Sheffield City Council

Sheffield Health and Social Care NHS

NHS Foundation Trust

The Longley Centre

Endcliffe

ANNUAL REPORT

AND ACCOUNTS

2015/2016

Sheffield Health and Social Care NHS Foundation Trust

Annual Report and Accounts 2015/16

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

CONTENTS

SECTION 1.0: INTRODUCTION

Chair's Welcome

It is with great pleasure and pride that I introduce this Annual Report and Accounts for 2015/16 and invite you to read in detail about the Trust's objectives and what it has achieved over the past year. Sheffield Health and Social Care NHS Foundation Trust (SHSC) has an annual income of approximately £128.685 million and around 3,000 members of staff. The Trust provides mental health, learning disability, substance misuse, community rehabilitation, and a range of primary care and specialist services to the people of Sheffield. SHSC aims to be recognised as world class in terms of co-production with service users and carers, safety, improved outcomes, experience and social inclusion. It also aims to be the first choice for service users, their families and Commissioners. These aims and what we do as a Trust are driven by six core values: respect, compassion, partnership, accountability, fairness and ambition (in full on pages 11-12).

How did SHSC perform in 2015/16? As in all recent years the financial context was bleak, with Government imposed tight restrictions on NHS finances and very severe cuts to local authority budgets, but our staff have worked hard to deliver quality care and continuous improvements in service user experience and outcomes. Despite this adverse economic climate the Trust has met all of its financial targets and, as you can see in detail in the Accounts, continues to generate a surplus to re-invest in better services for the people of Sheffield. Monitor,

the regulator of NHS Foundation Trusts, awarded SHSC a financial risk rating of 4, basically the highest we could achieve.

In terms of service quality the picture is rather more mixed. The Trust was inspected by the Care Quality Commission (CQC) in October and November 2014 as part of its comprehensive inspection programme. The inspection team looked at the Trust as a whole and in more detail at ten core services (including in-patient mental health wards and community-based mental health, crisis response and learning disability services). The CQC inspection reports were published in June 2015 and the overall rating was 'requires improvement'. While we were very disappointed with this rating we were pleased that the inspectors identified many areas of good practice and received many positive comments about care from service users and carers, emphasising that staff treat service users with 'kindness, dignity and compassion'.

The CQC inspectors found many areas of good practice, the Forensic Service at Forest Lodge was rated as 'outstanding' and four others as 'good' (wards for older people with mental health problems, community based mental health services for older people, mental health crisis services and health based places of safety and supported living at Mansfield View). The areas in which the Trust fell down in the inspection were mainly in safety and effectiveness, particularly medicines management and staffing levels in some services, and frankly these should have been picked up long prior to the CQC visit.

Once the CQC report was received the Trust Board of Directors instituted a very detailed action plan which it reviews monthly. I am pleased to report that, by year end, there were no actions that were causing concern and the vast majority were either on track to deliver or delivered and embedded. This was a salutary experience for the Trust and has led to a complete overhaul of its quality assessment approach. Recent visits by the CQC to Buckwood View Nursing Home and Birch Avenue rated these services as 'good'. The Mulberry Practice, which provides health care services for people who are seeking asylum in the UK, who are homeless or living in temporary or unsuitable accommodation, was cited by the CQC as an example of good practice. The CQC inspection of the Intensive Support Service, in June 2015, resulted in a rating of 'requires improvement' although the rating for the caring domain was 'good'. Intensive work is in hand to raise this overall rating, overseen by the Board of Directors. Meanwhile Monitor has awarded SHSC the maximum green rating for governance risks, which include care quality assessments. Also the Trust scored above the national average in most domains of the Patient Led Assessment of Care Environment 2015, in particular on ward food, privacy, dignity, wellbeing and condition, appearance and maintenance. The Trust also scored well for sites which cater for people with dementia.
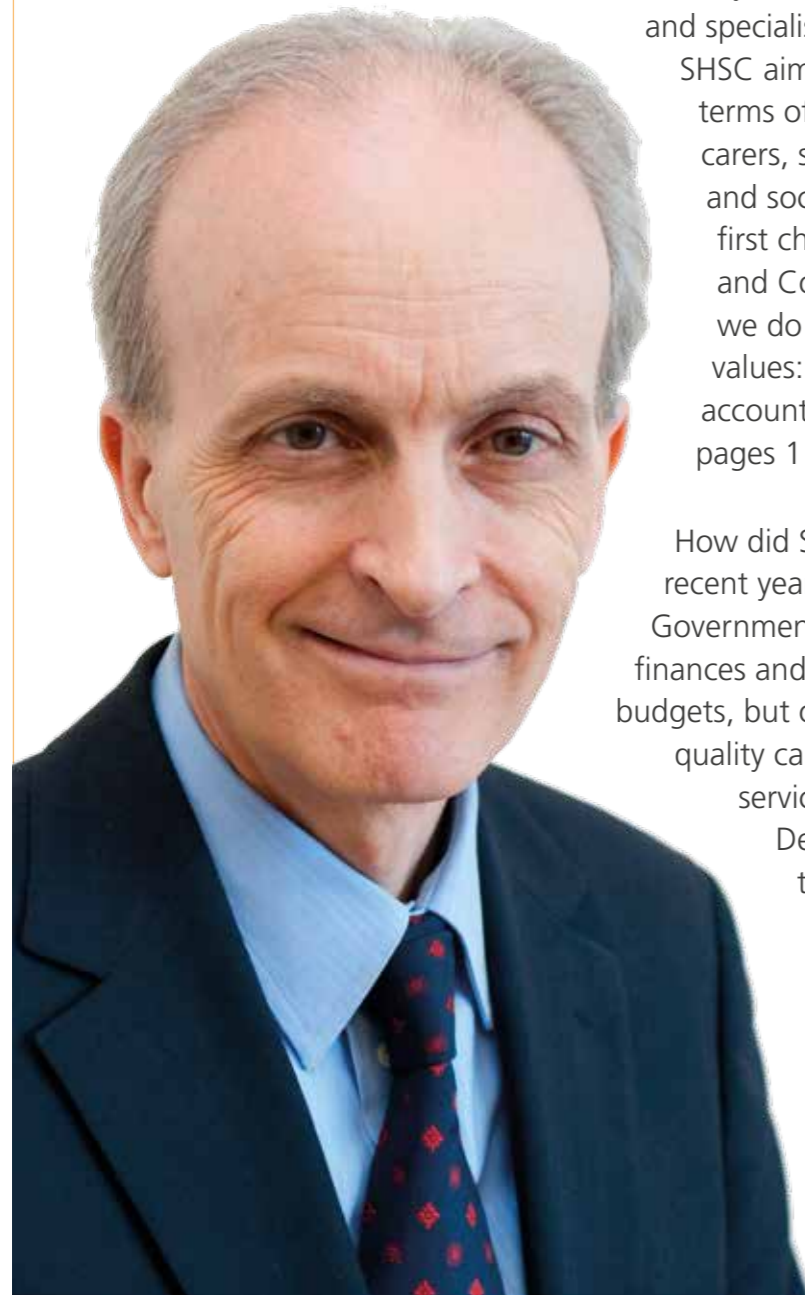
Some of the main service highlights in 2015/16 were:

- I was delighted to formally open (with service user, Hilary Coveney) the new Psychiatric Intensive Care Unit at the Longley Centre. This is a state-of-the-art ward which is a very visible sign of the Trust's commitment to improve service quality and its careful financial management to enable such investments. The best news is that the new ward has not only transformed the environment of this high intensity service, for both service users and staff, but it has also had beneficial effects on well-being;

- The Memory Service was accredited as 'excellent' by the Memory Service National Accreditation Programme at the Royal College of Psychiatrists;

- The Trust has been commissioned by NHS England to develop a new Liaison and Diversion Service for vulnerable people who come into contact with the criminal justice system. The new service held a very successful regional conference attended by over 100 people;

- The Community Enhancing Recovery Team celebrated its first anniversary in July 2015. During the first year the service helped 12 service users to return to Sheffield to live independently;

- The Serious Mental Illness and Physical Health Project won the Integrating Mental and Physical Health Category and were highly commended in the Partnership Working one in the National Positive Practice in Mental Health Awards;

- The Learning Disability Directorate was identified as a national leader in best practice by the Prescribing Observatory for Mental Health's audit of anti-psychotic prescribing;

- In partnership with Primary Care Sheffield the Trust was awarded two Alternative Provider of Medical Services contracts for the Clover Group and Sheffield City GP Medical Centre. This new collaboration means that the Trust will work in partnership with Primary Care Sheffield to deliver high quality services in some of the city's most vulnerable practices;

- Following the CQC inspection a programme of change is underway at Forest Close. This is because the CQC judged it to be akin to specialised residential care, for which it was commended, rather than the mental health rehabilitation that it is commissioned to provide. The CQC requirement to produce discharge plans for all residents has created considerable trauma among them and their family carers and the Trust has held regular meetings to try to manage any discharges as effectively as possible. To say the least this is a difficult process for service users, their families and staff.

This is just a selection and there are many more new developments described in subsequent pages. There were also disappointments on the service front. Sheffield City Council, under great pressure from Government cuts, continued with its out-sourcing programme by tendering the services we provide in supported living/registered residential care in learning disabilities. As a result we had to say goodbye to services at Handsworth Road, Cottam Road and East Bank Road. We were very sorry to lose these services and the residents and staff and wish them well for the future. The Trust was successful however in its tender for day care and respite services at Hurlfield View Resource Centre, which was good news.

SHSC staff continued to win prestigious awards, none more so than Michelle Fearon (Service Director, Specialist Directorate), who won Inspirational Leader of the Year at the Yorkshire and Humber NHS Leadership Awards and then won this title at the National NHS Leadership Awards. We are all so proud of Michelle. The Collaborative Recovery Focused Care Planning Initiative was shortlisted in the final of the mental health category in the Health Service Journal (HSJ) Patient Safety Awards 2015. Once again SHSC has been named as one of the best places to work in the NHS by the Nursing Times and HSJ, in partnership with NHS Employers.

The Trust's Council of Governors plays a vital role in the governance of the organisation and its support is highly valued by me and the Board of Directors. In 2015/16 we welcomed new Governors, Barbara Bell, John Buston, Michael Thomas, Mohammed Ziauddin and Mark Thorpe. We also had to say warm thanks and goodbye to Joan Davies, Sarah Burke, Enos Mahachi, Abbey George and Afrah Alkheili. The membership of the Trust rose slightly to 12,631 at year end (excluding staff members). Three successful members events were held on brain injury, mindfulness (as part of Sheffield Mental Health Week) and dementia and healthy dieting (as part of Nutrition and Hydration Week 2016).

This Annual Report contains many important service improvements and developments but, as indicated earlier, the financial pressures are undoubtedly making it harder and harder to provide the extensive range of services that the people of Sheffield deserve and which we aspire to. This is difficult to accept when everyone involved with SHSC – Governors, staff, service users and the Board of Directors – passionately want to do much more in terms of both meeting existing needs and trying to prevent new ones arising. We all know too that, as a result of the economic recession and other changes such as population ageing, the vulnerable groups with whom we work with are growing and presenting new needs. We are responding to these challenges by reconfiguring existing services and inventing new ones, for example in acute mental health services and primary care. There has also been a major streamlining of management operations in order to maximise resources for the provision of care.

I am very conscious as I write this introduction that, after sixteen previous ones in three different forms of this organisation, this is my last one. It has been a massive privilege to be associated with the three Trusts - Community Health Sheffield, Sheffield Care Trust and SHSC – and to have worked with so many dedicated and caring staff. As Chair I have drawn constantly on their feedback and also from the hundreds of service users and carers I have met. It has been a privilege to interact closely with many high class Executives, Non-Executives, managers and frontline staff, too many to mention here. Under SHSC the Council of Governors has been a massive source of support, combining constructive challenge with commitment to the organisation, those it serves and to me personally. Similarly with the pioneering Care Trust Council that preceded it (the invention of which I am very proud). The Chairs of the Care Trust Council and SHSC Lead Governors have been tremendous colleagues – Lewis Atkinson, Linda Tonner, Jim Monach, John Kay and Jules Jones – and a pleasure to work with. The first Membership Manager and now Deputy Board Secretary, Samantha Stoddart, has worked her socks off to enable Governors to maximise their effectiveness and ensure productive working between Board and Council. She has always been a major source of support. Last but not least I have been highly fortunate to partner two first class Chief Executives, Barbara Walsh and Kevan Taylor. They have exemplified the best qualities for this role, especially leadership rooted in a deep commitment to the NHS, dedication to high quality outcomes for service users and carers, strong beliefs in good governance and accountability and, above all respect and compassion. I want to thank them all from the bottom of my heart.

As the Trust moves forward, under a new Chair, I know that it will prosper, because of its shared values, sense of purpose, dedication to service users and carers, the high quality of its staff and leadership at Board and management levels. Everyone who works in the NHS is bound together by a belief in its foundations as a public service but, in SHSC, there is something more, a unique spirit that derives from a shared deep commitment to improving the lives of some of Sheffield's most vulnerable citizens. Long may it continue and with my very best wishes for the future.

Professor Alan Walker CBE
Chair

HIGHLIGHTS OF THE YEAR 2015

In partnership with Primary Care Sheffield we were awarded the contract to run five of the city's GP Practices serving 21,500 patients.

We opened our new Psychiatric Intensive Care Unit – Endcliffe Ward.

We launched our new Liaison and Diversion Service for people who have come into contact with the criminal justice system via the Police/Court systems

Michelle Fearon (Service Director, Specialist Directorate) won Inspirational Leader of the Year at the national NHS Leadership Awards.

TWENTY FIFTEEN

We signed the Time to Change Organisational Pledge to challenge mental health stigma.

We celebrated our annual Staff Awards for Excellence at our Annual Members meeting. Our Serious Mental Health and Physical Health Project also an award in the national Positive Practice in Mental Health Awards.

We were again named as one of the best places to work in the NHS by the Nursing Times and Health Service Journal (HSJ), in partnership with NHS Employers.

Smoke Free
A HEALTHIER PLACE FOR EVERYONE

We committed to going completely Smoke Free. We are working towards an implementation date of 31 May 2016.

SECTION 2.0: PERFORMANCE REPORT

2.1 Performance Overview

Statement from Kevan Taylor, Chief Executive Officer

This annual report provides an account of how we continue to improve the care and support we provide to the people of Sheffield. Overall, we have made good progress over the year in delivering on our goals and objectives.

In June 2015 the Care Quality Commission (CQC) reported on their findings following their inspection of some of our services in October 2014. Overall, they assessed our Trust as 'requires improvement'. The inspectors found many areas of good practice and received many positive comments about care from service users and carers, in particular both staff and services were identified as being caring and responsive. One service (the forensic service at Forest Lodge) was rated as 'outstanding' and four services were rated as 'good' (wards for older people with mental health problems, community based mental health services for older people, mental health crisis services and health based places of safety and supported living at Mansfield View).

However, there were a number of areas where the inspectors found some issues about the way we provide services, particular areas of concern were identified in some services. Issues were raised in respect of safety and effectiveness across the Trust, including medicines management and staffing levels in certain areas. More information on the findings of the CQC inspection is provided in the Quality Report in Section 4.

It was important that we responded positively to the findings and feedback from the CQC. Our response was to fully acknowledge that while we strive to provide a quality service to the people of Sheffield and beyond, there are areas where we know we needed to improve and the CQC inspection offered us a further opportunity to reflect, learn and make improvements. That is what we have done.

We implemented an initial improvement plan at the end of the inspection in November 2014, and then a fuller plan in June 2015. The Board has monitored our progress against this plan each month and I am confident that the actions we have taken over the last year, and the actions we will continue to take will ensure that are well placed to deliver on our ambition to provide excellent services that deliver a really positive experience for the people who need them. We have much to do to ensure the quality of what we provide is of a consistently high standard for every person in respect of safety, effectiveness and experience. Our plans for quality improvement, outlined in our Quality Report, will ensure we make continued improvements.

National staff surveys continue to highlight that our staff feel more engaged with the Trust than average. Information about this is available in our Quality Report in Section 4. Our staff are more likely to recommend us as a place to work or receive treatment in than the average for the NHS as a whole. I am confident that all staff come to work wanting to do the best we can for those we work with. We recognise that every single member of staff has a role to play in the quality of the experience of those people we work with. As part of our staff development programme we have a range of initiatives in place to support staff. Examples of this are mindfulness training and the Schwartz Round programme which provide staff with different opportunities to reflect on the demands of delivering care for people. We have introduced a range of coaching programmes for teams and individuals and we are an active member of the Innov8 programme to support the professional and career development of our staff from black and minority ethnic communities.

Over the last year we have delivered many improvements in the way we are providing care and support to people. New services have opened. In January 2016 we opened our new Psychiatric Intensive Care Unit, Endcliffe Ward, providing high quality in-patient environments to support the delivery of high quality care and treatment. As well as providing an improved environment, we have increased the number of beds provided to ensure we can provide local access to in-patient care.

The changes we have made across our community and in-patient mental health services continue to have a positive impact on the care we provide. Our focus has been to provide intensive community based care and support for people who have previously been living for long periods of time in in-patient care facilities. Through this change people have been able to return to Sheffield, live closer to their families and plan for their future life living in their own tenancies in neighbourhoods across Sheffield that they have chosen. Alongside this we have worked hard to ensure that our community and in-patient teams work together to provide integrated and joined up care when people need admission. As a result of this the time people need to stay in hospital has reduced, our need for as many hospital beds has reduced and we have been able to use the resources freed up from hospital care to improve our in-patient and community services. More information about this is provided in Section 3.1.16 of this Annual Report.

A key focus of our strategy over the last two years has been to develop new models for primary care. This programme has focused on improving our current general practice services through the Clover Group, along with developing new enhanced models of care that provide a more planned and co-ordinated approach to caring for people in primary care who have multiple problems and long term conditions. Over the last year we have worked closely with Primary Care Sheffield, the organisation that represents general practices across Sheffield and together we entered into a partnership to provide

services together across General Practice. Through this partnership we have been successful in retaining our Clover Group Practice and have extended to become the provider of General Practice services at Broad Lane.

Alongside changes to the way we deliver our services we continue to develop and make improvements in other equally important ways. Over the last year we have worked closely with the Yorkshire and Humber Collaboration for Leadership in Applied Health Research and the Yorkshire and Humber Local Research Network to improve our services and increase opportunities for our service users to participate in research, when they choose to do so. Research is a priority for the Trust and is one of the key ways by which we seek to improve quality, efficiency and initiate innovation. The strong links we have with our academic partners helps us to deliver and develop our research strategy.

Our service user engagement strategy continues to deliver improvements in how we work collaboratively with the people who use our services to improve the care and support we provide. Service users are involved in training our staff, recruiting our staff and working with our services to change how we provide care and support in the future. The Service User Experience Monitoring Unit (SUEMU) continues to work in innovative ways to ensure we have a good understanding of the experiences of the people who use our services and that we use that feedback to shape how we move forward. More information about our progress in these areas is contained in our Quality Report in Section 4.

While we continue to deliver important improvements across our services we also know that we do not always get it right. People make mistakes, some services need changing and developing. The key is to have an open culture where people feel able to express their concerns as part of a constructive dialogue. Myself, as Accountable Officer, and everyone on the Board of Directors sees it as a fundamental part of our duty to know what our services are like in respect of safety, effectiveness and experience. The Board has a responsibility to promote an open culture and to listen. I am proud that we report more incidents than many organisations - that is not a sign that quality is poor, but that staff know that reporting an incident is the right thing to do so that lessons can be learned. It is right that we spend as much time looking at complaints as we do when things have gone well. People do raise their concerns and we have a duty to listen and respond.

On financial performance, excluding exceptional (one-off) items the Trust delivered a surplus of £1.4 million in the year to March 2016. This was £0.16 million better than planned and reflects a sound financial performance for the year, especially in the context of the majority of NHS Trusts currently being in a deficit position.

Our Monitor Financial Sustainability Risk Rating (FSRR) was a 4 against a plan of a 4 which is the highest rating that can be attained and supports the general view that our overall financial performance continues to be positive. This is important, as it creates a relatively stable environment for us and allows us to plan more effectively for service changes and continued service improvements.

The Trust has consciously invested over the last year and planned for a reduced surplus. The reduced surplus plan continues in 2016/17 as the Trust continues with the investments which commenced in 2015/16. These investments are aligned to the strategic goals of the organisation and are only committed to the extent that they are affordable. These do, however, have Commissioner support and continue to address various risks raised within the previous Care Quality Commission inspection findings. This continued investment will help secure our future financial stability, especially over the next few years, in order to mitigate the adverse impact of the continued current economic climate.

Our Monitor externally assessed Financial Sustainability Risk Rating of 4, provides us with assurance that our organisation remains in relatively good financial health. Although challenging times continue, we continue to remain in a better position than many other NHS organisations and believe we are well positioned to remain sustainable and resilient on our own financial footing.

While the majority of our Cost Improvement Plans have been met for 2015/16, at 93% achievement, some of this delivery (approximately £2.3 million) was through non-recurrent measures. This is predominantly considered to be down to the timing of agreed plans being implemented and plans remain in place that will address this during 2016/17 on a predominantly recurrent basis.

A brief history of the Trust and its statutory background

We were initially established in 2003 as Sheffield Care Trust. On 01 July 2008, we became authorised to operate as Sheffield Health and Social Care NHS Foundation Trust (SHSC). As a membership-based organisation, our Board of Directors is accountable to the communities that we serve mainly through our Council of Governors, and directly to our members at our Annual Members' Meeting.

Our Council of Governors consists of people who use our services, their carers, representatives of members of the general public and our staff in addition to appointed Governors from other Sheffield-based organisations with whom we work in close partnership (for example, NHS Sheffield Clinical Commissioning Group, MENCAP Sheffield, Sheffield African and Caribbean Mental Health Association (SACHMA)). The diversity of our Council's membership helps our Board of Directors to always ensure that our services are shaped by the people who live in the communities we serve.

As a Foundation Trust we have certain freedoms to develop and improve services and offer more choice to service users. Being a Foundation Trust enables us to:

- Build on and improve positive relationships with service users, carers, staff, partners and local communities while being more accountable to the communities we serve;

- Strengthen our internal processes and systems to meet the challenges of modern health services;

- Develop locally based specialist services (such as the Sheffield Adult Autism and Neurodevelopment Service);

- Continue to invest in capital development (such as our new Psychiatric Intensive Care Unit).

Our Purpose and Activities

Our core values form the guiding principles and behaviours for the way we do our work:

- **Respect** – We listen to others, valuing their views and contributions. We treat others as we would like to be treated, with dignity and consideration and challenge others when they do not. We are polite, courteous and non-judgemental, we are aware that how we behave can affect others and appreciate and recognise others' qualities and contributions;

- **Compassion** – We show empathy and kindness to others so they feel supported, understood and safe. We engage with others in a warm, approachable manner, give the time and attention to others that they need, are sensitive to the needs of others and listen so as to understand others' points of view;

- **Partnership** – We engage with others on the basis of equality and collaboration. We work to build trust, we work flexibly with others to identify and achieve the best outcomes, we value and acknowledge the contribution made by others and we share our knowledge, skills and offer practical support to others;

- **Accountability** – We are open and transparent, acting with honesty and integrity, accepting responsibility for outcomes. We do what we say we are going to do, we encourage staff and service users to speak up if they think something is not right, we admit when we make mistakes and we accept and respond to constructive challenge and feedback from others;

- **Fairness** – We ensure equal access to opportunity, support and services. We ensure our services are accessible for everyone, we appreciate people's differences and pay attention to meeting different needs, we actively try to help others to get what they need and we consult with and include others in decisions which affect them;

- **Ambition** - We will make a difference and help to fulfil the aspirations and hopes of our service users and staff. We do this by encouraging staff to look for ways to continuously improve services, we work collaboratively with others to achieve excellence, we support service users and colleagues to achieve their potential and we share and celebrate achievements and successes.

Our vision is for Sheffield Health & Social Care NHS Foundation Trust to be recognised nationally as a leading provider of high quality health and social care services and recognised as world class in terms of co-production, safety, improved outcomes, experience and social inclusion. We will be the first choice for service users, their families and Commissioners.

Our purpose is to improve people's health, wellbeing and social inclusion so they can live fulfilled lives in their community. We will achieve this by providing services aligned with primary care that meet people's health and social care needs, support recovery and improve health and wellbeing.

For more information visit our website: www.shsc.nhs.uk

The services that we provide

With an annual income of approximately £128.685 million and around 3,000 members of staff, we provide mental health, learning disability, substance misuse, community rehabilitation, and a range of primary care and specialist services to the people of Sheffield. We also provide some of our specialist services to people living outside of Sheffield.

Our integrated approach to service delivery enables us to meet people's mental, physical, psychological and social care needs. The Trust's income over the last three years has equated to £128.7 million in 2015/16, £131.8 million during 2014/15 and £130.0 million during 2013/14 collectively. Although the Trust has seen some positive growth in income and developed the way we provide mental health and substance misuse services, the Trust has seen some continued reduction in other income streams. Over the last year we have continued to reduce our provision of social care support to people with learning disabilities as new service models have been commissioned. The

cumulative effect over the last year has resulted in a reduction of income of £3.139 million during 2015/16. £2.603 million of this income reduction relates to core clinical income from activities primary linked to our contractual arrangements with the Local Authority. The balance, relates to other operating income and non-patient care service provision.

The wide range of our services includes:

- Primary care services for people of all ages which we deliver through our GP Practices;

- Services for adults with drug and alcohol misuse problems;

- Psychological therapies for people with mild and moderate mental health problems;

- Community-based mental health services for people with serious and enduring mental illness;

- Services that support people with a learning disability and their families and carers;

- In-patient mental health services for adults and older people;

- Specialist services including: eating disorders, rehabilitation services for people with brain injuries or those living with the consequences of a long-term neurological condition, assertive outreach services for homeless people and members of the traveller community, perinatal mental health services, and gender dysphoria services.

How we provide our services

Our community-based services aim to provide care and treatment to individuals and their families close to their homes and help them to maintain their independence and thereby continue with their day-to-day lives as much as possible. We also provide a range of in-patient and residential services for individuals who cannot be appropriately helped within their community. Through our learning disability services, we provide supported living to the people who use our services and we work closely with residential care homes and supported living facilities in partnership with housing associations.

Many of the people we help are visited in their own homes by our members of staff. Others attend our clinics to see nurses, social workers, therapists or doctors. We give treatment, care and help to the people who use our services on an individual or group basis. We also work alongside GPs and other staff in local health centres, or with staff from other organisations, often in the voluntary sector.

We often see individuals for short periods of time, providing advice and treatment which helps resolve the person's problems. For those with more serious, longer-term difficulties, we will support and work with them for a number of years.

Key issues and risks which could affect our ability to deliver our objectives

There is extensive change planned across health and social care services and this will impact on the way we deliver care and treatment to our client groups in Sheffield. The financial environment remains challenging both for ourselves as a Foundation Trust, our main Commissioners and the rest of the health and social care community in Sheffield. We continually review the risks that may impact on our ability to deliver our objectives. Overall, our assessment concludes that the risks are comparatively low. While we have identified challenges that need to be addressed, and these are being addressed, our assessment does not conclude that we are faced with undue risks that will impact on our capacity to deliver sustainable services over the coming years.

Overall quality

We have maintained a Green risk rating for quality governance since we became an NHS Foundation Trust. We experienced in year challenges with rates of delayed transfers of care, but overall we deliver standards of care that consistently achieve the quality governance standards required of us. More information on this is provided in Section 3.1.18 and our Quality Report at Section 4.

We have exceeded the new national access standard for IAPT services during 2015/16 and have plans in place that will assure achievement of the access standard for people experiencing a first episode of psychosis during 2016/17. Rates of diagnosis for people with dementia remain positive, with Sheffield consistently rated in the top five performing areas within England. We have agreed with NHS Sheffield Clinical Commissioning Group (CCG) to take the lead role in Sheffield in delivering care and treatment reviews for people with a learning disability, ensuring that care is delivered in the community as the preferred and first choice. Our feedback from the people who use our services through the Friends and Family Test suggests that 91-95% of people would recommend or highly recommend our services to their friends or members of their family.

The CQC published the findings from its inspection of Trust services in June 2015. The Trust's overall rating was 'requires improvement'. Following the CQC inspection, the Board approved and targeted investment towards improving our care environment, monitoring systems and improved staffing capacity within our crisis care services. Progress in delivering the plan is reviewed by the Executive Team (the Executive Lead for Quality is the Medical Director, Professor Tim Kendall), the Board's Quality and Assurance committee and the Board on a monthly basis. Our improvement plans for 2016/17 will ensure that we continue to improve the crisis care pathway in respect of

health based place of safety and capacity out of hours to support people presenting in a mental health crisis. We aim to be a good or outstanding provider at a future inspection. More information about the findings of the CQC inspection is provided in our Quality Report in Section 4.

As part of our improvement planning following the CQC inspection we have reviewed and revised our Quality Improvement and Assurance Strategy. This was approved by the Board of Directors in March 2016 and will provide a clear focus for our ongoing improvement work to ensure we deliver high quality and excellent services.

The Trust is clear that cost improvements should not impact on quality. All plans relating to clinical and corporate services have been developed and approved by the appropriate Clinical and Service Directors. Each cost improvement plan is accompanied by a Quality Impact Assessment (QIA). Each QIA is agreed by the Service and Clinical Directors to ensure that as a result of making the cost improvement, service quality will be managed in accordance with a series of quality metrics. Following agreement by the Clinical and Service Directors, all QIAs are thoroughly scrutinised by the Clinical Executive Scrutiny Panel, which is chaired by the Trust's Medical and Nursing Directors. Once their agreement has been sought, their assurance is provided to our Trust Board and Commissioners (NHS Sheffield Clinical Commissioning Group) to ensure that the Trust's cost improvement plan will not impact on quality. Monitoring of service quality is to be undertaken quarterly and, in exceptional circumstances eg. if a plan is high risk, this could be more frequent.

Workforce and staffing levels
There is a clear need to ensure appropriate skill mix and staffing levels across services, and our in-patient services in particular, and we have development plans in place to address this. Our Acute Care Reconfiguration programme will ensure the right skill mix and staffing resource is in place to ensure the delivery of high quality in-patient care. Alongside this, we have an established programme to ensure we support each service across the Trust to review and determine the right staffing resources required in relation to capacity and ensuring we can deliver the required standards of care.

Environments of care
Our in-patient environment in some areas does not support modern, fit for purpose design. While all our facilities remain registered and adhere to expected standards (mixed sex, safety, PLACE), and the feedback from our PLACE assessments has been above average for the last two years, we recognise we need to provide improved facilities.

We have a phased plan to ensure this is progressed over the next five year period and beyond, supporting our clinical strategies for care pathway developments. This year we

opened our new Psychiatric Intensive Care Unit facility, Endcliffe Ward. Over the next five years our estates plans and capital programme will result in just over £26 million investment in our in-patient facilities.

Capacity
Our assessment of the expected and planned changes in demands for services does not suggest there will be significant challenges in ensuring we have the necessary capacity in place to provide the level of care required.

We are planning for increased demands in community services in response to our strategic plans and demographic changes and next year we will be investing in more community based capacity as we deliver less in-patient based care.

Future demands and service plans are manageable within our existing estate capacity, as our assessments do not predict significant increased demand for in-patient services, and our clinical strategies confirm that we will have less need for in-patient care as we expand the capacity and effectiveness of our community services.

Cost competitiveness within social care
The social care landscape is highly competitive, with a diversity of care providers with a range of experience and skills. Social care models have a clear need to ensure the delivery of basic routine care and support. This presents challenges for the Trust in respect of cost competitiveness within a national pay and grading structure.

Our assessments have concluded that we will experience challenges in delivering competitive services in supported living for people with learning disabilities and within areas of social care support for people with mental health needs. We expect, therefore, that we will be providing less care in this area in the future as we change our service models accordingly.

Current financial position
We end this year and begin next year in a strong financial position. We have a history of achieving all our financial targets, a high cash balance and our Cost Improvement Programme (CIP) achievement is strong. We have no Private Finance Initiative (PFI) or debt to service other than public dividend capital interest payments.

Income forecasts
Our assessment of our income forecasts over the next year does not indicate undue risks to the Trust that requires concerted action or consideration or that will have an adverse impact on the stability of the services we provide. Significant reductions in social care expenditure are required and have been assumed.

The citywide health strategies have clear plans to deliver a sustainable health economy, focused on reduced need for acute hospital care and expanded community care. These plans outline a relatively stable investment plan in the services provided by the Trust, supported by a clear improvement and modernisation programme.

Commissioning direction
Our income analysis and forecasts outline a comparatively stable position this year and as we plan for forthcoming years. This is supported by good alignment between commissioning plans and Trust plans for the future delivery and re-design of services to ensure affordable and effective services are provided across Sheffield.

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 the going concern basis in preparing the accounts.

2.2 Performance Analysis

The Trust triangulates service performance across a range of indicators relating to care standards, quality, workforce and finance at service, Directorate and Trustwide level. Further developments are to be made within 2016/17 to enhance our performance management frameworks through effective business information systems. The Board's monthly and annual performance reporting processes ensure that the Executive Management Team are able to scrutinise and manage the operational performance of services and the Board to maintain overall oversight on the performance of the Trust. On an established quarterly cycle, the performance of all services are reviewed through Directorate-level Service Reviews. The Executive Team reviews with each operational directorate their performance against planned objectives.

The above framework ensures that the Board of Directors is able to monitor and evaluate the performance of the Trust and its services and to initiate improvement actions where required. Following the CQC Inspection report in June 2015 the Trust has reviewed and updated its Quality Improvement and Assurance Strategy. This was approved by the Board with an action plan to ensure a range of improvements are made over the next year to further strengthen our approach to quality governance. More information about our strategy is provided in the Quality Report in Section 4.

Detailed information about our performance across the above areas is contained through this Annual Report. Key highlights that summarise our performance are as follows:

Core standards about quality of care
- We achieve the core quality governance standards expected of us as an NHS Foundation Trust (see Section 3.1.18);
- The assessment of our services by the Care Quality Commission highlights that overall as a Trust we 'require improvement', and we have made good progress in addressing the issues raised (see the Quality Report in Section 4);

Development plans and service strategies
- We have reduced waiting times for key service areas and are achieving the new national access standards for mental health services (see the Quality Report in Section 4);
- Our service plans and strategies are implemented successfully resulting in key changes that have transformed the experience of care for the people of Sheffield. These are summarised in Section 3.1.17 and Section 3.1.20 of this Annual Report;
- Our investment plans continue to support a planned improvement in the quality of our ward environments as part of our modernisation programme;
- We have been successful in retaining and growing business and services in respect of our core services such as substance misuse and primary care;

Workforce
- Our staff report positively about their experiences working for us, and the care that they are able to provide (see the Quality Report in Section 4);
- Staff ill-health remains an area of concern across the Trust and we continue to develop our strategies to deliver improvement informed by the views of our staff and staff side representatives (see Section 3.3);

Financial stability and sustainability
- We delivered a normalised surplus of £1.4 million marginally ahead of plan of £1.234 million;
- Our Monitor Financial Sustainability Risk Rating (FSRR) was a 4 against a plan of a 4 which is the highest rating that can be attained and supports the general view that our overall financial performance continues to be positive;
- We effectively managed the risks associated with lost business and various disinvestment plans as a result of national tender exercises and increased competition from the private and voluntary sector, particularly in relation to learning disability services;
- We continue to deliver the majority of our Cost Improvement plans and we have confidence the majority of the non-recurrent backlog has been identified recurrently for the year ahead;

- The work of the Audit and Assurance Committee and the detailed assessment of the organisation remaining as a going concern supports the overall assessment that the Trust remains sustainable and resilient for the year ahead;

- Overall, we remain confident with have the plans in place to remain resilient and sustainable despite these challenging financial times across the NHS.

Social, Community and Human Rights
We are committed to working with and within the local communities where we provide services.

- As an NHS Foundation Trust, we are directly accountable to the local community across Sheffield through our membership as represented by the Council of Governors. We hold regular members' meetings where people can raise topics with us (see Sections 3.1.27 and 3.1.28);

- We work closely with our partners in NHS Sheffield Clinical Commissioning Group and the local authority as well as other NHS organisations in the city. We also work closely with South Yorkshire Police through our Street Triage Service and our Liaison and Diversion Service (see Sections 3.1.21, 3.1.22 and 3.1.24);

- We are committed to working for equality and fairness in employment and in service delivery, and not to discriminate on the grounds of age, disability, race, nationality, ethnic or national origin, sex, gender, marital or family status, domestic circumstances, religious belief or similar philosophical belief, sexual orientation, social and employment status, HIV status, physical appearance, gender reassignment or non/trade union membership.

- We deliver our commitment to human rights through our Equality Objectives and our Workforce Race Equality Standard. Progress is recorded in our Equality and Human Rights Annual Report, available separately, and through regular reports to the Board of Directors (see our Equality Report in Section 3.8).
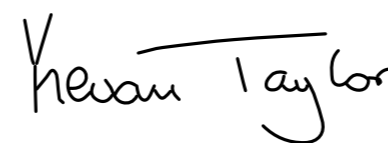
Environmental impact and Sustainability Report
We pride ourselves on maintaining a clean environment for service users, visitors and staff.

Patient-Led Assessments of the Care Environment (PLACE) is the measure we use to monitor our cleanliness, food, privacy, dignity, wellbeing and condition, appearance and maintenance. The action plan arising from the latest PLACE assessments is available on our website.

We have developed a Sustainable Development Management Plan which outlines our longer-term strategic approach to sustainability and ensures the involvement of the entire organisation. For more information see the Sustainability Report in Section 3.9.

This Performance Report has been approved by the Directors of Sheffield Health & Social Care NHS Foundation Trust.

Kevan Taylor

Kevan Taylor
Chief Executive
25 May 2016

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SECTION 3.0: ACCOUNTABILITY REPORT

3.1 Directors Report

3.1.1 The Board of Directors

The Board of Directors provide a wide range of experience and expertise which is essential to the effective governance of the Trust. Its members continue to demonstrate the visionary leadership and scrutiny that enables the organisation to fulfil its ambition.

At the end of 2015/16, the Board of Directors comprised of six Non-Executive Directors, including the Chair, and five Executive Directors, including the Chief Executive.

3.1.2 The Non-Executive Team

- Professor Alan Walker CBE (Chair)
- Susan Rogers MBE (Vice-Chair)
- Mervyn Thomas (Senior Independent Director)
- Councillor Leigh Bramall
- Richard Mills
- Ann Stanley

3.1.3 The Executive Team

- Kevan Taylor (Chief Executive)
- Clive Clarke (Deputy Chief Executive)
- Professor Tim Kendall (Executive Medical Director)
- Liz Lightbown (Chief Nurse/Chief Operating Officer)
- Phillip Easthope (Executive Director of Finance)

3.1.4 Directors' statement as to disclosure to the Auditors

For each individual who is a Director at the time that 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. 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 Trust's auditor is aware of that information.

3.1.5 Accounting policies statement

Accounting policies for pensions and other retirement benefits are set out in the Annual Accounts in Section 6 (note 1) of this report and details of senior employees' remuneration can be found in the Remuneration Report in Section 3.2 of this report.

3.1.6 Our Auditors

Our External Audit function is carried out by KPMG. A full competitive tender process was carried out during 2014/15 to ensure compliance with regulatory requirements. The outcome of the tender process, following a detailed review process was the recommendation to the Council of Governors for the reappointment of KPMG as the Trust's External Auditors. This decision was approved on 13 March 2015, for an initial period of three years with an option to extend for a further two years. Further details can be found in Section 3.1.10.1.

3.1.7 The role of the Board of Directors

The responsibility for exercising the powers of the Trust rests with the Board of Directors. These powers are set out in the National Health Service Act, 2006 and are subject to the restrictions set out in the Trust's terms of authorisation.

The Board is responsible for:

- Directing and supervising the organisation's affairs;
- Providing proactive leadership of the Trust within a framework of prudent and effective controls which enable risk to be assessed and managed;
- Setting the Trust's strategic aims and ensuring that the necessary financial and human resources are in place for the organisation to meet its objectives;
- Overseeing the organisation's progress towards attaining its strategic goals;
- Monitoring the operational performance of the organisation;
- Promoting the success of the organisation so as to maximise the benefits for the members as a whole and for the public.

The Board may delegate any of the powers conferred upon it to any committee of Directors or to an Executive Director. The Standing Orders of the Board of Directors provide for the manner in which the Board may arrange the delegation of its powers. The 'Scheme of Reservation and Delegation of Powers' (which forms part of the Board of Directors' Standing Orders) sets out, in detail, those powers which the Board has reserved to itself and those it has delegated and to whom.

The Chair of the Trust presides over the meetings of the Board of Directors and the Council of Governors. The Chair is responsible for:

- Providing leadership to the Board of Directors and the Council of Governors;
- Ensuring that the Board of Directors and the Council of Governors work effectively together;
- Enabling all Board members to make a full contribution to the Board's affairs and ensuring that the Board acts as an effective team;
- Leading the Non-Executive Directors through the Board of Directors' Remuneration and Nominations Committee in setting the remuneration of the Chief Executive and (with the Chief Executive's advice) the other Executive Directors.

The Senior Independent Director is responsible for leading the Non-Executive Directors in the performance evaluation of the Trust Chair. The Trust Chair is responsible for carrying out the performance evaluation of the Non-Executive Directors. Both processes are overseen by the Council of Governors' Nominations and Remunerations Committee.

During 2015/16, the Board met every month in meetings which were open (in part) to members of the public and the press. Elements of the Board's business that were of a confidential nature and/or commercially sensitive were transacted in private, and the Board has been very open about the need to do this.

The Board of Directors takes account of the NHS Constitution in its decisions and actions, as they relate to service users, the public and staff of Sheffield Health & Social Care NHS Foundation Trust. The principles and values set out in the Constitution are reflected in the organisation's strategy, objectives, vision and values. The Board of Directors is compliant with the principles, rights and pledges set out in the Constitution as they apply to mental health service providers.

3.1.8 Composition of the Board of Directors

Non-Executive Directors

The Board comprises six Non-Executive Directors (including the Trust Chair). During 2015 the terms of Councillor Mick Rooney, Anthony Clayton, Susan Rogers MBE and Mervyn Thomas came to an end. The Nomination and Remuneration Committee proposed to the Council of Governors and they agreed to a one year extension to the terms of Susan Rogers MBE (Vice Chair) and Mervyn Thomas. Mr Thomas replaced Councillor Rooney as the Senior Independent Director with effect from 01 December 2015.

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Following an open recruitment process the Council of Governors appointed Richard Mills to replace Anthony Clayton from 01 December 2015. In accordance with the Trust's Constitution, the Local Authority nominated Councillor Leigh Bramall as a Non-Executive Director, and following a formal interview to determine suitability for the post, the Council of Governors appointed him with effect from 04 January 2016. Further details of the appointment process can be found in Section 3.1.27.

It is the responsibility of the Council of Governors to both appoint and remove Non-Executive Directors. Termination requires the approval of three-quarters of the members of the whole Council of Governors pending a formal process involving a number of rigorous elements and culminating in a vote requiring the approval of three-quarters of the members of the whole Council of Governors.

Executive Team

Five Executive Directors (including the Chief Executive) make up the Board's Executive Team. The Associate Director of Human Resources and the Associate Director of Organisation Development/Board Secretary attend and support the Board but are not members.

An open appointment process was undertaken to appoint substantively to the role of Executive Director of Finance in January 2016. Acting Director, Phillip Easthope was formally appointed. Further details of the appointment process undertaken by the Remuneration and Nomination Committee can be found in Section 3.1.10.4.

All Board members use their expertise, experience and interest to help set the strategic direction of the Trust, as well as to monitor its management and performance. A full list of all the Directors who have served on the Board during 2015/16, including their attendance at the Board's meetings, is set out opposite.

Name	Position	Term	Attendance
Professor Alan Walker CBE	Chair	3 year term ending 30 June 2016	12/12
Susan Rogers MBE	Non-Executive Director and Vice Chair	3 year term ending 30 November 2015 with 1 year extension ending 30 November 2016	10/12
Councillor Mick Rooney	Non-Executive Director and Senior Independent Director	3 year term ending 31 October 2014 with 9 month extension ending 31 July 2015	4/4
Mervyn Thomas	Non-Executive Director and Senior Independent Director	3 year term ending 30 November 2015 with 1 year extension ending 30 November 2016	10/12
Councillor Leigh Bramall	Non-Executive Director	3 year term from 04 January 2016 ending 03 January 2019	2/3
Anthony Clayton	Non-Executive Director	3 year term ending 30 November 2015	8/8
Richard Mills	Non-Executive Director	3 year term from 01 December 2015 ending 30 November 2018	4/4
Ann Stanley	Non-Executive Director	3 year term ending 31 October 2017	11/12
Kevan Taylor	Chief Executive	N/A	11/12
Clive Clarke	Deputy Chief Executive	N/A	11/12
Phillip Easthope	Executive Director of Finance	N/A	11/12
Professor Tim Kendall	Medical Director	N/A	8/12
Liz Lightbown	Chief Operating Officer/ Chief Nurse	N/A	10/12

3.1.9 The Management Team

The Board of Directors delegates the day-to-day management of the operational activities of the Trust to the Executive Directors' Group (EDG). The EDG comprises the Executive Directors, the Director of Human Resources and the Director of Organisation Development/Board Secretary. The EDG meets on a weekly basis to ensure that its delegated duties are appropriately discharged.

