Notes to the accounts - 1. Accounting policies (continued)

1.5 Pension costs (continued)

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 2015 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 2015, 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 amount).

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 FRoM, 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, 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 1.3% (1.8% in 2013/14) in real terms. The discount rate for other provisions from 2014/15 varies depending on the timing of the liability from -1.5% (up to 5 years), -1.05% (5 - 10 years) and 2.2% over 10 years (in 2013/14 the rates were -1.9%, -0.65% 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 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.

Amendment to IAS 1, 'Presentation of accounts' on the disclosure initiative

These amendments are as part of the IASB initiative to improve presentation and disclosure in financial reports. effective for annual periods beginning on or after 1 January 2016, subject to EU endorsement. Amendment is effective for accounting periods beginning on or after 1 January 2016.

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

Amendment to IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible assets', on depreciation and amortisation

In this amendment the IASB has clarified that the use of revenue based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The IASB has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. Amendment is effective for accounting periods beginning on or after 1 January 2016.

Amendments to IAS 27, 'Separate accounts' on the equity method

These amendments allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate accounts. Standard is expected to be effective for annual periods beginning on or after 1 January 2016.

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.

Notes to the accounts - 1. Accounting policies (continued)

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 adopted early in 2014/15.

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.

Notes to the accounts

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 (51% in 2013/14) and York CCGs for 16% (16% in 2013/14) of its income. The Trust also had contracts with NHS England, Health Education England and Local Authorities for the provision of clinical services and education training services.

Three operating segments are reported below. The operating segments include Leeds Services and York and North Yorkshire Services. There is also an additional hosted services segment which includes the Commercial Procurement Collaborative (CPC), Research & Development, the Care Pathways & Packages Project and the Northern School of Child & 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 2015 £000 | Year ended 31 March 2014 £000 |
| Income by segment | | | | | | | | |
| Income from activities | 119,643 | 121,420 | 40,088 | 38,775 | - | - | 159,731 | 160,195 |
| Other operating income | 10,604 | 9,480 | 1,861 | 2,043 | 7,304 | 7,231 | 19,769 | 18,755 |
| TOTAL INCOME | 130,247 | 130,900 | 41,949 | 40,819 | 7,304 | 7,231 | 179,500 | 178,950 |
| TOTAL EXPENDITURE | (118,067) | (117,407) | (43,966) | (40,871) | (7,539) | (7,316) | (169,571) | (165,594) |
| Operating surplus | 12,180 | 13,493 | (2,016) | (53) | (235) | (85) | 9,929 | 13,355 |
| Non Operating Income and Expenditure Total | (4,282) | (4,338) | (21) | (54) | 1 | (10) | (4,302) | (4,402) |
| Surplus/(Deficit) from continuing operations | 7,898 | 9,155 | (2,037) | (107) | (234) | (95) | 5,627 | 8,953 |

a) Income includes £163m (£162m in 2013/14) from NHS organisations (primarily £94m from Leeds CCGs and £30m from York CCGs).

b) Expenditure includes employee expenses £128,335k (£123,963k in 2013/14), premises £6,848k (£6,629k in 2013/14), depreciation and amortisation £3,835k (£3,663k in 2013/14) and establishment £3,944k (£3,467k in 2013/14).

3 Revenue from patient care activities

| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
|---|--|--|
| NHS Trusts | 99 | 53 |
| Clinical Commissioning Groups and NHS England | 147,220 | 147,414 |
| Foundation Trusts | 337 | 208 |
| Local Authorities | 3,695 | 4,312 |
| NHS other | | |
| Non-NHS: | | |
| Income for social care clients | 7,680 | 7,433 |
| Other | 700 | 775 |
| Total revenue from patient care activities | 159,731 | 160,195 |

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).