3.1.10 Board Committees

The Board has several Committees to whom it delegates authority to carry out some of its detailed work. These are discussed further below.

3.1.10.1 Audit and Assurance Committee

The Audit and Assurance Committee provides independent and objective oversight on the effectiveness of the governance, risk management and internal control systems of the Trust.

The work of the Audit and Assurance Committee also includes:

- Review the establishment and maintenance of an effective overall system of integrated governance, risk management and internal control, across the whole of the Trust's activities (both clinical and non-clinical), that supports the achievement of the Trust's objectives;

- Ensure that there is an effective internal audit function that provides appropriate independent assurance to the Audit and Assurance Committee and Board;

- Ensure that there are effective counter-fraud arrangements established by management that provide appropriate independent assurance to the Audit and Assurance Committee and Board;

- Consider and make recommendations to of the Council of Governors in relation to the appointment, re-appointment and removal of the External Auditor and to oversee the relationship with the External Auditor; and

- Monitor the integrity of the financial statements of the Trust, reviewing significant financial reporting issues and judgements which they contain and review significant returns to regulators and any financial information contained in other official documents including the Annual Governance Statement.

The Audit and Assurance Committee takes assurance from the work of wider Trust and the Quality Assurance Committee that ensures processes are reviewed and exist that allow staff of the NHS Foundation Trust and other individuals where relevant, to raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters. This includes a suite of policies and procedures covering the following:

- Grievance Procedure;

- Bullying and Harassment Procedure;

- Incident Reporting and Investigation Policy;

- Complaints Policy (including Fast-track Process – see section 6.8 of Complaints Policy);

- Safeguarding Adults Policy;

- Safeguarding Children Policy;

- Resolving Differences of Opinion between Practitioners;

- Fraud Policy and Response Plan;

- Clinical Audit.

The Committee's membership comprises all the Non-Executive Directors of the Board (excluding the Trust Chair). The meetings of the Committee are chaired by one of the Non-Executive Directors drawn from its membership. The current Chair is Ann Stanley who took up post on 01 November 2014.

The Committee has met on five occasions during 2015/16 and discharged its responsibilities as set out in the terms of reference. Details of members' attendance at its meetings are as shown in the table below:

Name	Position	Attendance
Ann Stanley	Committee Chair and Non-Executive Director	5/5
Councillor Leigh Bramall	Committee Member and Non-Executive Director (with effect from 04 January 2016)	1/1
Anthony Clayton	Committee Member and Non-Executive Director (up to 30 November 2015)	4/4
Richard Mills	Committee Chair and Non-Executive Director (with effect from 01 December 2015)	1/1
Councillor Mick Rooney	Committee Member and Non-Executive Director (up to 31 July 2015)	3/3
Susan Rogers MBE	Committee Member and Non-Executive Director	5/5
Mervyn Thomas	Committee Member and Non-Executive Director	5/5

Also in attendance at the Committee's meetings are the Executive Director of Finance, the Chief Nurse/Operating Officer, the Foundation Trust Board Secretary, the Deputy Director of Finance, the Head of Integrated Governance and other Executive Directors (except for the Chief Executive) as and when necessary, along with representatives from Internal and External Audit and the Trust's Local Counter-Fraud Specialist.

Significant issues considered by the Committee
The Audit and Assurance Committee have an annual review cycle in place in relation to reviewing and considering the effectiveness and on-going compliance.

The Audit & Assurance Committee met on 20 April 2016 in part to consider the financial statements for the period 2015/16 and as part of the annual review cycle considered the following issues in relation to financial statements, operations and compliance:

- Accounting Policies review for inclusion in the Financial Statements and Annual Report, including the appropriate treatment for Charitable Funds;

- The Going Concern status of the Trust. The Committee agreed that the 2015/16 Annual Accounts be prepared on a "going concern" basis;

- Material Estimates pertinent to the financial statements, including Assets' valuation endorsing the methodology and accounting treatment;

- Due consideration of the organisation's risks and controls, particularly the Board Assurance Framework and Corporate Risk Register;

- Due consideration of the annual Internal Audit report and opinion, and, elements of risk and audit emphasis identified in the External Audit plan, such as the Trust's income; and

- Statutory Financial Statements and Annual Report and Accounts (including the Quality Report) received and approved by the Committee prior to being submitted to the Board of Directors for final approval prior to submission to Monitor.

In relation to the risks and areas of emphasis in the External Audit Plan, KPMG consider the key areas of accounting judgement and disclosure. For each of these areas, the Committee critically reviews and assesses the judgements that have been applied, the consistency of application from year to year and the appropriateness of the relevant disclosures made, together with the compliance with applicable accounting standards. The key areas of accounting judgement and disclosure that has been considered by KPMG are the verification of land and building assets and recognition of NHS and non-NHS income. How this was assessed by the Committee is set out below.

Detail of the verification of land and building assets is contained in the Material Estimates paper considered by the Committee.

The main source of income for the Trust is the provision of healthcare services to the public under contracts with NHS Commissioners. These contracts make up 69% of the Trust's income from activities. The Trust also receives 23% of its income from non-patient care services to other bodies. In order to satisfy itself as to the validity of the income, the Committee has confirmed that the Agreement of Balances exercise for NHS income and the confirmation of non-patient care income have been undertaken on a diligent and comprehensive basis. The Committee has also confirmed that effective income cut-off procedures were applied around the year end.

In relation to the Trust's income, the Committee has been able to place reliance on work undertaken by the External Auditors as part of the work that they have undertaken to enable them to develop their Audit Opinion.

In addition, the Audit and Assurance Committee receives regular updates and feedback in relation to the progress against plan of Internal Audit and Counter Fraud.

Any issues arising were addressed by the Committee and any matter of governance will be incorporated into the Annual Governance Statement.

Impact of the wider Governance review of the Trust Board and Sub-Committees
During 2015/16 the Trust Board commissioned an external review on the effectiveness of the wider sub-committees of the Board. This work was carried out by the Trust`s Internal Audit service provider 360 Assurance, with input from the wider Executive and Non-Executive group.

External Audit
The Trust's External Audit function is carried out by KPMG.

The statutory audit fee for the 2015/16 audit was £48,800 plus VAT. A separate fee is charged in relation to the External Assurance on the Quality Report of £9,000 plus VAT.

The effectiveness of the External Audit function is assessed annually by the members of the Audit and Assurance Committee utilising the methodology provided for such an evaluation by The Audit Committee Institute. For 2015/16 this was carried out as part of the Audit and Assurance Committee's self-assessment questionnaire of members.

Provision of non-audit services by the External Auditor; KPMG have carried out no other services for the Trust during the financial year 2015/16.

Internal Audit
The Trust's Internal Audit function is performed by 360 Assurance. The annual audit plan is derived following an overarching risk assessment and is translated into the annual Operational Plan and a three year Strategic Plan based on:

- The adequacy of our internal controls with particular focus on the assurances placed reliance upon as documented in the Trust's Board Assurance Framework and the Trust's Risk Register;

- Key systems, to ensure that audit coverage and frequency reflect system risk and materiality;

- Strategic objectives and risks;

- Key local and national priorities and risks which may impact the Trust;

- Managed and mandated audit requirements;

- External Audit and Counter Fraud coverage.

A report is taken to every Audit and Assurance Committee meeting detailing progress against the plan and drawing attention to any concerns.

The Audit and Assurance Committee reviewed the performance and value for money of the Internal Audit function during 2015/16.

Both the Internal and External Auditors have the opportunity to meet with Audit and Assurance Committee members in private (without Executives present) to discuss any concerns relating to the performance of management.

Local Counter Fraud
Local Counter Fraud services were provided by 360 Assurance. The role of the Local Counter Fraud Service assists in creating an antifraud culture within the Trust: deterring, preventing and detecting fraud, investigating suspicions that arise, seeking to apply appropriate sanctions and redress in respect of monies obtained through fraud.

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

The Audit and Assurance Committee also received and reviewed the Trusts revised Anti–Bribery Policy and Whistleblowing Policy and procedures during 2015/16.

Conclusion
Following a review of the findings and outcome of the Committee's 2015/2016 self-assessment process, the Committee is assured that it has performed well during the year against its remit and terms of reference; made progress against previously identified areas for improvement and has been able to provide the appropriate level of assurances to the Board.

3.1.10.2 Quality Assurance Committee
In response to the recommendations contained in the Francis Report (on the service failures at Mid-Staffordshire NHS Foundation Trust), the Board established another Committee known as the Quality Assurance Committee and appointed Mervyn Thomas to be the Committee's Chair.

This Committee started operating from April 2011. It is responsible for providing assurance to the Board on the effectiveness of the Trust's systems and processes for safeguarding and improving the quality of the Trust's services. Members of the Committee include all the Non-Executive Directors (except for the Trust Chair), the Executive Medical Director, the Chief Nurse/Chief Operating Officer, the Executive Director of Finance and the Deputy Chief Executive.

Also in attendance at the Committee's meetings are the Director of Organisation Development/Board Secretary, who serves as the secretary to the Committee, the Head of Integrated Governance, the Director of Planning and Performance and a representative of NHS Sheffield Clinical Commissioning Group, the main Commissioners of the healthcare services which the Trust provides. Other people, including senior members of staff within the Trust attend as and when required to do so by the Committee.

The Committee met on 10 occasions in the course of 2015/16 and details of members' attendance at its meetings are shown in the table below:

Name	Position	Attendance
Mervyn Thomas	Committee Chair and Non-Executive Director	10/10
Anthony Clayton	Committee Member and Non-Executive Director (up to 30 November 2015)	5/6
Richard Mills	Committee Member and Non-Executive Director (with effect from 01 December 2015)	4/4
Susan Rogers MBE	Committee Member and Non-Executive Director	10/10
Councillor Mick Rooney	Committee Member and Non-Executive Director (up to 31 July 2015)	2/3
Ann Stanley	Committee Member and Non-Executive Director	10/10
Clive Clarke	Committee Member and Deputy Chief Executive	9/10
Phillip Easthope	Committee Member and Executive Director of Finance	10/10
Professor Tim Kendall	Committee Member and Executive Medical Director	0/10
Liz Lightbown	Committee Member and Chief Nurse/Chief Operating Officer	6/10

3.1.10.3 Finance and Investment Committee

The Finance and Investment Committee of the Board maintains oversight of the Trust's financial processes and quarterly submissions on the Trust's financial performance to Monitor, the independent regulator for NHS Foundation Trusts. The Committee ensures that the Trust's finances are managed within the allocated resources in order to deliver an effective and efficient service.

The Committee's membership comprises both Non-Executive and Executive Directors. Also in attendance at the Committee's meeting are the Deputy Director of Finance and the Director of Organisation Development/Board Secretary. The Chair of the Committee was Anthony Clayton up until the end of his term. The current Chair Richard Mills came into post on 01 December 2015 and will chair the meeting going forward.

The Committee met on 12 occasions during 2015/16 and Committee members' attendances at its meetings are as shown in the table below:

Name	Position	Attendance
Anthony Clayton	Committee Chair and Non-Executive Director (up to 30 November 2015)	8/8
Richard Mills	Committee Chair and Non-Executive Director (with effect from 01 December 2015)	4/4
Susan Rogers MBE	Committee Member and Non-Executive Director	12/12
Ann Stanley	Committee Member and Non-Executive Director	12/12
Mervyn Thomas	Committee Member and Non-Executive Director	12/12
Clive Clarke	Committee Member and Deputy Chief Executive	11/12
Phillip Easthope	Committee Member and Executive Director of Finance	11/12
Liz Lightbown	Committee Member and Chief Nurse/Chief Operating Officer	6/12

3.1.10.4 Remuneration and Nominations Committee

The Remuneration and Nominations Committee of the Board of Directors comprises the Non-Executive Directors. The Committee is chaired by Professor Alan Walker CBE, the Trust Chair.

The Committee is responsible for determining the remuneration and terms and conditions of service of the Executive Directors (including the Chief Executive) in order to ensure that they are properly rewarded having regard to the Trust's circumstances.

Full details of the Remuneration and Nominations Committee are provided in Section 3.1.27 of this report.

3.1.10.5 Workforce and Organisation Development Committee

The Workforce and Organisation Development Committee was established as a Board Committee in 2013/14. It is responsible for providing assurance to the Board on the effectiveness of the Trust's systems and processes for supporting employees in the provision and delivery of high quality, safe service user care and ensuring that the Trust is meeting its legal and regulatory duties in relation to its employees.

The Workforce and Organisation Development Committee of the Board of Directors comprises Non-Executive Directors and Executive Directors. The Committee is chaired by Susan Rogers MBE, the Trust Vice Chair.

The Director of Human Resources and the Director of Organisation Development/ Board Secretary attend the Committee's meetings to provide advice and professional support to its members.

The Committee met on five occasions during 2015/16 and Committee members' attendance at its meetings are as shown in the table opposite:

Name	Position	Attendance
Susan Rogers MBE	Committee Chair and Non-Executive Director	5/5
Councillor Mick Rooney	Committee Member and Non-Executive Director (up to 31 July 2015)	2/2
Ann Stanley	Committee Member and Non-Executive Director	5/5
Mervyn Thomas	Committee Member and Non-Executive Director	3/3
Clive Clarke	Committee Member and Non-Executive Director	5/5
Phillip Easthope	Committee Member and Executive Director of Finance	3/5
Professor Tim Kendall	Committee Member and Executive Medical Director	0/5
Liz Lightbown	Committee Member and Chief Nurse/Chief Operating Officer	4/5

3.1.11 Executive and Non-Executive Directors' qualifications and experience

Professor Alan Walker CBE
BA (Hons), D.Litt, Hon D. Soc Sci, FBA, ASS, FRSA
Chair

Professor Walker CBE is a widely celebrated and published academic in social policy and social gerontology with a very high global standing. He has extensive experience in the health service having served as a Non-Executive Director, Vice Chair and Chair in Community Health Sheffield NHS Trust and Sheffield Care Trust.

His wide academic and NHS Board-level experience give him an intimate understanding of the challenges which the Trust must face to meet the needs of the people who use its services. This experience is a highly valued part of Professor Walker's ability to lead the Board in setting the organisation's priorities.

The appointment of Professor Walker for a term of three years from 01 July 2013 followed a rigorously competitive recruitment and selection process. It also demonstrates the Council of Governors' confidence in his ability to provide outstanding leadership to the Board and the Council.

Professor Walker served as the Trust's initial Chair from 01 July 2008 (for a term of one year which was extended for another period of 12 months). He was appointed for a first full term of three years from 01 July 2010 by the Council of Governors, also following a rigorously competitive recruitment and selection process.

Among many other academic awards that he has received, Professor Walker is the recipient of both the Social Policy Association's Lifetime Achievement Award (2007) and the British Society of Gerontology's Lifetime Achievement Award (2007).

Professor Walker was appointed the Commander of the British Empire (CBE) by the Queen in 2014 for his services to social science.

Tenure of office: 01 July 2013 to 30 June 2016.

Susan Rogers MBE
BA (Hons) History, Certificate of Education
Non-Executive Director
(Vice-Chair) (Chair of the Workforce and Organisation Development Committee)

Susan Rogers MBE had extensive experience in the teaching profession, as well as industrial relations. She has served at the highest level of NASUWT (National Association of Schoolmasters Union of Women Teachers), the largest teachers' trade union in the United Kingdom, both as President and Treasurer.

From 2005 to 2009, Susan served as the Chair of AQA (Assessment and Qualifications Alliance), the largest unitary awarding body for public examinations in the United Kingdom.

Susan was awarded an MBE for her services to the Trade Union movement. She previously served as a member of the Employment Tribunals and continues to work for international solidarity for trade union development in Iraq.

Susan served a three year term as a Non-Executive Director from 2009 to 2012. Following the advertisement of the post on the NHS Jobs website, the Nominations and Remunerations Committee formally interviewed her for the post and recommended that she be appointed as a Non-Executive Director of the Trust. The Council accepted this recommendation and appointed Susan for a further term of three years with effect from 01 December 2012. The Nomination and Remuneration Committee proposed to the Council of Governors and they agreed to a one year extension to the term of Susan to 30 November 2016.

Her appointment has enhanced the Board's ability to address the organisation's human resource needs and its strategic capacity in general.

Tenure of office: 01 December 2012 to 30 November 2015.
Extended to 30 November 2016.

Councillor Leigh Bramall
BSc(Hons) Communications and Society
Non-Executive Director

Leigh Bramall is Deputy Leader of Sheffield City Council, and Cabinet Member for Business, Skills and Development, leading on economic development in England's fourth largest city. He is chairperson of the Sheffield Work and Skills Board and a member of the city's Science and Innovation Board.

Graduating in media research at Leicester University with a BSc (Hons) Communications and Society, Leigh then spent two years working in English Language education in Japan before moving to London to work in business-to-business public relations in the property industry. He subsequently returned to his home town of Sheffield to head up European Corporate Public Relations at leading engineering simulation software provider, ANSYS Inc. At the same time he entered local politics, becoming a city councillor in 2004 and currently represents the Southey Ward. Most recently, he worked in communications and research for a Member of the European Parliament up to 2011 prior to taking on a senior political role in Sheffield. He took on the lead role for economic development in May 2012.

Tenure of Office: 04 January 2016 to 03 January 2019.

Anthony Clayton
MBA, MSc in Marketing Practice, DMS Postgraduate Diploma in Management Studies, DCR Diploma to the College of Radiographers
Non-Executive Director (Chair of the Finance and Investment Committee)

Anthony Clayton was appointed with effect from 01 September 2009 for a term of three years. He brings to the Board the benefit of his extensive commercial experience gained from working at senior managerial and directorship levels in organisations operating in domestic and international healthcare markets.

His strong commercial flair and outlook have added strength to the Board's ability to reap the commercial advantages which Foundation Trust status offers. Tony Clayton's commercial strengths are buttressed by his firm academic credentials, being a holder of a Master of Business Administration (MBA) Degree, a Master of Science Degree in Marketing Practice, a Postgraduate Diploma in Management Studies and a Diploma to the College of Radiographers.

In March 2013 Tony was appointed as an independent auditor on the Joint Independent Audit Committee, South Yorkshire Police, for a term of three years.

Tony served a three year term as a Non-Executive Director from 2009 to 2012. Following the advertisement of the post on the NHS Jobs website, the Nominations and Remunerations Committee formally interviewed him for the post and recommended that he be appointed as a Non-Executive Director of the Trust. The Council accepted this recommendation and appointed Tony for a further term of 3 years with effect from 01 December 2012.

Tenure of office: 01 December 2012 to 30 November 2015.

Richard Mills
BSc Environmental (Town) Planning, Diploma in Health Service Management
Non-Executive Director (Chair of the Finance and Investment Committee)

A Director with over 35 years senior management experience in the NHS, Charitable, Independent and Public Sector organisations (including Board level positions in NHS organisations), Richard Mills was appointed as a Non-Executive Director of the Foundation Trust with effect from 01 December 2015.

Richard was an NHS Manager and Director from 1979-2012, working in the London and Thames Valley Hospital, Health Authority and Primary Care Trust levels. Richard was the Chief Executive of Intensive Care National Audit and Research Centre (ICNARC) 2014-2015 and has been a management consultant since 2012. Richard's expertise is invaluable to the Board, where he currently serves as Chair of the Finance and Investment Committee.

Tenure of office: 01 December 2015 to 30 November 2018.

Councillor Mick Rooney
Non-Executive Director
(Senior Independent Director)

Councillor Mick Rooney was appointed as an initial Non-Executive Director of the Trust when it attained Foundation Trust status on 01 July 2008. He was reappointed to serve for a further term of three years in 2011. As a serving Councillor for Sheffield City Council, he brings to his role a wealth of experience in local government. He is actively involved in the work of other bodies that seek to promote the health and well-being of the people of Sheffield.

Councillor Rooney is currently the Chair of the Health and Community Care Scrutiny Board and a member of the South East Local Area Panel. Councillor Rooney was a member of Cabinet for nine years. He served two years as Cabinet Member for Communities, one year as Cabinet Member for Social Inclusion and six years as Cabinet Member for Social Services/Adult Services.

His extensive experience in dealing with health and social care issues has given him an excellent understanding of the breadth of the Trust's services. He was able to use this experience to help shape the strategic direction of the Trust.

Tenure of office: 01 November 2011 to 31 October 2014. Extended to 31 July 2015.

Ann Stanley
FCCA
Non-Executive Director (Chair of the Audit and Assurance Committee)

A qualified accountant by profession, Ann Stanley was appointed as a Non-Executive Director of the Foundation Trust with effect from 01 November 2014.

Ann has served as a senior Finance Executive in the public, voluntary and commercial sectors. Her varied skillset and experience includes working in Brussels for the European Communities (she is a fluent French speaker) and in London for the BBC. She is presently a Non-Executive Director for a leading Housing Association based in Lincolnshire where she chairs the Audit and Risk Committee. Her strong career track record is supported by her Fellowship of the Chartered Institute of Certified Accountants (FCCA). Ann's financial expertise is invaluable to the Trust Board, where

she currently serves as Chair of the Audit and Assurance Committee and a member of the Finance and Investment Committee.

Tenure of office: 01 November 2014 to 31 October 2017

Mervyn Thomas
BA (Hons) Politics, MA Social Policy, CQSW (Certificate in the Qualification of Social Work), FRSA
Non-Executive Director (Chair of the Quality Assurance Committee)

Appointed with effect from 01 September 2009 (for a term of three years), Mervyn Thomas brings a wealth of experience from the health and social care sectors, giving him a perfect fit with the strategic needs of the Trust.

His experience as a serving Non-Executive Director in other health organisations and his role as Chairman of the South Yorkshire Probation Trust is complemented by his extensive past experience at senior managerial levels in local government. Mervyn Thomas holds a Bachelor of Arts Degree in Politics, a Master of Arts Degree in Social Policy and a Certificate of Qualification in Social Work. He is a Fellow of the Royal Society of the Arts.

Mervyn served a three year term as a Non-Executive Director from 2009 to 2012. Following the advertisement of the post on the NHS Jobs website, the Nominations and Remunerations Committee formally interviewed him for the post and recommended that he be appointed as a Non-Executive Director of the Trust. The Council accepted this recommendation and appointed Mervyn for a further term of three years with effect from 01 December 2012. The Nomination and Remuneration Committee proposed to the Council of Governors and they agreed to a one year extension to the term of Mervyn to 30 November 2016.

Tenure of office: 01 December 2012 to 30 November 2015. Extended to 30 November 2016.

Kevan Taylor
BA (Dual Honours) Degree in Sociology and Social Administration
Chief Executive

Appointed as the Trust's initial Chief Executive with effect from 01 July 2008, Kevan Taylor has a firm base of NHS executive directorship experience.

Prior to his appointment as the Trust's Chief Executive, he served as the Chief Executive of the predecessor Trust. He led the Trust through its achievement of both Care Trust and Foundation Trust status. He also served as Director of Commissioning of the Sheffield Health Authority. Kevan has a background as a practitioner in Social Care and as a Local Authority Manager.

Kevan has a particular commitment to integrated care across Sheffield, previously leading the Right First Time Partnership and currently Chairing the Joint Provider Executive. As a former social care practitioner he is keen to ensure strong integration with social care and increasing partnership with primary care.

Kevan established the partnership link between mental health services in Sheffield and services in Gulu, Northern Uganda. This link is now very well established and many colleagues from Uganda have spent time in Sheffield funded by the Commonwealth Fellowship programme. Sheffield and Gulu are keen to develop this partnership further and share the mutual lessons and benefits.

Kevan has coached and managed junior football and serves as a Club Welfare Officer at Hallam and Redmires Rangers Junior Football Club.

Clive Clarke
Diploma in Social Work (CQSW)
Deputy Chief Executive

Clive Clarke was appointed as an initial Executive Director of the Trust with effect from 01 July 2008. A qualified nurse and social worker, Clive Clarke brings the benefit of more than 29 years' experience in health and social care provision. He has served as Director of Adult Mental Health Services and as Head of Social Services in Sheffield Care Trust.

Since November 2012 Clive took on the role of Deputy Chief Executive Designate with responsibility for Planning and Performance, Commercial Relations, Estates, IT (which includes information governance) and Clinical and Corporate governance, a responsibility he shares at Board Level with Professor Tim Kendall. The new role enables Clive to continue to drive the closer working relationship between clinical services and corporate/support services with the aim of improving service quality. Since March 2013 Clive has been the Deputy Chief Executive.

Clive was a participant in the 2001 King's Fund Top Managers Leadership Programme.

Phillip Easthope
FCCA, BA (Hons) Accounting and Management Control
Executive Director of Finance

Phillip was appointed as the Trust's Executive Director of Finance on 08 January 2016, following a period as the Trust's Interim Executive Director of Finance from 23 March 2015. Prior to his appointment, he was the Trust's Deputy Director of Finance since 2012 and has over 12 years' experience in NHS finance. Phillip is a Fellow of the Association of Chartered Certified Accountants and has completed the NHS Strategic Financial Leadership Programme.

Professor Tim Kendall
MB ChB, B Med Sci, FRC Psych.
Executive Medical Director

Professor Tim Kendall was appointed as the Trust's initial Executive Medical Director with effect from 01 July 2008 when the organisation attained Foundation Trust status. Prior to that, he served as Executive Medical Director of Sheffield Care Trust since 2003 and has practised as a Consultant Psychiatrist within Sheffield Care Trust (and, subsequently, the Foundation Trust) since 1992. He is also Director of the National Collaborating Centre for Mental Health (NCCMH) at the Royal College of Psychiatrists, and visiting Professor at University College London.

Professor Kendall previously chaired the first National Institute for Health and Clinical Excellence (NICE) guideline launched in December 2002 on the management of schizophrenia. Since then, the NCCMH has produced more than 20 NICE guidelines covering most of mental health. Professor Kendall has a national and international

reputation and some of his work has been adopted in other countries, including the United States of America (specifically California), Spain, Italy, Turkey, Georgia, South Korea, the Netherlands and others. Professor Kendall chaired the first National Quality Standard (Dementia), and has carried out work with NICE International in Turkey and Georgia, which represents the first NICE guideline and quality standard developed outside the UK.

His work extends to Holland and other European countries where he collaborates on the production of international guidelines. He has published articles and papers in a range of medical, scientific and social science journals, magazines and other publications and is Associate Editor of the British Journal of Psychiatry. He also represents the NCCMH, NICE or the Royal College of Psychiatrists in the media. In 2004, Professor Kendall, along with others from the NCCMH, was awarded the "Lancet Paper of the Year" for publishing work on Selective Serotonin Reuptake Inhibitors (SSRIs) and the Treatment of Childhood Depression and the negative impact of drug companies withholding data in the treatment of depressed children. He has also won the Value in Health Paper of the Year Award (2011) for work on the health economics of treating schizophrenia with medication.

More recently, Professor Kendall has worked with the Organisation for Economic Co-operation and Development (OECD) helping with a review of mental health across all OECD countries, including an in-depth review of mental health services in South Korea. Since January 2014 he has led the implementation of Achieving Better Access for Mental Health on behalf of NHS England and has, this year, been given the lead role for the Safe, Effective and Compassionate staffing initiative by NHS England, a direct response to the Francis Report. Both of these programmes will run over four years. He is currently on the Care Quality Commission Expert Panel for Mental Health and has chaired one of the pilot inspections of NHS Trusts. He is on the Mental Health Payment System Steering Group for the Department of Health and also the Expert Reference Group for Common Mental Health Disorders. He is also a member of the Royal College of Psychiatrists' Council. Professor Kendall was awarded a Gold National Clinical Excellence Award in 2015. His clinical work is as Consultant Psychiatrist for homeless people in Sheffield.

Liz Lightbown
Registered Mental Health Nurse (RMN), BSc (Hons) Behavioural Science, MSc Health Planning and Financing, Diploma in Public Health,
Chief Nurse/Chief Operating Officer

Liz Lightbown joined the Trust on 21 April 2010, initially on secondment. She was subsequently appointed on a permanent basis in April 2011. She is a Registered Mental Health Nurse and holds a Bachelor of Science Degree in Behavioural Sciences, a Masters Degree in Health Planning and Financing, and a Diploma in Public Health. She was a participant on the King's Fund National Nursing Leadership Programme and is Prince 2 (Project Management) qualified.

Liz is the Trust's Chief Nurse, Executive Lead for Health Professions (non-medical), Director of Infection Prevention and Control (DIPC) and Executive Lead for Safeguarding Adults and Children. Since April 2012 Liz has been the Executive Lead for the Trust's International Health Partnership with Gulu Regional Referral Hospital in Northern Uganda and in November 2012 became the Trust's Chief Operating Officer.

3.1.12 Directors' interests

Under the provisions of the Trust's Constitution and the Board of Directors' Standing Orders, we are required to have a register of interests to formally record declarations of interests made by 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.

Members of the Board of Directors must declare any interests which might create, or be seen to create a conflict or potential conflict between their personal or private interests and those of the organisation or their duties as members of the Board of Directors. They are also required to declare any conflicts of interest that arise in the course of conducting Trust business, specifically at each meeting of the Board.

The Register of Interests is maintained by the Foundation Trust Board Secretary and is available for inspection by members of the public on request.

Please submit any requests to the Board Secretary by ringing **0114 2716310** or e-mail communications.shsc@shsc.nhs.uk.

3.1.13 Board Evaluation

There were six Board development sessions during 2015/16 across the full spectrum of the Board's responsibilities: quality improvement, strategy development and governance.

The Board has committed significant amount of time to learning the lessons from the CQC inspection, identifying what it required in terms of systems, processes and culture and climate to ensure that adherence to quality standards is consistently at the level of the best within the Trust. This has included a review of the operation of the Quality Assurance Committee and the development of a Quality Strategy.

In recognition of the complexity and change in the external environment, the Board has dedicated significant time to reviewing its strategy in the light of external changes both in Board meetings and at dedicated development sessions. The development of strategy has focussed on both the whole system in the city including the interface with primary and acute care, as well as the future development of the Trust's services.

The Board has placed a particular focus on strengthening its governance processes this year, supported by input from its governance advisors. As well as a review of the operation of the Board sub-committees as part of the annual audit programme, the Board has dedicated two sessions to improving understanding of the regulatory environment and risk and compliance requirements. The second session was held jointly with the Governors, and a number of areas for improvement in how Governors discharge their responsibilities in relation to holding Non-Executive Directors to account for the performance of the Board were identified.

Non-Executive Directors' appraisals took place to which the Council of Governors were individually invited to comment on the performance of each Non-Executive Director. This information was fed into the appraisal process in which the Lead Governor played a key role.

The Chair appraisal process began at the end of 2014/15 and concluded early in 2015/16. The process was led by the Senior Independent Director in collaboration with the Lead Governor. This was a rigorous process of assessment and included feedback from all Board members. In addition, all members of the Council of Governors were invited to individually comment on the Chair's performance.

The evaluation of the performance of the Executive Directors was carried out by the Chief Executive during his monthly one-to-one meetings and annual reviews with them.

As stated in Section 3.2, the evaluation of the Chief Executive's performance was carried out by the Trust Chair in his one-to-one meetings with the Chief Executive. The performance of the Chief Executive, Executive Directors, the Director of Human Resources and the Director of Organisation Development/Board Secretary was also discussed in detail by the Remuneration and Nominations Committee.

The Board is satisfied that the composition of its membership is balanced, complete and appropriate and this can be seen in the biographical details of Board members as set out above.

3.1.14 Overview of the arrangements in place to govern service quality

In order to ensure quality, the Trust's governance arrangements are summarised as follows:

- *Board of Directors.* Sets the Trust's strategic aims and ensures the necessary supporting strategies, operational plans, policy frameworks and financial and human resources are in place for the Trust to meet its objectives and review its performance;

- *Quality Assurance Committee.* Brings together the governance and performance systems of the Trust in respect of quality. The Committee provides oversight of the Trust systems in respect of quality, risk management arrangements. The Committee is informed by the work of a range of committees that oversee Trust systems and performance in respect of key matters relating to quality and safety, for example Control of Infection Committee, Safeguarding Adults and Children Committees, Mental Health Act Committee;

- *Audit and Assurance Committee.* Reviews the existence and maintenance of an effective system of integrated governance, risk management and internal control Trustwide;

- *Executive Management Team.* Oversees the operational functioning and delivery of services and programme management oversight of key transformation and improvement projects;

- *Systems of Internal Control.* A range of policy frameworks and internal controls are in place to protect and assure the safety of care and treatment and the delivery of quality care in line with national policy and legislation. These range from Policy statements of the Trust (eg. Mental Health Act Policies), Risk Registers at service and Trustwide level and the Board Assurance Framework.

The Trust triangulates service performance across a range of indicators relating to care standards, quality, workforce and finance at service, Directorate and Trustwide level. Further developments are to be made within 2016/17 to enhance our performance management frameworks through effective business information systems. The Board's monthly and annual performance reporting processes ensure that the Executive Management Team are able to scrutinise and manage the operational performance of services and the Board to maintain overall oversight on the performance of the Trust. On an established quarterly cycle, the performance of all services are reviewed through Directorate-level Service Reviews. The Executive Team reviews with each operational Directorate their performance against planned objectives.

The above framework ensures that the Board of Directors is able to monitor and evaluate the performance of the Trust and its services and to initiate improvement actions were required. Following the CQC Inspection report in June 2015 the Trust has reviewed and updated its Quality Improvement and Assurance Strategy. This was approved by the Board with an action plan to ensure a range of improvements are made over the next year to further strengthen our approach to quality governance. More information about our strategy is provided in the Quality Report in Section 4.

The following information is publicly available which provides more information about quality governance arrangements within the Trust:

- *Annual Governance Statement.* Formal statement from the Board that defines the systems and processes in pace across the Trust. See Section 3.7.
- *Corporate Governance Statement.* Formal statement from the Board which is published annually by the Board as part of its self-certification of its plans for the future.
- *Board Assurance Framework.* Defines the controls and actions in place to assure the Board that risks to the delivery of goals and objectives are in place and monitored. Available on the Trust's website.
- *Board Performance reports.* A range of monthly and quarterly reports defining current performance. This will include the monthly progress report of the action plan following the CQC inspection. These are available in the Board Section of the Trust's website.
- *Quality Improvement and Assurance Strategy.* Available on the Trust's website.
- *Quality Improvement and Assurance Strategy Action Plan.* Available on the Trust's website.

3.1.15 Information about the care we have provided
Our Quality Report, in Section 4, provides a range of information about:

- Our performance against key healthcare targets and other information about how we have performed in respect of safety, effectiveness;
- The findings from the CQC inspection of our services and the actions we have taken;
- Feedback received from other regulators or significant interested parties and actions we have taken;
- Progress we have made in delivering targets we agreed with our main Commissioners;
- Our audit and research activities;
- Improvements in information provided to service users or members of the public;
- Information about complaints and how we have responded to complaints.

Section 3.1.16 of this Annual Report provides an overview of developments across the different services we provide.

3.1.16 Our Services – A Year in Review

Changing Culture and Challenging Stigma
We have signed up to the Sheffield Fair Employer Charter. This is a voluntary code of practice which promotes positive health and wellbeing among the Sheffield workforce and is part of the Our Fair City Campaign (launched by Sheffield's Fairness Commission - a cross-party group of political, business, community and religious representatives led by the Sheffield Executive Board). As an organisation we are proud to pay the real Living Wage to our staff – this is part of our commitment to fairness.

As part of our ongoing commitment to tackling mental health stigma and discrimination, we proudly signed the Time to Change Organisational Pledge at February 2016's Board of Directors' meeting. We want to help break the silence and end the stigma around mental health. Mental health problems affect 1 in 4 people every year and 9 in 10 of those experiencing a mental health problem say they have faced negative treatment from others as a result. While we know that mental health services are only a part of the many and varied services we provide, every service user and every member of staff may be affected by mental health problems, either their own or those of a family member or friend. They may also be affected by the stigma which still, sadly, surrounds mental health. That's why we have signed the Time to Change organisational pledge and devised an action plan to help us to do our part to help challenge mental health stigma.

We renewed our 'Two Ticks' standard (to encourage job applications from disabled people) and maintained our action plan to support the Trust as a Mindful Employer.

We held our first Compassionate Care Conference with Professor Paul Gilbert as the key note speaker. Demand for attendance was very high, therefore, all the presentations were recorded so that staff who were not able to attend could watch them at their convenience. The presentations of examples of compassionate care across the Trust were very helpful and the input from our experts by experience were extremely powerful and inspirational.

To assist us in ensuring that our values remain at the heart of everything we do we have introduced Values Based Recruitment (VBR) whereby the organisational values are at the heart of the recruitment criteria. This supports hiring people who are aligned to the organisational values. This year we have been developing values based recruitment interviewing. The pilot took place during August 2015, and lessons learnt were evaluated, ready full implementation from January 2016. All new roles are advertised on the basis of values based attraction, new templates for job descriptions, person specification and adverts have been designed, and interviews taking place will have 50% of the scoring based on values.

We signed the Armed Forces Corporate Covenant. The Covenant is a commitment to support current and former members of the Armed Forces. The key principles are that no member should face disadvantage in the provision of public services compared to any other citizen and that in some circumstances, special treatment may be appropriate especially for the injured or bereaved.

Over the course of the year, our Learning Disability Service has worked closely with experts from the British Institute of Learning Disabilities (BILD) to further develop our workforce in the area of Positive Behaviour Support (PBS). PBS is a values based, holistic approach which focuses on improving the quality of life of people whose behaviour challenges services. It does this by putting the service user and their needs at the centre of planning. A large cohort of staff completed training covering 'Introduction to PBS' and 'Next Steps to PBS' with a final cohort of 10 staff completing the intense 'PBS Coaches Course'.

We received funding to undertake the Innov8 Project. This project is part of the regional leadership and organisational development strategy of Health Education Yorkshire and the Humber. Innov8 aims to increase the diversity of NHS leaders, particularly in senior roles and increase the number of inclusive leaders in organisations. The Trust Innov8 project is focusing on mentoring from staff at all levels across the Trust. Five Board

Members are involved with the project, along with five members of staff in senior positions.   This is an exciting development as there is a connection between diversity and inclusion and creating the right culture to achieve quality care within the NHS.

Inspections and assessments

The Trust was inspected by the Care Quality Commission (CQC) in October and November 2014 as part of the CQC's comprehensive inspection programme. The inspection team looked at the Trust as a whole and in more detail at ten core services (including in-patient mental health wards and community-based mental health, crisis response and learning disability services) and six social care services. The CQC inspection reports were published in June 2015 and our overall rating is 'requires improvement'.

While we are disappointed with the outcome, we were pleased to note that the inspectors found many areas of good practice and received many positive comments about care from service users and carers, highlighting that our staff, treat service users with 'kindness, dignity and compassion'.

The inspectors found many areas of good practice and, in particular both staff and services, received many positive comments about care from service users and carers and were identified as being caring and responsive. Our secure service at Forest Lodge received an 'outstanding' rating. The service continues to deliver high quality care and meet all the national commissioning requirements.

Four services were rated as 'good' (wards for older people with mental health problems, community based mental health services for older people, mental health crisis services and health based places of safety and supported living at Mansfield View).

However, there were a number of areas where the inspectors found some issues about the way we provide services, particular areas of concern were identified in some services. Issues were raised in respect of safety and effectiveness across the Trust, including medicines management and staffing levels in certain areas.

Some of the concerns raised were already areas identified by our quality improvement plans and it is important to note that the inspection took place in October 2014. We have already taken a number of actions to improve services and this work continues.

The Intensive Support Service (ISS) at Firshill Rise was re-inspected by the Care Quality Commission. When the ISS was originally inspected in 2014 it was rated as 'inadequate'. Following re-inspection in June 2015 the rating was changed to 'requires

improvement' although the rating for the caring domain is now 'good'. Intensive work continues to take place to drive service improvements.

The Care Quality Commission rated Buckwood View Nursing Home (for people with a learning disability) as 'good' in every domain and as 'good' overall.

The Care Quality Commission also rated the service at Birch Avenue Nursing Home (which is run in partnership with South Yorkshire Housing Association) as 'good' overall.

The Mulberry Practice, which provides health care services for people living in Sheffield who are seeking asylum in the UK, homeless or living in temporary or unstable accommodation, was cited in an article on good practice by the Care Quality Commission. This is a great testament to the team's commitment to providing a high quality, holistic service to this very vulnerable population.

The Care Quality Commission undertook a review in Sheffield of looked after children and safeguarding. On the whole there were a number of areas of positive practice that the reviewers noted in adult mental health and substance misuse. They noted that our services take a whole family approach, with children in the household being recorded on the front page of the insight recording system - an area of practice which the Trust's Safeguarding Team have been promoting in training over the last few years.

Our Memory Service was accredited as 'excellent' by the Memory Service National Accreditation Programme (MSNAP), Royal College of Psychiatrists.

We began planning accreditation for our Perinatal Mental Health Service, Liaison Psychiatry Service and G1 Ward (dementia assessment ward) with the aim of securing accreditation for all three services in 2016/17.

Our ECT Department has achieved a continued excellence rating from ECTAS (the regulatory body). We are proud of this achievement. There continues to be good joint working with anaesthetists from the general hospital to safely assess service users and deliver treatments. The team has also introduced daily planning and debriefing session which are proving beneficial.

Our GP Practices continue to achieve high standards in Quality Outcome Framework and the key performance indicators which monitor clinical performance. Our GP Practices continue to provide consistent enhanced service delivery to maintain current standards as well as looking for opportunities to increase provision and income.

Our Learning Disability Service was identified as a national leader in best practice according to the latest Prescribing Observatory for Mental Health (POMH-UK) audit of anti-psychotic prescribing (POMH-9c) within learning disabilities. POMH-UK aims to help specialist mental health Trusts/healthcare organisations improve their prescribing practice. Our learning disability psychiatry service led by Dr Murray and a team of specialist nurses delivered 'best in the country' results against a number of quality standards related to excellent prescribing practice and monitoring physical health and side effects.

The General Pharmaceutical Council undertook an announced inspection of our Pharmacy Services. The inspection assessed the service as satisfactory and no improvement actions were required.

We were encouraged by the results of the Care Quality Commission's mental health survey. The questionnaire was sent to 850 service users who receive community mental health services and responses were received from 281. We scored about the same as other mental health Trusts in every category except for service users knowing who to contact out of office hours if they have a crisis. Additional work has taken place to advertise the options open to service users out of hours should they need to access support and help.

Our results for PLACE 2015 compare very well with the national average scores. PLACE (Patient Led Assessment of the Care Environment) is a national self-assessment process for assessing the quality of the hospital environment and covers cleanliness, food and hydration, privacy, dignity and wellbeing, and condition, appearance and maintenance in areas which are accessible to service users and the public. At least 50% of each assessment team is made up of service users. We scored well above the national average on most domains, in particular on ward food, privacy, dignity and wellbeing and condition, appearance and maintenance. We also scored well for sites which cater for people with dementia.

We achieved accreditation under CHAS (Contractors Health & Safety Assessment Scheme). CHAS is a pre-approved accreditation scheme which supports organisations tendering for contracts to demonstrate compliance with important aspects of health and safety law. Having this accreditation will enable us to be much better placed to respond to contract opportunities especially from Local Authorities who are increasingly requiring CHAS as part of their bid qualification process. We understand that we are one of only a handful of NHS Trusts in the UK to have achieved CHAS compliance.

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The Nursing and Midwifery Council undertook a monitoring event at Sheffield Hallam University in respect of their pre-registration mental health and learning disability nurse education programmes. As part of the event, the monitoring team visited several of our placement areas and met with mentors, students and service users. The Nursing and Midwifery Council found that the university met the outcomes that they were judged against in five areas and in two further outcomes they identified only minor amendments. Thanks to the work of the Learning Environment Managers and mentors from across the Trust we were able to demonstrate that we met all outcomes we were judged against.

New Services and Developments

We opened our new Psychiatric Intensive Care Unit (Endcliffe Ward). The building work was undertaken by Interserve who won the contract through a competitive tender process. The wonderful new building was designed by P+HS Architects who have remained closely involved through all stages of the project. The new building is a testament to the hard work and commitment of so many staff, our partners and service users working together. It will provide a safe, welcoming, healing environment that we can be proud of. The new unit has three separate outdoor spaces for service users as well as de-escalation and sensory room. It also has a prayer room and more spaces for activities.

As well as the new unit design we have been developing working practices to ensure least restrictive practice and to ensure we make the best use of the excellent new environment. We have had extremely positive feedback from service users and staff about the unit. At a recent focus group service users described how much better the new unit is and they identified that there had at that time (three weeks after the move), been no use of the seclusion facilities. Service users also described how is easier to avoid confrontation on the new unit due to increased size and available activity spaces.

Our CERT Team (Community Enhancing Recovery Team) celebrated their first anniversary in July 2015. During their first year they helped 12 service users to return to live independently in Sheffield. Now, more than 20 service users have returned to their home city to live independently in their own tenancy, with intensive support. This has been achieved through effective partnership with South Yorkshire Housing and there has been a reduction in bed night use by CERT service users of over 99%.
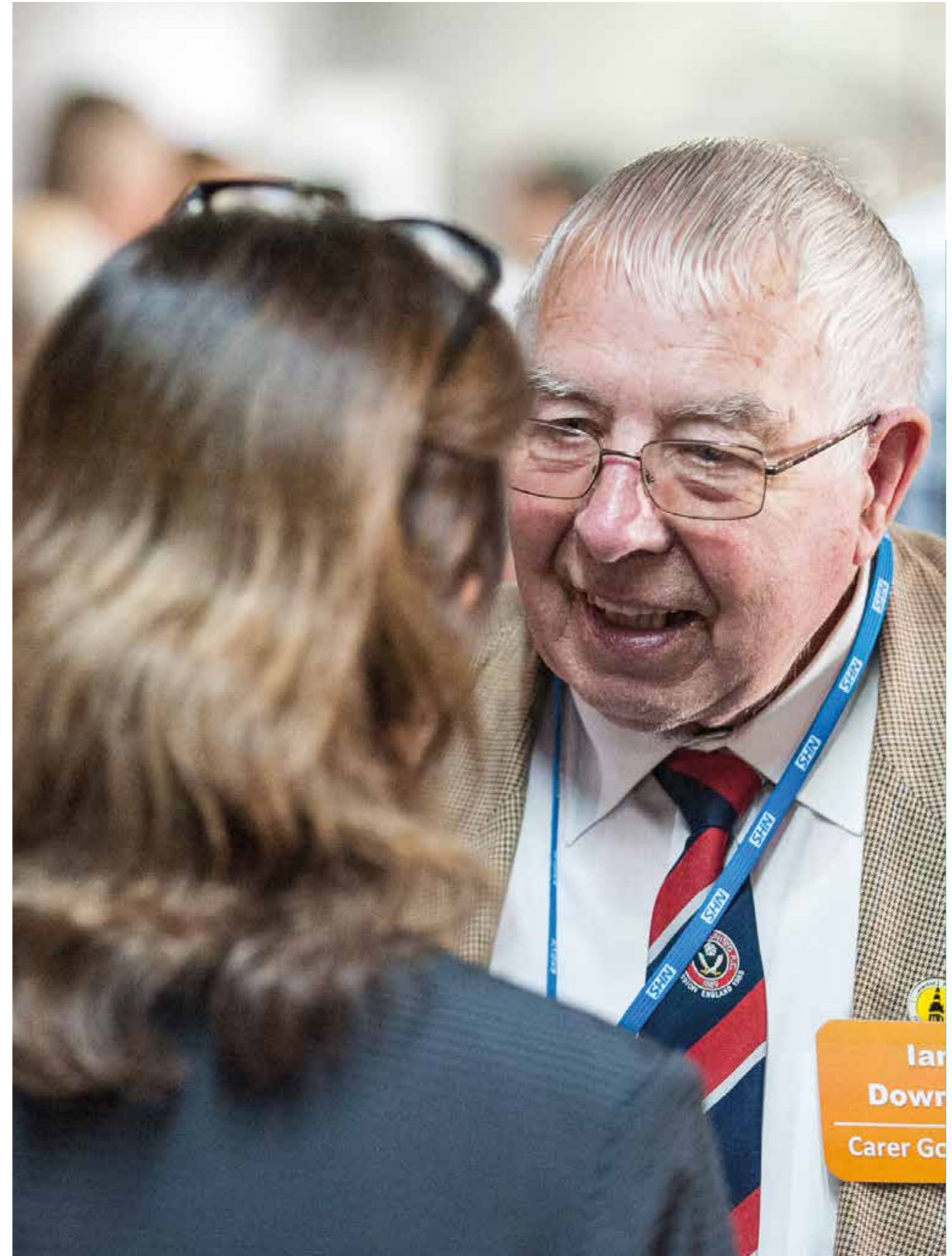
We have, in partnership with Primary Care Sheffield, been awarded the two Alternative Provider of Medical Services (APMS) contracts to run five of the city's GP Practices serving 21,500 patients. The 15 year contract cover the Clover Group of practices (Darnall Primary Care Centre, Highgate Surgery, Jordanthorpe Health Centre, the Mulberry Practice) and Sheffield City GP Medical Centre. This new collaboration will see us working in partnership with Primary Care Sheffield to deliver high quality primary care services - improving access to services and offering greater stability for staff and patients at some of the city's most vulnerable practices.

We were successful in our tender for day care and respite services at Hurlfield View Resource Centre for older people.

We were commissioned by NHS England to develop a new Liaison and Diversion Service for people who have come into contact with the criminal justice system via the Police/Court systems. The new service works with people who have been identified as having one or more of a range of vulnerabilities including mental health, learning disabilities, social care needs etc. Liaison and Diversion services are available to young people and effective partnership working with the Youth Criminal Justice Team and Youth Offending Teams as well as other key partners is vital to success. The team has a role in signposting and identifying how best to meet the needs of service users.

Our new Diversion and Liaison Service held a very successful regional conference which was attended by over 100 people from a wide variety of NHS organisations and Dr Alan Billings, Police and Crime Commissioner for South Yorkshire. The new service has been very well received by both our partners and service users.

Through Prime Minister's Challenge Fund we have successfully bid for and mobilised over £600,000 of additional non-recurrent investment, to improve the offer, availability, efficiency and effectiveness of out of hours mental health services in both the community and in A&E services, across the age range, working in collaboration with internal and external health and social care providers. These schemes are currently funded until September 2016.

As part of the Emotional Wellbeing and Mental Health Transformation Fund Investment, our Eating Disorders Service has been awarded additional funding for the remainder of 2015/2016 and hopefully 2016/2017 to improve the services offered to 16 and 17 year olds accessing the service. This is an exciting development and allows us to improve waiting times and access to NICE recommended interventions for this group of young people. The funds will be used to increase staffing and train staff in using Family Based Interventions for this group. These developments will aim to bring the service provision in line with recently published guidance for eating disorders.

Improvements and Enhancements

Our In-patient Directorate has continued with the programme of reconfiguration of acute care. We historically had a system where service users were admitted out of area due to a lack of availability of beds in Sheffield. As a result of a range of interventions we have been able to totally eliminate this. We are continuing to support developments in the community and to focus on our in-patient episodes of care. This has meant that we have been able to reduce the average length of stay on our acute wards from 50 days down to 33 days.

We are now managing the acute bed base as a whole age range pathway which means service users are admitted based on their needs rather than age as the sole factor. Due to a relocation of care into the community we have been able to close an older adult ward and to increase the staffing on the remaining ward, bringing equity across the age range for in-patient staffing levels.

We have rolled out collaborative care planning across all our acute wards. This includes bespoke training that has been designed and delivered by service users working alongside multidisciplinary professionals. The collaborative care planning enables service users to take a lead in their care and for them to rate their involvement with the planning and goal setting process.

Our in-patient bungalows for rehabilitation at Forest Close are being refurbished to improve the quality of experience for service users and to provide the opportunity to deliver higher intensity rehabilitation. Work is also taking place to further develop pathways back to the community.

Our reconfiguration of rehabilitation services is enabling us to bring service users back from out of town locked rehabilitation placements. It is also offering care closer to home and intensive community rehabilitation

Waiting times in our Memory Services have reduced from 27 weeks at the end of March 2015 to the offer of an initial assessment appointment within two weeks of referral received.

We extended the operating hours for the older adults community mental health teams and access to new home treatment assessment are now available seven days a week.

We are bringing together adult, older adult, perinatal and intermediate care liaison services under a single integrated clinical leadership structure to allow for greater cover and cross fertilisation of skills and expertise.

We have been working on improving the flow of service users through the care pathway at the Gender Identity Service. We have been invited to present a case to NHS England for increased national activity.

We are working with Sheffield Teaching Hospitals NHS Foundation Trust (STHFT) to increase the provision of services to people presenting in crisis and in need of our support. We are working collaboratively with NHS Sheffield Clinical Commissioning Group, STHFT, South Yorkshire Police and Sheffield DACT to support the city's aspiration of bringing parity to people with mental health needs presenting in acute physical health services and securing long-term investment for a 24/7, whole age range multi-condition liaison service.

We are rolling out collaborative care plans for all relevant services, recognising that recovery is relevant to all, regardless of condition.

We are actively engaged with the Crisis Care Concordat work to improve waiting times, extend opening hours and increase choice of services.

We have established of nurse practitioner training posts in our GP Practices, enabling experienced nurses from outside of the service to enhance their career pathway within primary care.

We have redesigned the administrative and management function of our GP Practices which has included a reduction in senior management time, an increase in clinical management and leadership roles and of new roles in primary care 'data co-ordinators' to support the processing of medical information (coding) and release critical clinical time away from administrative duties.

Our Learning Disability Service introduced a new 'Governance Framework' designed to proactively improve quality as well as embrace lessons learned where risks are identified.

A comprehensive review of the Intensive Support Service (ISS) in our Learning Disability Service was completed. The review included feedback from service users, carers, staff and external peers as well as national experts. The review highlighted that ISS was capable of delivering an outstanding level of service and gave a poignant example of life saving care. However, the review also detailed that consistency of care was a factor due to issues relating to leadership, capacity, culture and partnership working. A set of key recommendations were provided to the Board of Directors. These were fully endorsed in January 2016 with a programme of improvement actions and implementation well under way.

Further assurance and improvement work has been undertaken in Longley Meadows (Respite and Short Breaks Service) in our Learning Disability Service. Location wise the service is significantly challenged. Its base, within the grounds of the Northern General Hospital does not offer the future facing community provision we aspire to. However, until a new model of provision is developed in partnership with Commissioners, service users and families, there is a need to ensure we are supporting the service to deliver to its full potential. With this in mind a senior team led by the Deputy Chief Executive undertook a peer review following CQC key lines of enquiry. The review was extremely valuable. It highlighted a culture of compassionate care delivered by front line staff. It also outlined the importance of robust leadership and systems to support clinical safety and care planning.

Our Community Learning Disability Team has reduced waiting times by 65%. Access to care remains at less than 18 weeks wait for all aspects of multi-disciplinary input.

New Initiatives and Projects

The Board of Directors approved the implementation of a Nicotine Management and Smoke Free environment. From Tuesday 31 May 2016 this will be implemented across all our sites, including car parks and grounds. This will result in a 100% smoke free environment throughout the Trust. We are doing this to meet our duty of care as an NHS organisation, to put NICE Guidance into practice, and to provide a safe, smoke free environment for everyone. Nicotine Replacement Therapy (NRT) will be available to help in-patients manage not smoking while on Trust premises and activities will be offered to replace the activity of smoking. We will also be providing help and support for staff who wish to stop smoking.

As part of our rehabilitation strategy, we began a programme of changes at our site Forest Close. This is a response to a number of changes, both locally and nationally, in how we deliver mental health rehabilitation. Our focus is on ensuring that service users are being cared for in the best, least restrictive care settings and that we support them in their recovery. The feedback from the CQC inspection was very positive in terms of direct care, however, the view was expressed that the service was more akin to specialised residential care and not a mental health rehabilitation facility (the service it is commissioned to provide). The specific actions required by the CQC included discharge plans for all service users. In response to this, we are holding meetings with staff, service users and carers and this regular communication will continue.

We are implementing the Safewards programme across all of our wards. This initiative is a structured approach which is evidence based and aims to improve the safety of services as well as the experience of service users. We have undertaken the groundwork for Safewards after having an inspiring talk from Len Bowers who is the national programme lead. We will be continuing to build on this during the next year and are already seeing some benefits being reflected in feedback from staff and service users.

We were awarded funding under the Government's Health Partnership Scheme to provide RESPECT training to mental health staff working in Gulu, Northern Uganda. Over 20 months the project will train 135 workers at the Gulu Regional Referral Hospital in RESPECT techniques while also emphasising the use of de-escalation techniques before resorting to physical interventions such as restraint. The aim is to enable Gulu staff to develop a greater understanding of the devastating impact of mental health stigma, the importance of care and compassion, and to become confident and skilled in managing violence and aggression.

The success of the Enhanced Primary and Community Care (EPCC) pilot has led to further funding and joint working with Sheffield City Council to introduce a full enhanced primary care service this year working with a third sector partner. EPCC aims to deliver an integrated and co-ordinated primary and community pathway, delivering personalised care planning with a focus on ill health prevention. Patients are identified as 'emerging health risk' and the multi-disciplinary team work to support the patient manage their own health. A robust evaluation process support by the University of Sheffield School of Health and Related Research (ScHARR) is underway.

Our Learning Disability Service introduced Care and Treatment Reviews (CTR) in response to NHS England's 'Transforming Care' strategy to improve the care of people with a learning disability.   The aim of the CTR is to bring a person-centred and individualised approach to ensuring that the needs of the person with a learning disability and their families are met and that barriers to progress are challenged and overcome. CTRs were introduced in October 2015 and over 30 reviews have been completed up to the end of this year. Those eligible for these reviews are current service users of the Intensive Support Service in-patient facility, anyone identified as having a learning disability that has been admitted to any acute mental health ward and anyone living in the community who is at significant risk of a hospital admission due to health or package breakdown as well as service users currently placed out of city.

Our Speech and Language Therapy Team in the Learning Disability Service are ensuring that people with dysphagia (a swallowing difficulty that increases the risk of choking) are supported city wide. The team has put in place ongoing training, consultancy and

direct clinical support to ensure that service users and their carers are capable of safely managing the risks of dysphagia. This work will be further complimented in 2016 by the innovative development of dysphagia-friendly menus and guidance. The team are also looking to co-produce an easy read cookbook which will highlight how meals can be sourced, prepared and consumed with little or no risk to the service user.

Services moving to new providers
Sheffield City Council continued to progress a tender exercise for our existing services in supported living / registered residential care in the Learning Disability Directorate. Services at the Handsworth Development, Cottam Road and East Bank Road have transferred to new providers and services at Wensley Street and Beighton Road will follow. We are sorry to say goodbye to these services and the residents and staff and wish them well.

In July 2014 we were asked by NHS England to step in and provide management support to the Brierley Medical Centre in Barnsley for a period of 12 months. This was later extended to 18 months. Senior managers and senior clinicians from the Trust used their skills and expertise to support the Practice and significant input into delivering safe and accountable care to this population was managed through a programme of work to move the Practice into a stable position to handover to a new provider. At the start of December 2015, Brierley Medical Centre transferred to its new provider and we wish them all the best for the future.

Following a procurement exercise by the service Commissioners the Equipment Loan Service transferred to a new provider, the British Red Cross. We are sorry to say goodbye to this service, and the staff who work in it, and wish them well.

Awards and Recognition
Once again we have been named one of the best places to work in the NHS by the Nursing Times and Health Service Journal (HSJ), in partnership with NHS Employers.

Our Executive Medical Director, Professor Tim Kendall, has been named by the HSJ as one of the Top 100 Clinical Leaders in the NHS. Tim has been recognised for his achievements as Chair of the National Collaborating Centre for Mental Health, Royal College of Psychiatrists, where he has helped to drive evidence based guidelines, standards, and measurements for mental health.

Michelle Fearon (Service Director, Specialist Directorate) won Inspirational Leader of the Year at the Yorkshire and Humber NHS Leadership Awards and the national NHS Leaderships Awards.

Our Serious Mental Illness and Physical Health Project was shortlisted as a finalist in the national Positive Practice in Mental Health Awards in two categories – Partnership Working and Integrating Mental and Physical Health. The purpose of the project is to develop an approach to improve the physical health of people with serious mental illness and, in doing so, reduce the inequalities in the morbidity and mortality rates for this group of people. The project won the Integrating Mental and Physical Health category and was highly commended in the Partnership Working category.

Our Collaborative Recovery Focused Care Planning initiative was shortlisted as a finalist in the mental health category of the HSJ Patient Safety Awards 2015.

This year we have trained 23 young people through apprenticeship schemes (13 health and social care and 10 business administration). Apprenticeships have helped us to develop the support workforce capability and capacity and this has been evidenced by service feedback and the successful progression of apprentices into roles within the NHS. In February 2015 this programme was recognised at the regional Talent for Care Awards. Sheffield Health and Social Care (together with Sheffield Children's Hospital and Sheffield College) won the Partnership of the Year category. This was in recognition of the Trust's development of a combined mental health and social care apprenticeship to meet the specific need of apprentices working in mental health and learning disabilities settings.

At our Annual Members' Meeting we held our Recognition and Achievement Awards. The winners were: Tom Rickets (Outstanding Individual), Anne Cook (Leadership), John Davies (Innovation and Research), Medical Education Team and Woodland view Clinical Nurse Educators and Site Manager (Quality Improvement by a Team – joint winners), ICT Department (People's Choice) and Community Enhancing Recovery Team or CERT (Chair's Award). We also awarded the Volunteer Award to Catherine Carlick (for her involvement in the RESPECT Training and Recovery Focused Collaborative Care Planning), John Quinn (for his involvement in the Neurological Enablement Service, part of the Long Term Neurological Conditions Service) and Chrissy Bonham, Sarah Burke and John Culver (for their involvement with the Community Recovery Services).

Clinical staff represented the Trust at the 50 years Going for Gold Division of Clinical Psychologists, British Psychological Society Conference in London. Their poster 'Developing a Culture of Compassion on In-patient Mental Health Wards through Collaborative Care Planning' was awarded the Conference's overall first prize by the Judges.

Engagement, Events and Activities

We have increased the use of the Quality and Dignity surveys on our in-patient wards. These surveys are carried out by service user representatives with current service users. We have also introduced the Friends and Family test across the in-patient wards and ran a specific focus group for our new psychiatric intensive care unit (Endcliffe Ward).

Our Primary Care Directorate has continued to engage patients in patient participation groups to support the GP Practices in raising awareness of patients' needs and to improve health outcomes for hard to reach, BME and vulnerable groups. The Friends and Family Test has been introduced to provide regular feedback to enable us to develop services to meet the needs of our patients and to address any gaps in provision.

Our Primary Care Directorate has also continued to support the extension of the Practice Champions project working collaboratively with our third sector partner in training patients as volunteers and active partners in health education – there are now over 80 patient volunteers.

Our Learning Disability Service continues to hold six-weekly Carer Clinics which offer family carers the opportunity to have a dedicated one-to-one session with a senior manager from the Service or from Assessment & Care Management (Sheffield City Council). These sessions were set up in direct response to seeing the frustrations of families attending larger public meetings when there was not the opportunity to explore individual issues. Many carers have said that they really value the fact that someone senior is taking the time to listen to them and explore ways forward.

This year we have held three members events. The first event was 'All about brain injury' which was highly informative. The combination of input from staff and presentation from people who had experienced brain injury gave a very significant insight to the key issues involved and the challenges that people have mastered.

As part of Sheffield Mental Health Week we celebrated the positive effects of Mindfulness by offering a free session and looking at the benefits that come with it. Studies have found that mindfulness programmes can bring about reductions in stress and improvements in mood.

As part of Nutrition and Hydration Week 2016, we held a members' event looking at the 'talking about the advantages of a healthy diet for those living with dementia'. As well as a health talk there were food tasting and information stalls.

We hosted an extremely successful Early Interventions in Psychosis and at Risk Mental States, Improving Access to NICE Treatments Conference. Speakers included Dr Geraldine Strathdee, National Clinical Director for Mental Health, NHS England, Professor Philippa Garety, King's College, London and Professor Max Birchwood, University of Warwick.

The Substance Misuse Service held a series of well attended events during national recovery month (September) including a wonderful Recovery Rocks! event at the Theatre Delicatessen on the Moor.

We held a Trustwide conference on 02 February 2016, *Engage, Transform, Flourish*. The conference focused on developing a strategy for collaboration and engagement with service users and the purpose of the event was to engage with service users, carers and staff from all service areas to build on the work already undertaken. The feedback from the event will help shape and inform the development of a strategy for 2016/17. Approximately 120 people attended the event with representation from the majority of the services across the Trust. The aim was for a 50:50 mix of service users and staff so that views could be sought from both those who access and who deliver services. The event was a great success, opening with stories from service users and an inspirational keynote speech from Dr Rachel Perkins.

Sue Sibbald (Peer Support Specialist Personality Disorder) presented at the MindTech Conference 'Harnessing the Digital Revolution' (run in partnership with the National Institute for Health Research). Sue spoke about people-driven digital health along with Victoria Betton from MHealth Habitat. Sue's presentation focused on the digital hub in Sheffield (Sheffield Flourish) which is being created by Recovery Enterprises and Brendan Stone in partnership with a wide range of service users and organisations including ourselves. MHealth Habitat has given Sheffield Flourish a grant to explore the potential of digital resources to support people living with mental health conditions in their recovery.

We held our third Infection Prevention and Control Annual Conference (Under the Microscope) and over 60 staff from across all disciplines attended the event. Discussions covered a wide and varied range of topics including antibiotic resistance, challenges in managing a clean environment and food hygiene as well as sharing good practice with colleagues. The conference also launched this year's flu vaccination campaign with 60 staff attending the lunchtime flu clinic. The feedback from those who attended was very positive and planning is already underway for the 2016 event.

We held a 'Shared Reading Celebration Event' in October 2015 to showcase our partnership with the national charity The Reader with whom we have been working to delivering innovative 'shared reading' groups across a range of our services since 2011. In shared reading, people come together and a trained facilitator reads aloud great stories and poetry, encourages others to read if they would like to do so and pauses to reflect with the group on what has been read: personal connections are made, shared interests are discovered and nurtured. Shared reading improves service user experience, wellbeing and inclusion and a cohort of our dedicated staff and volunteers have been trained to deliver these sessions in a variety of in-patient, dementia and primary care settings across the Trust. Our very own 'Reader in Residence', Shaun Lawrence, has developed the project further and at the event we asked staff, service users and carers for their input on how it can be developed in the future.

Staff from our SCAIS (Sheffield Community Access and Interpreting Service) worked with the Corporate Affairs Team to produce a short video for Deaf Awareness Week and Dr Kate Grainger's 'hello my name is' campaign, in which staff have learned to sign 'hello my name is' in British Sign Language. Those who took part, included staff from SCAIS, Argyll House, Dovedale Ward and Pharmacy. You can see the video on our Facebook page at www.facebook.com/shscft

We held a successful event to celebrate NHS Sustainability Day in March 2016. This was the third year that we have taken part in this national day of recognition, information sharing and promotion of sustainable practices. This year the theme was 'the impact prevention can have on creating a sustainable health system' – there was representation by, and displays from, a wide range of Trust services.

To coincide with national Bike Week we held a successful Tour de Sheffield NHS on 18 June 2015. The aim of this event was to promote more sustainable travel around Sheffield. We have also established a Trustwide Bike User Group to focus on the sustainability agenda, reducing carbon production and promoting healthy lifestyles.

3.1.17 Using our Foundation Trust status to develop and improve our services
Foundation Trust status enables us to engage Governors and members, who represent the communities that we serve, in the development of our services and the improvement of service user care. The Quality Report, contained in Section 4 of this report, shows some of the ways in which our Governors and members have been involved in shaping the way that we have delivered our services over the last 12 months.

We have developed new ways of delivering much needed services in partnership with the third sector. In previous years Annual Report we reported how we had developed a partnership with Rethink and commissioned them to deliver a Crisis House service. Last year we reported how we have developed a partnership with South Yorkshire Housing Association where they provide intensive tenancy support to people alongside receiving intensive community support from us. This has allowed us to return people back to Sheffield and reduce the need for long term hospital care away from Sheffield that delivered poor outcomes for the people concerned.

We are able to use our money more flexibly to support the priorities we have identified. Key examples of this have been how we have built up our cash reserves in order to improve our estate and in-patient services. In previous years Annual Report we reported on the real improvements to the ward environment for services we provide to people with a learning disability with the opening of Firshill Rise. This year, following a major capital investment programme we opened our new psychiatric intensive care unit, Endcliffe Ward, which significantly improves the environment of care and the service we can provide for people who need intensive in-patient care. The Board has also used the financial freedoms afforded to us as a Foundation Trust to invest in a range of improvements in community services, which are reported elsewhere.

During the year the Board approved the establishment of 7Hills Care and Support Ltd, a subsidiary company limited by shares, which was formally constituted in October 2015. The purpose of this was to create an alternative option for the Trust, in partnership with 7Hills, to develop new or reconfigure service models in response to changing needs of Commissioners, where the Trust alone would be unable to retain or gain contracts that were subject to competition.

3.1.18 Performance against key health care targets
Our Quality Report, in Section 4, provides a detailed overview on how we have performed in respect of quality and targets across a range of services. In respect of the main healthcare targets we are aim to deliver as an NHS Foundation Trust, these are summarised below.

Target or Indicator	Threshold or target YTD	Quarter 1		Quarter 2		Quarter 3		Quarter 4	
		Actual	Target achieved?	Actual	Target achieved?	Actual	Target achieved?	Actual	Target achieved?
Care Programme Approach (CPA): in-patients receive community follow up within 7 days of discharge	95%	100.0%	Achieved	98.6%	Achieved	95.8%	Achieved	98.5%	Achieved
Care Programme Approach (CPA): service users have a formal review of care within 12 months	95%	95.4%	Achieved	95.1%	Achieved	95.3%	Achieved	95.1%	Achieved
Admissions to in-patient care had an assessment to consider access to crisis resolution / home treatment services prior to admission	95%	99.4%	Achieved	99.2%	Achieved	100.0%	Achieved	99.3%	Achieved
Early intervention in psychosis: support 75 new referrals each year	95%	192.0%	Achieved	245.0%	Achieved	352.0%	Achieved	426.0%	Achieved
Minimising delayed transfers of care from hospital	<=7.5%	8.6%	Not met	8.1%	Not met	6.8%	Achieved	6.6%	Achieved
Early intervention in psychosis: people are assessed and access treatment within 2 weeks of referral (new measure, from Q4 2015/16)	50%	0.0%	Not relevant	0.0%	Not relevant	0.0%	Not relevant	50.0%	Achieved
Improving Access to Psychological Therapies - People start treatment within 6 weeks (new measure, from Q3 2015/16)	75%	0.0%	Not relevant	0.0%	Not relevant	82.0%	Achieved	75.6%	Achieved
Improving Access to Psychological Therapies - People start treatment within 18 weeks (new measure, from Q3 2015/16)	95%	0.0%	Not relevant	0.0%	Not relevant	98.3%	Achieved	98.1%	Achieved
Data completeness, MH: identifiers	97%	99.8%	Achieved	99.9%	Achieved	99.8%	Achieved	99.9%	Achieved
Data completeness, MH: outcomes	50%	87.0%	Achieved	85.9%	Achieved	85.1%	Achieved	87.9%	Achieved
Compliance with requirements regarding access to healthcare for people with a learning disability	N/A	N/A	Achieved	N/A	Achieved	N/A	Achieved	N/A	Achieved

3.1.19 Arrangements for monitoring improvement in the quality of care

We monitor improvements in service quality through our governance systems and a range of reports we use to monitor quality. The Board and the Quality Assurance Committee receive regular reports on service quality and improvements. We report on the quality of the services we provide to our Council of Governors. The Quality Improvement Group provides an opportunity for clinical staff, managers, Board members, Governors and others to hear, in detail, about quality improvement projects, and share ideas for innovation and best practice.

We also report externally to our Commissioners on: the quality of services that we provide, the service improvements that we make, our progress in achieving the various quality targets that are set for us annually in our contracts with our Commissioners and, our performance in the additional arrangements that our Commissioners use to incentivise us to make quality improvements in areas that they prioritise.

We identify a range of areas that we want to make improvements on. These are outlined in our Quality Report in Section 4, where we state our objectives for improving quality and the progress we have made over the last two years. This section also summarises the objectives we agreed with our Commissioners for improving quality under the Commissioning for Quality and Innovation scheme.

Following the CQC Inspection report in June 2015 the Trust has reviewed and updated its Quality Improvement and Assurance Strategy. This was approved by the Board with an action plan to ensure a range of improvements are made over the next year to further strengthen our approach to quality governance. More information about our strategy is provided in the Quality Report in Section 4.

3.1.20 Significant changes to the services we provide

During the year the following changes were agreed that resulted in a significant change to the services we provide.

- *Service improvements.* The opening of the new Endcliffe Ward in January 2016 has resulted in significant improvements to the psychiatric intensive care service. The improved environment and facilities will directly benefit the people receiving care and treatment within the new facility. The increased numbers of beds on the ward will also reduce the need to use out of town care facilities for Sheffield people;

- *New services.* In partnership with Primary Care Sheffield, the local organisation representing General Practice in Sheffield, we will continue to provide our GP services at Clover and extend our provision into the Broad Lane Practice. This new partnership is a significant development for both organisations and will support both our goals of supporting the development of new integrated models of care within a primary care setting;

- *Services we no longer provide.* The Trust no longer provides Equipment Loan Services for Sheffield. Following a procurement exercise by the service Commissioners the service is now provided by the British Red Cross. As we reported in last year's Annual Report, social care support services for people with a learning disability have been re-designed as part of a citywide strategy. As part of the implementation of this strategy a number of community support services, which provide people with day to day help with their registered care and social care needs, have been re-commissioned over the last year. This year this has impacted on three of the services that we have been providing and our proposals for providing support in the future were not successful. As a result of this, we no longer provide support for people who currently live at Cottam Road, East Bank Road and Wensley Street.

3.1.21 Working with our stakeholders
Our Commissioners
As an NHS Foundation Trust, we provide a range of services, covering direct care services, training, teaching and support functions. The main Commissioners of our clinical services are NHS Sheffield Clinical Commissioning Group, Sheffield City Council and NHS England. Housing Associations commission our residential care services.

Our non-service user care services are commissioned by NHS Sheffield Clinical Commissioning Group, other NHS Foundation Trusts, NHS Trusts and Whole Government Accounts (WGA) organisations, along with other Clinical Commissioning Groups.

NHS England and Clinical Commissioning Groups commission education, training, research and development from us.

Pie chart legend:
- NHS Sheffield CCG — 63%
- Other NHSE/CCGs — 8%
- Local Authorities — 11%
- Foundation Trusts — 6%
- Housing Associations — 5%
- Other NHS Bodies — 5%
- Non-Governmental bodies — 2%
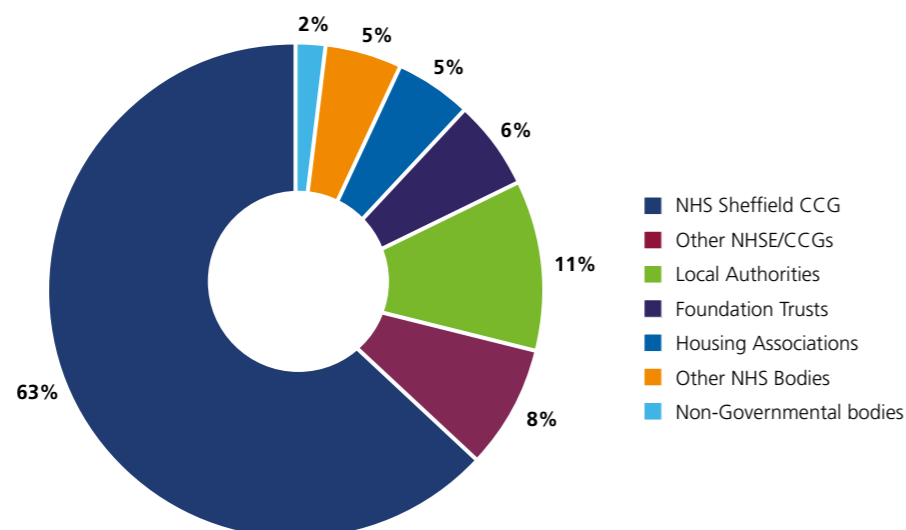
3.1.22 How we work with our partners

We work in partnership with the main organisations that commission our services, namely NHS Sheffield Clinical Commissioning Group and Sheffield City Council. This allows us to understand the health and social care needs of the wider population, to influence the commissioning approach taken and to develop new services for the benefit of the people of Sheffield.

We work in partnership with the other health and social care organisations in Sheffield as we collaborate to provide the best services for the people of Sheffield. There is a clear drive to change the way services are provided in Sheffield to deliver real improvements in community care and support for individuals' health and social care needs. We have significant experience of relocating care from a hospital context to a community one, along with delivering successful integrated health and social care services across a range of partnership structures. By working in partnership with all the organisations in Sheffield we are able to inform and shape how we move forward as a citywide health and social care community.

We work in partnership with a diverse group of interested parties across the public and third sector, voluntary and local community groups. This allows us to develop better relationships with other organisations who support people in Sheffield and fosters better collaborative working between us. We use these opportunities to promote the needs and interests of the people that we serve and to reduce some of the barriers individuals can often experience in accessing the services that they need.

We also provide a number of services directly in partnership with other organisations. We have a formal partnership agreement with Sheffield City Council to deliver integrated mental health services across health and social care for working aged adults (people aged between 18-65 years of age). Under this partnership, Sheffield City Council has formally delegated to us its statutory responsibilities for the provision of

services covered by the partnership agreement. This partnership has been in place for over 10 years and has been instrumental in allowing us to develop and provide the services that we deliver. The individuals who use our services have benefited from our ability to develop and deliver genuine integrated models of services that provide seamless care pathways across health and social care.

During last year we entered into a new partnership with South Yorkshire Housing Association, for the delivery of housing support services for people with serious mental health problems. This has allowed us to develop effective community support packages combining health and social care support alongside support for day to day living within the community. As a result of this people are now accessing support locally rather than needing long term hospital care away from Sheffield. This builds on developments we introduced in the previous year, such as the introduction of a new and much needed Crisis House service, delivered in partnership and on our behalf by Rethink.

We work in partnership with Sheffield Teaching Hospitals NHS Foundation Trust to provide occupational therapy and mental health services into the intermediate care services they provide.

3.1.23 Consultations

- *Formal consultations we have completed.* We have not undertaken any formal consultations during the year about proposed service changes;

- *Formal consultations we have in progress.* At the time of confirming this Annual Report there were no formal consultations in progress;

- *Formal consultation we have planned for next year.* In line with our established Annual Plan for 2016/17 we may consult on the development of our community mental health services. We will consider the need and requirements for consultation once the options have been reviewed during the year.

3.1.24 Our broader public and service user involvement activities

This year has seen a real increase in the level of service user and carer involvement across the Trust. Below is just a snap shot of the activity that has taken place.

We have successfully rolled out the national Friends and Family Test and received over 2,000 individual responses with 9 out of 10 service uses stating that they would recommend our services to friends and family.

In line with the NHS England's Five Year forward view to set out a vision of future health care by 2020, a group of service users co-designed a city-wide conference 'A 2020 Vision of Health and Social Care in Sheffield'. Over 50 individuals attended and the feedback has been used to help shape and deliver future services. Feedback was also shared with NHS Sheffield Clinical Commissioning Group to feed into the citywide vision for the next five years.

Our Service User Engagement Group (SUSEG) is now well established and has representation from all clinical Directorates and service users. It meets on a monthly basis and this year the working groups have focused on five key areas of work:

- Improving how we work with service users to recruit staff;
- Improving how we work with service users to train staff;
- Developing paid peer support;
- Embedding a culture of recovery;
- Establishment of the Service User Experience and Monitoring Unit.

All areas of work have been co-produced with service users and staff. SUSEG also planned and delivered a conference in February for over 100 delegates to help inform the future service user engagement strategy for 2016/2017. The event brought together service users, carers and staff and highlighted the value of service user and carer involvement in co-production of services and placing service users at the heart of decision making. A resounding message from the conference was *service users are our biggest untapped asset. Invest in transition/coaching to enable more people to become peer workers.'*

Our Service User Network: Relevant, Inclusive, Supportive, Exciting (or SUN:RISE) aims to improve the range of ways that service users can become informed and actively involved with the Trust.

The group meets on the second Wednesday of each month in a city centre location. All service users and interested professionals are welcome to attend all or part of the meeting. Satellite SUN:RISE groups have been set up in various services across the Trust including the acute in-patient wards at the Longley Centre and Michael Carlisle Centre, SUN:LIGHT at the Limbrick Centre and SUN:RAY at Argyll House. These satellite groups aim to address concerns of local service users and to enable service users to have a positive impact on their local service. Over the next year, we are supporting other areas of the Trust to set up their own local groups.

In our Learning Disabilities Service regular 'Meet the Manager' sessions are held giving service users and carers an open forum to seek answers about the service from senior managers as well as proving an opportunity to update people on plans, policies and processes that impact them.

Service users also worked with staff in our In-patient Directorate to co-design and implement collaborative care planning. This has seen positive improvement in service users feeling involved in their care and the work was shortlisted for a national Health Service Journal award. Pilots of collaborative care planning are now taking place in our Community Mental Health Teams.

There has been a significant increase in the number of people seeking volunteer experience within the Trust. Currently 168 people actively volunteer in a very wide variety of different areas which include: recruitment and selection, Chaplain assistant, reading across a variety of different Trust sites, administrative support, befriending and co-delivering training to both staff and service users. These are just some examples of the different areas volunteers are involved in.

Our reading project celebrated its fifth year, reading to service users in a variety of different settings which include the adult acute in-patient wards, dementia wards and forensic services. This year we also commissioned The Reader Organisation to train a further 14 individuals to Read Aloud. This included staff, service users and carers. Over 750 groups have been facilitated which have included a diverse selection of literature from Frank Cottrell Boyce to Shakespearian sonnets. In addition over 151 shared reading groups have been facilitated by the Trust's Reader in Residence.

3.1.25 Improving services from complaints and concerns
We are committed to ensuring that all concerns and complaints are dealt with promptly and investigated thoroughly and fairly. We value the feedback we receive from service users and carers and recognise the importance of using this feedback to develop and improve our services.

Service users, carers, or members of the public who raise concerns can be confident that their feedback will be taken seriously and that any recommendations made as a result of the findings of the investigation will be fed back in order that services can learn the lessons and make changes to practice and protocols, thus raising standards.

A number of service improvements were made as a result of complaints this year. For example:

- A review of the diagnostic and appointment processes within the Sheffield Adult Autism and Neurodevelopmental Service as well as a review of all information available and provided to service users before their appointment and following their diagnosis;

- The Relationship & Sexual Service reviewed information required in order to complete triage and inform the risk assessment and considered whether there are ways that this requirement could be met in a timelier manner to shorten the triage phase;

- Staff on the Psychiatric Intensive Care Unit completed the Trust's Race Equality and Cultural Capability Training and implemented the Safewards interventions in full;

- The Community Directorate to produce an information guide for service users who are in receipt of a budget that relates to social care needs only;

- The Eating Disorder Service reviewed its current treatment model in relation to difficult to engage service users and is giving consideration to adopting more of an outreach approach rather than relying purely on an opt-in system. They are also giving consideration to adopting home visits (particularly following failure to attend a second session) and outreach to offer home-based (family) therapeutic meals;

- A review of the Trust's Cashiers Policy as it relates to the reimbursement of service users travel costs for hospital appointments;

- A review of procedures regarding the routine checking of correspondence and a review of how teams communicate with service users, including the use of text and e-mail messages.

We consider the learning from complaints a valuable opportunity to improve standards of service delivery and to share good working practice. We produce regular reports, giving details of complaints made and resultant actions plans on a quarterly basis. These reports are discussed at the Quality Assurance Committee and are available to all staff.

This year we saw an 19% decrease in formal complaints compared with the previous year and a 71% increase in the number of informal complaints received. The figures for informal complaints for 2014/15 were an unprecedented low and the figures for this year see the number of informal complaints return to the normal average the Trust receives. The majority of formal complaints were received in relation to values and

behaviours (i.e. attitude of staff), with clinical treatment and service user care featuring in the top three main categories. These cases have been analysed to look for trends or themes and where these have been identified, these have been shared with the relevant senior managers.

Of those cases where the investigation has been completed, we responded to 57% of the formal complaints within the timescales agreed with complainants. 15% of formal complaints were upheld, 29% were partially upheld and 56% were not upheld. At the time of finalising this report, nine complaints were still under investigation.

This year the Parliamentary and Health Service Ombudsman notified us that two complaints had been referred to them. No further action was required in one case. The other case is currently under investigation. Of the outstanding cases referred to the Ombudsman prior to 01 April 2015, one required no further action, two cases required remedial (for example, a letter of apology) and at the time of finalising this report, the outcome of one case is still awaited.

More information is provided in our comprehensive Annual Complaints report (which includes the complainant survey) and is available at: www.shsc.nhs.uk/about-us/complaints

3.1.26 Research and Development Activities

The number of service users receiving relevant health services provided or sub-contracted by Sheffield Health and Social Care NHS Foundation Trust in 2015/16 who were recruited during that period to participate in research approved by a research ethics committee was 656.

Research is a priority for us and is one of the key ways by which the Trust seeks to improve quality, efficiency and initiate innovation. Over the last year we have worked closely with the Yorkshire and Humber Collaboration for Leadership in Applied Health Research and the Yorkshire and Humber Local Research Network to improve our services and increase opportunities for our service users to participate in research, when they choose do so. We have strong links with academic partners, including the Sheffield Clinical Trials Research Unit and the School of Health and Related Research at the University of Sheffield, and the School of Health and Wellbeing at Sheffield Hallam University.

We adopt a range of approaches to recruit service users and carers to participate in research. Usually we will ask care teams to identify individuals who may be eligible for research studies and staff involved in their care will provide them with information about the relevant research. This information will have been written to allow service

users and carers to make informed decisions about whether they wish to participate in research and who to ask if they have any questions. In 2015, we began to use the Join Dementia Research tool designed by the National Institute for Health Research in association with Alzheimer's Research UK and the Alzheimer's Society to match service users who have expressed an interest in research with appropriate studies.

This year we were involved in conducting 59 clinical research projects which aimed to improve the quality of services, increase service user safety and deliver effective outcomes. Areas of research in which the Trust has been active over the last 12 months include:

- A ten centre randomised controlled trial of an intervention to reduce or prevent weight gain in schizophrenia;

- New interventions for the families and carers of service users with dementia;

- A trial of a tailored intervention to help to those with severe mental illness stop smoking if they so desire;

- A trial to compare the effectiveness of counselling and cognitive behavioural therapy in depression;

- Co-morbidities between physical health and mental health;

- New treatments for service users with dementia (including Alzheimer's disease).

3.1.27 Council of Governors
The role of the Council of Governors
Governors play a vital role in the Trust's governance arrangements. They primarily carry out their role through the meetings of the Council of Governors, of which there were five in 2015/16. Please see the table overleaf for a breakdown of the number of meetings attended by each Governor.

All meetings of the Council of Governors are open to members of the public, except in instances where there are confidential matters which need to be discussed. In these circumstances members of the public are excluded for the confidential item only.

While responsibility for the Trust's management and performance rests with the Board of Directors, the Council of Governors has specific decision making powers conferred upon it by the Health and Social Care Act 2012 and the Trust's Constitution. These include:

- Holding the Non-Executive Directors both individually and collectively to account for the performance of the Board of Directors;

- Holding the Board of Directors to account for the effective management and delivery of the organisation's strategic aims and objectives;

- To be consulted by Directors on future plans, including any significant changes to the delivery of the Trust's business plan, and offer comment on those plans;

- Receiving the annual accounts, any report of the auditor on them, and the annual report;

- Deciding whether any private patient work undertaken by the Trust would significantly interfere with the Trust's principal purpose, which is to provide goods and services for the health service in England, or performing the Trust's other functions;

- Approving any proposed increases in non-NHS income of 5% or more in any financial year. Approval means that at least half of the Governors taking part in the vote agree with the increase;

- Approving 'significant transactions';

- Approving an application by the Trust to enter into a merger, acquisition, separation or dissolution. In this case, approval means at least half the Governors taking part in the vote agree with the amendments;

- Approving amendments to the Constitution.

In 2015/16, the Council of Governors made two Non-Executive Director appointments including setting the remuneration levels and terms and conditions. The first appointment was Richard Mills and the second was Councillor Leigh Bramall (as the Local Authority Non-Executive Director). Full details of the appointment process can be found on pages 90-91.

The Council of Governors also plays other important roles in the governance of the Trust by:

- Assisting the Board of Directors in setting the strategic direction of the Trust;

- Monitoring the activities of the Trust with a view to ensuring that they are being carried out in a manner that is consistent with the Trust's Constitution and its terms of authorisation;

- Representing the interests of members and partner organisations;

- Providing feedback to members;

- Developing the Trust's membership strategy;

- Contributing to constructive debate regarding the strategic development of the NHS Foundation Trust and any other material and significant issues facing the organisation;

- Building and maintaining close relations between the Foundation Trust's constituencies and stakeholder groups to promote the effective operation of the Trust's activities.

By doing this, the Council of Governors ensures that the Board of Directors is held to account by the Trust's key stakeholders.

The Engagement Policy which defines the relationship between the Board and Council sets out clearly the roles and responsibilities of each including that of the Chair, Chief Executive, Lead Governor, Senior Independent Director as well as the Governors. Any disputes are resolved in accordance with the Trust's Constitution, where it is the Vice Chair's role to mediate and resolve the issue. The Engagement Policy provides further guidance on action to take depending on the type of dispute.