Notes to the accounts

| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
|---|--|--|
| 4 Other operating revenue | | |
| Research and development | 900 | 1,021 |
| Education and training | 4,224 | 4,054 |
| Non-patient care services to other bodies | 2,306 | 2,349 |
| Other income: | | |
| Inter NHS Foundation Trust | 2,060 | 1,991 |
| Inter NHS Trust | 1,470 | 1,534 |
| Inter RAB | 4,181 | 3,905 |
| Inter Other WGA bodies | 145 | 193 |
| Other (outside WGA) | 3,466 | 3,452 |
| Gain on disposal of assets held for sale | 175 | 108 |
| Gain on disposal of other tangible fixed assets | | 2 |
| Reversal of impairments of property, plant and equipment | 348 | 883 |
| Reversal of impairments of intangible assets | | 3 |
| Income in respect of staff costs where accounted on gross basis | 494 | 256 |
| Total Other Operating Revenue | 19,769 | 19,751 |
| | | |
| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
| 5 Operating expenses | | |
| Services from Foundation Trusts | 711 | 532 |
| Services from other NHS Trusts | 850 | 836 |
| Services from CCGs and NHS England | 70 | 47 |
| Purchase of healthcare from non NHS bodies | 3,121 | 2,729 |
| Purchase of Social Care (s75 arrangements) | 482 | 439 |
| Employee expenses - Executive Directors | 877 | 870 |
| Employee expenses - Non Executive Directors' costs | 201 | 189 |
| Employee expenses - Staff | 127,458 | 123,093 |
| Drugs costs | 2,282 | 2,664 |
| Inventories consumed (excluding drugs) | 12 | 15 |
| Supplies and services - clinical (excluding drugs) | 1,810 | 1,600 |
| Supplies and services - general | 1,687 | 1,817 |
| Establishment | 3,944 | 3,467 |
| Research and development | 1,034 | 1,170 |
| Transport (business travel only) | 1,451 | 1,550 |
| Transport | 692 | 786 |
| Premises - business rates payable to local authorities | 1,183 | 974 |
| Premises - other | 5,665 | 5,655 |
| Increase/(decrease) in provision for impairment of receivables | (2) | 45 |
| Change in provisions discount rate(s) | 70 | 71 |
| Rentals under operating leases - minimum lease payments | 2,850 | 2,462 |
| Depreciation on property, plant and equipment | 3,721 | 3,568 |
| Amortisation of intangible assets | 114 | 95 |
| Impairments of property, plant and equipment | 1,333 | 632 |
| Impairments of intangible assets | 13 | |
| Audit fees - statutory audit and regulatory reporting | 72 | 68 |
| Other audit fees | | 23 |
| Clinical negligence | 191 | 197 |
| Loss on disposal of intangible fixed assets | 2 | |
| Loss on disposal of other property, plant and equipment | 5 | 11 |
| Consultancy services | 356 | 212 |
| Patient's travel | 27 | 30 |
| Redundancy | 10 | 182 |
| Early retirement | 14 | 33 |
| Insurance | 202 | 164 |
| Losses, ex-gratia and special payments | 41 | 76 |
| Other | 7,022 | 10,289 |
| Total operating expenses | 169,571 | 166,591 |

Purchase of Social Care (s75 arrangements) and Premises (business rates payable to local authorities) are additional in 2014/15. In 2013/14 these costs were included as staff expenses (£439k) and premises - other (£974k) respectively but have been adjusted for comparison.

£3,121k of expenditure categorised as purchase of healthcare from non NHS bodies relates to payments to private sector healthcare providers, (£2,729k in 2013/14).

Other expenditure and rentals under operating leases includes £6,511k (£6,140k and £371k respectively) in relation to PFI costs (£6,322k in 2013/14). 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 8 of the annual report.

Notes to the accounts - 5. Operating expenses (continued)

5.1 Auditors' remuneration

The Board of Governors appointed PricewaterhouseCoopers LLP (PwC) as external auditors of the Foundation Trust for the three year period commencing 1 June 2014, with an option to extend for up to two further years. The statutory and regulatory audit fees were £59k (2013/14 £56k) excluding value added tax. This was the fee for an audit in accordance with the Audit Code issued by Monitor as updated in December 2014.

| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
|---|--|--|
| Financial Audit (£47k) & Enhanced Audit Reporting (£3k) | 50 | 47 |
| Quality Account | 9 | 9 |
| Other non-audit services | | 23 |
| Total | 59 | 79 |

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

25% (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 May 2015 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 a break clause has been invoked for a 31 May 2015 exit. Agreement was reached for the Trust to terminate the agreement for Towngate House on 28 February 2015.

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 5 year lease on Trust headquarters at Thorpe Park (the break clause in the previous 15 year lease was 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 2015 £000 | Year ended 31 March 2014 £000 |
|--|--|--|
| Payments recognised as an expense | | |
| Minimum lease payments | 2,850 | 2,462 |
| Sub-lease payments | | 2,462 |
| | 2,850 | 2,462 |
| Total future minimum lease payments | | |
| Payable: | | |
| Not later than one year | 1,535 | 2,356 |
| Between one and five years | 2,054 | 4,189 |
| After 5 years | 3,099 | 4,165 |
| Total | 6,688 | 10,710 |

Notes to the accounts

7 Employee costs and numbers

| 7.1 Employee costs | Year Ended 31 March 2015 | | | Year Ended 31 March 2014 | | |
|--|--------------------------|----------------------|---------------|--------------------------|----------------------|--------------|
| | Total | Permanently Employed | Other | Total | Permanently Employed | Other |
| | £000 | £000 | £000 | £000 | £000 | £000 |
| Salaries and wages | 103,887 | 95,565 | 8,322 | 101,544 | 95,211 | 6,333 |
| Social security costs | 7,487 | 7,487 | | 7,551 | 7,551 | |
| Employer contributions to NHS pension scheme | 12,573 | 12,573 | | 12,469 | 12,469 | |
| Agency/Contract staff | 5,050 | | 5,050 | 3,027 | | 3,027 |
| Employee benefits expense | 128,997 | 115,625 | 13,372 | 124,591 | 115,231 | 9,360 |