Composition of the Council of Governors

The Council of Governors comprises 44 seats, 33 of which are elected from the membership. Governors are elected for a three year term and can hold their position for a total of three terms. 11 of the seats are for organisations with whom the Trust works or stakeholder organisations as they are called. These positions also have a three year term.

The Council of Governors is chaired by Professor Alan Walker CBE who is also the Chair of the Board of Directors. It is his responsibility to ensure that Governors' views are represented at the Board of Directors and that information from the Board is fed back to the Council. He fulfils this responsibility through a monthly letter to Governors as

well as providing updates at each Council meeting. The Chair also gives Governors the opportunity to meet with him every year.

It is a requirement of the regulator Monitor that all Foundation Trusts have a Lead Governor. John Kay, Service User Governor was Lead Governor. However, his term ended on 12 June 2015 and Jules Jones, Public South East Governor was elected by the Council of Governors to the position for a two year term.

Five Council meetings took place during 2015/16. The individual attendance of each Governor is shown below, which also shows a breakdown of seats on the Council and associated Governors as at 31 March 2016, including their term of office.

Number of Seats	Name	Constituency	Date Appointed From	Date Term of Office Ends	Meetings attended over total number of meetings eligible to attend
9 Public seats (elected)	Dorothy Cook	Public South East	01.07.2008 01.07.2010 01.07.2013	30.06.2010 30.06.2013 30.06.2016	5/5
	Jules Jones	Public South East	01.07.2011 01.07.2014	30.06.2014 30.06.2017	5/5
	Brandon Ashworth	Public South West	10.12.2014	30.06.2016	4/5
	Rosemary De Ville	Public South West	07.08.2014	30.06.2016	4/5
	Sylvia Hartley	Public North West	01.07.2014	30.06.2017	4/5
	John Buston	Public North West	22.09.2014	30.06.2016	5/5
	Afrah Alkheili	Public North East	01.07.2014	09.10.2015	0/2
	Lorraine Ricketts	Public North East	01.07.2014	30.06.2017	2/5
	Barbara Bell	Public Rest of England	30.04.2015	29.04.2018	2/4

Number of Seats	Name	Constituency	Date Appointed From	Date Term of Office Ends	Meetings attended over total number of meetings eligible to attend
10 Service User seats	Sarah Burke	Service User	24.03.2015	31.12.2015	2/4
	Dean Chambers	Service User	01.07.2010 11.08.2014	30.06.2013 10.08.2017	0/5
	Debjani Chatterjee MBE	Service User	11.08.2014	10.08.2017	2/5
	Tyrone Colley	Service User	01.07.2011 01.07.2014	30.06.2014 30.06.2017	4/5
	John Kay	Service User	12.02.2009 01.07.2010 01.07.2013	30.06.2010 30.06.2013 30.06.2016	4/5
	Toby Morgan	Service User	24.03.2015	23.03.2018	4/5
	Pat Molloy	Service User	01.07.2013	30.06.2016	3/5
	Russell Shepherd	Service User	22.04.2013 01.07.2014	30.06.2014 30.06.2017	1/5
	Nev Wheeler OBE	Service User	01.07.2008 01.07.2010 01.07.2013	30.06.2010 30.06.2013 30.06.2016	3/5
	VACANCY				
2 Young Service User/ Carer seats (elected)	Abbey George	Young Service User/Carer	27.07.2012 01.07.2014	30.06.2014 30.11.2015	2/3
	VACANCY				

Number of Seats	Name	Constituency	Date Appointed From	Date Term of Office Ends	Meetings attended over total number of meetings eligible to attend
4 Carer seats (elected)	Ian Downing	Carer	01.07.2010 01.07.2013	30.06.2013 30.06.2016	5/5
	Susan Roe	Carer	01.07.2013	30.06.2016	5/5
	Gill Holt	Carer	01.07.2014	30.06.2017	3/5
	Angela Barney	Carer	24.03.2015	23.03.2018	4/5
8 Staff seats (elected)	Dan Creber	Social Work	01.07.2014	30.06.2017	4/5
	Joan Davies	Psychology Staff	11.11.2013	04.03.2016	3/5
	Elaine Hall	Allied Health Professionals	01.07.2011 01.07.2014	30.06.2014 30.06.2017	4/5
	Diane Highfield	Clinical Support Staff	11.11.2013	10.11.2016	1/5
	Dani Hydes	Central Support	08.07.2014	07.07.2017	3/5
	Enos Mahachi	Support Work Staff	01.07.2014	30.11.2015	0/3
	Mark Thorpe	Support Work Staff	07.12.2015	30.06.2017	1/2
	Paul Miller	Medical & Clinical Staff	01.07.2011 01.07.2014	30.06.2014 30.06.2017	3/5
	Vin Lewin	Nursing Staff	01.04.2013	31.03.2016	1/5

Number of Seats	Name	Constituency	Date Appointed From	Date Term of Office Ends	Meetings attended over total number of meetings eligible to attend
11 appointed seats	Professor Paul Ince	University of Sheffield	01.06.2015	31.05.2018	2/4
	Joan Healey	Sheffield Hallam University	29.09.2011 29.09.2014	28.09.2014 28.09.2017	4/5
	Sue Highton	Staffside (Unions)	01.07.2011 01.07.2014	30.06.2014 30.06.2017	3/5
	Teresa Barker	Age UK Sheffield	26.11.2013	25.11.2016	2/5
	Janet Sullivan	Sheffield MENCAP	01.07.2011 01.07.2014	30.06.2014 30.06.2017	2/5
	Dr Abdul Rob	Pakistan Muslim Centre	24.01.2011 24.01.2014	23.01.2014 23.01.2017	4/5
	Celia-Jackson Chambers	SACMHA	23.02.2015	22.02.2018	4/5
	Councillor Roger Davidson	Sheffield City Council	14.11.2012 14.11.2015	13.11.2015 13.11.2018	2/5
	Councillor Adam Hurst	Sheffield City Council	05.09.2014	04.09.2017	4/5
	Councillor Josie Paszek	Sheffield City Council	04.02.2015	03.02.2018	5/5
	Dr Leigh Sorsbie	Sheffield CCG	18.12.2014	17.12.2017	2/5

Changes to the Council of Governors

In 2015/16 one election took place.

Constituency	Number of candidates	Successful Candidate
Public: Rest of England	2	Barbara Bell

There were a further three uncontested seats in 2015/16.

Constituency	Uncontested Candidate	Declaration Date	Term Start Date
Public: North East	Mohammed Khawja Ziauddin	23 March 2016	01 May 2016
Public: North West	John Buston	23 March 2016	01 May 2016
Young Service User/ Carer	Michael Thomas	23 March 2016	01 May 2016

In addition, the following Governors stood down from the Council during 2015/16.

Name	Constituency	Replaced by
Afrah Alkheili	Public North East	-
Abbey George	Young Service User/Carer	-
Enos Mahachi	Staff: Support Work	Mark Thorpe
Sarah Burke	Service User	-
Joan Davies	Staff: Psychology	-

Governor Activities in 2015/16
Holding to Account

Throughout the year Governors have undertaken a number of activities which have enabled them to fulfil their statutory duties, represent members and the public and hold the Trust to account. The foundation of their success is dependent upon their relationship with the Board. The Board takes specific steps to cement its relationship with the Council of Governors in addition to the action it takes throughout the year to ensure that it fully understands the views of Governors. In 2015 the Board and Council undertook joint training held by Beachcroft DAC Solicitors in order to help both bodies to understand each other's roles and to develop a greater understanding about how to effectively hold the Trust and its Non-Executive Directors to account.

The relationship that Governors have with Non-Executive Directors is a crucial one and, therefore, the Trust ensures there is regular and open dialogue between the two. Non-Executive Directors meet with the Governors prior to each Council meeting where a sharing of information takes place and where Non-Executive Directors agree to pursue any issues with the Board that Governors raise. Along with the Chief Executive and Non-Executive Directors, other Board members attend Council meetings when information needs to be shared or discussed. No Directors have been formally required by the Council to attend any Council meetings during 2015/16.

The Trust must furnish Governors with sufficient information to give assurance on the safety, quality and cost effectiveness of its services. This is undertaken through a variety of methods including performance reports to every Council meeting, annual reviews with the Board of Directors and through regular dialogue with Non-Executive Directors. However, in order to give a greater focus to performance against the Trust's annual business and quality objectives, the Council of Governors established the Performance Overview Group which meets to discuss the progress of the Trust in its priorities and plans. The group enables Governors to discuss business objectives, finance, human resources and any other relevant performance information. The Performance Overview Group met once in 2015 during which its function was scrutinised and cemented for future years.

To further strengthen the Board's accountability and increase its scrutiny, Governors are invited to ask questions of the Board at each meeting. The responses to these are formalised in the minutes of Council meetings. Governors have used this mechanism to question the Trust on staffing levels, staff sickness and subsequent workloads, seclusion and restraint on the wards, therapy services, Meridian productivity, the 'Choice in Mental Health' guidance, Governor training, winter contingency monies, the Crisis House and Trust engagement with black, minority and ethnic (BME) groups.

The Forward Plans

The Board holds an annual session with Governors to discuss the Trust's forward plans. This is undertaken prior to firm objectives being set so that Governor views can help shape objectives. In addition, Governors then seek the views of their members so that objectives can be fully informed by members. Governors do this via the membership magazine and via an electronic and paper survey. This method resulted in over 200 members' responses. The outcome of this survey was presented to the Council in March 2016.

Other Activities

Governors were provided with training during 2015 which enabled them to understand their role and duties, the national context in which NHS Foundation Trusts operate and how to hold the Trust and Non-Executive Directors to account. A number of Governors participated in a regional event for Foundation Trust Governors at which the Care Quality Commission and Monitor presented. New Governors were given the opportunity to undertake modules from the national Governor training programme known as GovernWell run by NHS Providers.

In addition to their statutory duties, Governors were involved in a number of other areas of the Trust. These include:

- Adult In-patient Forum;
- Creative Arts Steering Group (CAST);
- Children Young People and Family Support Scrutiny Committee (SCC);
- Clover Group Patient Participation Group;
- Crisis House Governance;
- Families Lobbying and Advising Sheffield (FLASH);
- Health and Wellbeing Event;
- Healthwatch;
- Learning Disabilities Partnership Board;
- Membership Engagement;
- Mental Health Awareness Week;
- Mental Health Partnership Board;
- Nomination and Remuneration Committee;
- Patient Participation Group for Primary Care Services;

- PLACE Visits;
- Poetry for Healing;
- Psychological Therapies Governance Committee;
- Quality Improvement Group;
- Recovery College;
- Roshni Asian Women's Resource Centre;
- Safeguarding;
- Service User Safety Group;
- Sheffield Adult Autism and Neurodevelopmental Service (SAANS);
- Sheffield Disability Group;
- Sheffield Health and Wellbeing Board;
- Sheffield Parent Carer Forum (SPCF);
- SUN:RISE (service user involvement network);
- Survivors of Bereavement by Suicide;
- Wellbeing Festival;
- World Mental Health Day.

Through their wider interests, the Governors were able to bring a broader spectrum of views to Council.

Governors are required to declare any material or financial interests in the Trust. For a copy of the register of interests, please contact Karen Jones at Karen.jones@shsc.nhs.uk or (0114) 2716747.

The Nominations and Remuneration Committee of the Council of Governors

While the appointment of the Trust Chair and other Non-Executive Directors is the responsibility of the Council of Governors, the process of selecting suitable candidates to be recommended for appointment by the Council is delegated to a Committee of the Council of Governors known as the Nominations and Remuneration Committee (NRC). In addition, the Committee works with the Chair and Senior Independent Director and supports the monitoring of the performance evaluation of the Trust Chair and the Non-Executive Directors.

The Trust Chair presides over the meetings of the Committee, except in circumstances where there would be a conflict of interest in which case the Reserve Chair (who is a member of the Council and Lead Governor) presides. The NRC and Council of Governors reviewed the current Terms of Reference, which were last reviewed in 2010, and made changes to ensure that they were compliant with current codes and guidance and fit for purpose for the future. In addition, the Terms of Reference were amended to reflect the importance of maintaining links with the Board in the event that the Chair has a conflict of interest or is unable to attend by including the Senior Independent Director as a Committee member in these instances.

Two Non-Executive Director appointments were made in 2015 one of which included a local authority position. Job descriptions, person specifications, levels of remuneration and terms and conditions were approved by the Council of Governors for both positions.

The local authority Non-Executive Director appointment differs to that of other Non-Executive Directors. While both processes were robust and are summarised below, for the Local Authority position, a candidate was nominated by the Local Authority as per the requirements of the Trust's Constitution. Led by the Chair, members of the NRC held a formal and rigorous interview in order to ensure that the candidate fully met the requirements of the role. The NRC recommended to the Council of Governors the appointment of Councillor Leigh Bramall, the deputy leader of Sheffield City Council, to the Board. This recommendation was approved on 17 December 2015.

The non-local authority Non-Executive Director appointment process was managed internally. The position was advertised through the NHS Jobs website as well as utilising the social media site LinkedIn. Over 30 applications were received which the NRC shortlisted to four candidates. The candidates were then invited to a give a presentation to Governors and Board members. Their performance was evaluated by members of NRC. This was followed by a formal interview by the panel drawn from members of the NRC. The Deputy Chief Executive had an advisory role on the panel which selected a candidate and recommended their appointment to the Council of Governors in October 2015. This was duly accepted and Richard Mills was appointed as a Non-Executive Director with effect from 01 December 2015 for a period of three years.

Two meetings took place in 2015/16 in June and February. The attendance of Committee members is shown below.

Name	Position	Attendance
Professor Alan Walker CBE	Chair	2/2
Jules Jones	Lead Governors	2/2
Ian Downing	Committee Member	2/2
Abbey George	Committee Member (resigned 30 November 2015)	0/1
Elaine Hall	Committee Member	2/2
Sylvia Hartley	Committee Member	2/2
Councillor Adam Hurst	Committee Member (from 17 December 2015)	1/1
John Kay	Committee Member	2/2
Russell Shepherd	Committee Member (resigned 03 December 2015)	0/1

3.1.28 Membership
Foundation Trust status gives us the advantage of being closely influenced by the people who live in the communities that we serve. This is reflected in the diversity of the constituencies into which our membership base is divided.

Constituencies, eligibility criteria and membership numbers
There are three elected membership constituencies, each of which has a number of classes within. The table overleaf details each one and its eligibility criteria and where applicable, the number of members in the class as at 31 March 2016.

Constituency	Class	Number of Members	Criteria
Public	South West	3,086	Must live in the following electoral wards: Gleadless Valley, Dore & Totley, Fulwood, Graves Park, Nether Edge, Ecclesall, Beauchief & Greenhill, Crookes
	South East	2,544	Must live in the following electoral wards: Darnall, Manor Castle, Arbourthorne, Richmond, Birley, Mosborough, Beighton, Woodhouse
	North West	2,262	Must live in the following electoral wards: Stocksbridge & Upper Don, Stannington, Hillsborough, Walkley, Broomhill, Central
	North East	2,482	Must live in the following electoral wards: West Ecclesfield, East Ecclesfield, Southey, Firth Park, Burngreave, Shiregreen & Brightside
	Out of Sheffield	491	Any area within England outside of the Sheffield electoral wards
Service User	Service User	1,009	Must have received a service or services from the Trust within the last 5 years
	Carer	659	Must have cared for someone who has received a service from the Trust in the last 5 years
	Young Service User or Carer	98	A service user and carer, but must be 35 years old or younger
Staff	Allied Health Professionals	160	Must have either worked for the Trust continuously for at least 12 months or have a contract of no fixed term
	Central Support Staff	299	
	Clinical Support Staff	570	
	Medical & Clinical	208	
	Nursing	572	
	Psychology	275	
	Social Work	61	
	Support Work	1,024	

Constituency	Class	Number of Members	Criteria
Appointed	Voluntary, Community & Faith Sector Organisations	N/A	Not applicable
	University of Sheffield		
	Sheffield Hallam University		
	Staffside (unions)		
	Local Councillors		
	NHS Sheffield		

At the end of March 2016 there were 12,631 members (excluding staff).

Developing a representative membership

As a successful Foundation Trust, it is our aim to maintain and further develop a membership that involves and reflects a wide representation of our local communities. We have set out how we intend to do this through our membership strategy. As well as defining the membership, this strategy outlines how we plan to:

- Benefit from being a membership-based organisation;
- Communicate with and support the development of its membership;
- Make sure that the membership is reflective of Sheffield's diversity;
- Provide opportunities for our members to become involved with the Trust in ways that suit their needs and wishes.

Some of the actions identified to achieve these four points are:

- Publicising widely the opportunities and benefits of membership;
- Recruiting members from across the whole community;
- Targeting hard to reach groups specifically;
- Developing and supporting effective channels of communication and engagement between Governors and members;
- Ensuring membership is a worthwhile experience for individuals by engaging individuals in a manner of their choice.

Membership Recruitment & Engagement

In line with the Trust's membership strategy to both recruit and engage members from across Sheffield, Governors and staff participated in a number of community events, specifically targeting ones in areas of the city with a high ethnicity and also targeting specific groups such as people with a learning disability. Some of the events included:

- Sheffield Consumers In Research;
- Learning Disabilities Week Event;
- Sheffield EID Festival;
- Wellbeing Festival;
- World Mental Health Day Celebrations;
- Recruitment events at the Royal Hallamshire Hospital and Northern General Hospital;
- Carers Week Event;
- Talking about Research Event;
- Cultural Dementia City Event;
- Sheffield Hallam University Wellbeing Event;
- Older Adult and Wellbeing Event;
- Health and Wellbeing Event, Concorde School.

The Trust held a very successful Annual Members' Meeting in 2015 which over 250 staff and members attended. The event celebrated the excellence of staff and volunteers as well as providing an opportunity for members to learn more about the Trust and its services. Governors presented a report on their activities to members.

The Trust continued to respond to and engage with members' issues by holding two successful membership events: All About Brain Injury and What is Mindfulness? The Trust also worked in partnership with Sheffield Teaching Hospitals NHS Foundation Trust to hold two joint membership events: Talking About Food and Drink and Talking About Research. All four events were well attended and gave Governors an opportunity to engage with current members. A programme of events will continue throughout 2016/17, again to reflect the issues members have told us are important.

As well as keeping a public profile, the Trust's primary focus of communication is through Involve, our membership magazine. Governors and staff sit on the editorial group and make sure that it keeps its focus on those issues that are important to members. The editorial group also makes sure that the magazine gives information on all aspects of the Trust's services.

The Trust website also provides members with updated information and ensures that they can easily communicate with both the Trust and Governors if they want to.

The Trust also has a presence on Facebook and Twitter and makes use of these social media platforms to promote, inform and engage members and the public.

If you want to contact your Governor, you can telephone (0114) 2718768, email governors@shsc.nhs.uk or write to:

The Council of Governors
FREEPOST
SHSC NHS FOUNDATION TRUST

3.1.29 External communication

We produced a large amount of proactive publicity this year and achieved good media coverage across a range of services. We will continue to work hard on our positive PR, sharing the stories of the excellent work being undertaken within the Trust and, where possible, illustrating these with case studies which demonstrate the positive impact of our staff and services on the lives of our service users. We aim to minimise negative publicity to build on our reputation, however, we will be open and honest in all our communications with the media (within the constraints of confidentiality).

We have maintained our social media presence during the year via our Facebook and Twitter accounts. These are regularly updated with news, events and photographs and are growing in popularity.

Website: www.shsc.nhs.uk
Facebook: www.facebook.com/shscft
Twitter: www.twitter.com/shscft or @SHSCFT

3.1.30 Political or charitable donations we have made

The Trust has not made any political or charitable donations during the year 2015/16 as it is not lawful for an NHS Foundation Trust to make such donations.

3.1.31 Cost allocation and charging guidance

The Trust complies with the cost allocation and charging guidance issued by HM Treasury in 'Managing Public Money', in that we seek to set charges that recover full costs, calculating costs on an accruals basis, including overheads, depreciation and the cost of capital.

3.1.32 The Better Payments Practice Code

The Better Payments Practice Code target is to pay all non-NHS trade creditors within 30 days of receipt of goods or a valid invoice (whichever is later) unless other payment terms have been agreed. The disclosure is completed on the basis of total bills paid. The calculations are carried out excluding invoices in dispute.

The Trust pays very few NHS bodies, making percentage compliance for NHS bodies challenging.

Performance for non-NHS bodies is consistently over 90% and is improving.

The Trust is also signed up to the Prompt Payment Code administered by the Chartered Institute of Credit Management of behalf of the Department for Business Innovation and Skills. Code signatories undertake to pay suppliers on time within the terms agreed, give clear guidance to suppliers and encourage good practice through their supply chains. Signatories also undertake to pay suppliers within a maximum of 60 days and to work towards adopting 30 days as the norm.

For further details see note 7 in the Annual Accounts.

3.2 Remuneration Report

Executive Directors' remuneration
The Remuneration and Nominations Committee of the Board of Directors comprises the Non- Executive Directors. The Committee is chaired by Professor Alan Walker CBE, the Trust Chair.

The Committee is responsible for determining the remuneration and terms and conditions of service of the Executive Directors (including the Chief Executive) in order to ensure that they are properly rewarded having regard to the Trust's circumstances.

The Chief Executive attends the Committee's meetings in an advisory capacity. The Director of Human Resources and the Director of Organisation Development/Board Secretary attend the Committee's meetings to provide advice and professional support to its members.

The Committee met on three occasions during 2015/16 and Committee members' attendance at its meetings are as shown in the table opposite:

Name	Position	Attendance
Professor Alan Walker CBE	Committee Chair	3/3
Councillor Leigh Bramall	Committee Member and Non-Executive Director (with effect from 04 January 2016)	1/2
Anthony Clayton	Committee Member and Non-Executive Director (up to 30 November 2015)	1/1
Richard Mills	Committee Member and Non-Executive Director (with effect from 01 December 2015)	2/2
Susan Rogers MBE	Committee Member and Non-Executive Director	2/3
Councillor Mick Rooney	Committee Member and Non-Executive Director (up to 31 July 2015)	1/1
Ann Stanley	Committee Member and Non-Executive Director	3/3
Mervyn Thomas	Committee Member and Non-Executive Director	3/3

The Committee meets at least once a year to decide on the appropriate remuneration and terms and conditions of service of the Executive Directors. These terms and conditions are determined by the Committee and include all aspects of remuneration, provisions for other benefits (such as pensions and cars) and arrangements for termination of employment or other contractual terms.

The Committee is responsible for monitoring the performance of the Chief Executive, based on an annual review provided by the Trust Chair, and of all the other Executive Directors based on an annual report provided by the Chief Executive.

The Executive Directors are on permanent contracts, and six months' notice is required by either party to terminate the contract. The only contractual liability on the Trust's termination of an Executive's contract is six months' notice. Any other liability, such as unfair dismissal compensation, would depend on the circumstances of the case. The table overleaf provides details of Executive Directors' contracts:

Executive Director	Date of Contract	Unexpired terms (Years to age 65)
Kevan Taylor	February 2003	10
Clive Clarke	April 2003	13
Liz Lightbown	April 2011	16
Professor Tim Kendall	April 2003	7
Phillip Easthope	January 2016	28

The Chief Executive undertakes annual appraisals with all Executive Directors, and progress on objectives is assessed at monthly one-to-one meetings with each Executive Director.

The Chief Executive reports the outcomes of these appraisals to the Board's Remuneration and Nominations Committee. The Chief Executive's own performance is monitored by the Chair at regular one-to-one meetings and he is subject to annual appraisal by the Chair who reports the outcome of his appraisal to the Board's Remuneration and Nominations Committee.

The Board's Remuneration and Nominations Committee reviews the remuneration of Executive Directors annually, taking into account information on remuneration rates for comparable jobs in the National Health Service.

The Executive Directors' remuneration levels are referenced to the Chief Executive's level of remuneration and any increases determined for the Chief Executive. Performance-related pay is not applied under current arrangements.

It was determined that the same increase be awarded to the Executive Team as applied to staff on the relevant Agenda for Change pay bands. As staff at the higher bandings did not receive any increases under Agenda for Change, then no increase applied to the Executives.

The salary component for Executives supports the short and long term strategic objectives of the Trust as it assists the Trust in attracting and retaining senior managers who have the necessary skills and experience to lead the Trust and take forward the identified objectives. The salary is paid through our normal payroll processes. There is no specified maximum on the level of remuneration which could be paid but account

would be taken of available benchmarking information and the relationship with the salaries available to other staff. There is provision, on termination of the contract, for the non-payment of salary in lieu of outstanding leave.

Non-Executive Directors' remuneration

There is a Nominations and Remuneration Committee of the Council of Governors whose responsibility, among others, is to make recommendations to the Council of Governors on the remuneration, allowances and other terms and conditions of office of the Chair and all Non-Executive Directors. It is for the Council of Governors, in general meeting, to determine the remuneration, allowances and other terms and conditions of office of the Chair and the Non-Executive Directors, taking into account the recommendations made to it by the Nominations and Remuneration Committee.

It is the responsibility of the Council of Governors' Nominations and Remuneration Committee to monitor the performance of the Trust Chair and Non-Executive Directors. The Committee may, in appropriate cases, or, if specifically requested by the Council of Governors to do so, report its findings to the Council. Details of the activities of the Nominations and Remuneration Committee for the past year are reported on in Section 3.1.27 of this report.

Details of the remuneration paid to all of the Directors during 2015/16 are shown in Table A on the following page. The Non-Executive Directors' duration of office is reported in Section 3.1.8 of this report. Information on appointment of two new Non-Executive Director is reported in Section 3.1.27 of this report.

Directors' remuneration and pension entitlements

All Executive Directors are contributing members of the NHS-defined benefit pension scheme and are eligible for a pension of up to half of final salary on retirement. The scheme provides a lump sum of three times the final salary on retirement. Executive Directors in the scheme receive the same benefits as other staff members. The 'Pension Benefits' Table C provides details of the current pension and lump sum position for each Director.

On 16 March 2016, the Chancellor of the Exchequer announced a change in the Superannuation Contributions Adjusted for Past Experience (SCAPE) discount rate from 3,0% to 2,8%. This rate affects the calculation of CETV figures in this report.

Due to the lead time required to perform calculations and prepare annual reports, the CETV figures quoted in this report for members of the NHS Pension scheme are based on the previous discount rate and have not been recalculated.

Table A: Salaries and Allowances

Name and title	Period 1.4.15 to 31.3.16							Period 1.4.14 to 31.3.15						
	Salary and Fees (bands of £5,000)	Other Remuneration (bands of £5,000)	Taxable Benefits (rounded to the nearest £00)	Annual Performance Related Bonuses (bands of £5,000)	Long-Term Performance Related Bonuses (bands of £5,000)	Pension Related Benefits (bands of £2,500)	Total (bands of £5,000)	Salary and Fees (bands of £5,000)	Other Remuneration (bands of £5,000)	Taxable Benefits (rounded to the nearest £00)	Annual Performance Related Bonuses (bands of £5,000)	Long-Term Performance Related Bonuses (bands of £5,000)	Pension Related Benefits (bands of £2,500)	Total (bands of £5,000)
Prof A. Walker CBE, Chairman	25 - 30	0					25 – 30	25-30	0					25-30
Councillor. M. Rooney, Non-Executive Director	0 - 5	0					0 – 5	10-15	0					10-15
M. Rosling, Non-Executive Director	-	-					-	5-10	0					5-10
A. Stanley Non-Executive Director	10 - 15	0					10 – 15	0-5	0					0-5
A. Clayton, Non-Executive Director	5 - 10	0					5 – 10	10-15	0					10-15
M. Thomas, Non-Executive Director	10 - 15	0					10 – 15	10-15	0					10-15
S. Rogers MBE, Non-Executive Director	10 - 15	0					10 – 15	10-15	0					10-15
Councillor. L. Bramall Non-Executive Director	0 - 5	0					0 - 5	-						-
R. Mills Non-Executive Director	0 - 5	0					0 - 5	-						-

Name and title	Period 1.4.15 to 31.3.16							Period 1.4.14 to 31.3.15						
	Salary and Fees (bands of £5,000)	Other Remuneration (bands of £5,000)	Taxable Benefits (rounded to the nearest £00)	Annual Performance Related Bonuses (bands of £5,000)	Long-Term Performance Related Bonuses (bands of £5,000)	Pension Related Benefits (bands of £2,500)	Total (bands of £5,000)	Salary and Fees (bands of £5,000)	Other Remuneration (bands of £5,000)	Taxable Benefits (rounded to the nearest £00)	Annual Performance Related Bonuses (bands of £5,000)	Long-Term Performance Related Bonuses (bands of £5,000)	Pension Related Benefits (bands of £2,500)	Total (bands of £5,000)
K. Taylor, Chief Executive	140 - 145	0				10 – 12.5	155 - 160	140 - 145	0				50 - 52.5	195 - 200
C. Clarke, Deputy Chief Executive and Social Care Lead	120 - 125	0				10 – 12.5	130 - 135	120 - 125	0				62.5 - 65	185 - 190
P. Robinson, Executive Director of Finance								105 - 110	0				0	105 - 110
P. Easthope, Executive Director of Finance	95 - 100	0				95 – 97.5	195 - 200	0 - 5	0				12.5 - 15	10 - 15
Prof. T. Kendall, Executive Medical Director	100 - 105	80 - 85	8800			12.5 - 15	200 - 205	105 - 110	85 - 90	8400			(0 - 2.5)	200 - 205
E. Lightbown, Chief Nurse/ Chief Operating Officer	105 - 110	0				40 – 42.5	145 - 150	105 - 110	0				72.5 - 75	180 - 185

Paragraph 4-16 inclusive of Part 3 of Schedule 8 to the Regulations requires the disclosure of the remuneration figures detailed above and includes a single remuneration for each senior manager who served during the year in tabular form as shown above.

A. Clayton and Councillor M. Rooney left the Trust in 2015/16. M. Rosling and P. Robinson left the Trust in 2014/15. P. Robinson opted out of the pension scheme in 2013/14.

Table B: Senior Managers' Remuneration

Component	Description
Salary and Fees	The salary component for Executives supports the short and long term strategic objectives of the Trust as it assists the Trust in attracting and retaining senior managers who have the necessary skills and experience to lead the Trust and take forward the identified objectives. The salary is paid through our normal payroll processes. There is no specified maximum on the level of remuneration which could be paid but account would be taken of available benchmarking information and the relationship with the salaries available to other staff. There is provision, on termination of the contract, for the non-payment of salary in lieu of outstanding leave.
Other Remuneration	Only one Executive receives payment under this component. This relates to payment for work undertaken for the Royal College of Psychiatrists. The other remuneration component supports the short and long term strategic objectives of the Trust as it assists the Trust in attracting and retaining senior managers who have the necessary skills and experience to lead the Trust and take forward the identified objectives while also undertaking work of national importance related to one of the key functions of the Trust (mental health treatment and care).
Taxable Benefits	Only one Executive receives payment under this component. This relates to the Trust's lease car scheme and all staff are eligible to apply for this. The taxable benefits component supports the short and long term strategic objectives of the Trust as it assists the Trust to attract and retain its workforce. The level of remuneration which could be paid is dependent on the terms and conditions of the lease car scheme.
Annual Performance Related Bonuses	Performance-related pay is not applied under current arrangements.
Long-Term Performance Related Bonuses	Performance-related pay is not applied under current arrangements.
Pension Related Benefits	There is nothing in addition to the normal NHS pension employer contributions for all staff.

Notes: There are no new components of the remuneration package. There have been no changes made to existing components of the remuneration package. The Executive Directors' remuneration levels are referenced to the Chief Executive's level of remuneration and any increases determined by the Remunerations and Nominations Committee. The remuneration levels for employees are set by Agenda for Change or other relevant agreed contractual arrangements.

The Hutton Disclosure

	1.4.15 to 31.3.16	1.4.14 to 31.3.15
Band of Highest Paid Director's Total (remuneration £000)	**200 - 205**	200 - 205
Median Total Remuneration	**19,461**	19,268
Ratio of Median Remuneration to Midpoint of the Highest Paid Director's Band	**10.4**	10.6

In accordance with the Hutton Review of Fair Pay, reporting bodies are required to disclose the relationship between the remuneration of the highest paid Director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid Director in the financial year was 200 – 205 as shown above. It was 10.4 times the median remuneration of the workforce, which was £19,461.

The median remuneration is based on full time equivalent directly employed staff as at 31 March, excluding the highest paid Director (as per the guidance).

In this calculation total remuneration includes salary, non-consolidated performance related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The highest paid Director is also the highest paid employee. The median is the middle number in a sorted list of numbers. The ratio is the number of times the median can be divided into the highest paid Director's total remuneration.

Directors and Governors Expenses

	2015/16 £00	2014/15 £00
Expenses shown in £00s		
Aggregate sum of expenses paid to Governors	**6**	9
Aggregate sum of expenses paid to Directors	**33**	36
Total	**39**	45

	Number in office		Number receiving expenses	
	2015/16	2014/15	2015/16	2014/15
Governors	**38**	40	**5**	6
Directors (excluding the Chair and Non-Executive Directors)	**5**	5	**5**	5
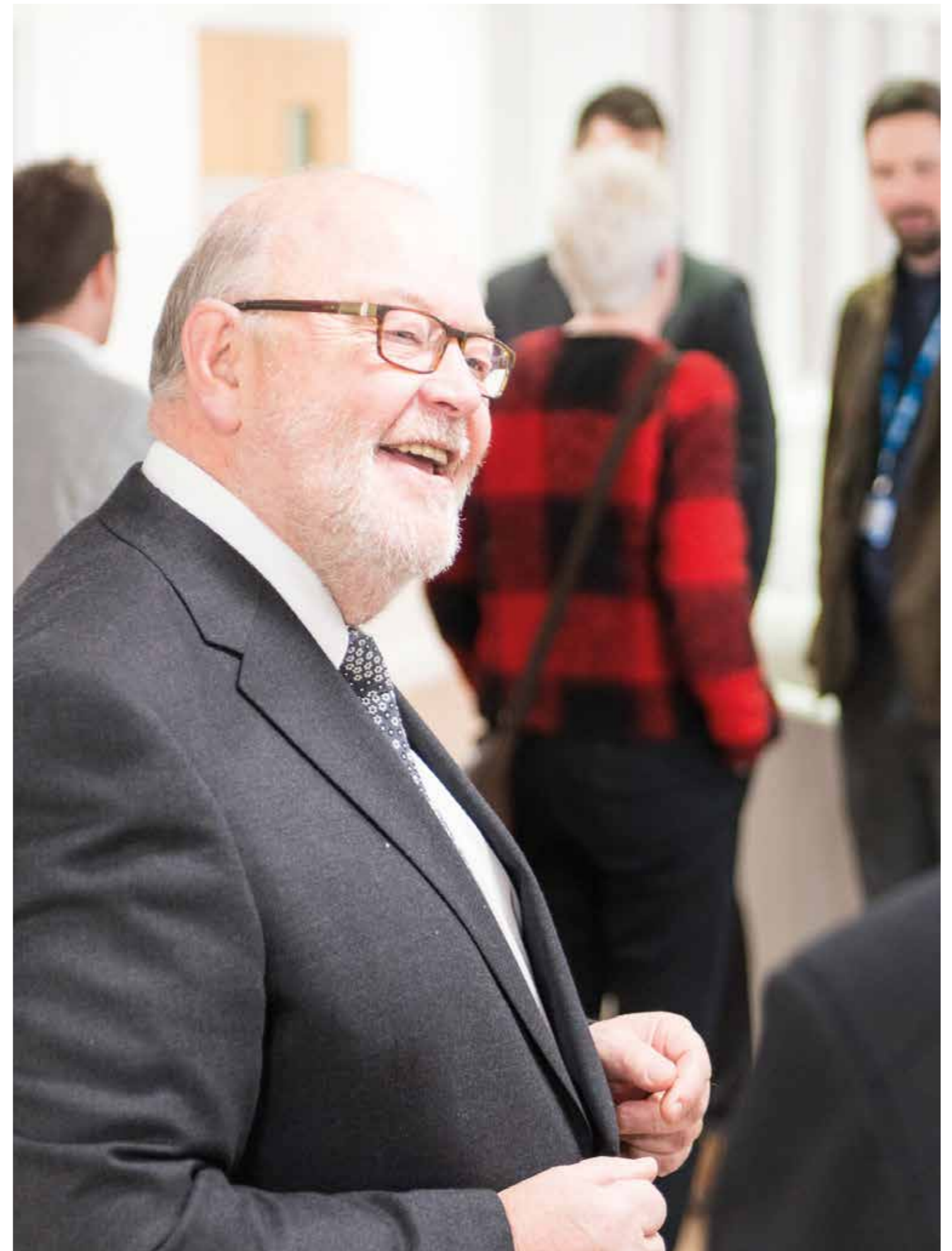
Table C: Pension Benefits

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

Name and title	Real increase in pension at pension age (bands of £2,500) £000	Real increase in pension lump sum at pension age (bands of £2,500) £000	Total accrued pension at pension at 31 March 2016 (bands of £5,000) £000	Lump sum at pension age related to accrued pension at 31 March 2016 (bands of £5,000) £000	Cash equivalent transfer value at 31 March 2016 £000	Cash equivalent transfer value at 31 March 2015 £000	Real increase in cash equivalent transfer value £000
K. Taylor, Chief Executive	0 – 2.5	2.5 – 5	55 – 60	165 - 170	1,132	1,082	37
C. Clarke, Deputy Chief Executive and Social Care Lead	0 – 2.5	2.5 – 5	25 – 30	75 – 80	467	436	26
P. Easthope, Executive Director of Finance	2.5 – 5	12.5 - 15	15 – 20	45 – 50	190	130	58
Prof. T. Kendall, Executive Medical Director	0 – 2.5	2.5 – 5	60 – 65	180 – 185	1,334	1,273	46
E. Lightbown, Chief Nurse/ Chief Operating Officer	2.5 - 5	5 – 7.5	35 – 40	110 – 115	633	577	48

Notes: The majority of employees are covered by the provisions of the NHS Pensions Scheme. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practitioners and other bodies under the direction of the Secretary of State, in England and Wales. As a consequence it is not possible for the NHS Trust to identify its share of the underlying scheme assets and liabilities. A small number of staff are, however, members of South Yorkshire Pensions scheme. Further details can be found in the Annual Accounts at note 1.6.2.

Paul Robinson opted out of the scheme in 2013/14 and left the Trust in 2014/15.

Service contract obligations

There is a requirement to notify of any outside business interests and/or contracts/ proposed contracts where there is a financial interest. Prior written consent is required for engaging in any other business, profession, trade or occupation.

The intellectual property created during the course of employment belongs to the Trust and there is provision for payment to Trust for any remuneration which arises from such intellectual property.
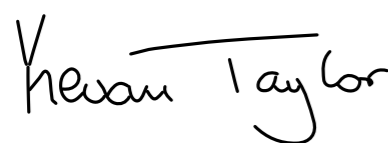
Policy on payment for loss of office

There is a requirement on each side to provide six months' written notice. The principles for approaching payment for loss of office will be those arising from the legal obligations of the Trust under normal contractual or statutory provisions.

The Trust reserves the right to terminate the contract forthwith for offences of gross misconduct and other similar situations such as serious breach of the contract, becoming bankrupt, being convicted of a criminal offence, becoming permanently incapacitated and/or becoming disqualified from holding office as an Executive Director.

Statement of consideration of employment conditions elsewhere in the Trust

The Committee took explicit account of the Agenda for Change pay award which was effective from 01 April 2015 and, this year, applied the same increase to Executive Directors. There was no consultation with staff regarding this increase.

Chief Executive
25 May 2016

3.3 Staff Report

3.3.1 Staff numbers

Overall, the workforce has remained stable. There has been a decrease in substantive employment and an increase in agency staff.

Average number of people employed (whole time equivalent basis)	2015/16 Number	2014/15 Number
Medical and dental	143	145
Administration and estates	532	542
Healthcare assistants and other support staff	147	161
Nursing, midwifery and health visiting staff	1,228	1,251
Scientific, therapeutic and technical staff	373	376
Social care staff	95	100
Agency staff	171	118
	2,689	2,693

As at 31 March 2016 the gender ratio of staff is 74% female, 26 % male. Of the Trust's Directors three are female and eight are male. Of the Trust's other senior managers, 24 are female and 25 are male.

3.3.2 Sickness absence

Following the success of our previous two Conferences on the management of sickness absence and to help ensure our staff have an improved understanding of the causes of sickness and the actions which are available and appropriate to improve and promote attendance, a further Conference will be taking place on 25 April 2016, with key speakers including Professor Tom Cox, Director of The Centre for Sustainable Working Life at Birbeck University of London, and a workshop activity to discuss various 'real life' casework scenarios which managers are likely to have to manage. As with previous Conferences, the Agenda for this event has been developed through the work of our Joint Staff Working Party on promoting attendance and managing sickness absence.

The level of sickness absence continues to be a focus for action for the Trust as it remains higher than our organisational target of 5.1%. Our actions have included a continuous plan for raising awareness of the importance of the issue (including our Conferences), and the development of an Action Plan which included the appointment of an Attendance and Sickness Absence Case Manager to review in detail, those individuals whose level of sickness absence across the whole Trust has given cause for concern, and to provide managers with dedicated support and guidance in managing situations where triggers within the Policy have been hit. We have also undertaken a process of reviewing and renaming the existing absence management policy with a view to simplifying the language and the various stages contained within it. We are working closely with Staff Side colleagues in a partnership approach.

In managing sickness cases we recognise the importance of good quality medical advice and information to support employees both during their absence and to facilitate a supported return to work at the earliest opportunity. We have therefore started a process of reviewing the specification for our Occupational Health provision with a view to establishing what improvements can be made to the service. Furthermore, in addition to the confidential staff counselling service we offer, we are also looking at what 'fast track' support might be put in place to support employees with physical and mental health issues from within services provided by the Trust. More detailed information on sickness absence is given below.

Staff Sickness Absence	2015/16	2014/15
Total Days Lost	32,348	31,578
Total Staff Years	2,375.72	2,386
Average Working Days Lost	13.4	13.2

3.3.3 Supporting disabled employees

This year we have renewed our 'two ticks' standard and maintained our action plan to support the Trust as a Mindful Employer. We developed a new policy on relationships at work and updated or Parental Leave Policy to include new provisions for share parental leave. We have policy and management guidance on considering and making reasonable adjustments if a member of staff becomes disabled and these have been updated during this year. We promote the career development and promotion of disabled staff, in particular, through such projects as Recovery Enterprises. This year we have also signed the Time to Change Organisational Pledge and our action plan demonstrates our commitment to providing support to all Trust staff.

3.3.4 Staff engagement and involvement

The Trust has a range of methods for keeping staff informed on matters of concern to them as employees. These include:

- A monthly letter from the Chief Executive which updates staff on key developments and challenges facing the Trust, including financial and economic factors affecting the Trust's performance, and invites staff to feedback and engage with him directly;
- Regular team briefings.
- A monthly newsletter from the Board of Directors which updates staff on issues discussed at each Board of Directors' meeting;
- Regular updates on our staff intranet;
- Production and dissemination of all staff e-mails;
- Engagement with various groups of staff through regular forums on specific areas of concern.

Supervision is seen as a key mechanism for ensuring staff concerns are addressed systematically and the Trust has taken forward its work on improving supervision. Following consultation, it has introduced a new Supervision Policy and set up a specific training module which is initially targeted at nurses. This builds on the previous work which has been undertaken to improve the take-up of Personal Development Reviews (PDR) by embedding a PDR three month focal point 'window' (April to June) for all employees.

Support mechanisms for staff are already well established within the Trust which encourage staff to get involved with the Trust's performance and development. These include:

- Visits to teams from Non-Executive Directors and Executive Directors of the Board, including the Chief Executive;
- Our Awards for Excellence Scheme which recognises staff and teams (both clinical and non-clinical) who have gone above and beyond expectations in the performance of their work. We also have a dedicated award category for volunteers;
- Our Clinical Excellence scheme for consultant medical staff;
- Microsystems coaching;
- Crucial Conversations training;
- Participation in the national Staff Survey and the quarterly Friends and Family survey;

- Special staff surveys on specific topics such as sickness and smoking;

- Schwartz Rounds;

- Mindfulness and Mindful Leadership training;

- Staff Conferences including Compassionate Care and Promoting Attendance and Managing Sickness Absence;

- A Service User Engagement Conference.

This year we have introduced an additional initiative to strengthen staff engagement and support by establishing a Coaching Service for staff.

As a Foundation Trust, all staff are automatically members of the Trust (unless they specifically choose to opt out). We have eight dedicated Staff Governors who ensure that the voices and concerns of staff are represented at the Council of Governors.

3.3.5 Staff consultation
We engage with Staff Side on a continuing basis. This includes the established mechanisms such as the Joint Consultative Forum, Joint Policy Group and, for medical staff, the Joint Local Negotiating Committee. In addition there are specific arrangements put in place in relation to particular issues or topics, for example, the Joint Sickness Working Party, the introduction of our new electronic expenses system, the move to the Trust going completely Smoke Free, nurse revalidation, the Agenda for Change job evaluation process and the introduction of values based recruitment.