There were no employee benefits paid in the year ended 2014/15 (Enil in 2013/14)

In addition to the above:

| | | |
|-----------------------------|----------------|----------------|
| Charged to capital | | |
| Recharged income | (662) | (628) |
| Total employee costs | 128,335 | 123,963 |

Full details of the Directors' remuneration can be found in Section 8 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 8 of the Annual Report.

| | Year ended | |
|---|---------------|--------------------------|
| | 31 March 2015 | Year ended 31 March 2014 |
| Directors' remuneration | £000 | £000 |
| Aggregate emoluments to Executive Directors | 743 | 750 |
| Remuneration of Non-Executive Directors | 201 | 189 |
| Pension cost | 100 | 99 |
| | 1,044 | 1,038 |

Remuneration of Non-Executives include MH Act Managers £79k (£72k in 2013/14).

| 7.2 Monthly average number of people employed (wte) | Year Ended 31 March 2015 | | | Year Ended 31 March 2014 | | |
|---|--------------------------|----------------------|------------|--------------------------|----------------------|------------|
| | Total | Permanently Employed | Other | Total | Permanently Employed | Other |
| | Number | Number | Number | Number | Number | Number |
| Medical and dental | 205 | 200 | 5 | 209 | 206 | 3 |
| Administration and estates | 592 | 578 | 14 | 602 | 588 | 14 |
| Healthcare assistants and other support staff | 279 | 279 | | 261 | 261 | |
| Nursing, midwifery and health visiting staff | 1,449 | 1,449 | | 1,454 | 1,454 | |
| Scientific, therapeutic and technical staff | 424 | 401 | 23 | 415 | 394 | 21 |
| Social care staff | 13 | 4 | 9 | 13 | | 13 |
| Other includes agency, contract and bank | 317 | | 317 | 229 | | 229 |
| Total | 3,279 | 2,911 | 368 | 3,183 | 2,903 | 280 |

7.3 Staff exit packages

| Exit package cost band | Number of compulsory redundancies | Number of other departures agreed | Total number of exit packages by cost band |
|---------------------------------------|-----------------------------------|-----------------------------------|--|
| Less than £10,000 | 0 (2) | 5 (13) | 5 (15) |
| £10,001 - £25,000 | 0 (3) | 3 (0) | 3 (3) |
| £25,001 - £50,000 | 2 (0) | 3 (0) | 5 (0) |
| £50,001 - £100,000 | 2 (2) | 0 (2) | 2 (4) |
| £100,001 - £150,000 | 0 (0) | 0 (0) | 0 (0) |
| £150,001 - £200,000 | 1 (0) | 0 (0) | 1 (0) |
| Greater than £200,000 | 0 (0) | 0 (0) | 0 (0) |
| Total number of exit packages by type | 5 (7) | 11 (15) | 16 (22) |
| Total resource cost (£000) | 415 (182) | 171 (142) | 586 (324) |

Figures in brackets relate to 2013/14. In 2014/15 £568k of exit packages was included in the prior year management of change provision.

The above reporting requirements cover the total costs of exit packages 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.

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 2014/15 (0 in 2013/14).

Notes to the accounts - 7. Employee costs and numbers (continued)

7.4 Non compulsory (other departures agreed)

| | Agreements (Number of) | Total value of agreements £000 |
|---|---------------------------|--------------------------------------|
| Mutually agreed resignations (MARS) contractual costs | 4 (0) | 109 (0) |
| Early retirements in the efficiency of the service - contractual costs | 0 (2) | 0 (95) |
| Contractual payments in lieu of notice | 1 (0) | 4 (0) |
| Exit payments following Employment Tribunals or court orders | 3 (0) | 43 (0) |
| Non-contractual payments requiring HMT approval | 4 (13) | 15 (47) |
| Total | 12 (15) | 171 (142) |
| Of which: | | |
| non-contractual payments made to individuals where the payment value was more than 12 months of their annual salary | 0 (0) | 0 (0) |

Figures in brackets relate to 2013/14.

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 4 (£14,565) relating to non-contractual payments in lieu of notice. In 2014/15, the maximum payment was £6,172 and the minimum payment was £2,217. The median of the payments was £3,088.

The Remuneration Report provides details of exit payments payable to individuals named in that report.