The continuing and extensive organisational change agenda has also required close working between the Trust and Staff Side in order to assist staff as much as possible. This has included a number of service re-organisations and the transfer of staff both from and to the Trust. It has also included two further rounds of applications of our Mutually Agreed Redundancy Scheme (MARS) which enables posts to be available, where practicable, for staff on redeployment. We operate the scheme in conjunction with Staff Side representative through our MARS Vacancy Panel and 28 employees have had their applications approved under this scheme. We have also co-operated successfully with Staff Side to ensure that safe minimum staffing levels have been achieved during the periods of national industrial action by junior doctors which have occurred in the early part of 2016.

Work-life balance issues have been recognised by a further roll-out of the additional annual leave scheme and the continued operation of our Flexible Working Policy. The Trust is also continuing to monitor the hours of staff to ensure compliance with the working time legislation and is planning to extend its coverage of its flexible staffing resource to cover both cook/housekeepers and administrative staff to help relieve any short term staff shortages in these areas.

Policies have been reviewed or developed reflecting Trust and staff concerns. These have included the development of a new Secondment Policy, a specific policy for staff working abroad in the Gulu Project in Uganda and we have continued our work on improving the policies relating to attendance and discipline. As previously noted, a Sickness Absence Case Manager was appointed to help with the management of attendance.

Last year we worked successfully with Staff Side in implementing the decision of the Board of Directors to adopt the Living Wage with effect from January 2015. This year we have reviewed the rate in line with the recommendations of the Living Wage Foundation and consolidated the supplement to further support staff on our lowest pay bands.

We have maintained a range of initiatives aimed at increasing staff engagement by supporting staff to feel connected to the organisation, to be committed to and absorbed in their work, to experience positive relationships and to be physically and emotionally healthy. These include relatively informal activities such as senior managers undertaking 'walk rounds' and working on shifts, to more structured interventions (both specific to teams and across teams) to surveys of staff (within the Trust and nationally) .

3.3.6 Education, training and development
We have a dedicated Education, Training and Development Department which commissions and delivers core mandatory, clinical skills and specialist training for our staff to ensure that they meet the essential training requirements for their roles. Our aim is to ensure we always have the staff with the rights skills at the right time to provide high quality, safe care to our services users.

Essential core mandatory training is an organisational priority and during this year we made considerable progress on increasing the uptake and ensuring courses take up less staff time in attendance. This has enabled us to focus resources on the specialist skills such as RESPECT, Recovery, Life Support, Clinical Risk Assessment and Management. Developments this year include a bespoke one day training for specific staff groups and service areas, a review of life support training in conjunction with the Postgraduate Medical Education department, a service-based approach to clinical risk updates ,and a revised Mandatory Training Policy.

The development of e-Learning has played a large part in improving compliance with mandatory training, better use of limited training resources, and reduced pressure on staff release. There has been a significant increase in the use of e-Learning across the Trust with over 4,700 packages completed in 2015/16 including Equality and Diversity

and Health and Safety. We have introduced e-Learning links to act as a local resource within teams, disseminate information on e-Learning and be a point of contact with the Education, Training and Development Department.

We are using more technology and simulation in training which provides a safe environment to practise and develop clinical skills. For example, RAMPPS (Recognising & Assessing Medical Problems in Psychiatric Settings) is a multi-disciplinary event for Junior Doctors, Staff Nurses and Support Workers from in-patient wards. This programme increases knowledge of managing physical health problems and improving the confidence of Core Trainees and Nurses in managing the medical situations that they will encounter on our in-patient wards.

The new national Care Certificate for support workers was introduced from 01 April 2015 and so far 102 new support workers and social care support staff have started this certificate. It builds on, and replaces the Common Induction National Minimum Training Standards (NMTS) and embeds the behaviours described in both the Support Worker Code of Conduct (2013) and the Chief Nursing Officer's 6Cs (care, compassion, competence, communication, courage and commitment). We have mapped the Care Certificate to our existing core mandatory training programme and an individual workbook is given to each new support worker to record evidence of training and assessment in practice.

We continue to develop and train our support staff through apprenticeship opportunities and Quality and Credit Framework (QCF) qualifications. The introduction of the Care Certificate provides an opportunity to embed recovery principles, our values and effective supervision into practice.

This year the Trust has trained 23 young people through apprenticeship schemes (13 health and social care and 10 business administration). Apprenticeships have helped us to develop the support workforce capability and capacity and this has been evidenced by service feedback and the successful progression of apprentices into roles within the NHS. In February 2015 this programme was recognised at the regional Talent for Care Awards. Sheffield Health and Social Care (together with Sheffield Children's Hospital and Sheffield College) won the Partnership of the Year category. This was in recognition of our development of a combined mental health and social care apprenticeship to meet the specific need of apprentices working in mental health and learning disabilities settings.

Over the past 12 months, the Recovery Education Unit has built on its commitment to bring the lived experience of people with mental health problems to the centre of our work. Our teaching and practice development initiatives are strongly influenced by this expertise and this is supported by our recovery tutors and senior service user lecturer

who are active in various work streams which target specific goals, including creating good practice guidelines and policy on service user involvement in training, recruitment and paid peer support. Our recovery courses are popular, evolving and the feedback we receive demonstrates that they are useful and inspirational to people working in mental health related practice.

Our Recovery Education Unit offer a comprehensive portfolio of recovery courses, both online and in the classroom, to staff across the north of England. These include Introduction to Recovery, Working with Families, and a Post Graduate Diploma in Recovery in Mental Health. As well as the course portfolio, the Recovery Education Unit leads on projects within the non-medical education tariff to enhance the learning environment for student nurses on placement within the Trust. We have developed a service user led placement opportunity for students with the CERT Team (Community Enhanced Recovery Team) as well as continued involvement to embed recovery principles into the Trust's induction for students from Sheffield Hallam University. The Recovery Education Unit and service user trainers (recovery tutors) have also completed three values based practice courses with support worker from acute in-patient and community recovery team settings. This builds on the recommendations found in both the Francis and Cavendish Reports to ensure effective supervision and training in the workplace.

We currently accommodate 120 nursing students each year in 34 adult mental health and 8 learning disability placements. This equates to 40% of all the mental health nursing placements at Sheffield Hallam University. Placements range from both in-patient and community settings to day care, respite and specialist services. We have launched a new Practice-Based Learning Support Programme to provide dedicated support to student nurses on placement with us.

We currently employ 321 qualified mentors/practice educators across 43 placement teams. This gives the capacity to support up to 81 pre-registration Mental Health Nurse, 35 Occupational Therapy, 2 Physiotherapy, and 3 Speech and Language Therapy student placements at any given time. Psychological Services work closely with the Clinical Tutors at the Department of Clinical Psychology at the University of Sheffield, to ensure we maximise the number of placements available to meet their requirements. This year we supported 11 staff to complete their pre-registration nursing degree through secondment to Sheffield Hallam University or the Open University. Professionally registered non-medical staff have accessed Specialist Skills and Post Registration Development funding to access a variety of Higher Education Institution training opportunities across the country. The Trust has worked with Health Education Yorkshire and the Humber and the University of Sheffield to commission courses for Trust staff in the administering of intramuscular injections, dual diagnosis training and clinical supervision for in-patient and complex care settings.

We have a well established relationship with Sheffield University Medical School, leading on teaching in psychiatry to undergraduate medical students across the five year course (240 students per year) and as the lead organisation for clinical placements in the region. We provide six week clinical placements in the third year of study for 120 medical students per year and oversee and quality assure these and another 120 placements across the region. From next year we will also be providing placements for Physician Associates in conjunction with Sheffield University, Sheffield Hallam University and the University of Birmingham. Additionally, we run several recruitment initiatives to encourage students and doctors to consider psychiatry as a career (@PEEPSheff and @EYMPsychaitry) and offer selected components and electives to interested students from Sheffield and beyond. We also co-ordinate Masterclass sessions in psychiatry, including those led by Experts by Experience, participants in the Patients as Educators Scheme at the University of Sheffield and support students taking further degrees (BMedSci and Masters) in areas related to mental health in association with the Department of Neuroscience and ScHARR.

We are a lead employer for psychiatry trainees in South Yorkshire, employing approximately 130 doctors across the region. There are approximately 40 trainees working within the Trust at any given time. We deliver a Core Psychiatry Training Course in partnership with Leeds University, producing pass rates which are consistently higher than the national average. We recently purchased videoconferencing equipment, which will allow for the sharing of educational resources across the region.

We host various simulation sessions to assist junior doctors to meet both the requirements of their curriculum and to continue to progress the quality of service user care. Junior doctors placed in the Trust are required to attend the RAMPPS course (Recognising and Managing Physical Problems in a Psychiatric Setting). RAMPPS is a multidisciplinary course in which, nurses, core trainees and GPs replicate scenarios in psychiatric in-patient units. The programme aims to increase knowledge of managing physical health problems and to improve the confidence of attendees in the management plans for this. Junior doctors across the region also attend a simulation session focused on communication skills. Dr McCormick, Director of Medical Education has recently been appointed as Royal College Advisor for Simulation.

All trainers responsible for junior doctors are fully trained as Clinical and Educational Supervisors, and training compliance is monitored regularly by the Medical Education Team. Health Education England is due to conduct a Quality Management visit in November 2016.

3.3.7 Volunteers

We are committed to providing high quality volunteering opportunities across the Trust. This year the number of people who expressed an interest in volunteering for the Trust increased yet again. The active list now has over 300 volunteers and approximately 20 new volunteers are welcomed each month. All volunteers attend a specifically tailored volunteer induction during which they have an opportunity to meet other volunteers and take part in mandatory training.

Our volunteers are highly valued colleagues and we are committed to offering them opportunities which promote personal and professional development. Further information about volunteering at the Trust, along with contact details, can be found at www.shsc.nhs.uk/about-us/get-involved/volunteering

3.3.8 Health and Safety

We place a strong focus on health, safety and well-being. We aim to maintain an environment that is safe and supportive for service users, staff and visitors.

The Trust has a well-established Health and Safety Committee comprising management and Staff Side representatives, which is chaired by an Executive Director. The role of the Committee is to monitor and maintain effective health and safety management systems that are proportionate to level of risk to be managed and ensure compliance with legislation, regulations and codes of practice.

The Committee has overseen the completion of several areas of work this year including developing or updating the following approved documents:

- Slips, Trips & Falls Policy;
- Safety Checks and Risk Management Self-Assessment Checklist.

This year a significant achievement for the Trust was being accredited with the Contractors Health & Safety Assessment Scheme (CHAS). We are one of only a handful of NHS Trusts in the United Kingdom to have achieved this accreditation. CHAS is a recognised scheme which evidences compliance with a range of health and safety standards. As well as recognising the good standards appertaining in the Trust, CHAS accreditation also supports us on the commercial side of our Foundation Trust role as it may be a pre-requisite of tendering for services with some external organisations, particularly Local Authorities.

Training and competence is a high priority within the Trust to ensure staff have the appropriate skills, experience and knowledge to undertake their work in a safe and caring manner. The Trust has continued to develop provision of mandatory health and safety related training via e-learning. This easier access to training has already made a significant contribution in aiding the Trust to meet its training targets. There has also been communication with staff to emphasise that many mandatory training applications fall within the 'health and safety umbrella' and thus contribute to staff's overall effectiveness in this area of their work.

The estate compliance/'Red Box' system continues to be applied within all Trust premises and remains a crucial tool for local managers of establishing and monitoring responsibilities and arrangements for estates, health and safety and fire prevention related systems, in accordance with Trust policies and procedures.

Health and safety inspections are regularly undertaken at all sites by local staff. Inspections are also completed by the Trust's Health and Safety Advisor to measure health and safety performance at each service/department and for the Trust as a whole. Local managers and staff have found the results and advice provided hugely beneficial and helpful in knowing what areas are doing well and which need to improve further. In-patient areas are audited every 12 months and community based services and non-clinical services, every 18 months, in line with a risk-based approach.

The Trust employs competent people to provide specialist advice in managing health and safety and related matters:

- Health and Safety Advisor;
- Risk Management and Clinical Governance Teams;
- Senior Infection Control Nurse;
- Fire and Security Officers;
- Local Security Management Specialist;
- Designated Estates Managers with specific responsibilities for estates related issues e.g. water quality/legionella and electrical safety.

3.3.9 Occupational health
Our approach to occupational health involves the following strands:

- **Occupational Health Service** – this is provided via a contract with Sheffield Teaching Hospitals NHS Foundation Trust. Our Occupational Health provider has representation on the Joint Sickness Working Party and presented at our recent Conference on Promoting Attendance at Work;

- **Workplace Wellbeing** – this is our own free, confidential staff counselling and consultation service which is available to both individuals and groups of staff;

- **Health and wellbeing** – we provide a dedicated page on our staff intranet which helps direct staff to a range of useful local, regional and national resources and tools to assist with promoting a healthy and active lifestyle;

- **Training** – we provide specific training on key health related areas such as back care, manual handling, stress awareness and dealing with conflict;

- **Specific projects** – this encompasses both regular initiatives such as the annual flu immunisation campaign as well as special initiatives such as the introduction of the Trust going completely Smoke Free (scheduled for 31 May 2016) and the implementation of the Public Health Responsibility Deal.

3.3.10 Countering Fraud and Corruption
Local Counter Fraud services are provided by 360 Assurance. The role of the Local Counter Fraud Service assists in creating an antifraud culture within the Trust: deterring, preventing and detecting fraud, investigating suspicions that arise, seeking to apply appropriate sanctions and redress in respect of monies obtained through fraud.

This year we revised and updated our Fraud Policy and established dedicated Counter Fraud pages on our staff intranet.

3.3.11 Staff Survey
Staff engagement and associated support mechanisms are already well established within the Trust. These include:

- Visits to teams from Non-Executive Directors and Executive Directors of the Board, including the Chief Executive;

- Our Awards for Excellence Scheme which recognises staff and teams (both clinical and non-clinical) who have gone above and beyond expectations in the performance of their work. We also have a dedicated award category for volunteers;

- Our Clinical Excellence scheme for Consultant medical staff;

- Our Workplace Wellbeing Service;

- Microsystems coaching;

- Crucial Conversations training;

- Participation in the national Staff Survey and the quarterly Friends and Family survey;

- Special staff surveys on specific topics such as sickness and smoking;

- The setting up of a Coaching Service

- Schwartz Rounds;

- Mindfulness and Mindful Leadership training;

- Staff conference.

This year we have also established a Coaching Service to provide additional support for staff.

Our results and areas for consideration are shared with the Executive Directors' Group and the Board of Directors. They are also discussed with our Staff Side and the relevant actions incorporated within the plans of the relevant teams including Human Resources and Communications. Within Human Resources they will be incorporated within the People Plans which are being developed with Directorates and professions.

Response Rate	2015/16		2014/15		Trust improvement/ deterioration
	Trust	National Average	Trust	National Average	
	46%	41%	44%	42%	Improvement

Top 4 ranking scores	2015/16		2014/15		Trust improvement/ deterioration
	Trust	National Average	Trust	National Average	
% of staff appraised in the last 12 months	93%	89%	89%	88%	No significant change
Staff satisfaction with resourcing and support	3.42	3.31	n/a	n/a	n/a
% of staff suffering work related stress in last 12 months	36%	39%	47%	42%	Improvement
% of staff working extra hours	63%	74%	63%	71%	No change

Bottom 4 ranking scores	2015/16		2014/15		Trust improvement/ deterioration
	Trust	National Average	Trust	National Average	
% of staff agreeing their role makes a difference to patients/service users	86%	89%	89%	89%	No significant change
% of staff experiencing physical violence from staff in last 12 months	6%	3%	6%	3%	No change
Effective use of patient/service user feedback	3.53	3.68	3.67	n/a	No significant change
% of staff feeling motivated at work	3.79	3.88	3.77	3.84	No significant change

Priority areas are still under consideration. However, actions are underway in a number of areas. Discussions regarding staff experiencing physical violence from other staff have already commenced with Staff Side. They have confirmed that they have no knowledge of any instances of physical violence from staff having taken place (either reported or unreported) and the Trust's own procedures for issues relating to discipline and bullying/harassment contain no such allegations. We will explore further how better to understand this apparent inconsistency between the survey results and the other data available.

In respect of staff appraisals, we have rolled-out, across the Trust, the requirement for non-medical staff to have a Personal Development Review during the focal point window (April to June 2016). This approach has proved successful and will be kept under review. Alternative arrangements relate to medical staff which are linked to their revalidation process.

Understanding the experience of the people who use our services is essential if we are to be successful in achieving quality improvement. We use a range of information to monitor service quality and performance. Our approach is to work with service users so they gather feedback from service users about their experience of services on our behalf. This provides a richer and more informed view about the experience people have of receiving care from us.

3.3.12 Expenditure on consultancy
In 2015/16 we spent £877,000 on consultancy. Further details can be found in the Annual Accounts at note 4.1.

3.3.13 Off-payroll engagements
As part of the Review of Tax arrangements of Public Section Appointees published by the Chief Secretary of the Treasury on 23 May 2012, NHS Foundation Trusts are required to present data in respect of off-payroll arrangements.

The Trust's procurement policy 'Engaging Individual Self-Employed Contractors' seeks to provide a framework and clear guidance for budget holders and managers to follow when making a decision to recruit an individual to provide a service for the Trust. The order of consideration would generally be: employment, agency, self-employed contractor (off-payroll). Any engagement of a self-employed contractor must be requisitioned in advance of engagement as per usual procurement processes and require the Directorate's Executive Director approval to confirm that he or she is assured that other avenues (employment or agency) have been explored. The Trust assures itself of the tax status of the contractor via issue of a Tax Declaration at the

commencement of the contract. A register of engagements of contractors earning over £220 per day is maintained by the Directorate. All such engagements will be reviewed and re-authorised after 12 weeks with advice sought from procurement and Human Resources.

Table 1: For all off-payroll engagements as of 31 March 2016, for more than £220 per day and that last for longer than six months

Number of existing engagements as of 31 March 2016	0
Of which:	
Number that have existed for less than one year at time of reporting	0
Number that have existed between one and two years at time of reporting	0
Number that have existed between two and three years at time of reporting	0
Number that have existed between three and four years at time of reporting	0
Number that have existed for four or more years at time of reporting	0

All existing off-payroll engagements, as outlined above, have at some point been subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 01 April 2015 and 31 March 2016, for more than £220 per day and that last longer than six months.

Number of new engagements, or those that reached six months in duration, between 1 April 2014 and 31 March 2015	0
Number of the above which include contractual clauses giving the department the right to request assurance in relation to income tax and National Insurance obligations	0
Number for whom assurance has been requested	0
Of which:	
Number for whom assurance has been received	0
Number for whom assurance has not been received	0
Number that have been terminated as a result of assurance not being received	0

Table 3: For any off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, between 01 April 2015 and 31 March 2016.

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 figures should include both off-payroll and on-payroll engagements.	5

3.3.14 Exit packages

Staff exit packages

The table below summarises the total number of exit packages agreed during 2015/16. Included within these are compulsory redundancies and other schemes including MARS (Mutually Agreed Resignation Scheme) applications. The note shows packages agreed in year, irrespective of the actual date of accrual or payment.

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2015/16	**2014/15**	**2015/16**	**2014/15**	**2015/16**	**2014/15**
<£10,000	**1**	0	**13**	4	**14**	4
£10,000-£25,000	**2**	0	**17**	6	**19**	6
£25,001-£50,000	**3**	0	**6**	5	**9**	5
£50,001-£100,000	**1**	1	**3**	1	**4**	2
£100,001-£150,000	**0**	0	**0**	0	**0**	0
Total number of exit packages by type	**7**	1	**39**	16	**46**	17
Total resource cost	**338**	51	**758**	345	**987**	396

Exit packages: non-compulsory departure payments

The table below discloses non-compulsory departures and values of associated payments by individual type. The note shows packages agreed in year, irrespective of the actual date of accrual or payment. 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 will not necessarily match the total numbers in Exit Packages note opposite which will be the number of individuals.

	Number of Agreements		Total Value of Agreements £000	
	2015/16	**2014/15**	**2015/16**	**2014/15**
Voluntary redundancies including early retirement contractual costs	**0**	0	**0**	0
Mutually agreed resignations (MARS) contractual costs	**28**	3	**657**	58
Early retirement in the efficiency of the service contractual costs	**0**	0	**0**	0
Contractual payments in lieu of notice	**11**	8	**51**	25
Exit payments following Employment Tribunals or Court orders	**1**	0	**49**	0
Non-contractual payments requiring HMT* approval	**0**	0	**0**	0
Total	**40**	11	**757**	83
Of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	**0**	0	**0**	0

* Includes any non-contractual severance payment following judicial medication, and amounts relating to non-contractual payments in lieu of notice. The Remuneration Report provides details of exit payments payable to individuals name in that Report.

3.4 Code of Governance Disclosures

Our commitment to good governance
The Board of Directors recognises the importance of the principles of good corporate governance and is committed to improving the standards of corporate governance followed by all those who play a part in the conduct of the Trust's business.

The Board recognises that the purpose of the NHS Foundation Trust Code of Governance (the Code) (which is published by Monitor, the independent Regulator of NHS Foundation Trusts) is to assist NHS Foundation Trust Boards and their Governors to improve their governance practices by bringing together the best practices from the public and private sectors.

Sheffield Health & Social Care NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Code issues in 2012.

Application of the main and supporting principles of the Code of Governance
The Board implements the main and supporting principles of the Code through a number of key governance documents, policies and procedures, including:

- The Trust's Constitution;
- The Standing Orders of the Board of Directors and the Council of Governors;
- The Scheme of Reservation and Delegation of Powers of the Board of Directors;
- The Standing Financial Instructions;
- The Annual Governance Statement;
- Codes of Conduct and Standards of Business Conduct;
- The Annual Plan and the Annual Report;
- Authority structures and terms of reference for the Committees of the Board of Directors and Council of Governors.

Compliance with the provisions of the Code
In 2015/16 the Trust complied with all relevant requirements of the Code with the exception of provision A.1.9 on having a single code of conduct for Board members. Although the Trust does not have a single code, the conduct of Board members is governed for Non-Executive Directors by their terms and conditions of office and Executive Directors their contract of employment. In addition, the Constitution, Standing Financial Instructions and Declaration of Interests & Standards of Business

Conduct Policy including Potential Conflicts of Interest, Ethical Standards, Hospitality, Gifts, Research and Commercial Sponsorship all specify the standards of conduct to which all Board members adhere.

Disclosure of corporate governance arrangements
In accordance with the disclosure requirements of the Code, the Board of Directors makes the following disclosures:

A.1.1   Statements on how the Board of Directors and the Council of Governors operate, including high level statements of which types of decisions are to be taken by each one of them and which are to be delegated to the management by the Board of Directors, are contained in Sections 3.1.8 and 3.1.27of this report. A statement describing how any dispute between the Council of Governors and the Board of Directors will be resolved is contained in Section 3.1.27.

A.1.2   The names of the Chair, the Vice-Chair, the Chief Executive, the Senior Independent Director, Chairs and members of the Board of Directors' Remunerations and Nominations Committee, the Council of Governors' Nominations and Remuneration Committee, the Audit and Assurance Committee are contained Sections 3.1.8, 3.1.10 and 3.1.27 of this report. The number of meetings of the Board of Directors, its Committees and the attendance by individual Directors are shown in Sections 3.1.8 and 3.1.10 of this report.

A.5.3   The names of the Governors, details of their constituencies, whether they are elected or appointed, the duration of their appointment and details of the nominated Lead Governor are contained in Section 3.1.27 of this report. The number of meetings of the Council of Governors and the individual attendance by Governors and Directors is also contained in Section 3.1.27.

B.1.1   The Board considers the following Non-Executive Directors to be independent in character and judgement:
I. Professor Alan Walker CBE (Chair);
ii. Ann Stanley
iii. Anthony Clayton (part year only to 30 November 2015);
iv. Mervyn Thomas;
v. Susan Rogers MBE;
vi. Councillor Mick Rooney (part year only to 31 July 2015);
vii. Richard Mills (part year only from 01 December 2015);
viii. Councillor Leigh Bramall (part year only from 04 January 2016).

The Board holds this view in relation to all of the above-mentioned Directors for the following reasons:

- None of them is employed by the Trust or has been in the last five years;

- None of them has, or has had, within the last three years, a material business relationship with the Trust, either directly or as a partner, shareholder, Director or senior employee of a body that has such a relationship with the Trust;

- None of them has received or receives additional remuneration from the Trust apart from their Director's fee. They do not participate in any performance-related pay as no such scheme is run by the Trust nor are they a member of the Trust's pension scheme;

- None of them has close family ties with any of the Trust's advisers, Directors or senior employees;

- None of them holds cross-directorships or has significant links with other Directors through involvement (with those other Directors) in other companies or bodies;

- None of them is a member of the Council of Governors;

- None of them has served on the Board of this NHS Foundation Trust for more than 10 years.

B.1.4 Contained in Sections 3.1.11 and 3.1.13 of this report is a description of each Director's expertise and experience and a statement on the Board of Directors' balance, completeness and appropriateness. In addition, it also contains information about the length of appointments of the Non-Executive Directors and how their periods of office may be terminated.

B.2.10 An explanation of the work of the Remuneration and Nomination Committee which oversees the appointment process of Executive members of the Board can be found in Sections 3.1.10.4 and 3.1.27 of this report. The work of the Nominations and Remunerations Committee of the Council of Governors, including the process it used in relation to Board appointments together with an explanation of whether a search consultancy was used in the appointment of the Chair or the Non-Executive Directors, is contained in Section 3.1.27 of this report.

B.3.1 The Trust Chair's other significant commitments and any changes to them during the year are contained in the Directors' Register of Interests referred to in Section 3.1.12 of this report.

B.5.6 A statement about how the Governors have canvassed the opinion of the Trust's members and the public, and for appointed Governors the body they represent, on the Trust's forward plan, including its objectives, priorities and strategy, and how their views were communicated to the Board of Directors is contained in Section 3.1.27 of this report.

B.6.1 A statement on how the performance of the Board, its Committees and individual Directors was evaluated is contained in Section 3.1.13 of this report;

B.6.2 There has been no external evaluation of the Board and/or governance of the Trust this year.

C.1.1 An explanation from the Directors of their responsibility for preparing the accounts and a statement by the auditors about their reporting responsibilities is contained in Sections 3.1.4 and 3.6 of this report and the approach taken to quality governance is detailed in the Governance Statement (Section 3.7).

C.2.1 A report that the Board has conducted a review of the effectiveness of the Trust's system of internal controls is contained in Section 3.1.10.1 of this report.

C.2.2 The Trust has an Internal Audit function. Information on how the function is structured and what role it performs is included in Section 3.1.10.1 of this report.

C.3.5 The Council of Governors has not refused to accept the recommendation of the Audit and Assurance Committee on the appointment or re-appointment of an External Auditor, and this matter is therefore not reported on.

C.3.9 An explanation of the work of the Audit Committee can be found in Section 3.1.10.1 which includes any significant statements 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 Trust's external audit process and details of the Trust's external audit contract as well as information about any non-audit work that may have been commissioned.

E.1.4 Members who wish to communicate with Governors or Directors may do so by contacting the Deputy Board Secretary.

E.1.5 Board members and in particular Non-Executive Directors develop an understanding of the views of Governors and members through their attendance at meetings of the Council of Governors. They are further informed of the Governors' views at their monthly board meetings as updates on the affairs of the Council of Governors and the Trust's members are a standing item on the Board's agenda. Further details on how the Board canvass the views of Governors and members can be found in Sections 3.1.27 and 3.1.28 of this report.

E.1.6 The Board monitors membership and engagement monthly through its performance management processes. Information on monitoring how representative the Trust's membership is and the level and effectiveness of member engagement is contained in Section 3.1.28 of this report.

Detailed information regarding the Trust's membership constituencies and their eligibility, membership numbers, the membership strategy and steps taken in the year to ensure a representative membership are detailed in Section 3.1.28.

The Council of Governors has not exercised their power under paragraph 10c of Schedule 7 of the NHS Act 2006, and this matter is therefore not reported on.

A statement from the Directors that the business is a going concern, together with supporting assumptions or qualifications as necessary, is contained in Section 2.1 of this report.

3.5 Regulatory Ratings

Our performance during 2015/16, as assessed by our regulator, Monitor is positive. Our risk ratings metric changed in year from the Continuity of Service Rating to the Financial Sustainability Risk Rating. This remains positive. Through continued strong financial performance, we have successfully maintained a Continuity of Service Rating of 4 and subsequently, following a change in monitoring approach a Financial Sustainability Risk Rating of 4 with Monitor, our independent regulator. No action was taken by the regulator in response to our performance over the last two years.

The table opposite summarises our performance over the last two years. More information about our performance against a range of quality indicators and targets is provided in our Quality Report in Section 4.

2015/16	Annual Plan	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Continuity of Service Rating	4	4	3	3	4
Governance Rating	Green	Green	Green	Green	Green

2014/15	Annual Plan	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Continuity of Service Rating	4	4	4	4	4
Governance Rating	Green	Green	Green	Green	Green

The Care Quality Commission (CQC) registers, and therefore licenses us as a provider of care services as long as we meet essential standards of quality and safety. The Care Quality Commission monitors us to make sure we continue to meet these standards.

During October 2014 the CQC undertook a planned inspection of a range of our services. The CQC published the findings from its inspection of Trust services in June 2015. The Trust's overall rating was 'requires improvement'. We have reviewed their findings with our Commissioners and Healthwatch and the Board approved an improvement plan with the Care Quality Commission in June 2015. This plan ensured that the range of necessary improvements were delivered over the short, medium and longer term. As part of our plan the Board approved and targeted investment towards improving our care environments, monitoring systems and improved staffing capacity within our crisis care services. Progress in delivering the plan is reviewed by the Executive Team, the Board's Quality and Assurance committee and the Board on a monthly basis. Our improvement plans for 2016-17 will ensure that we continue to improve the crisis care pathway in respect of health based place of safety and capacity out of hours to support people presenting in a mental health crisis. We aim to be a good or outstanding provider at a future inspection. More information about the findings of the CQC inspection is provided in our Quality Report in Section 4.

3.6 Statement of Accounting Officer's Responsibilities

The NHS Act 2006 states that the Chief Executive is the Accounting Officer of the NHS Foundation Trust. The relevant responsibilities of the Accounting Officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by Monitor.
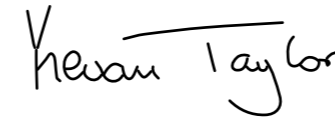
Under the NHS Act 2006, Monitor has directed Sheffield Health & Social Care NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Sheffield Health & Social Care NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

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

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

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

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

Kevan Taylor

Kevan Taylor
Chief Executive
25 May 2016

3.7 Annual Governance Statement

1. Scope of Responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS Foundation Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS Foundation Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the *NHS Foundation Trust Accounting Officer Memorandum*.

2. The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Sheffield Health and Social Care NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Sheffield Health and Social Care NHS Foundation Trust for the year ended 31 March 2016 and up to the date of approval of the Annual Report and Accounts.

3. Capacity to Handle Risk

3.1 Risk Management Leadership and Structure

Risk management and governance leadership is provided jointly through the Deputy Chief Executive and the Medical Director. Underneath this Board level leadership is the Director for Planning, Performance and Governance and the Associate Medical Director for Clinical Governance and Quality. The Integrated Governance Team provides leadership, support, guidance and advice for all matters relating to risk management and clinical governance. Specific roles and responsibilities for risk management are detailed within the Trust's Risk Management Strategy, and include:

- All Directors are operationally responsible for safety and the effective management of risk within their areas of responsibility;

- All managers including team managers/leaders and heads of departments are responsible for health and safety and the effective management of risks within their teams, services or departments;

- All staff in the Trust, including those on temporary contracts, placements or secondments, and contractors must keep themselves and others safe. All staff have a duty of care to provide safe services and do no harm. All health and social care staff working directly with service users and carers are responsible for ensuring that their work is safe and that they use systematic clinical risk assessment and management processes in the delivery of care and treatment.

3.2 Staff Training and Development

Staff training and development needs with regard to risk management and safety are described in the Trust's Mandatory Training Policy. Development for the Board of Directors during 2015/16 has included learning and aspirations following the Care Quality Commission (CQC) inspection, duties of Boards, Governors and Directors, developing the Trust strategy and agreeing priorities for the Trust's Annual Plan for 2016/17.

Staff receive appropriate training, relevant to their post requirements. All staff receive an introduction to the organisation and core training (risk management, health and safety, equality and human rights, information governance, safeguarding, infection control etc.). More specific training is provided, dependent upon the individual's job role, and includes incident reporting and investigation (including root cause analysis), Mental Health Act, Mental Capacity Act, first aid and life support (including resuscitation), clinical risk assessment and management, medicines management and Respect (managing violence and aggression). During the year, the Trust has struggled to comply with its own mandatory training targets and this has resulted in a risk being recorded on the corporate risk register. An action plan has been developed to mitigate this risk and work is continuing in this area.

The Trust employs a range of suitably qualified and experienced persons who are accessible to all staff to advise on risk issues, such as clinical risk, infection control, risk assessment, health and safety, litigation, liability, fire and security, environmental, estate management, medicines management, safeguarding, human resources, data protection and financial.

3.3 Learning from Good Practice

The Trust uses a variety of mechanisms for ensuring that good practice and lessons learned are shared across the services. These include:

- Quality Assurance Committee reports;
- Quality Improvement Group presentations and reports;
- Clinical audit and clinical effectiveness reports;
- Serious incident briefings;
- Compliment and complaint reports;
- Quality improvement and sharing good practice events;
- Team /Directorate governance reports and events;
- In-patient Forum;
- Community Care Forum;
- Service User Safety Group;
- Service User Engagement Group;
- Risk register links forums.

4. The Risk and Control Framework
4.1 Risk Management Strategy

The Trust recognises that positive and managed risk taking is essential for growth, development and innovation. 'Risks' are not seen as barriers to change and improvement; instead they are recognised, considered and managed effectively as part of service improvements. The Trust's Risk Management Strategy describes the Trust's vision, values, attitude and strategic approach to safety and risk management; sets out the Trust's structure and governance arrangements, together with defining levels of authority, accountability and responsibility for risk management.

All risks are assessed using a stepped approach which identifies and analyses the risk, identifies the control measures in place and how effective these are and the actions that need to be taken to reduce/mitigate/remove the risk. Risks are graded according to their severity and likelihood of recurrence, using a 5 x 5 risk grading matrix based upon guidance produced by the former National Patient Safety Agency.

Risks that are categorised as moderate or high (scoring 12 or above) are entered onto the Corporate Risk Register, together with risks described as Trustwide, for example an information risk affecting more than one Directorate. Risks are recorded on an electronic risk management database (Ulysses Safeguard system), which is separated

into teams, departments and Directorates. All recorded risks have an accountable individual and are reviewed and monitored by the appropriate operational governance group. Risk registers are held at corporate, Directorate and team/local level. Each Directorate has a risk register lead responsible for managing and maintaining their risk register. The Corporate Risk Register is administered by the Risk Register Co-ordinator, who also provides advice, support and guidance for the Directorate risk register leads.

High level risks which are recorded on the Corporate Risk Register are reported to the Executive Directors- Group and the Board of Directors every month using a Board Risk Profile. The full Corporate Risk Register is reviewed and reported to the Executive Directors' Group, the Quality Assurance Committee and the Audit and Assurance Committee quarterly. During the year the Trust identified six new risks, which were recorded on the Corporate Risk Register. These risks related to changes in social care provision, Woodland View Nursing Home, mandatory training, Brierley Medical Practice, the provision of services to non-Sheffield residents and non-payment of flexible staffing due to technical difficulties. All of which were managed and regularly monitored as described above. Some risks were completely mitigated through the course of the year, others remain on the Corporate Risk Register.

Risks are also highlighted via incidents, including serious incidents, complaints, concerns, safeguarding issues, claims and other queries. The Quality Assurance Committee of the Board of Directors receives quarterly reports on incidents, complaints, infection prevention and control, safeguarding, service user experience and clinical audit, among others.

The Trust has a strong incident reporting culture and staff are actively encouraged to report all incidents and near misses to enable the Trust to learn from such events and improve service user safety. The Trust is currently rolling out electronic incident reporting which enables staff, managers and the Trust to respond more efficiently and effectively to incidents.

Internal Audit has reviewed the Trust's risk management arrangements during the year and examined the effectiveness of controls in place. Their opinion of this was that significant assurance could be provided that there is a generally sound system of control designed to meet the system's objectives. However, some weakness in the design or inconsistent application of controls put the achievement of particular objectives at risk.

4.2 Board Assurance Framework
The Board of Directors has an approved Board Assurance Framework for the period 01 April 2015 to 31 March 2016, which was last approved by the Board in April 2016. The Assurance Framework is based on the Trust's strategic aims, as described in the

Annual Business Plan, and the corporate objectives derived from these strategic aims. The Framework is updated and reviewed quarterly by the Executive Directors' Group and the Audit and Assurance Committee and bi-annually by the Board.

As at 31 March 2016, there is one high level risk recorded on the Assurance Framework, relating to the Trust's governance systems potentially not being sufficiently robust. The Trust commissioned Internal Audit to undertake a review of its governance systems and an action plan has been developed to mitigate this risk. There are also a number of risks graded as moderate or below. The Board Assurance Framework records risks associated with the achievement of the Trust's strategic objectives and acknowledges and identifies areas where improvements are required. However, none of the areas identified are deemed to be significant or pose a serious risk to the effectiveness of the systems of internal control. All residual risks and actions will carry forward into the 2016/2017 Board Assurance Framework and the underlying risks will be entered onto the Trust's Corporate Risk Register.

Internal Audit has undertaken a review of the Trust's Assurance Framework and related assurance processes to ensure that they are embedded and effective and thus provide evidence to support the Annual Governance Statement. The overall conclusion drawn from this review is that the Trust has maintained an Assurance Framework throughout 2015/16 that is consistent with Department of Health guidance and that it continues to make progress in strengthening the underlying processes which underpin it. The Framework is considered to be reflective of the principal risks that could impact on the achievement of the Trust's strategic objectives, and the arrangements within which the Assurance Framework operates are deemed to be satisfactory.

4.3 Public Stakeholder Involvement in Managing Risks
It is a key organisational ambition of SHSC to continuously improve our approach to working with service users, carers, Governors and partners, both voluntary and statutory, to enable quality improvements in all areas of our business.

2015 has seen the Service User Engagement Group (SUSEG) go from strength to strength with representation from all service Directorates and service users. The group co-designs and delivers key workstreams and events which ensures service user and carer views are at the heart of decision making. This group held a major event in February 2016 with 150 service users, staff and carers whose feedback has been central to help inform the Service User Engagement Strategy for the next five years.

Service users and carers are members of the service governance structures of SHSC and actively take part in groups across the Trust to contribute to planning and service improvement such as the In-patient Forum, Service User Safety Group, Restrictive Interventions Project Group and more recently the Smoke Free Implantation Group. Their contribution includes addressing issues of service user safety and improving the quality and effectiveness of care. Service user views are also actively sought through surveys and focus groups. One example is our Quality and Dignity Project. This is where service users carry out a questionnaire with individuals on our in-patient wards in order to better understand their experiences of our services and care – a total of 108 questionnaires were undertaken this year. Service users have also recently taken part in a focus group to look at the proposed new pathways of care in our Community Directorate.

Service users and carers have also been involved in assisting the Trust to undertake various site visits in relation to our 15 steps challenge, checking compliance against the Care Quality Commission's (CQC) Fundamental Standards and the Patient-Led Assessments of the Care Environment (PLACE) visits. Two Enter and View visits from Healthwatch Sheffield have also taken place this year, which service users and carers/ volunteers were involved in.

Our partnership working has also developed this year, with regular meetings taking place with Healthwatch Sheffield and a cross-city partnership improvement group being established with providers, commissioners and Healthwatch. This group has facilitated stronger joint working and coordination of stakeholder engagement events across the city.

As a Foundation Trust Sheffield Health and Social Care has public members and a Council of Governors. The overall role of the Council of Governors is to assist the Trust in the drive to raise standards by providing services of the highest possible quality that meet the needs of the people of Sheffield. The Council of Governors receives updates on the Trust's compliance against regulations and standards and helps plan and steer the Trust and assists in setting priorities for improvements and changes. Governors are also members of key governance meetings where they can represent the interests of the local community, service users and carers and make sure that the Trust does what it says it will do.

4.4 Quality Governance Arrangements

The Trust triangulates service performance across a range of indicators relating to care standards, quality, workforce and finance at service, Directorate and Trustwide level. Further developments are to be made within 2016/17 to enhance our performance management frameworks through effective business information systems. The Board of Directors' monthly and annual performance reporting processes ensure

that the Executive Directors' Group is able to scrutinise and manage the operational performance of services and the Board of Directors to maintain overall oversight on the performance of the Trust.

On an established quarterly cycle, the performance of all services are reviewed through Directorate-level Service Reviews. The Executive Management Team reviews with each operational directorate their performance against planned objectives.

Sheffield Health and Social Care NHS Foundation Trust reports progress on the Trust's Quality Objectives to the Quality Assurance Committee of the Board of Directors quarterly and also regularly monitors progress against the quality indicators contained within the Quality Schedule that is agreed with our Commissioners, NHS Sheffield Clinical Commissioning Group.

Quality Impact Assessments are undertaken on all cost improvement plans contained within the Trust's Annual Plan, Directorate level business plans and business case development, production and implementation. The vast majority of plans during 2015/16 were assessed as very low or low risk in respect of their impact on the quality of service. The Trust has arrangements in place to ensure that assessments of the impact on service quality is integral in the production of its forward and future plans. Ongoing and routine monitoring of quality impact assessments takes place, which provides assurance through the Trust's Quality Assurance Committee to the Board of Directors.

The Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission (CQC).

The governance framework outlined in section 7 ensures that the Board of Directors is able to monitor and evaluate the performance of the Trust and its services and to initiate improvement actions where required. Following the CQC inspection report in June 2015 the Trust has reviewed and updated its Quality Improvement and Assurance Strategy. This was approved by the Board of Directors with an action plan to ensure a range of improvements are made over the next year to further strengthen our approach to quality governance.

Ongoing compliance with the CQC's Fundamental Standards of Quality and Safety is assessed throughout the year by individual teams within their internal governance processes. Any areas of concern are escalated through Directorates and to the Head of Integrated Governance.

The Trust is continuing to establish a revised compliance review process, involving staff members and experts by experience, to test and assess compliance against the CQC's domains. Where contractual arrangements are in place stakeholders also assess compliance with CQC standards and monitor progress where improvements are identified. The Trust's Non-Executive Directors also have an established programme of site visits to further assure the Trust of the quality of care provision.

4.5 Information Governance and Data Security

The Trust has an Information Governance Policy which provides a framework that incorporates a range of policies relating to the creation, use, safe handling and storage of all records and information. The management and monitoring of information risks is the responsibility of the Trust's Senior Information Risk Owner (the Deputy Chief Executive) and information risks and incidents are reviewed and monitored through the Information Governance Steering Group, which is a sub-group of the Quality Assurance Committee. The Information Governance Steering Group has a sub-group, the Care Records Group, reporting to it.

The Trust continues to adhere to the Information Governance Toolkit. The Trust submitted the Information Governance Toolkit in March 2016 and has met the required level on all items. A work programme is in place to ensure further progress over the following year.

Information Governance training is included as part of the core training for new starters and other training sessions have been provided for managers. Information Governance is also covered in the Trust's local induction checklist for all new staff. Reminders are presented to staff when accessing the Trust's main patient information system, and all staff are expected to complete annual online information governance training.

Information governance and data security incidents and risks are recorded and reported through the Trust's risk management processes, as described above. Between 01 April 2015 and 31 March 2016 the Trust had two incidents reportable to the Information Commissioners Office (ICO), as classified by the Department of Health Checklist for Reporting, Managing and Investigating Information Governance Serious Untoward Incidents, Gateway Ref. 13177). One incident involved accidental disclosure of patient information and the other involved the inappropriate releasing of patient identifiable information to untrusted sources which resulted in disciplinary action. The incidents were reviewed by the ICO and no further action was deemed necessary.

4.6 Foundation Trust Compliance

The Board of Directors receives regular information on various aspects of the Trust's performance, to assure itself that it is fulfilling the requirements and responsibilities as

established within the Provider Licence, Code of Governance and Quality Governance Framework. Further information on this is provided within Section 3.4 of the Trust's Annual Report.

4.7 NHS Pensions Scheme Regulations

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

4.8 Equality, Diversity and Human Rights

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

4.9 Carbon Reduction Plans

The Foundation Trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

5. Review of Economy, Efficiency and Effectiveness of the Use of Resources

Through its infrastructure, the Committees of the Board of Directors, namely the Audit and Assurance Committee, Finance and Investment Committee, the Workforce and Organisation Development Committee and the Quality Assurance Committee, together with various operational groups, ensure that the Board of Directors' is assured that the organisation is monitored. This is undertaken by a number of reports received by the Board and its Committees, which are produced via the operational governance groups and consider areas including workforce, quality, risk and business related matters on a monthly basis. The Executive Directors' Group provides operational governance for all plans to develop new or reconfigured services, supported by the Business Planning Group.

The Trust has continued to review a number of operational efficiency metrics throughout the year, including the results of benchmarking exercises. This has enabled the Trust to focus on service elements that can be considered in terms of the delivery of the Trust's Cost Improvement Programme (CIP) targets. The Trust has also carried out productivity analysis of its clinical services to drive further improvements in efficiency and help realise further efficiency savings, without impacting on quality standards of

care. In addition, the Trust has put in place a Mutually Agreed Resignation Scheme (MARS) that has been utilised to facilitate enabling schemes and service transformations in order to deliver efficiency savings and a more effective use of resources.

The Trust has continued to take a Quality, Innovation, Prevention and Productivity (QIPP) approach to the delivery of Cost Improvement Plans and Cash Releasing Efficiency Scheme (CIP/CRES) targets. All CIP schemes are quality impact assessed to ensure the effectiveness. Detailed plans have been presented to the Board of Directors and regular reports are provided to the Board regarding delivery against these targets.

The organisation has strong leadership through its operational Directors, where a Service and Clinical Director have joint management of Clinical Directorates and Support Directors have the same responsibility for Central or Corporate Directorates. Each of these Directors have had budget training and are responsible for ensuring that the resources they manage are done so effectively and efficiently and are economic. Budget managers are provided with monthly budget reports and activity statements for their areas of responsibility to assist them in undertaking this role. A service review, including financial matters, is undertaken on a minimum six monthly basis and a financial sign off for current year budgets is performance managed by the respective Executive Directors.

6. 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*.

During the year the Board of Directors has continued to review performance against its quality indicators and designated quality objectives. The Board does this through the reports and reviews undertaken to the Quality Assurance Committee (a formal sub-committee of the Board of Directors) and to the Directors directly. This has enabled the Board to remain appraised of our current performance in respect of quality. Additionally, joint meetings of the Board of Directors' and Council of Governors have reviewed areas of importance to be progressed in the future.

In preparing the Quality Report, Directors satisfied themselves that the report presents a balanced view and that there are appropriate controls in place to ensure the accuracy of the data taken from the Trust's systems for patient records (Insight) and risk management (Ulysses Safeguard) and public websites, e.g. the CQC. Service user feedback and information collected through team governance has also been used in the production of the report.

National reviews and guidance reports on Quality Accounts from Monitor were reviewed as well as the External Auditors' assurance report on Sheffield Health and Social Care NHS Foundation Trust's Quality Accounts from last year.

The Quality Report has been consulted upon with Sheffield City Council's Healthier Communities and Adult Social Care Scrutiny Committee, Healthwatch Sheffield and NHS Sheffield Clinical Commissioning Group. It has also been received and considered by the Board of Directors' Quality Assurance Committee, Audit and Assurance Committee and by the Board of Directors itself.

In reviewing and confirming its Quality objectives the Trust supported the Governors to undertake engagement with our members on their opinions and thoughts on our planned improvement areas. Over 300 members commented on our proposals and their views and opinions have informed our final plans as outlined in the Quality Account.

Our Quality Report is contained in Section 4 of the Annual Report.

7. Review of Effectiveness
As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the Internal Auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the Quality Report attached to this Annual Report and other performance information available to me.

My review is also informed by comments made by the External Auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board of Directors, the Audit and Assurance Committee, the Quality Assurance Committee, the Workforce and Organisation Development Committee, the Finance and Investment Committee, the Information Governance Steering Group, the Human Resources and Workforce Group, the Business Planning Group, the Operational Delivery Group, the Strategic Leadership Group, the Quality Improvement Group and the Executive Directors' Group and a plan to address weaknesses and ensure continuous improvement of the system is in place.

These Committees/Groups and their accountability and reporting relationships are described more fully below and in the Trust's Business Plan. I believe that they form an effective and robust system of governance for the Trust.

The Head of Internal Audit provides me with an opinion based on an assessment of the design and operation of the underpinning Assurance Framework and supporting processes and an assessment of the individual opinions arising from risk-based audit assignments contained within the Internal Audit risk based plan that have been reported throughout the year. This assessment has taken into account the relative materiality of these areas and management's progress in respect of addressing control weaknesses. The overall opinion of the Head of Internal Audit is that significant assurance can be provided that there is a generally sound system of internal control, designed to meet the Trust's objectives and that controls are generally being applied consistently. Any actions resulting from internal or external audits are closely monitored by the Audit and Assurance Committee, and any gaps are recorded and progressed through the Assurance Framework.

Executive managers within the organisation, who have responsibility for the development and maintenance of the system of internal control, provide me with assurance. The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed.

My review is also informed by:

- Reports from the Board of Directors and the Board Committees;
- Reports from External Audit;
- Reports from Internal Audit;
- External assessments by the CQC, including Mental Health Act Commissioners;
- Full registration with the CQC across all locations;
- Clinical Audit Programme;
- Patient-Led Assessments of the Care Environment (PLACE);
- Service User Surveys;
- Information Governance Toolkit assessment.

7.1 Board of Directors
The Board of Directors is responsible for ensuring that the organisation has robust clinical, corporate and financial governance systems in place. This includes the development of systems and processes for financial control, organisational control and risk management. The Board of Directors receives and scrutinises detailed information

and assurances on all aspects of the Trust's performance and business. It assesses its own performance and effectiveness, ensuring that it complies fully with its statutory and regulatory functions and duties. Further information on the Board of Directors can be found in Section 3 of the Trust's Annual Report. Further information on the Board of Directors' sub-committees (as given below) can be found in Section 3.4 of the Trust's Annual Report.

7.2 Audit and Assurance Committee
The Audit and Assurance Committee, provides assurance to the Board of Directors through objective review and monitoring of the Trust's internal control mechanisms, such as financial systems, financial information, compliance with the law, governance processes, among others. It monitors the effectiveness of the systems in place for the management of risk and governance, and delivery of the Board Assurance Framework.

7.3 Quality Assurance Committee
The Quality Assurance Committee provides assurance to the Board of Directors on the quality of care and treatment provided across the Trust by ensuring there are efficient and effective systems for quality assessment, improvement and assurance and that service user and carer perspectives are at the centre of the Trust's quality assurance framework.

A number of committees/groups report to the Quality Assurance Committee such as the Medicines Management Committee, Infection Control Committee, Safeguarding Adults and Children and Psychological Therapies Governance Committee, among others. These groups regularly meet to discuss risks in their specific areas. The Service User Safety Group has a particular role in reviewing risks to the safety of service users, staff and the public.

7.4 Finance and Investment Committee
The Finance and Investment Committee provides assurance to the Board of Directors on the management of the Trust's finances and financial risks.

7.5 Remuneration and Nominations Committee
The Remuneration and Nominations Committee makes recommendations to the Board of Directors on the composition, balance, skill mix and succession planning of the Board, as well as advising on appropriate remuneration and terms and conditions of service of the Chief Executive, Executive Directors and Directors.

7.6 Workforce and Organisation Development Committee

This Committee provides assurance to the Board of Directors on the human resource structures, systems and processes that support employees in the delivery of high quality, safe patient care and to ensure the Trust meets its legal and regulatory duties in relation to its employees.

7.7 Executive Directors' Group

The role of the Executive Directors' Group is to ensure the operational and performance delivery of services in line with Trust strategic and business objectives.

The Executive Directors' Group is the key team which manages strategic and operational risk issues, and receives frequent reports on risk and governance. The Deputy Chief Executive and the Medical Director have joint executive responsibility for risk and governance.
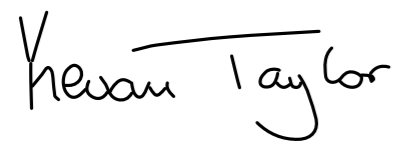
7.8 Operational Governance Groups

A number of operational governance groups are established across the Trust, together with a series of professional advisory groups and committees, which report to the Executive Directors' Group. These groups provide operational, clinical and professional advice and assurance on the Trust's business.

From the reports and information provided across the organisation to the various governance groups, I am satisfied that the system of internal control is effective and supports the achievement of the Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets.

Conclusion

In my opinion, no significant control issues have been identified for the period 01 April 2015 to 31 March 2016.

Kevan Taylor
Chief Executive
25 May 2016

3.8 Equality Report

Equal Opportunity and Dignity Statement

In 2015/16 the Trust maintained its commitment to fairness and equality and to valuing diversity and promoting inclusion in all that we do. This continues to be demonstrated in our Trust Values. We are committed to eliminating discrimination, promoting equal opportunity and doing all that we can to foster good relations in the communities in which we provide services and within our staff teams. Everyone who comes into contact with our organisation can expect to be treated with respect and dignity and to have proper account taken of their personal, cultural and spiritual needs.

Within our teams valuing difference is fundamental; it enables staff to create respectful work environments and to deliver high quality care and services while giving service users the opportunity to reach their full potential.

If unjustified discrimination occurs it will be taken very seriously and may result in formal action being taken against individual members of staff, including disciplinary action.

Equality and Diversity

In 2015 we continued to take forward our equality objectives. More information can be found in our annual Equality and Human Rights report. This report includes information about the actions that the Trust has taken to support our legal duties and to meet the goals that the NHS has set in the NHS Equality Delivery System to promote equality.

The Report can be found at: http://www.shsc.nhs.uk/about-us/Equality-Diversity-Human-Rights/Meeting-our-Equality-Duties. The report covers the period 2014/15. Our 2015/2016 report will be published in June / July 2016.

The Trust also publishes a range of information about the diversity of staff and service user. The report for 2014/15 contains information that was current on 31 March 2015 and can be found through the following link; http://shsc.nhs.uk/wp-content/uploads/2015/08/SHSC-_Supplemementary_Annual_Report-_201415.pdf

Highlights of 2015/16
Eliminating Discrimination, Harassment and Victimisation
In 2015/16 the Trust :

- Developed a new policy on relationships at work;

- Updated our Parental Leave policy to include new provisions for shared parental leave.

Advancing Equality of Opportunity for Protected Groups:

- We published our first Workforce Race Equality Standard (WRES) report and started to develop an action plan. Our WRES report can be found by following this link http://shsc.nhs.uk/wp-content/uploads/2015/07/WRES-RETURN-201415_FINAL.pdf;

- We updated our Interpreting and Translation policy and procedures;

- We obtained funding for a mentoring project involving Board members mentoring Black Asian and Minority Ethnic staff.

Fostering Good Relations Between People in Protected Groups and Others:

- We worked in partnership to celebrate gypsy and traveller history month and to raise awareness of the history of gypsy and travellers and the challenges they face in maintaining health and wellbeing. A display in the Sheffield Winter gardens was a focus for this event.

Disability and Employment

In 2015 we renewed our 'two ticks' standard and maintained our action plan to support the Trust as a Mindful Employer. By 31 March 2016 we had significantly improved the information we have about staff who say they have a disability. In 2013 only 4.4% of staff said they had a disability and 53% were not known, in 2015 6.10% of staff said they had a disability and not known had reduced to 20%.

3.9 Sustainability Report

In 2015/16 the Board of Directors approved the Trust's Sustainable Development Management Plan (SDMP).

The SDMP is an enabling document in the delivery of our Corporate Social Responsibility and adherence to the NHS Sustainability Strategy. Sustainability affects us all and we all have a part to play to reduce inefficiencies, reduce consumption of energy and promote sustainable practices; at home as well as work.

Our objectives:

- Promote active travel;

- Carry out a staff travel survey;

- Produce, monitor and report on Sustainability KPIs;

- Create a healthy workforce plan;

- A clear engagement strategy for staff and service users;

- Review Trust Business Continuity Plan to include Adaptation;

- Introduce Sustainability Clauses into all Job Descriptions;

- Create a framework for more partnership working on sustainability.

The Centre for Sustainable Healthcare advocates sustainable care in mental health, acts to:

- Prevent mental illness, build social capital and promote individual, social and community resilience and mental wellbeing;

- Empower service users, staff and carers to manage their mental health;

- Eliminate wasteful activity;

- Make use of low carbon alternatives.

What have we achieved so far:

- Awareness Sessions and participation in NHS Sustainability Day 2016 to promote sustainable practices;

- Sustainability presentations at the Annual Members Meeting;

- Come Dine with Me event promoting healthy eating;

- Tour de Sheffield NHS cycling event;

- Sustainability Champions established promoting sustainable practices within their work area;

- The Trust's first ever Bicycle User Group (BUG) was set up for cyclists, walkers and runners to attend, sharing good practices and tips as well as supporting the Trust in the realisation of the SDMP, namely, promoting alternative travel to and from places of work and around the city.

- Saved approximately £4,000 annually in energy costs at Michael Carlisle Centre following the installation of the Combined Heat and Power (CHP) Plant and energy efficient boilers in early 2014 as well as reducing emissions due to a percentage of electricity being generated on site via the CHP;

- Gas consumption reduced by 12% with the installation of new energy efficient boilers at Forest Lodge and Forest Close.

We have also been busy implementing the following initiatives:

- Our new Psychiatric Intensive Care Unit, Endcliffe Ward, at the Longley Centre has seen a range of sustainable measures installed as part of its construction. Some of these include: air source pumps which transfer heat from outside to inside and vice versa (essentially free heating and cooling); extensive insulation to the walls (in terms of heat loss, building regulations require 0.35w/m2k, at Endcliffe Ward this is 0.17w/m2k). We have also installed a water management system which monitors water usage within all toilets and wash hand basins to conserve consumption – no more running taps;

- The Longley Meadows Respite Care facility has seen the installation of a new modular building comprising low procurement costs (constructed off site) with high insulation standards reducing energy consumption and increasing comfort for its users;

- Lighting upgrades continue across the Trust portfolio with LED (light emitting diode) being fitted – these typically use 75% less energy than the current bulbs and tubes previously in operation.

What are we working on:

- Energy monitoring and targeting including charge validation, usage monitoring, hints and tips for staff to reduce the energy we consume. We are working on providing timely data for each Trust site which will be available to staff on the staff intranet;

- Energy Saving Options – investment in energy efficient products and improvement schemes;

- Energy efficient and sustainable buildings through our Capital Development Programme i.e. planning for a complete new electrical supply to the Longley Centre, fully backed up with an emergency generator improving our resilience. This will be sourced from the Northern General Hospitals High Voltage ring main supply which will provide a more efficient supply to the building;

- Procurement – development of a Sustainable Procurement Strategy;

- Travel Plan – we will undertake a review of how all staff travel to and from work, producing action plans to increase alternative travel to cars – this also includes a review of current Trust facilities available e.g. cycle storage, lockers and showers;

- The establishment of the Sustainability Business Management Group and Sustainability Champions Group to lead and drive the Sustainability Agenda;

- The creation of a dedicated Sustainability webpage containing helpful and informative documents, links and information.

Waste Management

The Trust has undertaken considerably work to ensure its compliance with legislation changes this year which has included:

- The segregation of recyclable waste has been amended following the introduction of TEEP (Technically, Environmentally, Economically Practicable) on 01 January 2015 – this saw the introduction of a streamlined approach to recycling cardboard, plastic bottle, tins and cans and paper;
- Waste Classification amendments implemented from 01 July 2015 required a review of all waste products produced by the Trust were correctly coded.

What else have we achieved:

- Love Food Hate Waste Training – a number of Trust staff attended this training on 05 November 2015, leaving the event as Food Waste Champions tasked with sharing their learning and knowledge with colleagues, friends and family;
- Consolidation of external waste disposal holds ensuring safe storage of waste prior to disposal. This has also reduced our costs by achieving fewer collection points;
- Installation of a dedicated gardens waste skip. Not only is this a lower cost alternative to general waste disposal it ensures the waste is turned in to compost or aggregate.

Area	Type	Non-financial information	Financial information
Greenhouse Gas Emissions	Direct Greenhouse Gas Emissions	The Trust consumed 12,176,496 kWh of Gas which equates to 2,252 tonnes of Co2e*	The Trust spent £326,171 purchasing Gas
	Indirect Energy Emissions	The Trust consumed 3,704,196 kWh of Electricity which equates to 1,937 tonnes of Co2e*	The Trust spent £394,766 purchasing Electricity
	Official Business Travel Emissions	Grey Fleet (including Lease Car Mileage and Public Transport)** Mileage travelled by the Grey Fleet amounted to 1,521,600.50	Grey Fleet (inc. Lease Cars and Public Transport): The Trust spent £692,445.47 in on mileage for the Grey Fleet
Waste Minimisation and Management	Domestic Waste (including recycling and offensive waste)	Total Waste Arising: - 500,898 kg Waste to Landfill: - 46,500 kg Waste Recovered/ Recycled: - 454,399 kg Waste Incinerated: - 0 kg	The cost of disposing of Domestic Waste was £92,049.62
	Healthcare Waste (orange bags, sharps, mattresses and pharmaceutical waste)	Total Waste Arising: - 7,922 kg Waste incinerated: - 4,412 kg Waste to deep landfill: - 3,510 kg	The cost of disposing of Healthcare Waste was £12,280.43
Finite Resources		The Trust consumed 43,522 m3 of water and sent away 41,345 m3 in the form of sewage	The total water and sewage cost was £123,404

* Co2e = Carbon Dioxide Equivalent which is a way of reporting all greenhouse gas emissions or reductions as 1 standard unit
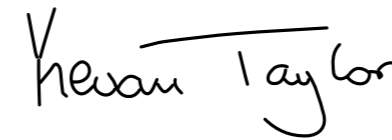
** Grey Fleet = employee-owned (or lease) vehicles used for Trust business purposes (home visits, meetings, conferences etc)

2016/17 will see particular attention paid to the following:

- Our Waste Disposal Contractors aim to implement the use of floc waste (bi-product of incineration process) as an energy source – the expectation is that our offensive waste would then be incinerated (as opposed to deep landfill);

- Cleaning of external as well as internal waste hold wheelie bins to be assessed with a suitable solution sourced ensuring bin cleanliness meets the requirements of Infection Control;

- Review of internal storage holds of wards to be finalised and actions implemented ensuring appropriate segregation of waste prior to disposal (Michael Carlisle Centre and Longley Centre);

- Fluorescent tubes: storage and transportation of such prior to disposal to be agreed and implemented with the interest of handlers health and safety paramount;

- Re-usable sharps bins as opposed to single use sharps bins – proposal and trial to be launched with expected rollout Trustwide where applicable;

- Pharmaceutical waste containers – we will consider alternatives to plastic single use receptacles, aligning with the Trust's Sustainability Agenda;

- Food waste – we will review current food wastage and consider options for alternative disposal and to meet any revised legislative requirements which may be implemented;

- E-learning package to be assessed and implemented for all Trust staff to undertake ensuring compliance with the Trust's Learning Needs Analysis – waste management is everyone's responsibility;

- Confidential paper waste – building on work undertaken during 2015/16 the service requirements and future delivery of such are to be agreed and implemented ensuring compliance with the Trust's Standing Financial Instructions;

- We will continue to trial alternative Transport fleet vehicles with a view to introducing 'dual fuel' or similar if proven to meet service needs;

- We plan to enter into an agreement with a specialist provider of energy schemes to deliver a range of short to medium term capital schemes to improve overall energy consumption, reduce emissions and ensure the Trust is obtaining best value for money in the procurement of gas and electricity

This Accountability Report has been approved by the Directors of Sheffield Health & Social Care NHS Foundation Trust.

Kevan Taylor
Chief Executive
25 May 2016

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SECTION 4.0: QUALITY REPORT

Part 1: Quality Report 2015/16 Chief Executive's welcome

I am pleased to present the Sheffield Health and Social Care NHS Foundation Trust Quality Report for 2015/16.

This Quality Report is our way of sharing with you our commitment to achieve better outcomes and deliver better experiences for our service users and their carers. We will report the progress we have made against the priorities we set last year, and look ahead to the areas we will continue to focus on for the coming year.

In June 2015 the Care Quality Commission (CQC) reported on their findings following their inspection of some of our services in October 2014. Overall, they assessed our Trust as Requires Improvement. The inspectors found many areas of good practice, but they also identified areas we needed to improve. This is discussed in more detail on pages 182-186.

It was important that we responded positively to the findings and feedback from the CQC. Our response was to fully acknowledge that while we strive to provide a quality service to the people of Sheffield and beyond, there are areas where we know we needed to improve and the CQC inspection offered us a further opportunity to reflect, learn and make improvements. That is what we have done, and our plans for moving forward are described on page 183.

We have made very significant improvements in recent years to services where there were big challenges. We have also made some significant service transformation. Information about these changes is summarised in this Quality Report, and our fuller Annual Report.

However, we also know that we can always improve and there are areas that we clearly need to focus on.

To support that improvement our Quality Improvement and Assurance Strategy refreshes our overall approach and framework.

The Strategy focusses on delivering continuous quality improvements. It recognises that each team will develop plans to improve quality, that we will have a number of Trustwide improvement priorities and a smaller number of Transformation Programmes.
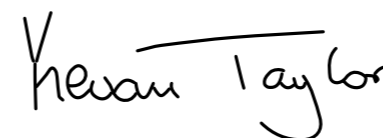
The Trust Board will ensure that all staff understand what Quality Standards are expected and the part they play in delivering these standards.

This strategy aligns with the Trust's values: delivering care in partnership with staff and service users in a respectful and compassionate culture, and ensuring we are all accountable for delivering excellent care as a learning organisation.

Our ambition is to provide excellent services that deliver a really positive experience for the people who need them. We have much to do to ensure the quality of what we provide is of a consistently high standard for every person in respect of safety, effectiveness and experience. Our plans for quality improvement will ensure we make continued improvements.

In publishing this Quality Report the Board of Directors have reviewed its content and verified the accuracy of the details contained in it. Information about how they have done this is outlined in Annexe B to this report.

To the best of my knowledge the information provided in this report is accurate and represents a balanced view of the quality of services that the Trust provides. I hope you will find it both informative and interesting.

Kevan Taylor

Kevan Taylor
Chief Executive
25 May 2016

Part 2A: A review of our priorities for quality improvement in 2015/16 and our goals for 2016/17

In setting our plans for 2015/16 we reviewed our priorities for quality improvement. The people who use our services and the membership of our Foundation Trust have been instrumental in deciding what our priorities are.

In undertaking this review the Board of Directors

- Reviewed our performance against a range of quality indicators;
- Considered our broader vision and plans for service improvement;
- Continued to explore with our Council of Governors their views about what they felt was important;
- Engaged with our staff to understand their views about what was important and what we should improve.

We then consulted on our proposed areas for quality improvement with a range of key stakeholders. These involved our local Clinical Commissioning Group, Sheffield City Council and Healthwatch.

Our Governors engaged with our members about our proposed priorities and we have received comments and feedback from over 300 of our members about our priorities we proposed for this year. From this review the Council of Governors have reviewed our plans and we have taken on board their feedback. In compiling this year's Quality Report we also met with Governors to review the draft Report. Governors provided their views and feedback on the content of the Report, ensuring the Report presented a balanced picture of the Trust's performance based on their knowledge and experience of working as Governors over the last year.

Our priorities for improvement during 2015/16 were:	
Responsiveness	*Quality Objective 1:* We will improve access to our services so that people are seen quickly
Safety	*Quality Objective 2:* We will improve the physical health care provided to our service users
Experience	*Quality Objective 3:* We will establish the Service User Experience Monitoring Unit to drive improvements in service user experience across the Trust

Quality Objective 1: We will improve access to our services so that people are seen quickly.

We chose this priority because
The evidence clearly demonstrates that prompt access to effective treatment has a significant impact on outcomes. When we met with our Governors this was a key area of concern for them. They wanted us to ensure that people got seen quickly when they needed to. Improving access is an area prioritised by our Commissioners and they are supportive of improvement and service reconfigurations to help us achieve this.

We had started to make some improvements in reducing waiting times but not as much as we wanted to. National Policy for mental health services is seeing the establishment of a range of *Achieving Better Access* standards for mental health services. Uniquely for the NHS these standards don't just focus on waiting times to see someone, but waiting times for service users to access and start receiving evidenced based treatments and therapies. This is a challenging agenda, but one that the Trust welcomes and fully supports.

We said we would
At the beginning of the year we agreed that we would continue to focus on waiting times to access services. During 2015/16 we planned to

- Review our capacity and resource plans for the Memory Service due to the increased levels of demand and agree a way forward with Commissioners;
- Ensure we deliver on the new national *Achieving Better Access* standards for waiting times for Improving Access to Psychological Therapies (IAPT) Service services and Early Intervention Psychosis services;
- Define waiting time standards for all our services and publish information about how we are performing for each service.

How did we do?
We have made real improvements in reducing waiting times and achieving national targets for Memory Services, IAPT Services and Early Intervention Services.

Memory Services
We continue to deliver excellent Memory Services for the people of Sheffield. Sheffield has the second highest diagnostic rates in England, which means people in Sheffield are far more likely to access support with memory problems than elsewhere in the country. More people are receiving support and treatments than before as we get more referrals and see more people.

Over the last several years, however, waiting times for the Memory Service have been unacceptably high. This has remained a shared concerned with our local Commissioners and a number of initiatives over the last three years have been introduced. While these previous attempts have resulted in more people being seen, they haven't had the desired impact of reducing waiting times.

We are pleased to report that further work this year has had a clear impact on reducing waiting times. The service has reviewed its pathway and referral management arrangements and additional short term investment was provided to tackle some waiting list backlogs. As a result of these changes waiting times have reduced significantly. Through the second half of 2015/16 people waited around 6.5 weeks to start their assessment, compared to 23 weeks in previous years. At the end of the year people contacting the service to make an appointment were being offered appointments within 4-5 weeks' time.

Measure	2014/15	2015/16
Number of people assessed for memory problems by Memory Management Services (new first appointments)	971	1,231
Average waiting time for people to be assessed by the Memory Management Service for a routine appointment	23 weeks	13 weeks (2015/16) 6.5 weeks (Oct15-Mar16)

IAPT Services

We had focussed on reducing waiting times for the IAPT Service over the previous two years through the CQUIN scheme. This had been successful in addressing certain GP Practice areas which were experiencing longer than average waiting times, and overall in reducing average waiting times across Sheffield.

This year saw the introduction of national access targets for mental health services for the first time. The national target was for 75% of people referred to IAPT Services to commence treatment within 6 weeks of their referral, and for 95% of people referred to commence treatment within 18 weeks.

Average waiting times	2014/15	2015/16
Average waiting time to start treatment	29 days 4.2 weeks	24 days 3.4 weeks

New national targets	2015/16 Q3	2015/16 Q4
Percentage accessing treatment within 6 weeks of referral (target is 75%)	76.7%	75.6%
Percentage accessing treatment within 18 weeks of referral (target is 95%)	97%	98.05%

The above table and information is based on reporting performance based on when people complete and finish their treatment. Someone who started their treatment in June 2015 and finished in November 2015 would be reported in the Q3 figures. This is in line with national reporting requirements, however, it doesn't fully represent how the service is performing for people who start their treatment in Q3.

The following table shows the waiting time performance for those who started their treatment in Q3 and Q4.

New national targets	2015/16 Q3	2015/16 Q4
Percentage accessing treatment within 6 weeks of referral (target is 75%)	84.5%	80.3%
Percentage accessing treatment within 18 weeks of referral (target is 95%)	99.1%	99.5%

Overall, our IAPT Services are performing very well. We are seeing more people than the national averages, which is good as it means our referral pathway and close working with GPs is ensuring that more people who could benefit from talking therapies are being referred. And people are accessing services quickly, which is important. Average waiting times continue to come down, and we are ensuring that the majority of people are starting treatment quickly.

Early Intervention for Psychosis Services

The Early Intervention for Psychosis access and waiting time standard has two elements:

- 50% of people with a first episode of psychosis are assessed and on the caseload of an Early Intervention Care Co-ordinator with 2 weeks of being referred;
- 100% of people with a first episode of psychosis are able to access NICE-recommended treatment in an Early Intervention Service, as defined by the relevant NICE Quality Standard.

The target introduced this year, from Quarter 4 onwards was that 50% of people with a first episode were on the caseload of an Early Intervention Care Co- ordinator within 2 weeks of being referred.

The Trust Board invested over £500,000 during the year to improve the numbers of Care Co-ordinators and therapists working into a newly organised Early Intervention Service. This has ensured we have been able to establish effective service pathways to respond to new referrals quickly.

In Quarter 4 we achieved the new standard for people with a first episode of psychosis being assessed and on the caseload of an Early Intervention Care Co-ordinator within 2 weeks. We achieved this for 50% of the people we saw.

How will we keep moving forward?

- We will continue to maintain our current performance levels across Memory Services, IAPT Services and Early Intervention Services;
- We will focus on our Liaison Services and Crisis Services to ensure we are well placed to deliver the next set of *Achieving Better Access* standards;
- We will finalise a standardised approach to reporting on waiting times for all other services and commence reporting during early 2016/17.

Quality Objective 2: We will improve the physical health care provided to our service users.

We chose this priority because
Physical health was a priority for our Governors and service users, as many of our service users are at higher risk of developing physical health problems. The evidence clearly shows that people with severe mental illness and people with learning disabilities have reduced life expectancy and greater morbidity, as do people who are homeless and people who misuse drugs and alcohol.

The need to deliver continued improvements in this area is key priority across health and social care in Sheffield, to help deliver improved outcomes and achieve a reduction in the gap in life expectancy for people with serious mental health illnesses and people with a learning disability. As we have developed our plans our clinicians have told us this was a key area they wished to focus on to deliver improvements. We know from reviewing progress against our Physical Health Strategy and national audits that we have further improvements still to make.

How did we do?
We have made good progress in some of our development priorities, however, it is clear that we still have further work to do to ensure that standards of practice are delivered consistently.

Smoking Cessation
Working with service users, staff and experts in smoking cessation strategies we have developed and introduced a proactive strategy that will see the Trust go totally Smoke Free from May 2016. The emphasis of our approach is firmly on health improvement and encouraging service users and staff to consider stop smoking, and ensuring they are able to access a range of support and help quickly in a way that suits them.

To support this strategy we commissioned the National Centre for Smoking Cessation Training to deliver a two-day, bespoke, face to face behavioural support training. They provide evidence based training, and are recognised as national and international experts in the field. Over the last year we trained over 50 staff within teams who are now able to offer smoking cessation interventions.

Integrating physical and mental healthcare within General Practice
We delivered a successful project that focussed on ensuring each GP Practice had in place a physical health screening tool and care plan process. This was developed in partnership with GPs and Public Health partners and supports GPs to monitor and undertake annual physical health checks for people with serious mental illnesses, and ensure that any necessary follow up interventions are then provided.

This innovative and successful approach was recognised nationally and the project won a national award from the Positive Practice in Mental Health Awards in the Integrating Physical and Mental Health category.

Improving communication with GPs about care of people on CPA
As part of the national CQUIN programme we aimed to deliver a range of practice standards for people who have serious mental health problems and whose care is managed under the Care Programme Approach. The standards aim to ensure we are communicating clearly and effectively with GPs about the physical and mental healthcare needs of people we support. This year's national audit shows that we have further improvements to deliver and our ongoing development plans during 2016/17 will address this. While we perform better in delivering practice standards relating to diagnosis, care planning and monitoring we need to improve our approaches to ensuring our plans are proactively promoting healthy lifestyle activities.

Standard	% achieved
Diagnoses (mental health and physical health related)	90%
Medication and monitoring arrangements	82.5%
Physical health plan if required	84%
Healthy Lifestyle plan	32%
Number of service users with all of the above met	22%

Improving physical health assessments for people with a serious mental illness receiving mental health in-patient care
As part of the national CQUIN programme we aimed to deliver a range of practice standards for people who have serious mental health problems who are in-patients on a mental health ward.

The standards aim to ensure that we are effectively screening and assessing the physical health care needs of our in-patients, and then taking appropriate actions if the results suggest a need to do so.

Overall, we achieve the standard thresholds for assessing and screening of 90%, however, we need to make improvements in ensuring we consistently act on the results, and can demonstrate we have done so as part of our care planning arrangements.

Standard – assessment and screening	% achieved or evidence of service user refusal
Smoking circumstances	94%
Alcohol use	96%
Substance misuse use	92%
BMI measured	90%
BP measured	97%
Glucose levels measured	91%
Lipids recorded.	82%

Standard – evidence of physical health interventions when required/ indicated	% achieved or evidence of service user refusal of treatment intervention
Smoking circumstances	67%
Alcohol use	87.5%
Substance misuse use	79%
BMI	62%
BP	54%
Glucose levels	91%

Our performance overall in delivering each standard for each service user was 44% achievement of all the standards. This is mainly due to the inconsistent approaches to ensuring appropriate follow up action is taken.

How will we keep moving forward?
We will continue with our development programme, ensuring over the next year that we:

- Successfully implement our Smoke Free strategy and evaluate the impact on the health of service users and our staff;

- Continue to implement a range of supporting programmes relating to staff awareness and training, team feedback on their own performance, to improve our compliance with care standards relating to physical health;

- Continue to progress a range of other important physical health initiative in relation to alcohol support and dental health that have been agreed locally within our CQUIN programme with our local Commissioners.

Quality Objective 3: We will establish the Service User Experience Monitoring Unit to drive improvements in service user experience across the Trust.

We chose this priority because

Understanding the experiences of the people who use our services is essential if we are to be successful in achieving quality improvement. When we met with our Governors to look at priorities for 2014/15 and beyond they told us that we should continue to support staff to have an appreciation and awareness of what it is like to receive care and to improve how we gather feedback about people's experiences.

The Board of Directors invested in the establishment of a service user monitoring unit within the Trust. This department was to be led by a service user and support the Trust's on-going strategies to improve our understanding of the experience of the people who use our services.

We said we would

Continue to deliver and develop the implementation plan to improve our approach to working with service users and understanding their experiences across the Trust.

How did we do?

2015/16 has seen a real increase in the level of service user and carer involvement across the Trust. Here is a snap shot of some of the key areas of activity:

- We have successfully rolled out the national Friends and Family Test and received over 2,000 individual responses with 9 out of 10 service users stating that they would recommend our services to friends and family (see Section 3.3);

- The Trusts' Service User Engagement Group (SUSEG) is now well established and has representation from all service Directorates and service users. It meets on a monthly basis and this year working groups have focused on five key areas of work:
  - Improving how we work with service users to recruit staff;
  - Improving how we work with service users to train staff;
  - Developing paid peer support;
  - Embedding a culture of recovery;
  - Establishment of the Service User Experience and Monitoring Unit.

- All areas of work have been co-produced with service users and staff. This group also planned and delivered a conference in February 2016 for over 100 delegates to help inform the future service user engagement strategy for 2016/2017. The event brought together service users, carers and staff and highlighted the value of service user and carer involvement in co-production of services and placing service users at the heart of decision making;

- In our Learning Disabilities Service regular 'Meet the Manager' sessions are held giving service users and carers an open forum to seek answers about the service from senior managers as well as proving an opportunity to update people on plans, policies and processes that impact them;

- Service users also worked with staff in our In-patient Directorate to co-design and implement collaborative care planning. This has seen positive improvement in service users feeling involved in their care and the work was shortlisted for a national award. Pilots are now taking place in our Community Mental Health Teams;

- There has been a significant increase in the number of people seeking volunteer experience within the Trust. Currently 168 people actively volunteer in a very wide variety of different areas which include: recruitment and selection, chaplain assistant, reading on a variety of different Trust sites, administrative support, befriending and co-delivering training to both staff and service users. These are just some examples of the different areas in which volunteers are involved.

How will we keep moving forward?

Following our highly successful engagement event in February 2016 we will review and relaunch our strategy for the next year.

We will continue to build on our approaches following the good progress made and will further develop and deliver improvements across the five key development areas.

Our Quality Objectives for 2016/17

In considering our goals for 2016/17 we have reviewed how we are performing.

The findings from the Care Quality Commission (CQC) inspection.

The CQC published the findings from its inspection of Trust services in June 2015. This is summarised in more detail in Section 2B of this report. The Trust's overall rating was Requires Improvement. Following the CQC inspection, the Board approved and targeted investment towards improving our care environment, monitoring systems and improved staffing capacity within our crisis care services. Progress in delivering the plan is reviewed by the Board on a monthly basis. Our improvement plans for 2016/17 will ensure that we continue to improve the crisis care pathway in respect of health based place of safety and capacity out of hours to support people presenting in a mental health crisis.

National Standards and Priorities

We have maintained a Green risk rating for quality governance since we became an NHS Foundation Trust.

We have exceeded the new national access standard for IAPT Services during 2015/16 and have plans in place that will assure achievement of the access standard for people experiencing a first episode of psychosis during 2016/17. Rates of diagnosis for people with dementia remain positive, with Sheffield consistently rated in the top 5 performing areas within England. We have agreed with our local Clinical Commissioning Group to take the lead role in Sheffield in delivering care and treatment reviews for people with a learning disability, ensuring that care is delivered in the community as the preferred and first choice.

Commissioning priorities for service developments

The main focus of the current and developing plans for service development across Sheffield, as it relates to the Trust, will be the development of sustainable community care systems that deliver quality care and experiences, positive outcomes and significant reduced demand on acute hospital based services. As part of this programme there will be a focus on mental health and ensuring urgent and crisis care pathways and provision are accessible and effective over the full 7 day period.

Commissioning priorities in respect of quality improvement for the services directly provided by the Trust are defined through the agreed CQUIN programme. The agreed areas of focus remain on improving physical health and developing improved outcome measures and experiences for service users.

Quality Improvement Goals

In determining our specific quality improvement goals the Board has been informed by the following considerations:

- We have a clear plan to continue to deliver improvements from the CQC Inspection;

- We currently perform well against the current national standards, and expect to deliver the new access standards for IAPT and Early Intervention Services;

- The revised Quality Improvement and Assurance strategy that is in place.

The Trust has a range of development priorities and actions in place that are focussed on maintaining and improving the quality of care provided. These priorities address our transformation priorities and a range of quality improvement programmes that focus on particular aspects of quality and safety, or build our capacity to deliver high standards of quality care.

We continue to focus on our quality improvement goals in respect of:

- Improving access;

- Improving physical health;

- Improving the experience of people who use our services.

Within this programme we have a specific focus on improving safety in respect of improved physical health outcomes and reducing restrictive interventions.

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QUALITY GOAL 1: Improving access to services and treatment		
Directorate	**Directorate specific goal**	**Measured by**
Community	Achieving better access to mental health services standards achieved.	Exceed national standards: • IAPT standards of 75% accessing treatment in 6 weeks and 95% in 18 weeks; • Early psychosis standards of 50% accessing treatment in 2 weeks.
	Improved access to urgent and crisis services ensuring effective access over the 7 day period.	The number of people who receive a crisis assessment within 90 minutes of referral.
In-patient	Access to a health based place of safety for people detained under Section 136.	The number of people unable to access the health based place of safety.
Specialist	Improving access to Memory Services.	Waiting times for assessment at Memory Service. Waiting times to receive diagnosis following memory assessment.
	Improved access and support for people with substance misuse problems.	Number of people receiving and completing alcohol support and treatment.
Learning Disabilities	Care and Treatment reviews ensure community care is delivered where possible.	Number of people who have received a care and treatment review. Number and % of people who received a care and treatment review prior to admission. Number and % of people who received a care and treatment review within 2 weeks of admission.
	Reducing duration in in-patient care to a minimum.	Length of stay for in-patients at the Firshill Rise Assessment and Treatment Unit.

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QUALITY GOAL 2: Improving experience through service user engagement and feedback		
Directorate	**Directorate specific goal**	**Measured by**
Community	Assessment of physical health needs of people receiving care	Number of community service users with a physical health assessment and plan shared with their GP. Number of community service users assessed as at risk of problematic alcohol use who are referred to specialist alcohol support services.
In-patient	Comprehensive physical health assessments of all in-patients	Number of in-patients with an assessment of their physical health needs. Number of in-patients with a treatment plan for their physical health needs where indicated.
Specialist	Assessment of physical health needs of people receiving care	Number of community service users with a physical health assessment and plan shared with their GP.
Learning Disabilities	People with a learning disability will receive an annual health check with their GP and have a health action plan and a hospital passport in place.	Number of people with a health action plan in place who are known to the Trust. Number of people with a hospital passport in place who are known to the Trust.

QUALITY GOAL 3: Improving experience through service user engagement and feedback		
Directorate	**Directorate specific goal**	**Measured by**
Community	Develop approaches to regular monitoring of service users experience.	Use of Friends and Family Test and outcome scores. Self-assessment against NICE Service User Experience Quality Standards.
	Embed collaborative care planning.	Rates of services users reporting as engaged with their collaborative care plan.
In-patient	Reduce restrictive practices.	Rates of restrictive practices.
	Embed collaborative care planning.	Rates of in-patients reporting as engaged with their collaborative care plan.
	Quality and dignity survey programme.	Use of quality and dignity service user survey.
Specialist	Develop approaches to regular monitoring of service users' experience.	Use of Friends and Family Test and outcome scores. Self-assessment against NICE Service User Experience Quality Standards.
Learning Disabilities	Reduce restrictive practices	Rates of restrictive practices as benchmarked against other local and national services. Audit of % and quality of Alternatives to Restraint Care Plans in relation to people on a DoLs.

Quality Assurance - How do we improve, monitor and assure ourselves about the quality of the services and care we provide

Our Approach to Quality Improvement

As part of our review and learning from the Care Quality Commission inspection we have reviewed and updated our Quality Improvement and Assurance Strategy. The purpose of the strategy is to develop a culture of continuous quality improvement by:

1. Delivering quality by creating the conditions for all our staff and every team to engage successfully in quality improvement underpinned by effective team governance;

2. Ensuring measurable quality objectives are agreed across the organisation;

3. Ensuring effective, supportive and responsive Trust governance and assurance systems;

4. Having clear arrangements to support delivery and accountability;

5. Ensuring we have accurate and appropriate information available about the quality of care provided at all levels.

Our revised Strategy, along with the implementation plan to deliver the Strategy is available on our website www.shsc.nhs.uk.

Quality Governance arrangements

In order to ensure quality, the Trust's governance arrangements are summarised as follows:

Board of Directors: Sets the Trust's strategic aims and ensures the necessary supporting strategies, operational plans, policy frameworks and financial and human resources are in place for the Trust to meet its objectives and review its performance.

Quality Assurance Committee: Brings together the governance and performance systems of the Trust in respect of quality. The Committee provides oversight of the Trust systems in respect of quality and risk management arrangements. The Committee is informed by the work of a range of Committees that oversee Trust systems and performance in respect of key matters relating to quality and safety, for example Control of Infection Committee, Safeguarding Adults and Children Committees, Mental Health Act Committee.

Audit and Assurance Committee: Reviews the existence and maintenance of an effective system of integrated governance, risk management and internal controls Trustwide.

Executive Management Team: Oversees the operational functioning and delivery of services and programme management oversight of key transformation and improvement projects.

Team and service level governance: Each team and service area has established governance systems and meetings that support the delivery of care. Teams regularly review the quality of care they are providing, identify and agree measures to make improvements and raise issues of concern with their senior management teams and the Trust if issues can't be resolved locally.

Systems of Internal Control: A range of policy frameworks and internal controls are in place to protect and assure the safety of care and treatment and the delivery of quality care in line with national policy and legislation. These range from Policy statements of the Trust (eg. Mental Health Act Policies), Risk Registers at service and Trustwide level and the Board Assurance Framework.

The Trust triangulates service performance across a range of indicators relating to care standards, quality, workforce and finance at service, Directorate and Trustwide level. Further developments are to be made within 2016/17 to enhance our performance management frameworks through effective business information systems. The Board's monthly and annual performance reporting processes ensure that the Executive Management Team are able to scrutinise and manage the operational performance of services and the Board to maintain overall oversight on the performance of the Trust. On an established quarterly cycle, the performance of all services are reviewed through Directorate-level Service Reviews. The Executive Team reviews with each operational Directorate their performance against planned objectives.

The above framework ensures that the Board of Directors is able to monitor and evaluate the performance of the Trust and its services and to initiate improvement actions were required.

The following information is publically available that provides more information about quality governance arrangements within the Trust.

Annual Governance Statement: Formal statement from the Board that defines the systems and processes in pace across the Trust. See our full Annual Report.

Board Assurance Framework: Defines the controls and actions in place to assure the Board that risks to the delivery of goals and objectives are in place and monitored. Available on the Trust's website.

Board Performance reports: A range of monthly and quarterly reports defining current performance. This will include the monthly progress report of the action plan following the CQC inspection. These are available in the Board Section of the Trust's website.

Strengthening our assurance processes

As part of the revised Quality Improvement and Assurance Strategy agreed by the Board we have identified and have put plans in place to further improve our governance arrangements in 2016/17. Key areas of focus include:

Building our Quality Improvement methods: We recognise that to deliver our quality improvement strategy, it is essential that staff have the ability to engage with improvement techniques. To support this strategy we have a programme to equip staff and teams with the time and the skills to deliver continuous quality improvement. While we will use a range of quality improvement techniques as appropriate, the core Trustwide approach that we will use will be Microsystems improvement methodology.