8 Retirements due to ill-health

During 2014/15 there were 8 (5 in 2013/14) early retirements from the Trust agreed on the grounds of ill-health. The estimated additional pension liability of this ill-health retirement will be £465k (£366k in 2013/14). 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 2015 | | Year Ended 31 March 2014 | |
|---|--------------------------|--------|--------------------------|--------|
| | Number | £000 | Number | £000 |
| Total Non-NHS trade invoices paid in the year | 22,617 | 43,665 | 21,330 | 40,201 |
| Total Non-NHS trade invoices paid within target | 19,682 | 39,154 | 20,057 | 38,029 |
| Percentage of Non-NHS trade invoices paid within target | 87% | 90% | 94% | 95% |
| Total NHS trade invoices paid in the year | 1,324 | 10,923 | 1,475 | 11,803 |
| Total NHS trade invoices paid within target | 1,016 | 8,550 | 1,120 | 10,093 |
| Percentage of NHS trade invoices paid within target | 77% | 78% | 76% | 86% |

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 2015 £000 | Year ended 31 March 2014 £000 |
|---------------|--|--|
| Bank accounts | 183 | 141 |
| Total | 183 | 141 |

This figure includes accrued interest of £1k (2013/14 £2k).

11 Other gains and losses

| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
|---|--|--|
| Loss on disposal of intangible assets | (2) | |
| Gain on disposal of property, plant and equipment | 175 | 110 |
| Loss on disposal of property, plant and equipment | (5) | (11) |
| Total | 168 | 99 |

12 Finance costs - financial liabilities

| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
|--|--|--|
| Interest on obligations under finance leases | 277 | 314 |
| Interest on obligations under PFI contracts: | | |
| - main finance cost | 2,275 | 2,372 |
| - contingent finance cost | 1,745 | 1,609 |
| Other interest expense | | 1 |
| Total | 4,297 | 4,296 |

Notes to the accounts

13 Intangible assets

| 2014/15: | Computer software - purchased | £000 | 2013/14: | Computer software - purchased | £000 |
|--|-------------------------------|------|--|-------------------------------|------|
| Gross valuation at 1 April 2014 | 364 | | Gross valuation at 1 April 2013 | 334 | |
| Additions purchased | 137 | | Additions purchased | 97 | |
| Disposals other than by sale | (7) | | Disposals other than by sale | (7) | |
| Impairments | (7) | | Impairments | (7) | |
| Reclassifications | (35) | | Reclassifications | (35) | |
| Revaluation/indexation | (58) | | Revaluation/indexation | (67) | |
| Gross valuation at 31 March 2015 | 394 | | Gross valuation at 31 March 2014 | 364 | |
| Accumulated amortisation at 1 April 2014 | 39 | | Accumulated amortisation at 1 April 2013 | 52 | |
| Disposals other than by sale | (5) | | Disposals other than by sale | (105) | |
| Revaluation | (63) | | Revaluation | (3) | |
| Impairments | 13 | | Impairments | 95 | |
| Charged during the year | 114 | | Charged during the year | 39 | |
| Accumulated amortisation at 31 March 2015 | 98 | | Accumulated amortisation at 31 March 2014 | 39 | |
| Net book value | | | Net book value | | |
| Purchased | 296 | | Purchased | 325 | |
| Total at 31 March 2015 | 296 | | Total at 31 March 2014 | 325 | |

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 2014/15 for the software licences and this led to an impairment charge to operating expenses of £13k (impairment reversal of £3k in 2013/14).

Notes to the accounts

14 Property, plant and equipment

| | Land | Buildings | Assets under construct and payments on account | Plant and machinery | Transport equipment | Information technology | Furniture & fittings | Total |
|--|--------------|---------------|---|------------------------|------------------------|---------------------------|-------------------------|---------------|
| 2014/15: | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Cost or valuation at 1 April 2014 | 3,200 | 45,764 | | 913 | 368 | 6,153 | 909 | 57,307 |
| Additions purchased | | | 2,892 | 8 | 67 | 1,240 | 157 | 4,364 |
| Additions donated | | | | | | | | |
| Reclassifications | | 1,791 | (1,756) | | | | | 35 |
| Reclassified as held for sale | (230) | (341) | | | | | | (571) |
| Disposals | | (791) | | (58) | | (326) | (113) | (1,288) |
| Revaluation/indexation (losses)/gains | | (2,870) | | 11 | (2) | | (7) | (2,868) |
| Impairments | | (31) | | | | | | (31) |
| Reversal of Impairments | | | 18 | | | | | 18 |
| At 31 March 2015 | 2,970 | 43,522 | 1,154 | 874 | 433 | 7,067 | 946 | 56,966 |
| Accumulated depreciation at 1 April 2014 | | 249 | | 660 | 291 | 3,832 | 742 | 5,774 |
| Disposals | | (14) | | (55) | | (326) | (112) | (507) |
| Reclassified as held for sale | | | | | | | | |
| Revaluation/indexation (losses)/gains | | (3,694) | | 9 | (1) | | (5) | (3,691) |
| Impairments | | 1,333 | | | | | | 1,333 |
| Reversal of Impairments | | (330) | | | | | | (330) |
| Charged during the year | | 2,715 | | 75 | 28 | 860 | 43 | 3,721 |
| Accumulated depreciation at 31 March 2015 | | 259 | | 689 | 318 | 4,366 | 668 | 6,300 |
| Net book value | | | | | | | | |
| Total at 31 March 2015 | 2,970 | 43,263 | 1,154 | 185 | 115 | 2,701 | 278 | 50,666 |
| Asset financing | | | | | | | | |
| Owned | 2,970 | 23,373 | 1,154 | 185 | 115 | 2,701 | 278 | 30,776 |
| Finance lease | | 449 | | | | | | 449 |
| PFI | | 19,421 | | | | | | 19,421 |
| Donated | | 20 | | | | | | 20 |
| Total at 31 March 2015 | 2,970 | 43,263 | 1,154 | 185 | 115 | 2,701 | 278 | 50,666 |

The latest revaluation of land and buildings was carried out by the Valuation Office with an effective date of 1 April 2015.

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".

The disclosure of protected assets is no longer required from 2013/14. There are no restrictions imposed on the use of donated assets.

Notes to the accounts - 14. Property, plant and equipment (continued)

14.1 Property, plant and equipment - prior year

| | Land | Buildings | 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 |

Notes to the accounts - 14. Property, plant and equipment (continued)

14.2 Classification of impairments for Parliamentary budgeting purposes

| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
|---|--|--|
| Loss or damage from normal operations | | 64 |
| Abandonment of assets in course of construction | | 453 |
| Over specification of assets | | 108 |
| Changes in Market Place | 1,346 | 7 |
| Reversals of impairments | (348) | (886) |
| At 31 March | 998 | (254) |

15 Capital commitments

Contracted capital commitments at 31 March not otherwise included in these accounts:

| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
|-------------------------------|--|--|
| Property, plant and equipment | 690 | 129 |
| Intangibles | 11 | |
| Total | 701 | 129 |

16 Inventories

| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
|--|--|--|
| Energy, consumables and work in progress | 83 | 72 |
| Total | 83 | 72 |
| Of which held at net realisable value: | 83 | 72 |

16.1 Inventories recognised in expenses

| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
|--|--|--|
| Inventories recognised as an expense in the year | 12 | 15 |
| Total | 12 | 15 |

Notes to the accounts

17 Trade and other receivables

| | Current | | Non-current | |
|---|--|--|--|--|
| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
| NHS receivables - revenue | 1,701 | 4,075 | | |
| Other receivables with related parties | 319 | 125 | | |
| Accrued Income | 1,341 | 672 | | |
| Provision for the impairment of receivables | (165) | (172) | | |
| Prepayments | 1,089 | 1,051 | 3,311 | 2,993 |
| PDC Receivable | 15 | | | |
| VAT | 390 | 420 | | |
| Other receivables | 1,759 | 2,647 | | |
| Total | 6,449 | 8,818 | 3,311 | 2,993 |

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 2015 £000 | Year ended 31 March 2014 £000 |
|---------------------------|--|--|
| By up to three months | 1,445 | 2,815 |
| Greater than three months | 73 | 534 |
| Total | 1,518 | 3,349 |

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 2015 £000 | Year ended 31 March 2014 £000 |
|---|--|--|
| Balance at 1 April | 172 | 132 |
| Amount written off during the year | (5) | (5) |
| Increase/(decrease) in receivables impaired | (2) | 45 |
| Balance at 31 March | 165 | 172 |

The increase in the provision for the year ended 31 March 2015 has been provided for after taking all factors into consideration regarding the potential for recovery.

18 Cash and cash equivalents

| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
|--|--|--|
| Balance at 1 April | 37,530 | 31,716 |
| Net change in year | 9,361 | 5,814 |
| Balance at 31 March | 46,891 | 37,530 |
| Made up of | | |
| Cash with Government Banking Service | 1,788 | 869 |
| Commercial banks and cash in hand | 103 | 161 |
| Other current investment | 45,000 | 36,500 |
| Cash and cash equivalents as in statement of financial position | 46,891 | 37,530 |
| Cash and cash equivalents as in statement of cash flows | 46,891 | 37,530 |

The other current investment is a fixed term investment for eight days at 0.41% with the National Loans Fund.

Notes to the accounts

| 19 | Non-current assets held for sale | Property, Plant and Equipment £000 |
|----|--|---|
| | Balance brought forward 1 April 2014 | |
| | Plus assets classified as available for sale in the year | 571 |
| | Less Impairment of assets held for sale | |
| | Less assets sold in the year | <u>(571)</u> |
| | Balance carried forward 31 March 2015 | <u>571</u> |
| | 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> |

There are no assets currently held for sale.