Peer Review and Self Inspection: Central to quality assurance will be the Peer Review process. This builds on our experience of being reviewed by the CQC and as CQC reviewers. The review process incorporates the CQC methodology and framework domains. Review outcomes are presented by the Chief Operating Officer to the Executive Team for scrutiny and management and to the Quality Assurance Committee for assurance.

Service User Led Monitoring of Services: The Trust uses a range of information to monitor service quality and performance. Our approach is to work with service users so they gather feedback from service users about their experiences of services on our behalf.

Team Level Information Needs: Alongside Trustwide information about quality, each team will have additional information needs that reflect the care they provide and deliver. Teams will be supported to establish their own information requirements so they have a balanced and informed understanding of the quality of care they are providing. As teams progress their quality improvement plans, being able to measure if improvements are being achieved will be key to the success of their quality improvement work.

Part 2B: Mandatory statements of assurance from the Board relating to the quality of services provided

2.1 Statements from the Care Quality Commission (CQC)

Sheffield Health and Social Care NHS Foundation Trust is required to register with the Care Quality Commission and our current registration status is registered without conditions and therefore licenced to provide services.

The CQC registers, and licenses the Trust as a provider of care services as long as we meet essential standards of quality and safety. The CQC monitors us to make sure we continue to meet these standards.

The Care Quality Commission has not taken enforcement action against the Trust during 2015/16. The Trust has not participated in any special reviews or investigation by the CQC during the reporting period in respect of the services we provide. The CQC undertook a citywide review of looked after children during the year, which we contributed to. No direct issues were highlighted regarding the way we deliver care, and the report is available here: http://shsc.nhs.uk/about-us/corporate-information/cqc/.

During 2014/15 we became the registered provider of the Brierley Medical Centre in Barnsley. We were asked to provide this service at short notice by the NHS Commissioner because the previous Practice was unable to continue delivery of appropriate services. Following suitable local alternatives being put in place within the Barnsley area we discontinued providing this service during 2015/16.

Planned Inspection reported in June 2015

In June 2015 the CQC published its findings from the planned inspection of services that took place in October 2014. They inspected the following mental health and learning disability services that we are registered to provide:

- Acute wards for adults of working age and psychiatric intensive care unit;
- Long stay/rehabilitation mental health wards for working age adults;
- Forensic in-patient/secure wards;
- Wards for older people with mental health problems;
- Wards for people with a learning disability or autism;
- Community-based mental health services for adults of working age;
- Mental health crisis services and health based places of safety;
- Community-based mental health services for older people;
- Community mental health services for people with a learning disability or autism.

They inspected the following social care services that we are registered to provide:

- Longley Meadows respite service for people with a learning disability;
- Hurlfield View community centre for older people with dementia;
- Woodland View Nursing Home;
- 136 Warminster Road respite service for people with a learning disability;
- Supported living services for people with a learning disability at Mansfield View;
- Supported living services for people with mental health problems at Wainwright Crescent respite service.

Overall, they assessed our Trust as 'requires improvement'. The inspectors found many areas of good practice and received many positive comments about care from service users and carers, in particular both staff and services were identified as being caring and responsive. One service (the forensic service at Forest Lodge) was rated as 'outstanding' and four services were rated as 'good' (wards for older people with mental health problems, community based mental health services for older people, mental health crisis services and health based places of safety and supported living at Mansfield View).

However, there were a number of areas where the inspectors found some issues about the way we provide services, particular areas of concern were identified in some services. Issues were raised in respect of safety and effectiveness across the Trust, including medicines management and staffing levels in certain areas.

It was important that we responded positively to the findings and feedback from the CQC. Our response was to fully acknowledge that while we strive to provide a quality service to the people of Sheffield and beyond, there are areas where we know we needed to improve and the CQC inspection offered us a further opportunity to reflect, learn and make improvements. That is what we have done.

Our action plan
We implemented an initial improvement plan at the end of the inspection in November 2014, and then a fuller plan in June 2015. The full action plan is available through our website at http://shsc.nhs.uk/about-us/corporate-information/cqc/ and each month we report publically on the progress we have made in delivering on the agreed actions (http://shsc.nhs.uk/about-us/corporate-information/board-of-directors/meeting-minutes-agendas/). A summary of some of the actions we have taken following the inspection is provided below:

- Continued with our programme to support more service users to leave long-stay in-patient care at Forest Close and Pinecroft into their own tenancies in the community. During 2015/16 36 people have been able to leave long-stay in-patient care and live in a more appropriate community setting;
- Increased the numbers of staff who work during the nights and at weekends in our community crisis services;
- Delivered a focussed service and quality improvement programme for our services at Woodland View Nursing Home, Firshill Rise and Forest Close;
- Strengthened the arrangements to ensure the Place of Safety service at Maple Ward is more accessible;
- Invested in more pharmacists to work in our community teams;
- Revised and strengthened our monitoring of systems and processes that support safety.

The Board has monitored progress against this plan each month and is assured that the actions we will continue to take will ensure that are well placed to deliver on our ambition to provide excellent services that deliver a really positive experience for the people who need them. We have much to do to ensure the quality of what we provide is of a consistently high standard for every person in respect of safety, effectiveness and experience. Our plans for quality improvement, outlined in Section 2A, will ensure we make continued improvements.

Overall Trust rating from the inspection

Inspection area of focus	Rating
Safety	Requires Improvement
Caring	Good
Responsiveness	Good
Effectiveness	Requires Improvement
Well Led	Good
Overall Trust Rating	Requires Improvement

Individual Service ratings

Health care services inspected	Rating
Acute wards for adults of working age and psychiatric intensive care unit (Rowan, Maple, Stanage, Burbage, ITS)	Requires Improvement
Long stay/rehabilitation mental health wards for working age adults (Forest Close & Pinecroft)	Requires Improvement
Forensic in-patient/secure wards (Forest Lodge)	Outstanding
Wards for older people with mental health problems (G1 & Dovedale)	Good
Wards for people with a learning disability or autism (Firshill Rise)	Requires Improvement
Community-based mental health services for adults of working age (Adult CMHTs)	Requires Improvement
Mental health crisis services and health based places of safety (Place of Safety on Maple Ward)	Good
Community-based mental health services for older people (Older Adult CMHTs)	Good
Community mental health services for people with a learning disability or autism (CLDTs)	Assessed but not rated by the CQC

Social Care services inspected	Rating
Longley Meadows respite service for people with a learning disability	Requires Improvement
Hurlfield View community centre for older people with dementia	Requires Improvement
Woodland View Nursing Home	Inadequate
136 Warminster Road respite service for people with a learning disability	Requires Improvement
Supported living services for people with a learning disability at Mansfield View	Good
Supported living services for people with mental health problems at Wainwright Crescent respite service	Requires Improvement

During 2015/16 annual compliance inspections have taken place this year at Woodland View Nursing Home and Longley Meadows, a respite service for people with a learning disability. Woodland View was assessed as no longer 'inadequate', but still 'requires improvement', with improvement actions required in relation to monitoring systems, medication practices and consistency of person centred care provided. Longley Meadows was rated as 'requires improvement', with improvement actions required in respect of monitoring systems, medication practices and practices relating to consent. Improvement plans are being finalised at the time of producing this report.

Mental Health Act reviews

During 2015/16 the CQC has undertaken six visits to services to inspect how we deliver care and treatment for in-patients detained under the Mental Health Act. They have visited the following services:

- Michael Carlisle Centre: Dovedale, Stanage;
- Longley Centre: Maple Ward, Intensive Treatment Service;
- Forest Close: Bungalows 1, 2, 3;
- Forest Lodge: Rehabilitation Ward.

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2.2 Monitors' Assessment

Monitor reviews our performance and publishes a quarterly assessment on how we are doing. This information is available at http://www.monitor-nhsft.gov.uk.

The governance assessment (rated as either red or green) is based on the Trust's self-declaration by the Board of Directors alongside Monitor's own assessment of how we are performing. In considering this Monitor considers the following information:

- Performance against national standards;
- CQC views on the quality of our care;
- Information from third parties;
- Quality governance information;
- Continuity of services and aspects of financial governance.

The tables below feature our ratings for the last two years.

2014/15

The Trust's performance overall was assessed as Green for the year. This means that there were no evident concerns regarding our performance.

We did experience challenges in delivering one of the national indicators during the year. We failed to achieve the standard of providing follow up care within 7 days of discharge from in-patient care for people under the Care Programme Approach in Quarter 2. Improvements were made to support communication and monitoring around discharge plans. We achieved the standards for the rest of the year.

2015/16

The Trust's performance overall was assessed as Green for the year. This means that there were no evident concerns regarding our performance.

We did experience challenges in delivering one of the national indicators during the year. We failed to achieve the standard of ensuring the proportion of in-patients who experienced a delayed transfer of their care, when ready for discharge, did not

exceed 7.5% of the total in-patient numbers during Quarter 1 and 2 of the year. We introduced a number of improvements focussed on better joint working with social care services and the position improved for the rest of the year.

2015/16 Regulatory ratings	Annual Plan (expected rating)	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Continuity of Services Rating	4	4	3	3	4
Governance Risk Rating	Green	Green	Green	Green	Green

2014/15 Regulatory ratings	Annual Plan (expected rating)	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Continuity of Services Rating	4	4	4	4	4
Governance Risk Rating	Green	Green	Green	Green	Green

2.3   Goals agreed with our NHS Commissioners

A proportion of our income in 2015/16 was conditional on achieving quality improvement and innovation goals agreed between the 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.

For 2015/16 £1,671,000 of the Trust's contracted income was conditional on the achievement of these indicators. We achieved the majority of the targets and improvement goals that we agreed with our Commissioners. We received £1,531,225 (91.6%) of the income that was conditional on these indicators. For the previous year, 2014/15, the associated monetary payment received by the Trust was £1,483,000.

A summary of the indicators agreed with our main local health Commissioner Sheffield Clinical Commissioning Group for 2015/16 is shown on the next page.

Incentivising improvements in the areas of Safety, Access, Effectiveness and User experiences	
Improving physical healthcare to reduce premature mortality in people with severe mental illness. We wanted to improve our performance in three key areas: a) Implementing a range of measures, such as training, electronic recording of service user details and provision of information to teams about how they were performing, that would support improved practice. During the year we confirmed the arrangements for staff training and developed systems for recording and providing performance feedback to teams. We will continue to develop these next year.	ACHIEVED
b) Undertaking comprehensive assessments of people's physical health needs when admitted to in-patient services The aim was to achieve this standard for 90% of service users, with achievement above 50% required as a minimum. We achieved the standard for 46% of patients.	NOT ACHIEVED
c) Ensuring comprehensive information about service user care under the care programme approach was communicated with their GP. The aim was to achieve this standard for 90% of service users, with achievement above 50% required as a minimum. We failed to achieve this standard because we did not have arrangements in place to communicate to GPs about service users' healthy lifestyle plans. While we have made progress through the year, we are not delivering the standards that we want to on a consistent basis for the intended service user groups. Improving our approach to meeting people's physical health care needs, in partnership with primary care is a key objective that we continue to focus on. We will continue to deliver improvements in this area next year.	NOT ACHIEVED

Incentivising improvements in the areas of Safety, Access, Effectiveness and User experiences	
Improved use of electronic discharge communications between in-patient services and GPs. The goal was to ensure GPs received accurate information electronically following service user discharge from services. This was achieved through continuing the use of the e-discharge care plan, delivered to GPs electronically when the service user is discharged from the acute in-patient wards. Alongside this we agreed develop this and apply it to our community teams, developing and testing its use initially within the adult home treatment teams. This development was successfully completed, and we will continue to extend this across other community team services next year.	ACHIEVED
Reducing variation in waiting times for service users referred to the IAPT Services. We had focussed on reducing waiting times for the IAPT Service over the previous two years through the CQUIN scheme. This had been successful. This year saw the introduction of national access targets for mental health services for the first time. The national target was for 75% of people referred to IAPT Services to commence treatment within 6 weeks of their referral. Within Sheffield we were already achieving this target and through the CQUIN scheme we agreed to improve our performance from 77% in the first quarter to 80% by the end of the year. We were successful in achieving this and during Quarter 4 80.3% people accessed treatment within 6 weeks of their referral. In addition to this 99.5% accessed treatment within 18 weeks of referral.	ACHIEVED

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Incentivising improvements in the areas of Safety, Access, Effectiveness and User experiences	
Improving physical health - Ensuring all in-patients have routine access to dental care. We undertook a baseline audit in Quarter 1 which showed that 34.7% of service users who had been an in-patient for over a year had an assessment their dental health needs completed with an appropriate plan in place for their dental health needs if required. We aimed to increase this to 84.7% by the end of Quarter 4, and achieved 97%.	ACHIEVED
Improving physical health - To improve the smoking cessation levels for staff and service users. With the support and engagement of the Clinical Commissioning Group we agreed a developmental indicator for the year that was informed by a workshop with staff and service users. The focus was to support the Trust's smoking cessation strategy with two goals under the CQUIN scheme: By December 2015, to have trained and accredited 30 Trust staff as NCSCT Level 2 Certified Stop Smoking Practitioners, and established a robust system across the Trust to enable electronic recoding of smoking status for all service users. We achieved these two aims, and by March 2016 this had increased to 50 staff having qualified. By March 2016 to have commenced a range of quit interventions for staff and service users, and produced a report for Commissioners outlining the progress made and outcomes achieved. This was provided. Through the development work undertaken the Trust has launched a new policy framework that proactively supports the introduction of a smoke free framework across the Trust for service users and staff.	ACHIEVED

Incentivising improvements in the areas of Safety, Access, Effectiveness and User experiences	
Improving outcome measures - To develop a consistent way of recording information and commence reporting on the following areas: • The service user (or where appropriate their recognised carer and/or family) has contributed to the development of their care plan and has been given or offered a copy; • The service user's carers and/or family have been offered support and advice; • The service user has been given information on discharge to support their on-going recovery and to help them cope with a crisis. Developments to the Trust's patient information system were progressed through the year to improve approaches to the recording of information in the above areas. This was then supported by the introduction of feedback reports for teams. Further development work during 2016/17 is required to support the introduction of improved recording to capture support provided to carers.	PARTIALLY ACHIEVED
Improving outcome measures - Ensuring all cluster reviews are undertaken within the required time period. 'Clustering' is a method of determining and describing the different types of needs that people who use our mental health services have. A 'cluster review' is when we review the plan in place for each person to ensure it reflects their circumstances. We have different time periods in which we aim to complete people's reviews, some are more frequent than others. At the beginning of the year 81% of people were receiving their reviews within the required time periods. We aimed to increase this to 86% by the end of the year. We achieved this, and by Quarter 4 87.3% of people had who were in need of a cluster review had had one within the required time period.	ACHIEVED

Incentivising improvements in the areas of Safety, Access, Effectiveness and User experiences	
Improving outcomes - Ensuring that all service users are screened for alcohol misuse and that those in-patients screened as requiring specialist alcohol services are onward referred and seen.	ACHIEVED
During Quarter 2 73.1% of people referred to our adult CMHTs had screening assessment for their alcohol use. We aimed to increase this to 90% by the end of Quarter 4, and achieved 92.5%	
During Quarter 2 75% of in-patients whose care plans were audited had an assessment of their alcohol use. We aimed to increase this to 90% by the end of Quarter 4, and achieved 92%.	

The table above summarises the goals that we agreed with our Commissioners, and the progress that we made. Full details of the agreed goals for 2015/16 and for the following 12 month period are available electronically at on our website at http://shsc. nhs.uk/about-us/corporate-information/publications/

The issues we have prioritised for next year are summarised as follows:

National indicators focussing on

- Improving physical healthcare to reduce premature mortality in people with severe mental illness – continuing the work from this year into next year, and extending it to people with serious mental health needs who receive community care;
- Improving staff health and wellbeing, focussing on a range of initiatives relating to improved health and sickness, healthier hospital food, improved flu vaccination uptake amongst staff.

Locally agreed indicators focussing on

- To improve standards of care for people receiving home treatment ensuring that service users have a copy of their care plan, that recovery and relapse prevention plans are in place and that advice and support is provided to carers;

- Improving access to dental care for service users with serious mental illnesses in the community under the care of designated teams;
- Cluster reviews – continuing to deliver further improvements next year;
- To improve the use of alcohol services for people under the care of our mental health or learning disabilities services;
- Improved support for carers of people on the Care Programme Approach through the offer and provision of carers assessments;
- The development of discharge information packs for people admitted to in-patient services.

The CQUIN programme for next year will support a continued focus on areas of joint priority between ourselves and our main Commissioner and we look forward to making progress in the above areas.

A key area we will be developing next year will be the support we provide and offer to carers. During 2015/16 we recognised that a range of improvements were required to improve the range of support provided to carers. For example, in Quarter 4 of 2015/16 we had only asked 77% of carers of people managed under the Care Programme Approach if they would like an assessment of their circumstances as a carer. These changes are necessary to ensure we have a good understanding of how we are performing in considering the needs of carers, and supporting carers to access the support they needed.

During 2015/16 we implemented the following changes

- Ensured all our care documentation was compliant with the requirements of the Care Act so that we are able to consistently review the needs of carers in line with the recommendations and principles of the Act;
- Developed our care pathways to ensure we explored carers issues with service users at the beginning of their care;
- Ensured we were able to identify the separate needs of young carers and to provide clear guidance of how their needs should be provided for;
- Raised the awareness across teams of the day to day support available for carers within the community;
- Initiated a training programme for staff, that will continue into 2016/17.

2.4 Review of services

During 2015/16 we provided and/or sub-contracted 52 services. These can be summarised as 43 NHS services and 9 social care services. The income generated by the relevant health services reviewed in 2015/16 represents 100% of the total income generated from the provision of the relevant health services by the Trust for 2015/16.

The Trust has reviewed all the data available on the quality of care in these services. The Trust reviews data on the quality of care with NHS Sheffield Clinical Commissioning Group (CCG), other CCGs, Sheffield City Council and other NHS Commissioners.

The Trust has agreed quality and performance schedules with the main Commissioners of its services. With NHS Sheffield CCG and Sheffield City Council these schedules are reviewed on an annual basis and confirmed as part of the review and renewal of our service contracts. We have formal and established governance structures in place with our Commissioners to ensure we report to them on how we are performing against the agreed quality standards.

Following the CQC Inspection our Commissioners were understandably concerned regarding the findings for some of our services, particularly Woodland View Nursing Home and Firshill Rise. We worked closely with them to jointly review the issues raised and fully share our action plans. They undertook a review and a number of visits and inspections of these two services to assure themselves that the planned improvements were being made. The visits were sometimes planned, and sometimes unannounced and the Commissioners were sometimes accompanied by experts from neighbouring services. A contract notice was issued to clarify potential areas of concern regarding our training plans at Woodland View Nursing Home, and we were able to provide the necessary assurances that the agreed training plan was in place and was being progressed.

During the year Commissioners also undertook a service review of Longley Meadows, a respite service for people with a learning disability. This review identified some concerns regarding the standards of care and the service being provided. We worked closely with our Commissioners and put a development plan in place that has been closely reviewed and monitored by our Commissioners. The Commissioners have been assured that good progress has been made in delivering the actions necessary to respond to the concerns highlighted.

The Trust has established formal forums in place with our Commissioners. Through these forums NHS Sheffield CCG reviews our performance against quality standards and other performance targets and any issues of potential concern can be reviewed and necessary action plans agreed and monitored. During the year issues of concern

were raised and reviewed in respect of our performance in providing carers of people on the Care Programme Approach with a review and assessment of their needs. A range of development work was initiated to support improvements, however through the year the low level of performance remained. Further improvements have been incentivised during 2016/17 through the CQUIN framework (see above). As well as this the Trust's performance in relation to the numbers of people managed and supported under the Care Programme Approach was also reviewed. NHS Sheffield CCG was concerned that less people in Sheffield are managed under the Care Programme Approach than the national averages. Information was reviewed to developed a shared understanding, and the Trust introduced a plan that should result in an increase in the numbers of people managed under the Care Programme Approach.

2.5 Health & Safety Executive / South Yorkshire Fire & Rescue visits

Health and Safety Executive
There were no Health and Safety Executive visits to the Trust during 2015/16.

South Yorkshire Fire and Rescue
During 2015/16 the South Yorkshire Fire and Rescue service didn't undertake any visits or audits of the Trust's premises.

2.6 Compliance with NHS Litigation Authority (NHSLA) Risk Management Standards

The Trust is a member of the NHSLA, who handles negligence claims made against the NHS. The NHSLA gives all member organisations a red, amber, green ('RAG') rating which, determines the level of contribution each member makes to the NHSLA for insurance cover. The Trust's current RAG rating is red, which reflects a level of concern based on the costs incurred from negligence claims arising from incidents over 4-5 years ago.

2.7 Participation in Clinical Research

The number of service users receiving relevant health services provided or sub-contracted by Sheffield Health and Social Care NHS Foundation Trust in 2015/16 who were recruited during that period to participate in research approved by a research ethics committee was 859.

Research is a priority for the Trust and is one of the key ways by which the Trust seeks to improve quality, efficiency and initiate innovation. Over the last year the Trust has worked closely with the Yorkshire and Humber Collaboration for Leadership in Applied Health Research and the Yorkshire and Humber Local Research Network to improve our services and increase opportunities for our service users to participate in research, when they choose do so. We have strong links with academic partners, including the Clinical Trials Research Unit and the School of Health and Related Research at the University of

Sheffield, the School of Health and Wellbeing at Sheffield Hallam University and the National Centre for Sports and Exercise Medicine, to initiate research projects in the Trust.

We adopt a range of approaches to recruit people to participate in research. Usually, we will identify individuals appropriate to the area being researched and staff involved in their care will make them aware of the opportunity to participate in the study. Service users and carers will be provided with a range of information to allow them to take informed decisions about whether they wish to participate and, if they agree, they will contacted by the research team. In 2015, we began to use the Join Dementia Research tool designed by the National Institute for Health Research in association with Alzheimer's Research UK and the Alzheimer's Society to match service users who have expressed an interest in research with appropriate studies.

We were involved in conducting 58 clinical research projects which aimed to improve the quality of services, increase service user safety and deliver effective outcomes. Areas of research in which the Trust has been active over the last 12 months include:

- A ten centre randomised controlled trial of an intervention to reduce or prevent weight gain in severe mental illness;

- A trial comparing the effectiveness of counselling for depression with cognitive behavioural therapy;

- A multi-centre trial of a self-help intervention to improve quality of life in Alzheimer's disease;

- Supporting for the families and carers of service users with dementia;

- Help to stop smoking for those with severe mental illness;

- Redesigning the early intervention in psychosis pathway;

- Co-morbidities between physical health and mental health;

- Pharmaceutical trials of new drugs for service users with dementia (including Alzheimer's disease).

2.8 Participation in Clinical Audits
National Clinical Audits and National Confidential Enquiries
During 2015/16 four national clinical audits and three national confidential inquiries covered relevant health services that Sheffield Health and Social Care NHS Foundation Trust provides.

During 2015/16 the Trust participated in 100% national clinical audits and 100% national confidential inquiries which it was eligible to participate in.

The table below lists the national clinical audits and national confidential inquiries the Trust participated in, along with the numbers of cases submitted by the Trust in total and as a percentage of those required by the audit or inquiry.

At the time of producing this report the results from the Guidelines audit and POMH UK audits had not been published. Therefore, we are unable to give an overview of the findings, and the action plan put in place to respond to the findings. We will publish information about this in next years Quality Account.

Name of national audit SHSC participated in	Number of cases submitted	Number of cases submitted as a percentage of those asked for
Guideline Audits		
Early intervention in Psychosis	26	26% (Note 1)
POMH UK		
Prescribing for Substance Misuse: Alcohol Detoxification	227	100%
Prescribing valproate for bipolar disorder	52	100%
Prescribing for ADHD in children, adolescents and adults	128	100%
National Confidential Inquiries		
Inquiry into Suicide & Homicide by people with mental illness	23	25% (Note 2)
Inquiry into Suicide & Homicide by people with mental illness Out of District Deaths	Nil	Nil – there were no cases this year
Inquiry into Suicide & Homicide by people with mental illness Homicide data	3	13% (Note 2)

Note 1: We provided all the requested information about the maximum number of service users who matched the audit requirements. We were asked to provide 100 cases, however we did not have that many service users who met the audit specification.

Note 2: The percentage figure represents the numbers of people who we reported as having prior involvement with as a percentage of all Inquiries made to us under the National Confidential Inquiry programme. ie in 75% and 87% of all inquiries, we had no record of having had prior involvement with the individual concerned.

2.9   Data Quality

Good quality information underpins the effective delivery of care and is essential if improvements in quality care are to be made. Adherence to good data quality principles (complete, accurate, relevant, accessible, timely) allows us to support teams and the Board of Directors in understanding how we are doing and identifying areas that require support and attention.

External Auditors have tested the accuracy of the data and our systems used to report our performance on the following indicators:

- 7 day follow up – people on CPA should receive support in the community within 7 days of being discharged from hospital;
- 'Gate keeping' - everyone admitted to hospital should be assessed and considered for home treatment;
- Service user feedback scores through the national Friends and Family Test survey as prioritised by our Governors.

As with previous years, the audit has confirmed the validity and accuracy of the data used within the Trust to monitor, assess and report our performance.

The Trust submitted records during 2015/16 to the Secondary Uses Service (SUS) for inclusion in the Hospital Episodes Statistics which are included in the latest published data. The percentage of records in the published data for admitted care which included the patient's valid

- NHS number was 98.5%;
- Registered GP was 96.0%; and
- GP Practice was 98.88%

No other information was submitted.

The latest published data regarding data quality under the mental health minimum data set is for November 2015. The Trust's performance on data quality compares well to national averages and is summarised as follows:

Percentage of valid records	Data quality 2015/16	National Average
NHS Number	99.9%	99.6%
Date of birth	99.7%	99.6%
Gender	100%	100%
Ethnicity	93%	87.3%
Postcode	100%	99%
Commissioner code	100%	99.5%
GP Code	99.4%	98.4%
Primary diagnosis	100%	99.7%
HoNOS outcome	91.9%	91.5%

The Trust data is for the end of Q3 and comparative data is from the published MHMDS Reports for November 2015

As a NHS Foundation Trust delivering mental health services we are required to deliver the following standards in respect of data completeness.

Percentage of valid records	Target	2014/15	2015/16
Service user identifiers For example date of birth, gender.	97%	99.8%	99.8%
Service user outcomes For example employment status, HoNOS scores	50%	90.3%	85.1%

Clinical coding error rates
Sheffield Health and Social Care NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2015/16 by the Audit Commission.

2.10   Information governance
We aim to deliver best practice standards in Information Governance by ensuring that information is dealt with legally, securely and effectively in order to deliver the best possible care to our service users.

During the year we completed a self-assessment through the Health & Social Care Information Centre Information Governance Toolkit framework. Based on our self-assessment Sheffield Health and Social Care NHS Foundation Trust's Information Governance Assessment Report overall score for 2015/16 was 67% for the 45 standards and was graded Satisfactory. A summary of our performance is provided below:

Information Governance Assessment framework - criteria	Achieved			2015/16 Current Grade
	2013/14	2014/15	2015/16	
Information Governance Management	73%	66%	66%	Satisfactory
Confidentiality and Data Protection Assurance	66%	66%	66%	Satisfactory
Information Security Assurance	66%	66%	66%	Satisfactory
Clinical Information Assurance	66%	66%	66%	Satisfactory
Secondary Use Assurance	76%	66%	70%	Satisfactory
Corporate Information Assurance	66%	66%	66%	Satisfactory
Overall	68%	66%	67%	Satisfactory

Note: 'Satisfactory' means we are at Level 2 on all the assessment criteria, based on our self-assessment. There are four levels, with Level 0 being the lowest rating and Level 3 the highest. Each year the standards are increased in different ways. So while our overall percentage scores remain the same the standards required to achieve 'satisfactory' are increased.

Part 3: Review of our Quality Performance

3.1 Safety

Overall number of patient related incidents reported

The Trust traditionally reports a high number of incidents compared to other organisations. This is a positive reflection of the safety culture within the Trust. It helps us to understand what the experience of care is like, spot trends and make better decisions about what we want to address and prioritise for improvement. NHS England assesses our performance using the data supplied through the National Reporting Learning System (NRLS). Our reporting rates are summarised in the table below:

Patient related incidents reported	Number of incidents reported	Our Incidents per 1,000 bed days (note 1)	National Incidents per 1,000 bed days
Apr 13-Sept 13	1,505	27.1	26.4
Oct 13 - Mar 14	1,625	42.4	32.5
Apr 14 - Sept 14	2,129	55.3	32.8
Oct 14 - Mar 15	2,357	66.7	31.1
Apr 15 – Sept 15	1,982	60.8	38.6
Source: National Reporting Learning System Incident rate = number of incidents compared to volume of in-patient care (occupied bed days)			

Our incident rate per 1,000 days has increased over the last 2-3 years. This is partly due to increased/ improved reporting rates, but more noticeably because over this period the amount of care we have provided within in-patient settings has reduced significantly from 55,599 bed days in Apr13 - Sept13 to 35,324 bed days in Oct14 -Mar15. If our numbers of bed days had remained at the same level of April 13 - Sept 13 then our incident rates for Oct 14 – Mar 15 would have been 44.4.

Nationally, based on learning from incidents and errors across the NHS, NHS England has identified a range of errors that should always be prevented. These are often referred to as 'never events', because with the right systems to support care and treatment in place they should never need to happen again. None of the incidents that occurred within the Trust over the last year were of this category.

Patient safety alerts

The NHS disseminates safety alerts through a Central Alerting System. The Trust responded effectively to all alerts communicated through this system. During 2015/16 the Trust received 82 non-emergency alert notices, of which 98% were acknowledged within 48 hours, 11 were applicable to the services provided by the Trust and 96% were acted upon within the required timescale. We aim to achieve 100%. In addition a further 19 emergency alerts were received and acted upon straight away.

Patient safety information on types of incidents
Self-harm and suicide incidents

The risk of self-harm or suicide is always a serious concern for mental health and substance misuse services. The latest NRLS figures show 14.2% of all patient safety incidents reported by the Trust were related to self-harm, in comparison with 21.2% for mental health Trusts nationally.

Proportion of incidents due to self-harm/suicide	Number of incidents reported	Our incidents as a % of all our incidents (note 1)	National incidents as a % of all incidents
Apr 13-Sept 13	176	11.7%	20.4%
Oct 13 - Mar 14	211	13.0%	21.0%
Apr 14 - Sept 14	260	12.2%	20.0%
Oct 14 - Mar 15	334	14.2%	21.2%
Apr 15 – Sept 15	280	14.1%	20.9%
Source: National Reporting Learning System			

Disruptive behaviour

In previous years the Trust has reported relatively low incidents of disruptive and aggressive behaviour within our services compared to other mental health organisations. This has increased over the last three years as we have prioritised and progressed significant improvement work under our RESPECT programme. Our reported incidents are now higher than the national averages. This is summarised in the table below:

Proportion of incidents due to disruptive behaviour	Number of incidents reported	Our incidents as a % of all our incidents	National incidents as a % of all incidents
Apr 13-Sept 13	290	19.3%	17.0%
Oct 13 - Mar 14	355	21.8%	16.1%
Apr 14 - Sept 14	446	20.9%	16.1%
Oct 14 - Mar 15	471	20%	15.2%
Apr 15 – Sept 15	423	21.3%	15.3%
Source: National Reporting Learning System			

Medication errors and near misses

Staff are encouraged to report near misses and errors to make sure that we are able to learn and make our systems as safe and effective as possible. The proportion of incidents reported that relate to medication errors has historically been below national averages. However, improved reporting has shown an increase of this type of incident over the last two years.

Proportion of incidents due to medication errors	Number of incidents reported	Our incidents as a % of all our incidents	National incidents as a % of all incidents
Apr 13-Sept 13	87	5.8%	8.8%
Oct 13 - Mar 14	98	6.0%	9.0%
Apr 14 - Sept 14	136	6.4%	9.2%
Oct 14 - Mar 15	193	8.2%	8.9%
Apr 15 – Sept 15	161	8.1%	8.6%
Source: National Reporting Learning System			

Cleanliness and infection control

The Trust is committed to providing clean safe care and ensuring that harm from infections is prevented. An annual programme of infection prevention and control details the methods and actions required to achieve these ends. This includes:

- processes to maintain and improve environments;
- the provision of extensive training;
- systems for the surveillance of infections;
- audit of both practice and environment;
- provision of expert guidance to manage infection risks identified.

This programme is monitored internally and externally by the provision of quarterly and annual reports detailing the Trust's progress against the programme. These reports are publically available on the Trust's website.

Single sex accommodation

The Trust is fully compliant with guidelines relating to providing for appropriate facilities for men and women in residential and in-patient settings. During 2015/16 we have reported no breaches of these guidelines. We reviewed arrangements to ensure mixed sex guidelines were adhered to within our services at Forest Close during the year. Following this we made some changes to accommodation arrangements to ensure we remained compliant with the guidelines.

Safeguarding

The Trust complies with its responsibilities and duties in respect of Safeguarding Adults and Safeguarding Children. We have a duty to safeguard those we come into contact with through the delivery of our services and to identify those who may have experienced or are experiencing abuse in all of its forms. We fulfil our obligations through ensuring we have:

- Systems and policies in place that are compliant with legislation and best practice;
- The right training and supervision in place to enable staff to recognise vulnerabilities and indicators which may suggest abuse and take action;
- Expert advice available to staff to enable them to reduce the risks to people, which is well utilised by staff.

We have worked hard over the last year to consolidate staff awareness and provide improved comprehensive safeguarding training which has increased training compliance over the year. We will continue with our training programme into next year, and will ensure improvements in training provision are delivered.

Reviews and investigations

We aim to ensure that we review all our serious incidents in a timely manner and share conclusions and learning with those affected, and our Commissioners. We monitor our performance in respect of completing investigations within 12 weeks and undertaking investigations that are assessed as being of an 'excellent/ good' standard. Following the conclusion of the investigation report with our Commissioners we have identified a need to ensure remaining requests for clarifications or further information are resolved within an appropriate timescale. Historically we have experienced challenges in this area and we continue to prioritise our efforts to improve this.

During the year we commissioned an external agency, Consequence UK, to undertake a review of our serious incident procedures to ensure they are effective and enable our investigation capacity to be focussed on the areas where the highest impact can be realised in terms of:

- Identifying best practice;
- Identifying lessons to be learnt;
- Ensuring lessons are effectively translated into action.

The recommendations following the review include adopting revised investigatory tools, including a care plan review template, report framework and action plan template and revising Trust policy to include these new tools. These tools enable the Trust to use its investigation resources more efficiently through concentrating on incidents where failings have occurred. This will heighten the learning that occurs following such incidents. These recommendations will be implemented during 2016/17.

Overview of incidents by type

The table overleaf reports on the full number of incidents reported within the Trust. It then reports on the numbers of those incidents that were reported to result in harm for service users and staff.

During 2014/15 we introduced an on-line incident reporting tool to make it easier for staff to report incidents that had occurred. We believe this is the main reason why the 'all incidents' reported has increased significantly during 2014/15, and has continued to increase as the tool has been rolled out across more services. Another change was the feedback we received from the CQC when they inspected our services in October 2014. They found that discrepancies across in-patient wards in medication stock, while noted at ward level, wasn't being reported through the Trust's incident procedures. As we have responded to this we are now capturing and reporting more medicines related incidents than before.

While we remain of the view that the main reason for the increased numbers is due to improved reporting practices we are committed to continually reviewing practice, reviewing the incident data and engaging with staff and service users to maintain a full awareness of safety across our services.

Overview of incidents by type

Incident numbers	2013/14	2014/15	2015/16
All incidents (service users, staff, members of public, buildings)	6477	7857 (a)	8486
All incidents resulting in harm	1419 (a)	1886 (a)	1668
Serious incidents (investigation carried out)	35 (a)	23 (a)	23
Incidents involving service users Patient safety incidents reported to NRLS (d)	3777	4946 (a)	5370
Patient safety incidents reported as 'severe' or 'death'	36 (a)	24	26
Expressed as a percentage of all patient safety incidents reported to NRLS (d)	0.98% (a)	0.49% (a)	0.48%

Incident Type	2013/14	2014/15	2015/16
Slips, Trips and Falls incidents	1175	1265 (a)	1207
Slips, Trips and Falls incidents resulting in harm	419	451 (a)	399
Self-harm incidents	444	668	674
Suicide incidents (in-patient or within 7 days of discharge)	0	0	0
Suicide incidents (community)	17 (b)	21 (b)	13 (c)
Violence, aggression, threatening behaviour and verbal abuse incidents	2162	2317 (a)	2392
Violence, aggression and verbal abuse incidents resulting in harm	266 (a)	393 (a)	405
Medication Errors	345 (a)	491 (a)	640
Medication Errors resulting in harm	1	0	2

Incident numbers	2013/14	2014/15	2015/16
Infection Control			
MRSA Bacteraemia incidents	0	0	0
Clostridium difficile Infection incidents (new cases) Showing number of incidents, then people affected in brackets	1	1	5(e)
Periods of Increased infection/Outbreak incidents			
• Diarrhoea and vomiting (eg Norovirus)	1	7	4 (25)
• Coronavirus	0	0	1 (11)
• Influenza	0	0	0
MRSA Screening – based on randomised sampling to identify expected range to target	47%	50%	21% (f)
Staff Influenza Vaccinations	50%	50.7%	22%

(a) Incident numbers have increased/decreased from those reported in the 2014/15 Quality Report due to additional incidents being entered onto the information system, or incidents being amended, after the completion of the report.

(b) The figure has increased from that reported in last year's Quality Report due to the conclusion and judgements of HM Coroner's inquest.

(c) Figures likely to increase after the conclusion of future HM Coroner's inquests. Will be reported in next year's report.

(d) The NRLS is the National Reporting Learning System, a comprehensive database set up by the former National Patient Safety Agency that captures patient safety information.

(e) Four of the cases were assessed as being unavoidable.

(f) Department of Health screening guidance changed during 2015/16, it is therefore not possible to compare results to previous years.

3.2   Effectiveness

The following information summarises our performance against a range of measures of service effectiveness.

Primary Care Services – Clover Group GP Practices
There are many performance targets allocated to GP Practices locally and nationally, namely immunisation and cancer screening, quality and access.

The Clover Group Practice have high numbers of patients who are registered who have complex needs. The large multi-site practice of 16,500 patients serves a majority multi-ethnic migrant population in areas of social deprivation within Sheffield. Over 60% of the registered population are from ethnic minority backgrounds, including one of the city's highest Slovak Roma population. The Mulberry site provides a specialist healthcare service to Sheffield's asylum seeking population and victims of trafficking. The needs of the practice populations bring a number of acknowledged challenges for the service to deliver the range of expected standards, as patients struggle to understand the importance of the range of health screening, and often a lack of long term stability in their lives mean that patients do not attend for planned care.

A significant amount of work goes into supporting the patients of the practice and more vulnerable groups to understand the benefits of uptake of vaccinations and screening and attending for chronic disease reviews and reviews of medication. The Clover Group works in partnership with local organisations to deliver educational messages and support to communities to understand the importance of regular health checks and screening. The practices have worked with a third sector partner to host practice champions, a group of patient volunteers whom which have been trained in key health topics including cancer screening, stopping smoking, health eating to deliver some activities and key messages across the community in Darnall, the Clover Group's biggest site. The Mulberry team also works very closely with significant partners around asylum health to support the health and social care needs of this particular vulnerable group.

Access to services, specifically in two of the Clover Group teams in Darnall and Tinsley continue to be problematic due to the levels of need and high demand from the registered population. The Slovak Roma populations are registered here with high levels of need and complex issues. A significant amount of work will be carried out during 2016/17 in response to delivery of a new service specification working with patients, families, communities and carers to improve the access to these services.

The Quality Outcomes Framework (QOF) is one of the main quality indicators of primary care and provides a range of good practice quality standards for the delivery of GP services. The table below summarises the overall achievement of all the QOF standards.

The previous position was due to the introduction of many new QOF standards and an increase in % thresholds making QOF harder to achieve, rather than a reduction against the previous year's performance. Clover achieved exception performance in 2015/16 with a robust planned and structured approached to the management of key QOF indicators and chronic disease management. The contract target for QOF is 95%.

Year	Clover
2013/14	94%
2014/15	88%
2015/16	98%

The following table summarises performance against national standards for GP services.

With specific regard to the flu vaccinations below, the uptake was lower this year possibly due to a combination of mild winter weather and community pharmacy contracts where vaccines were delivered elsewhere. There are also additional requirements to immunise children with nasal flu.

PRIMARY CARE – CLOVER GPs	This year's target (%)	How did we do?			
		2013/14	2014/15	This year 2015/16	
Flu vaccinations Vaccinate registered population aged 65 and over	75%	75%	72%	71.3%	Needs to improve
Vaccinate registered population aged 6 months to 64 years in an at risk population	70%	58%	51.7%	43.4%	Needs to improve
Vaccinate registered population who are currently pregnant	70%	46%	33.6%	40.6%	Needs to improve
Childhood immunisations Two year old immunisations	70-90%	90%	90%	90%	✔
Five year old immunisations	70-90%	82%	82%	85%	✔
Cervical Cytology	60-80%	66.2%	66.5%	66.1%	✔

Source: System One and Immform

Substance Misuse Services

The four commissioned services continue to prioritise ensuring timely access to primary and secondary care treatment. The service aims to ensure all of Sheffield's population that would benefit from the range of services provided in drug and alcohol treatment are able to access support. The service adopts a range of approaches to engage with people from this vulnerable service user group. Priorities for next year include the further expansion of the universal screening tool to increase the number of people accessing support services for alcohol problems and maximising the numbers of people supported and ready to finish treatment drug and/or alcohol free.

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DRUG & ALCOHOL SERVICES	This year's target (%)	How did we do?			
		2013/14	2014/15	This year 2015/16	
Drugs No client to wait longer than 3 weeks from referral to medical appointment	100%	100%	100%	100%	✔
No drug intervention client to wait longer than 5 days from referral to medical appointment	100%	100%	100%	100%	✔
No Premium client should wait longer than 48 hours from referral to medical appointment	100%	100%	100%	100%	✔
No prison release client should wait longer than 24 hours from referral to medical treatment	100%	100%	100%	100%	✔
% problematic drug users retained in treatment for 12 weeks or more	90%	96%	81%	96% (opiates) 81% (non-opiates)	✔
Alcohol Single Entry and Access No client to wait longer than 1 week from referral to assessment	100%	100%	100%	100%	✔
No client to wait longer than 3 weeks from Single Entry and Access Point assessment to start of treatment	100%	100%	100%	100%	✔
Outcomes, Self care All clients new to treatment receive physical health check as part of comprehensive assessment	100%	100%	100%	100%	✔

Information source: National Drug Treatment Monitoring System

Learning Disability Service

A fuller overview of developments within our Learning Disability Services is provided in our Annual Report. During the year there has been a commitment to improving care delivery in partnership with our service users, families, carers and local health and social partners. This has led to developments for our registered and supported living homes, improvements to our respite/short breaks service and a re-invigoration of our stepped care pathways across community and in-patient facilities.

The main service priorities over the last year have been to strengthen the leadership, capacity, culture and partnership working within the Intensive Support Service to improve the consistency of care and support the service to deliver the outstanding levels of service which it has demonstrated it can provide. Over the last year there are already signs of improvement, including significantly shorter periods of admissions and improved clinical outcomes at discharge, and the development plan agreed by the Board in January 2016 will support the service to sustain the improvements being made.

Transforming care is a national strategy developed as part of NHS England's commitment to improving the care of people with a learning disability. One main aim is to reduce admissions and unnecessarily lengthy stays in hospitals alongside reducing health inequalities. Care and Treatment Reviews (CTR) have been designed in response to these concerns. Each review brings together those responsible for commissioning services for individuals with independent clinical opinion and the lived experience of people from diverse communities with a learning disability and their families. The aim of the CTR is to bring a person-centred and individualised approach to ensuring that the needs of the person with a learning disability and their families are met and that barriers to progress are challenged and overcome.

As a service we started this process in October 2015 and since this time there have been over 30 reviews completed to date. Overall, the reviews so far have been well received and provide a great wealth of information about a person's history, with a focus on a person centred, community approach for any future care.

At Love Street, the Community Learning Disability Team has continued to maintain an incredible level of productivity following its 65% reduction in waiting times delivered towards the end of the previous year. This has been achieved through robust approaches to productivity management with staff on the front line contributing to lean and efficient methods of working. Access to care remains at less than 18 weeks for all aspects of multi-disciplinary input.