20 Trade and other payables

| | Current | |
|--------------------------------------|--|--|
| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
| NHS payables | 3,048 | 3,047 |
| Amounts due to other related parties | 1,742 | 1,905 |
| Non NHS trade payables - capital | 1,546 | 377 |
| Accruals | 6,735 | 4,991 |
| Other | 4,006 | 3,799 |
| Total | <u>17,077</u> | <u>14,119</u> |

21 Borrowings

| | Current | | Non-current | |
|---------------------------|--|--|--|--|
| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
| PFI liabilities | 1,365 | 1,260 | 26,233 | 27,598 |
| Finance Lease Liabilities | 870 | 253 | | 1,741 |
| Total | <u>2,235</u> | <u>1,513</u> | <u>26,233</u> | <u>29,339</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 2015 £000 | Year ended 31 March 2014 £000 |
| Deferred Income | 2,836 | 1,846 |
| Total | <u>2,836</u> | <u>1,846</u> |

Notes to the accounts

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 |
| | 2015 | 2014 | 2015 | 2014 |
| | £000 | £000 | £000 | £000 |
| Within one year | 893 | 542 | 884 | 525 |
| Between one and five years | | 2,308 | | 1,934 |
| After five years | | 252 | | 186 |
| Less future finance charges | (23) | (1,108) | | |
| Total minimum lease payments | <u>870</u> | <u>1,994</u> | <u>884</u> | <u>2,645</u> |
| Included in: | | | | |
| Current borrowings | 870 | 253 | 884 | 525 |
| Non-current borrowings | | 1,741 | | 2,120 |
| | <u>870</u> | <u>1,994</u> | <u>884</u> | <u>2,645</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. A break clause has been invoked during the year, cancelling the agreement at the end of May 2015. However, by mutual agreement, the cancellation of the agreement for Towngate House was brought forward to 28 February 2015.

The present value of minimum lease payments is £884k (£2,645k 2013/14), calculated from the minimum lease payments figures of £870k (£1,994k 2013/14) with the future finance charges at £23k (£1,108k 2013/14) added back. This figure is discounted at 0.49% per month (5.88% per annum) for 2 months (65 months 2013/14) 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 |
| | 2015 | 2014 | 2015 | 2014 |
| | £000 | £000 | £000 | £000 |
| Not later than one year | 5,280 | 5,144 | 5,083 | 4,952 |
| Later than one year, not later than five years | 21,120 | 20,578 | 17,093 | 16,654 |
| Later than five years | 38,720 | 42,870 | 21,164 | 22,693 |
| Sub total | <u>65,120</u> | <u>68,592</u> | <u>43,340</u> | <u>44,299</u> |
| Less: finance cost attributable to future periods | (37,522) | (39,734) | (15,742) | (15,441) |
| Total | <u>27,598</u> | <u>28,858</u> | <u>27,598</u> | <u>28,858</u> |

Services component

| Services component | Gross Payments | |
|--|----------------|---------------|
| | Year ended | Year ended |
| | 31 March | 31 March |
| | 2015 | 2014 |
| | £000 | £000 |
| Not later than one year | 6,215 | 6,055 |
| Later than one year, not later than five years | 24,858 | 24,220 |
| Later than five years | 45,573 | 50,458 |
| Total | <u>76,646</u> | <u>80,733</u> |

The future services amounts due as at 31 March 2015 reflect an adjustment for the RPI indexation of the unitary payment applied during 2014/15.

The amount charged to operating expenses during the year in respect of services was £6,140k (2013/14 £5,961k).

Notes to the accounts

25 Provisions

| | Current | | Non-current | | |
|--------------|--|--|--|--|--|
| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 | |
| | Pensions relating to other staff | 141 | 141 | 1,603 | |
| Legal claims | 86 | 131 | | | |
| Redundancy | 320 | 1,734 | | | |
| Other | 1,110 | 877 | 250 | 1,011 | |
| Total | 1,657 | 2,883 | 1,853 | 2,633 | |

| | Pensions relating to other staff £000 | Legal claims £000 | Redundancy £000 | Other £000 | Total £000 |
|-------------------------|--|----------------------|--------------------|---------------|---------------|
| 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 |
| At 1 April 2014 | 1,763 | 131 | 1,734 | 1,888 | 5,516 |
| Arising during the year | 65 | 72 | | 300 | 437 |
| Change in discount rate | 70 | | | | 70 |
| Used during the year | (141) | (39) | (569) | (672) | (1,421) |
| Reversed unused | (45) | (78) | (845) | (156) | (1,124) |
| Unwinding of discount | 32 | | | | 32 |
| At 31 March 2015 | 1,744 | 86 | 320 | 1,360 | 3,510 |

| Expected timing of cash flows: | | | | | |
|--|--------------|-----------|------------|--------------|--------------|
| Between 1 April 2015 and 31 March 2016 | 141 | 86 | 320 | 1,110 | 1,657 |
| Between 1 April 2016 and 31 March 2020 | 563 | | | 250 | 813 |
| Thereafter | 1,040 | | | | 1,040 |
| TOTAL | 1,744 | 86 | 320 | 1,360 | 3,510 |

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.

Other provisions comprise the commitment placed on the Trust in ensuring it meets its obligations in respect of dilapidation costs (£535k, £605k 2013/14), the cost associated with the interim solution for vacating Bootham Park Hospital and Limetrees (£656k, £1,283 in 2013/14) and in respect of staff legal claims (£169k).

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.

£198k is included in the provisions of the NHS Litigation Authority at 31 March 2015 in respect of the clinical negligence liabilities of the Trust (31 March 2014 £261k).

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 31 March 2015 £000 | Year ended 31 March 2014 £000 |
|--------------|--|--|
| Other | 91 | 43 |
| Total | 91 | 43 |

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 - £91k in 2014/15 and £43k in 2013/14). 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.

Notes to the accounts

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 | 7,347 |
| Cash at bank and in hand | 37,530 |
| Other financial assets | |
| Total at 31 March 2014 | <u>44,877</u> |
| Embedded derivatives | |
| Receivables | 4,955 |
| Cash at bank and in hand | 46,891 |
| Other financial assets | |
| Total at 31 March 2015 | <u>51,846</u> |
| Ageing of over due receivables included in Financial Assets | |
| Receivables overdue by: | |
| 1-30 days | 1,070 |
| 31-60 days | 209 |
| 61-90 days | 166 |
| 91-180 days | 43 |
| Greater than 180 days | 30 |
| | <u>1,518</u> |

27.2 Financial liabilities - carrying amount

| | £000 |
|-----------------------------------|----------------------|
| 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> |
| Embedded derivatives | |
| Payables | 14,784 |
| PFI and finance lease obligations | 28,468 |
| Other borrowings | |
| Provisions under contract | 3,510 |
| Other financial liabilities | |
| Total at 31 March 2015 | <u>46,762</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 2015 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.

Notes to the accounts

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 2014/15 the percentage increase in the unitary payment was 2.64%, equalling a monetary increase of £208k (3.12%, £261k in 2013/14).

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 2.64% | Uplift at 3.7% | Uplift at 5.5% |
|---|---------------------------|-------------------|-------------------|
| | £000 | £000 | £000 |
| 2014/15 Uplift in unitary payment | | | |
| Recognised in finance costs | 39 | 93 | 186 |
| Recognised in operating expenses | 169 | 238 | 353 |
| Recognised in surplus/deficit | 208 | 331 | 539 |
| Net impact of sensitivities on surplus/(deficit) | | (123) | (331) |
| | | | |
| | 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 |
| Net impact of sensitivities on surplus/(deficit) | | (64) | (266) |

28 Related party transactions - senior employees

During the year Leeds and York Partnership NHS Foundation Trust had the following material transactions with entities which are considered related parties to senior employees (in posts of influence) of the Trust.

| | Payments to Related Parties | Receipts from Related Parties |
|---|-----------------------------------|----------------------------------|
| | £000 | £000 |
| MIND (2013/14) | 26 | |
| Royal College of Psychiatrists (2013/14) | 40 | |
| Middleton St George Hospital (2013/14) | 123 | |
| MIND (2014/15) | 28 | 3 |
| Royal College of Psychiatrists (2014/15) | 63 | 1 |
| Middleton St George Hospital (2014/15) | 17 | |

There are no amounts owed to or due from entities which are considered related parties to senior employees (in posts of influence) of the Trust.

Notes to the accounts - 28. Related party transactions (continued)

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 to Related Parties | Receipts from Related Parties | Amounts owed to Related Parties | Amounts due from Related Parties |
|--------------------------------------|-----------------------------------|--|--|--|
| | £000 | £000 | £000 | £000 |
| University of York (2013/14) | 34 | 42 | 16 | |
| University of Leeds (2013/14) | 353 | 222 | | |
| British Telecom (2013/14) | 124 | | | |
| University of York (2014/15) | 72 | 1 | 8 | |
| University of Leeds (2014/15) | 370 | 178 | 1 | 57 |
| British Telecom (2014/15) | 135 | | | |

In 2014/15, the Trust had £5k of related party transactions with its charitable fund (2013/14 £5k).

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 2015 £000 | Year ended 31 March 2014 £000 | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
| NHS England | 23,615 | 20,729 | 120 | 139 |
| NHS Scarborough and Ryedale CCG | 1,289 | 721 | | |
| NHS Vale of York CCG | 27,617 | 29,883 | | |
| NHS Leeds North CCG | 22,792 | 26,119 | 59 | |
| NHS Leeds South and East CCG | 34,574 | 33,731 | | |
| NHS Leeds West CCG | 36,175 | 35,411 | | |
| Leeds Teaching Hospitals NHS Trust | 122 | 439 | 3,405 | 3,296 |
| Leeds Community Healthcare | 2,245 | 2,138 | 71 | 40 |
| South West Yorkshire Partnerships NHS Foundation Trust | 800 | 933 | 544 | 365 |
| York Teaching Hospitals NHS Foundation Trust | 532 | 409 | 548 | 848 |
| Health Education England | 6,844 | 6,761 | | 65 |
| NHS Property Services | | | 2,965 | 2,565 |
| Department of Health | 585 | 532 | | |
| HM Revenue and Customs (Employers NI only) | | | 7,487 | 7,551 |
| NHS Pensions Agency (Employers contribution) | | | 12,902 | 12,524 |
| Leeds City Council | 3,466 | 4,019 | 1,690 | 1,325 |
| Total | 160,656 | 161,825 | 29,791 | 28,718 |

| | Receivables | | Payables | |
|---|--|--|--|--|
| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
| NHS England | 743 | 2,317 | 60 | 655 |
| NHS Scarborough and Ryedale CCG | 143 | 604 | | |
| Leeds Teaching Hospitals NHS Trust | 29 | 52 | 488 | 649 |
| Leeds Community Healthcare | 287 | 222 | | 11 |
| South West Yorkshire Partnerships NHS Foundation Trust | 113 | 127 | 341 | 97 |
| York Hospitals NHS Foundation Trust | 79 | 107 | 428 | 204 |
| Health Education England | 273 | 374 | 12 | |
| NHS Property Services | | 5 | 1,202 | 764 |
| Department of Health | 132 | 85 | | 67 |
| HM Revenue and Customs | 390 | 420 | 2,293 | 2,398 |
| NHS Pensions Agency (Employee and Employers contribution) | | | 1,742 | 1,729 |
| Leeds City Council | 287 | 122 | 137 | 120 |
| Total | 2,476 | 4,435 | 6,703 | 6,694 |

Notes to the accounts

28.3 Related party transactions - commitments (year ended 31/3/2016)

| | Income £000 |
|-------------------------------------|----------------|
| Leeds Clinical Commissioning Groups | 92,592 |
| York Clinical Commissioning Groups | 15,854 |
| NHS England | 23,931 |
| | <u>132,377</u> |

These commitments are material transactions relating to NHS commissioners. Income from York Clinical Commissioning Groups (CCGs) is for 6 months to the 30 September 2015. York CCGs are currently tendering for the service from 1 October 2015.

The Trust has no expenditure commitments with related parties for the year ending 31 March 2016.

29 Third party assets

The Trust held £386k cash and cash equivalents at 31 March 2015 (£444k 2013/14) 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 | 390 | | 4,035 | |
| Balances with Local Authorities | 328 | | 181 | |
| Balances with NHS bodies | 2,535 | | 3,048 | |
| Intra Government balances | <u>3,253</u> | | <u>7,264</u> | |
| Balances with bodies external to Government | 3,196 | 3,311 | 9,813 | |
| At 31 March 2015 | <u>6,449</u> | <u>3,311</u> | <u>17,077</u> | |
| | | | | |
| 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 | <u>5,154</u> | | <u>7,374</u> | |
| Balances with bodies external to Government | 3,664 | 2,993 | 6,745 | |
| At 31 March 2014 | <u>8,818</u> | <u>2,993</u> | <u>14,119</u> | |

31 Losses and special payments

There were 5 cases of losses totalling £4k (10 in 2013/14 totalling £5k) and 29 special payments totalling £37k (28 in 2013/14 totalling £71k) during the year. These amounts are reported on an accruals basis, excluding provisions for future losses.

| | Number | Value £000 |
|---|----------------|----------------|
| Losses | | |
| Cash - other | 4 (9) | 1 (0) |
| Bad debts - other | 1 (1) | 3 (5) |
| Total | <u>5 (10)</u> | <u>4 (5)</u> |
| | | |
| Special payments | | |
| Ex-gratia - loss of personal effects | 17 (10) | 6 (1) |
| Ex-gratia - personal injury with advice | 8 (5) | 16 (23) |
| Special severance payments | 4 (13) | 15 (47) |
| Total | <u>29 (28)</u> | <u>37 (71)</u> |

Figures in brackets relate to 2013/14.

32 Events after the reporting period

There were no events after the reporting period that had an impact on the Trust's 2014/15 accounts (2013/14: none).

33 Charitable Fund

| | Year ended 31 March 2015 £000 | Year ended 31 March 2014 £000 |
|-------------------------------|--|--|
| Income | 8 | 13 |
| Expenditure | (19) | (37) |
| Net movement in funds | <u>(11)</u> | <u>(24)</u> |
| | | |
| Current assets | 228 | 218 |
| Current liabilities | (35) | (14) |
| Total Charitable Funds | <u>193</u> | <u>204</u> |

The 2014/15 Charitable Fund accounts have not yet been subject to independent review.

CONTACT INFORMATION

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Chief Executive

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Chief Executive
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Email: julie.wortley-froggett@nhs.net

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 85 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 85 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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