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LEARNING DISABILITIES SERVICE	This year's target	How did we do?			
		2013/14	2014/15	This year 2015/16	
No-one should experience prolonged hospital care ('Campus beds')	Nil	Nil	Nil	Nil	✔
Completion of Care and Treatment Reviews (Nov 15 - March 16)					✔
Number of CRTs completed		n/a	n/a	36	
Percentage completed in timescale		n/a	n/a	88%	
All clients receiving hospital care should have					✔
full health assessments	100%	100%	100%	100%	
assessments and supporting plans for their communication needs	100%	100%	100%	100%	
Information source: Insight & Trust internal self-audit of care plans					

Mental Health Services

Our reconfiguration programme across mental health services has continued to deliver a range of improvements over the last year. The key aim of the new pathway that we have put in place is to rebalance the way in which we currently deliver care away from traditional in-patient settings and into the community. This means increasing access to and the quality of community services as well as incorporating new ones which will enable service users to receive a higher quality service closer to home.

This programme has resulted in substantially reduced lengths of hospital stays and, most importantly, no one has been sent out of city due to lack of bed availability for acute adult beds for the last 18 months. All service users are being offered effective and timely care and treatment near to their homes.

Through the reduction in use of in-patient services, we have been able to invest over £1.8m in improving our community mental health services. This includes:

- £556,000 in our early intervention services, which treat people who are experiencing a First Episode of Psychosis (this includes £249,000 investment by NHS England);

- £778,000 in increasing the capacity of our Community Mental Health Teams and Home Treatment Teams to work with people with complex needs in the community;

- £493,000 to set up an intensive psychological therapy programme for people with a personality disorder.

We have also been working on reconfiguration of our rehabilitation services to ensure that the people of Sheffield have the appropriate services locally and will no longer have to go out of city to receive hospital care. They can either be supported in the in-patient service at Forest Close or supported in the community by the Community Enhanced Recovery (CERT) Team with the aim of eventually transferring to their local Community Mental Health Team once their recovery is stabilised. In the past two years we have:

- Established the CERT Team in July 2014 which has successfully supported over 20 people to return to Sheffield;

- Implemented a recruitment plan to provide increased support to 24 service users, with a plan for the return of all out of city service users to Sheffield;

- Worked to create a single intensive rehabilitation unit at Forest Close to provide appropriate services for the people of Sheffield. Work on Bungalow 1 is complete and the rest of the work is due to be completed early in 2016/17.

As we have successfully implemented the above changes services continue to perform well across a range of measures used to monitor access and co-ordination of care, achieving all national targets expected of mental health services.

The table below highlights our comparative performance on CPA 7 Day follow up and Gatekeeping indicators. We have achieved the standards set for both measures. We compare above average for Gatekeeping and above average for CPA 7 Day follow up. Sheffield Health and Social Care Trust considers that this data is as described due to our development work to ensure effective and appropriate care pathways are in place and the improvements introduced in the previous year to strengthen communication and monitoring around discharge in respect of the CPA 7 Day Follow up standards.

During Quarters 1 and 2 we failed to achieved the delayed transfer of care target of 7.5%. In Quarter 1 our position was 8.6% and for Quarter 8.1%. The main reason for this increased rate was prolonged delays being experienced within our older adult in-patient wards for service users who needed after care packages arranging. During this period joint reviews and development with social services and our local Clinical Commissioning Group (NHS Sheffield) resulted in improvements and rates of delayed transfers of care reduced over Quarter 3 and 4.

During the year new access standards for mental health services were introduced for Improving Access to Psychological Therapies Services and Early Intervention Services for Psychosis. We welcome these new standards and the focus on ensuring that people are accessing and have started evidence based treatments within the specified periods of time. Our performance against the new targets is included in the table below.

MENTAL HEALTH SERVICES	This year's target	How did we do?			
		2013/14	2014/15	This year 2015/16	
Improving Access to Psychological Therapies Number of people accessing services New Access targets introduced Q3	10,008	11,611	13,535	12,774	✔
• Start treatment within 6 weeks of referral	75%	n/a	n/a	75.6% (Q4)	
• Start treatment within 18 weeks of referra	95%	n/a	n/a	98.1% (Q4)	
Early intervention People should have access to early intervention services when experiencing a first episode of psychosis. The national target is to ensure we see at least 95% of the intended 75 new clients. New Access targets introduced Q4 Start treatment within 2 weeks of referral	75 new clients per year 50%	106 new clients accessing services n/a	174 new clients accessing services n/a	228 new clients accessing services 50%	✔
Access to home treatment People should have access to home treatment when in a crisis as an alternative to hospital care	1,202 episodes to be provided	1,415 episodes provided	1,310 episodes provided	1,418 episodes provided	✔

MENTAL HEALTH SERVICES	This year's target	How did we do?			
		2013/14	2014/15	This year 2015/16	
Delayed transfers of care Delays in moving on from hospital care should be kept to a minimum	No more than 7.5%	6.0%	4.4%	7.6%	Part Year
Annual care reviews Everyone on CPA should have an annual review.	95%	95.7%	95.6%	c.95.2%	✔
'Gate keeping' Everyone admitted to hospital is assessed and considered for home treatment	95% of admissions to be gate-kept	99.8%	99.8%	99.5%	✔
Comparators: National average		98.3%	98.1%	97.4% (1)	
Best performing		100%	100%	100% (1)	
Lowest performing		85.7%	64.6%	61.9% (1)	
7 day follow up Everyone discharged from hospital on CPA should receive support at home within 7 days of being discharged	95% of patients to be followed up in 7 days	96.1%	96.4%	98.3%	✔
Comparators (see note1): National average		97.3%	97.2%	96.9% (1)	
Best performing		100%	100%	100% (1)	
Lowest performing		88.8%	91.9%	50% (1)	
Emergency re-admissions: Percentage of service users discharged from acute in-patient wards who are admitted within 28 days.	5% National benchmark average is 9% (2)	3.6%	4.9%	4.8%	✔

Information source: Insight & Trust internal clinical information systems. Comparative information from Health and Social Care Information Centre.

Note 1: Source for comparative information: NHS England, Mental Health Community Teams Activity Report for Quarter 3.

Note 2: NHS Benchmarking report for mental health services 2014/15.

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Dementia Services

Our specialist in-patient service for people with dementia and complex needs continued focus on improving the care pathway to ensure discharge in a timely manner to the most appropriate package of community care. This results in much better outcomes for the individual concerned. This has enabled more throughput into the ward but recognises the increasing complexity of the service users admitted. As we deliver better and more intensive community services the need for in-patient care has been gradually reducing.

We continue to deliver excellent Memory Services for the people of Sheffield. Sheffield has the second highest diagnostic rates in England, which means people in Sheffield are far more likely to access support with memory problems than elsewhere in the country. More people are receiving support and treatments than before as we get more referrals and see more people.

Over the last several years, however, waiting times for the Memory Service have been unacceptably high. This has remained a shared concerned with our local Commissioners and a number of initiatives over the last three years have been introduced. While these previous attempts have resulted in more people being seen, they haven't had the desired impact of reducing waiting times.

We are pleased to report that further work this year has had a clear impact on reducing waiting times. The service has reviewed its pathway and referral management arrangements and additional short term investment was provided to tackle some waiting list backlogs. As a result of these changes waiting times have reduced significantly. Through the second half of 2015/16 people waited around 6.5 weeks to start their assessment, compared to 23 weeks in previous years. At the end of the year people contacting the service to make an appointment were being offered appointments within 4-5 weeks' time.

DEMENTIA SERVICES	This year's target	How did we do?			
		2013/14	2014/15	This year 2015/16	
Discharges from acute care (G1)	24	43	39	48	✔
Number of people assessed for memory problems by memory management services (new first appointments)	1,100	884	971	1,231	✔
Rapid response and access to home treatment	350	349	330	295	▼

DEMENTIA SERVICES	This year's target	How did we do?		
		2013/14	2014/15	This year 2015/16
Waiting times for memory assessment	N/A	15.8 weeks	23 weeks	13 weeks (2015/16) 6.5 weeks (Oct15-Mar16) ✔

Information source: Insight & Trust internal clinical information system

3.3   Service user experience

Complaints and compliments

We are committed to ensuring that all concerns are dealt with positively and are used as an opportunity to make sure we are providing the right care and support. Service users, carers, or members of the public who raise concerns can be confident that their feedback will be taken seriously and that any changes made as a result of the findings of the investigation will be used as an opportunity to learn from the experience and make changes to practice and procedures.

The following summarises the numbers of complaints and positive feedback we have received.

Number of	2013/14	2014/15	2015/16
Formal complaints	147	173	140
Informal complaints	217	152	263
Compliments	1,196	1150	1,141

A summary breakdown on the issues highlighted through the complaints we received is provided overleaf.

Issue raised in complaint	Number of times
Access to Treatment or Drugs	8
Admissions and Discharges	10
Appointments	7
Clinical Treatment	13
Commissioning	1
Communications	12
End of Life Care	1
Other	11
Service User Care	17
Prescribing	4
Privacy and Dignity	3
Restraint	4
Trust Admin/Policies/Procedures	6
Values and Behaviours	43

This year the Parliamentary and Health Service Ombudsman notified us that two complaints had been referred to them. No further action was required in one case. The other case is currently under investigation. Of the outstanding cases referred to the Ombudsman prior to 01 April 2015, one required no further action, two cases required remedial action (for example, a letter of apology) and at the time of finalising this report, the outcome of one case is still awaited.

A full picture of the complaints and compliments received by the Trust over the year is available on our website in the Annual Complaints and Compliments Report. We also publish information about the complaints and compliments we have received on a quarterly basis. The reports can be accessed via the following link: www.shsc.nhs.uk/about-us/complaints

We use complaints as an opportunity to improve how we deliver and provide our services. A number of service improvements were made as a result of complaints this year. For example:

- A review of the diagnostic and appointment processes within the Sheffield Adult Autism and Neurodevelopmental Service as well as a review of all information available and provided to service users before their appointment and following their diagnosis;

- The Relationship & Sexual Service reviewed information required in order to complete triage process and considered whether there are ways that this requirement could be met in a timelier manner to shorten the triage phase;

- Staff on the Psychiatric Intensive Care Unit completed the Trust's Race Equality and Cultural Capability Training and implemented the Safe Wards interventions in full;

- The Community Directorate developed an information guide for service users who are in receipt of a care budget that relates to social care needs only;

- The Eating Disorder Service reviewed its current treatment model in relation to difficult to engage service users and is giving consideration to adopting more of an outreach approach rather than relying purely on an opt-in system;

- A review of the Trust's Cashiers Policy as it relates to the reimbursement of service users travel costs for hospital appointments;

- A review of procedures regarding the routine checking of correspondence and a review of how teams communicate with service users, including the use of text and e-mail messages.

What do people tell us about their experiences?
We have two national survey tools to help us understand the experience of our service users. Firstly, the national Friends and Family Test, which shows that people who have used our services are more likely to recommend the services they received to their friends and family. Secondly, the national patient survey for mental health Trusts, which highlights that the experience of our service users compares about the same as to other mental health Trusts.

The tables below summarise the overall results from the last national survey undertaken in 2015.

The national Friends and Family test results for mental health Trusts

	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Number of feedback returns	115	166	82	223	120	151	163	157	141	287	269	72
% of Trust service users who would recommend the service they received	91%	92%	93%	95%	98%	95%	96%	96%	95%	95%	98%	99%
National average for mental health trusts	87%	88%	87%	87%	88%	86%	87%	87%	88%	87%	87%	87%

Source: NHS England, Friends and FamilyTest data reports

The Care Quality Commission's annual mental health survey of service users

MENTAL HEALTH SURVEY Issue – what did service users feel and experience regarding	2014 Survey		2015 Survey	
	Patient response	How did we compare with other Trusts	Patient response	How did we compare with other Trusts
Their health and social care workers	7.5 / 10	About the same	7.4 / 10	About the same
The way their care was organised	8.4 / 10	About the same	8.4 / 10	About the same
The planning of their care	6.5 / 10	Worse	6.9 / 10	About the same
Reviewing their care	7.2 / 10	About the same	7.2 / 10	About the same
Changes in who they saw	5.9 / 10	About the same	6.8 / 10	About the same
Crisis care	5.9 / 10	About the same	5.1 / 10	Worse
Treatments	7.2 / 10	About the same	7.3 / 10	About the same
Other areas of life	4.8 / 10	About the same	4.6 / 10	About the same
Overall views and experiences	7.0 / 10	About the same	7.0 / 10	About the same

The following table relates specifically to the nature of the relationship service users experienced with the staff involved with their care and treatment.

Patient Survey – overall experience	2014 Survey			2015 Survey		
	Lowest national score	Highest national score	Our score	Lowest national score	Highest national score	Our score
In the last 12 months, do you feel you have seen NHS mental health services often enough for your needs?	5.3 / 10	7.4 / 10	6.0 / 10 About the same as other Trusts	5.0 / 10	7.4 / 10	5.9 / 10 About the same as other Trusts
Overall in the last 12 months, did you feel that you were treated with respect and dignity by NHS mental health services?	7.8 / 10	9.0 / 10	8.2 / 10 About the same as other Trusts	7.7 / 10	8.8 / 10	8.0 / 10 About the same as other Trusts

The above table highlights our comparative performance on service user experience in respect of contact with our staff and the support and care we have provided. In most of the areas covered in the survey the experience of our service users is about the same as it is in other Trusts in the country. While this offers some assurance about the quality of the services we provide we want to do better than this. We want the experience of our service users to be really positive and among the best in the country. We are concerned that the feedback highlights services users have a poorer experience of care when in a crisis than in other Trusts in the country, and will ensure our current plans continue to deliver the necessary improvements.

Sheffield Health and Social Care NHS Foundation Trust considers that this data (the survey scores in the above table) and the poorer experience in respect of support in a crisis is as described because service users reported variable knowledge and awareness of who to contact within the service during a time of crisis. We are not clearly and consistently communicating information about how to access support during times of crisis.

In response to this we need to continue with our development programme to improve our care pathways for people experiencing a crisis and ensure they are effective.

Our adult services are undergoing a transformation programme to improve the provision of care across community services. This work has a wide scope, and concentrates on developing evidence-based pathways of care, including ensuring high quality crisis care is available, and that service users are provided with better information about their care in general, and are fully involved in their care planning.

Our older adult services have responded to the issues raised around out of hours care by ensuring that staff are routinely telling service user how to contact the out of hours team, who have received training in working with older adults. In addition, the working hours for some teams have been extended to ensure that there is more specialist provision for older adults out of hours.

Our adult and older adult services have worked closely together over the last 12 months to improve services out of hours with significantly increased capacity in the out of hours and liaison services, as well as the development of the Single Point of Access.

We will continue to take the above actions to maintain and improve our position regarding the quality of our services. Our on-going development programmes, our Quality Objectives, and our focus on supporting individual teams to understand their own performance and take decisions to improve the quality of care they provide locally are some of the key actions that will support this.

Improving the experience through better environments – investing in our facilities
The environment of the buildings in which we deliver care has an important part to play and has a direct impact on the experience of our service users.

The design, availability of space, access to natural light, facilities and access to outside areas are all fundamental issues. Getting them right has a direct impact on how people feel about the care and treatment they are receiving. We have made significant progress this year in addressing key areas where our buildings haven't been as good as we have wanted them to be.

Intensive Treatment Service – secure care for people who are acutely mentally ill and in need of intensive care and support
We opened the new Endcliffe Ward in January 2016. This new purpose built facility provides the highest standards of in-patient design and will significantly support the clinical team to deliver excellent and personalised care and treatment to a very vulnerable group of service users.

Our previous ward facility was too small and it did not provide access for the service users to outside space. Recognising this, the Board of Directors invested £4.5million to build a new ward. The Board was proud to open the new facility in January, which not only provides a better environment but also increases the number of beds available to reduce the need for out of town care.

We are pleased to report that the new Endcliffe Ward won the national Design in Mental Health Award for best refurbishment project of 2015/16.

Dovedale Ward – improving in-patient care for older people
Our wards for older people were not as well designed as they needed to be. There was limited communal space and many of the bedroom areas were small and did not provide en-suite facilities for service users. In response to this we opened a new ward in April at the Michael Carlisle Centre. Supported by an investment of over £320,000 Dovedale Ward now provides better access to en-suite facilities and an improved ward environment.

General environment – external review and feedback
The last Patient Led Assessment of the Care Environment across the Trust took place and was published in August 2015. The conclusion of the review is summarised in the table below. The latest results show that our hospital based facilities are above average in all categories for all of our facilities. Between 2014 and 2015 we improved our assessed scores in 21 of the 24 categories.

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Site Location	Date of Review	Cleanliness	Food and Hydration	Privacy and Dignity	Condition and appearance
Longley Centre	March 2013	89.4%	92.5%	89.7%	79.3%
	March 2014	96.4%	90.2%	89.6%	92.1%
	August 2015	98.7%	93.7%	91.6%	90.6%
Longley Meadows	March 2013	83.7%	87.4%	53.9%	65.6%
	March 2014	99.0%	90.1%	83.6%	95.7%
	August 2015	99.2%	91.9%	86.7%	93.7%
Michael Carlisle Centre	March 2013	95.5%	94.7%	94.2%	80.1%
	March 2014	99.2%	95.5%	89.0%	98.9%
	August 2015	99.4%	93.4%	95.5%	95.1%
Forest Close	March 2013	93.4%	88.6%	85.9%	77.1%
	March 2014	96.8%	92.6%	85.1%	94.5%
	August 2015	97.5%	94.2%	95.1%	97.9%
Forest Lodge	March 2013	83.4%	89.0%	96.2%	73.7%
	March 2014	98.0%	85.4%	82.9%	95.8%
	August 2015	99.8%	92.2%	95.1%	97.9%
Grenoside Grange	March 2013	84.9%	92.5%	87.7%	80.1%
	March 2014	99.7%	94.7%	83.3%	100.0%
	August 2015	100%	93.6%	89.5%	98.5%
Firshill Rise	March 2013	n/a	n/a	n/a	n/a
	March 2014	98.5%	87.7%	91.4%	98.4%
	August 2015	99%	90.8%	94.7%	92.7%
National average	March 2013	95%	84%	88%	88%
	March 2014	97.8%	88.8%	87.7%	92.0%
	August 2015	97.5%	88.5%	89.2%	90.1%

3.4   Staff experience

National NHS Staff survey results

The experience of our staff indicates that they feel generally positive about working for the Trust and about the quality of care they are able to deliver. This is a positive position for us to be in, and it helps us to move forward in partnership with our staff and deliver further improvements.

OVERALL ENGAGEMENT & CARE	2013 score	2014 score compare	2015 Our score	2015 National averages	2015 How we compare
Overall Staff Engagement	3.81	3.78	Best 20%	3.75	3.75	Average
I would recommend my organisation as a place to work	69%	65%	n/a	62%	56%	n/a
I would recommend my organisation as a place of work, or to receive treatment	3.80	3.78	n/a	3.72	2.66	n/a
My organisation acts on concerns raised by service users	73%	76%	n/a	74%	72%	n/a
Care of service users is my organisation's top priority	73%	76%	n/a	76%	70%	n/a

TOP 5 RANKINGS – The areas we compare most favourably in with other mental health and learning disability Trusts

Percentage of staff appraised in last 12 months	76%	89%	Above average	93%	89%	Above average
% of staff reporting most recent experience of harassment, bullying or abuse (new)	n/a	54%	n/a	61%	49%	Above average
Staff satisfaction with resourcing and support (new)	n/a	n/a	n/a	3.42	3.31	Above average
Percentage of staff suffering work related stress in last 12 months (lower score is good)	41%	47%	Worse 20%	36%	39%	Above average
% of staff working extra hours (lower score is good)	62%	63%	Best 20%	63%	74%	Above average

OVERALL ENGAGEMENT & CARE	2013 score	2014 score compare	2015 Our score	2015 National averages	2015 How we compare

LOWER 5 SCORES – The areas we compare least favourably in with other mental health and learning disability Trusts are as follows.

% of staff feeling pressure in the last 3 months to attend work when feeling unwell	tbc	66%	tbc	64%	55%	Below average
% of staff agreeing that their role makes a difference to patients / service users	90%	89%	Below average	86%	89%	Below average
% of staff experiencing physical violence from staff in last 12 mths	3%	6%	Worse 20%	6%	3%	Below average
Effective use of patient / service user feedback	n/a	3.67	Above average	3.53	3.68	Below average
% of staff feeling motivated at work	3.78	3.77	Worse 20%	3.79	3.88	Below average

Source: NHS Staff Survey

Local staff surveys – Friends and Family Test

Within the Trust we complete local survey of staff experience each quarter using the Friends and Family Staff (FFT) survey.

Place to work	Q1	Q2	Q4
% of staff who would recommend Trust as a place of work	70%	67%	n/a
Average for England	63%	62%	n/a

Place to receive care	Q1	Q2	Q4
% of staff who would recommend Trust as a place to receive care and treatment	80%	76%	n/a
Average for England	79%	79%	n/a

Source: NHS England
Note: the FFT for staff is not undertaken in Q3 due to the national staff survey being completed at that time. Q4 data not available at time of publishing Report.

Our local survey results generally are higher than the feedback from the national staff survey and are:

- Higher than the national averages for staff recommending us as a place to work;
- In line with national averages for staff recommending us as a place to receive care.

The Trust employs around 3,000 people and as part of our responsibility to ensure we provide good quality care we participate in the annual NHS Staff Survey programme and local surveys as reported above. The NHS Staff Survey attempts to identify the major factors contributing to staff engagement and motivation. By focusing on these, we aim to enhance the quality of care provided to the people who use our services. The NHS Staff Survey provides us with feedback on the Trust's performance across a range of relevant areas.

Overall, we are encouraged with the above results, although there are areas that we still need to improve on. The positive feedback around engagement over the last several years continues to support our ongoing focus on improving quality and delivering our plans for service improvement. The full survey will be available via the Care Quality Commission website. The survey provides a large amount of detail around complex issues. The Trust looks to take a balanced view on the overall picture.

Informed by the 2015 survey feedback the areas we have prioritised for on-going and further development work are as follows:

Attendance at work when feeling unwell

The level of sickness absence continues to be a focus for action for the Trust as it remains higher than our organisational target of 5.1%. We have a continuous plan for raising awareness of the importance of the issue including our Promoting Attendance Conferences. From the last conference we developed a revised Action Plan which included the appointment of an Attendance and Sickness Absence Case Manager to review in detail those individuals whose level of sickness absence across the whole Trust has given cause for concern, and to provide managers with dedicated support and guidance in managing situations where triggers within the Policy have been hit. We have also undertaken a process of reviewing and renaming the existing absence management policy with a view to simplifying the language and the various stages contained within it. We are working closely with Staff Side colleagues in a partnership approach.

In managing sickness cases we recognise the importance of good quality medical advice and information to support employees both during their absence and to facilitate a supported return to work at the earliest opportunity. We have, therefore, started a process of reviewing the specification for our Occupational Health provision with a view to establishing what improvements can be made to the service. We already provide a confidential staff counselling service and we are looking to build on this by looking at what 'fast track' support might be put in place to support employees with physical and mental health issues from within services provided by the Trust.

Making a difference to service users

As reported in Section 2A, we have reviewed and updated our Quality Improvement and Assurance Strategy. In this strategy we recognise that if we want to make sustainable quality improvements it has to be owned and led by staff within the team concerned. Every member of staff is responsible for maintaining and delivering high standards of care and is expected to strive to improve the quality of care we provide. Our approach, through the new strategy, will ensure staff experience quality improvement positively. We will create and develop the conditions across all our services to make this a reality all of the time.

The ability for the Trust to deliver on this strategy depends on staff having the ability to engage with improvement techniques. To support this strategy we have a programme to equip staff and teams with the information, time and the skills to deliver continuous quality improvement. While we will use a range of quality improvement techniques as appropriate, the core Trustwide approach that we will use will be Microsystems improvement methodology. All teams will be trained in this methodology and have access to on-going coaching and supervision.

Through our development plans we will ensure that our clinical teams:

- Are service user focussed and working collaboratively with service users to deliver personalised care;
- Collect and use appropriate outcome measures to understand effectiveness, safety, experience, and efficiency;
- Have fully trained staff who are supported through supervision and appraisal, understand the quality standards to be delivered and their responsibilities in this;
- Have access to and use high quality information and information technologies;
- Have training and coaching in process improvement skills;
- Have committed and shared leadership;
- Have support from the wider organisation when needed.

Effective use of service user feedback

Understanding the experiences of the people who use our services is essential if we are to be successful in achieving quality improvement. The Trust uses a range of information to monitor service quality and performance. Our approach is to work with service users so they gather feedback from service users about their experiences of services on our behalf. This provides a richer and more informed view about the experience people have of receiving care from us.

Staff experiencing assaults from other staff

Last year, the percentage of staff reporting physical violence from other staff moved from Better than Average to the bottom 20%. A similar result has occurred this year, consequently we will commission an 'in depth' review of this issue. This result, from the staff survey, does not accord with any other reports under our various procedures we have in place across the Trust and the survey indicates no statistically significant change from last year. We have received no complaints of this nature, no reports of serious incidents of this nature, a reduction in claims of bullying and harassment, and staff-side representatives are as perplexed by this outcome as the Trust at this stage.

Any level of violence against staff is a concern. This finding from the survey does not correlate with any reported incidents which would be regarded as gross misconduct and subject to a disciplinary process and potential dismissal. The report has been shared with Staff Side representatives and we will work together to understand the potential for such issues to be unreported. We will also continue to review incident reports to establish if they involve any indications of this issue.

Staff motivation at work

While there are some conflicting outcomes from the Staff Survey regarding staff motivation, it is pleasing that our overall score on this issue has risen slightly, especially when compared with the opposite being recorded nationally. Staff still perceive the Trust generally as a place where they or a family member would receive good treatment, and the number of staff experiencing stress is reported as having reduced significantly this year. Having said that, we will continue to monitor this issue closely, particularly given the earlier issue of staff attending work when possibly feeling unwell.

ANNEXE A

Statements from local networks, overview and scrutiny committees and Clinical Commissioning Groups

Healthwatch

Healthwatch Sheffield is pleased to be offered the opportunity to comment on the Trust's Quality Account. This year the Trust has put considerable effort into meeting with Healthwatch on a more frequent basis, and we feel this has benefited our understanding of their decision making and processes.

As in previous years, the Trust has formatted the document so that it is as accessible and easy to read as it can be given existing constraints. We ask, as we did last year, that the Trust gives some thought to the production of an easier to read version or summary to enable as many people as possible to read the contents.

We note that the priorities for 2016/17 seem broadly similar to last year, and are pleased to see that the Trust acknowledges that there is on-going work to do in these areas. There has been considerable progress on some of last year's priorities, most notably in reducing the waiting times for memory services.

We have once again seen an increase in the number of violent incidents reported in this document, and continue to have conversations with the Trust around the action that is being undertaken to monitor and address this.

At the time of reviewing the draft Report, information was not fully finalised regarding Quality Objective 2 (improving physical health) and we await further feedback to be assured that progress has been made.

Also, within the draft Report data on the performance of the Clover Group was not available to us. As we had raised performance issues last year with the Trust, we have no option but to remain concerned.

There has been an overall improvement in the PLACE scores for most sites this year, and we have worked with the Trust to provide volunteers to support this process.

In conclusion, we feel that this report is clear, well written, and acknowledges where there is more work still to do. We thank the Trust for their work this year and look forward to working with them in 2016/17.

Healthwatch
12 May 2016

Our response

We welcome the helpful feedback from Healthwatch following a review of a draft of our Quality Report.

The final Report contains relevant information regarding progress on our Quality Objective for improving physical health, along with performance data on the Clover Group. We have shared this information with Healthwatch and will review it further in our regular scheduled review meetings.

We will be producing an easy ready summary version of our account. We look forward to on-going dialogue and meetings with Healthwatch during 2016/17 during which we will be able to review progress in more detail on the above issues and other areas of interest.

Sheffield City Council's Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee

Sheffield City Council Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee welcome the opportunity to consider your draft Quality Account in line with NHS (Quality Accounts) Regulations 2010. We view this as a valuable aspect of health service provision scrutiny that looks at the things that are important to the public of Sheffield and make the following comments:

The Committee would like to see three year performance trend throughout with the inclusion of comparator year data and that objectives/priorities do not fall off or out of the report if not achieved. Pleased to see Quality Objectives for 2016/17 reflect CQC improvement requirement, it is appropriate continuing to focus on these.

We welcome the improvement in waiting times reported 2015/16 and that the Trust has achieved most of their targets. The reference to working to improve services out of hours over the last 12 months is positive; look forward to the Trust sharing the evidence of impact on the service users.

The Committee note patient related incidents have increased and the CQC assessment required this as an area for improvement. We observe a variable performance with an increase in number of incidents but reduction in most serious incidents and look forward to seeing the outcome of conclusions being implemented from the serious incident procedures review, with a degree of reassurance for the public.

We are pleased to see 93% of staff appraised in last 12 months. The Committee welcome presentation of three year staff experience trend data and would like to see a breakdown by ethnicity.

Scrutiny and Policy Development Committee
09 May 2016

Our response

We welcome the feedback from the Committee in respect of the acknowledgments of progress made over the last year, along with areas for further consideration.

We continue to develop our performance reporting methods and throughout the report have presented performance data over the previous three years were the data is readily available and the target has been established over three years or longer.

In some areas we are reporting on new targets, such as the new access and waiting time targets that were introduced during 2015/16. Before this we did not have the capacity to report on the specific target, for example, access target for Early Intervention in Psychosis services, because this was not previously a quality target and we did not collect information on our performance in that area.

We will continue to monitor our performance trends over the longer term and will incorporate this feedback in our on-going performance reporting framework.

We are finalising our plans to respond to the feedback from the national staff survey and will ensure these plans respond to any differences of experience by ethnicity and will report on this next year.

Sheffield Clinical Commissioning Group

NHS Sheffield Clinical Commissioning Group (CCG) has had the opportunity to review and comment on the information contained within this Quality Report prior to its publication. Sheffield Health and Social Care NHS Foundation Trust have considered our comments and have made amendments where necessary. The CCG is therefore confident that to the best of our knowledge the information supplied within this report is factually accurate and a true record, reflecting the Trust's performance over the period April 2015 – March 2016.

The CCG commissions Sheffield Health and Social Care NHS Foundation Trust to provide a range of general and specialised mental health and learning disability services. We aspire to continually improve the quality of services provided by the Trust and the experience of those people who use them. We do this by reviewing and assessing the Trust's performance against a series of key performance indicators as well as evaluating contractual performance. We also work closely with the Care Quality Commission, who are the independent regulator of all health and social care services in England, as well as Monitor who are the sector regulator for health services in England (and who

are now part of NHS Improvement), to ensure that care provided by the Trust meets the regulators requisite standards and that the Trust is well led and is run efficiently.

This Quality Report evidences that the Trust has achieved positive results against most of its key objectives for 2015/16. Where issues relating to clinical quality have been identified, we have worked closely with the Trust to ensure that improvements are made. We will continue to take this approach into 2016/17 and beyond, through what will be a very challenging period for the NHS. We will continue to build on existing good clinical and managerial relationships to proactively address issues relating to clinical quality so that standards of care and governance are upheld whilst services continue to evolve to ensure they meet the changing needs of our local population. We will continue to set the Trust challenging targets whilst at the same time incentivise them to deliver high quality, innovative services.

Sheffield CCG
17 May 2016

Our response
We welcome the comments and response from NHS Sheffield Clinical Commissioning Group.

We look forward to working with the CCG during 2016/17 to ensure the plans in place to deliver the necessary improvements will result in real benefits and improved outcomes for the people of Sheffield.

ANNEXE B

2015/16 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 2010 to prepare Quality Reports 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;

- 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 2015 to May 2016;

  - Papers relating to Quality reported to the Board over the period April 2015 to May 2016;

  - Feedback from the Commissioners dated 17 May 2016;

  - Feedback from Governors on 10 May 2016;

  - Feedback from Healthwatch on 12 May 2016;

  - Feedback from the Scrutiny Committee on 09 May 2016;

  - The Trust's complaints report published under Regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;

  - The latest national patient survey issued in 2015;

  - The national staff survey issued February 2016;

  - The Head of Internal Audit's annual opinion over the Trust's control environment dated [tbc] May 2016; and

  - Care Quality Commission report following its inspection of Trust services published in June 2015 and intelligent monitoring reports issued during 2015/16;

- The Quality Report presents a balanced picture of the NHS Foundation Trust's performance over the period covered;
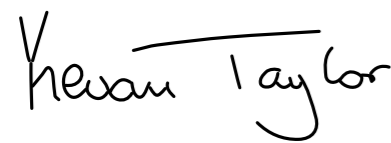
- The performance information reported in the Quality Report is reliable and accurate;

- 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; and

- The data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and the Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations) (published at www.monitor-nhsft.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the Quality Report (available at www.monitor-nhsft.gov.uk/annualreportingmanual)).

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

By order of the Board

Chairman
25 May 2015

Chief Executive
25 May 2015

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ANNEXE C
INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF SHEFFIELD HEALTH AND SOCIAL CARE NHS FOUNDATION TRUST ON THE QUALITY REPORT

We have been engaged by the Council of Governors of Sheffield Health and Social Care NHS Foundation Trust to perform an independent assurance engagement in respect of Sheffield Health and Social Care NHS Foundation Trust's Quality Report for the year ended 31 March 2016 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter
The indicators for the year ended 31 March 2016 subject to limited assurance consist of the following two national priority indicators (the indicators):

- Admissions to inpatient services had access to crisis resolution home treatment teams; and

- 100% enhanced Care Programme Approach patients receive follow up contact within seven days of discharge from hospital.

Respective responsibilities of the directors and auditors
The directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance issued by Monitor.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance;

- the Quality Report is not consistent in all material respects with the sources specified in the Detailed Guidance for External Assurance on Quality Reports 2015/16 ('the Guidance'); and

- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and supporting guidance and the six dimensions of data quality set out in the Guidance.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual and supporting guidance and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- board minutes and papers for the period April 2015 to April 2016;
- papers relating to quality reported to the Board over the period April 2015 to May 2016;
- feedback from commissioners;
- feedback from governors;
- feedback from Healthwatch Sheffield;
- feedback from Sheffield City Council Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee;
- the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;
- the latest national patient survey;
- the latest national staff survey;
- the 2015/16 Head of Internal Audit's annual opinion over the Trust's control environment; and
- the latest CQC Intelligent Monitoring Report.

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

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

This report, including the conclusion, has been prepared solely for the Council of Governors of Sheffield Health and Social Care NHS Foundation Trust as a body, to assist the Council of Governors in reporting the NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2016, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicator. 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 Sheffield Health and Social Care NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicator;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual and supporting guidance to the categories reported in the Quality Report; and
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance.

The scope of our assurance work has not included governance over quality or the non-mandated indicator, which was determined locally by Sheffield Health and Social Care NHS Foundation Trust.

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2016:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance;

- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and

- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and supporting guidance and the six dimensions of data quality set out in the Guidance.

KPMG LLP
Chartered Accountants
Leeds
26 May 2016

SECTION 5.0: AUDITORS REPORT

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF SHEFFIELD HEALTH AND SOCIAL CARE NHS FOUNDATION TRUST ONLY

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

We have audited the financial statements of Sheffield Health and Social Care NHS Foundation Trust for the year ended 31 March 2016 set out on pages 251 to 301. In our opinion:

- the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2016 and of the Trust's income and expenditure for the year then ended; and

- the financial statements have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2015/16.

2 Our assessment of risks of material misstatement

In arriving at our audit opinion above on the financial statements the risks of material misstatement that had the greatest effect on our audit were as follows:

Valuation of land and buildings - £52.5 million (2014/15 £52.2 million) Risk has increased from the previous year because the Trust has commissioned a full valuation in 2015/16. *Refer to page 30 (Audit Committee Report), page 263 to 266 (accounting policy) and pages 283 to 287 (financial disclosures).*

The risk: Land and buildings are required to be maintained at up to date estimates of year-end market value in existing use (EUV) for non-specialised property assets in operational use, and, for specialised assets where no market value is readily ascertainable, the depreciated replacement cost (DRC) of a modern equivalent asset that has the same service potential as the existing property. There is significant judgment involved in determining the appropriate basis (EUV or DRC) for each asset according to the degree of specialisation, as well as over the assumptions made in arriving at the valuation of the asset. In particular the DRC basis of valuation requires an assumption as to whether the replacement asset would be situated on the existing site or, if more appropriate, on an alternative site. Furthermore, DRC is decreased if VAT on replacement costs is deemed to be recoverable. Both of these assumptions can have potentially significant effects on the valuation.

For 2015/16 the Trust commissioned a full revaluation of land and buildings from an external valuer.

1 **Our response:** In this area our audit procedures included:

- Assessing the competence, capability, objectivity and independence of the Trust's external valuer and considering the terms of engagement of, and the instructions issued to, the valuer for consistency with the Trust's accounting policies for the valuation of property, plant and equipment and also RICS Valuation Professional Standards;

- Critically assessing the appropriateness of the valuation bases and assumptions applied to a sample of higher value assets by reference to records held by the Trust on the condition of the assets, the basis of ownership and the basis of use;

- Confirming that the information provided to the valuer, including details of in-year capital expenditure on land and buildings, changes in use of buildings, and details of land area and floor space, was complete, relevant and accurate.

- Critically assessing the overall valuation compared to our own expectations by comparing to known benchmarks and indices.

- Reviewing all material assets valued using the DRC basis of valuation to determine whether the valuations were based on a modern equivalent asset value and whether the assumptions made by the valuer in relation to the treatment of VAT and the use of alternative sites were consistent with local circumstances and complied with guidance issued by the Department of Health and HM Treasury;

- Undertaking work to understand the basis upon which any revaluations and impairments to land and buildings had been classified by the Trust and determining whether the recognition of these gains and losses in the financial statements complied with the requirements of the FT ARM; and

Considering the adequacy of the disclosures about the key judgments and degree of estimation involved in arriving at the valuation and the related sensitivities.

Recognition of Income from Activities - £98.2 million (2014/15 £100.8 million) → Risk is the same as last year *Refer to page 30 (Audit Committee Report), page 259 (accounting policy) and pages 277 to 278 (financial disclosures).*

The risk: The main source of income for the Trust is the provision of healthcare services to the public under contracts with NHS commissioners, which make up 69% (prior year 69%) of operating income before profits on disposal. The Trust participates

in the national Agreement of Balances (AoB) exercise for the purpose of ensuring that intra-NHS balances are eliminated on the consolidation of the Department of Health's resource accounts. The AoB exercise identifies mismatches between income and expenditure and receivable and payable balances recognised by the Trust and its commissioners, . Mis-matches can occur for a number of reasons, but the most significant arise where:

- the Trust and commissioners record different accruals for completed periods of healthcare which have not yet been invoiced;

- income relating to partially completed period of healthcare is apportioned across the financial years and the commissioners and the Trust make different apportionment assumptions;

- accruals for out-of-area treatments not covered by direct contracts with commissioners, but authorised by, for example, GPs on behalf of commissioners, are not recognised by commissioners; or

- there is a lack of agreement over proposed contract penalties for sub-standard performance.

Where there is a lack of agreement, mis-matches can also be classified as formal disputes and referred to NHS England Area Teams for resolution.

We do not consider NHS income to be at high risk of significant misstatement, or to be subject to a significant level of judgement. However, due to its materiality in the context of the financial statements as a whole NHS income is considered to be one of the areas which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.

Our response: In this area our audit procedures included:

- Agreeing the income recorded in the financial statements to signed contracts and contract variations with commissioners.

- Using the results of the AoB exercise to match the Trust's NHS income with counterparty expenditure. We investigated differences by reconciling the initial contract value with the counterparty to the final income reported in the financial statements, determining the reasons for any differences and critically assessing the validity of recognising reconciling income items in the Trust's financial statements.

- For estimated accruals relating to healthcare or in relation to inter-trust agreements, reviewing the Trust's calculation of the accrual, critically assessing the Trust's and the counterparty's correspondence in relation to disputed items and forming a view as to the accuracy of the balance recorded in the Trust's accounts.

Recognition of Other Operating Income - £29.7 million (2014/15 £31.0 million) →
Risk is the same as last year *Refer to page 30 (Audit Committee Report), page 259 (accounting policy) and pages 277 to 278 (financial disclosures).*

The risk: In addition to patient care income the Trust also receives a significant proportion (23% compared to 24% in 2014/15) from non-patient care activities, principally social care support to people with learning disabilities, education and training, and research and development. Much of this income is generated by contracts with other NHS and non-NHS bodies which are based on varied payment terms, including payment on delivery, milestone payments and periodic payments. Consequently there is a greater risk that income will be recognised on a cash rather than an accruals basis

- Agreeing the income recorded in the financial statements to contracts and contract variations with commissioners.

- Using the results of the AoB exercise to match the Trust's NHS income with counterparty expenditure. We investigated differences by reconciling the initial contract value with the counterparty to the final income reported in the financial statements, determining the reasons for any differences and critically assessing the validity of recognising reconciling income items in the Trust's financial statements.

- For estimated accruals relating to healthcare or in relation to inter-trust agreements, reviewing the Trust's calculation of the accrual, critically assessing the Trust's and the counterparty's correspondence in relation to disputed items and forming a view as to the accuracy of the balance recorded in the Trust's accounts.

- For a sample of invoices raised immediately before and after the balance sheet date, checking that income had been recognised in the correct financial period.

- Considering the adequacy of the disclosures about the key judgements and degree of estimation involved in arriving at the estimate of revenue receivable and the related sensitivities.

3 Our application of materiality and an overview of the scope of our audit
The materiality for the financial statements was set at £2 million (2014/15 £2.5 million), determined with reference to a benchmark of income from operations of which it represents 1.6% (2014/15 1.9%). We report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £100,000 (2014/15 £100,000), in addition to other identified misstatements that warrant reporting on qualitative grounds.

Our audit of the Trust was undertaken to the materiality level specified above and was all performed at the Trust's headquarters in Sheffield.

4 Our opinion on other matters prescribed by the Code of Audit Practice is unmodified
In our opinion:

- the parts of the Remuneration Report and Staff Report to be audited have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2015/16; and

- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

5 We have nothing to report in respect of the matters on which we are required to report by exception
Under ISAs (UK&I) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the Annual Report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In particular, we are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our audit and the directors' statement that they consider that the Annual Report and Accounts taken as a whole is fair, balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy; or

- the Audit and Assurance Committee Section of the Annual Report does not appropriately address matters communicated by us to the audit committee.

Under the Code of Audit Practice we are required to report to you if in our opinion:

- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2015/16, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

- the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in its use of resources.

In addition we are required to report to you if:

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.

- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in respect of the above responsibilities.

Certificate of audit completion
We certify that we have completed the audit of the accounts of Sheffield Health and Social Care NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.

Respective responsibilities of the accounting officer and auditor
As described more fully in the Statement of Accounting Officer's Responsibilities on page 137 the accounting officer is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the UK Ethical Standards for Auditors.

Scope of an audit of financial statements performed in accordance with ISAs (UK and Ireland)
A description of the scope of an audit of financial statements is provided on our website at www.kpmg.com/uk/auditscopeother2014. This report is made subject to important explanations regarding our responsibilities, as published on that website, which are incorporated into this report as if set out in full and should be read to provide an understanding of the purpose of this report, the work we have undertaken and the basis of our opinions.

Respective responsibilities of the Trust and auditor in respect of arrangements for securing economy, efficiency and effectiveness in the use of resources
The Trust is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources
We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General (C&AG), as to whether the Trust has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The C&AG determined this criterion as necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2016.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Trust had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

The purpose of our audit work and to whom we owe our responsibilities
This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report or for the opinions we have formed.

Rashpal Khangura
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 The Embankment
Leeds
LS1 4DW
26 May 2016
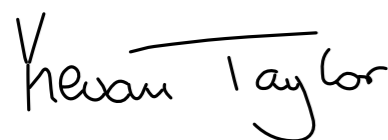
SECTION 6.0: ACCOUNTS

Foreword to the accounts

Sheffield Health and Social Care NHS Foundation Trust

These accounts for the year ended 31 March 2016 have been prepared by Sheffield Health and Social Care NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006 in the form which Monitor, the Independent Regulator of NHS Foundation Trusts, has, with the approval of HM Treasury, directed.

After making enquiries the Directors have a reasonable expectation that the NHS Foundation Trust has adequate resource to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the accounts.
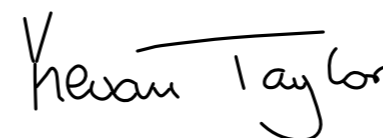
Kevan Taylor, *Chief Executive (as Accounting Officer)*
25 May 2016

The Accounts of Sheffield Health and Social Care NHS Foundation Trust for the period ending 31 March 2016 follow. The four primary statements; the Statement of Comprehensive Income (SOCI), the Statement of Financial Position (SOFP), the Statement of Changes in Taxpayers' Equity (SOCITE), and the Statement of Cashflows (SCF) are presented first. These are followed by the supporting notes to the accounts.

Note 1 outlines the Foundation Trust's accounting policies. Subsequent notes provide further detail on lines in the four primary statements and are cross referenced accordingly.

The financial statements (Accounts) were approved by the Board on 25 May 2016 and signed on its behalf by:

Kevan Taylor, *Chief Executive*
25 May 2016

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2016

	Note	2015/16 £000	2014/15 £000
Operating income from continuing operations	3	**128,685**	131,824
Operating expenses of continuing operations	4	**(127,145)**	(127,568)
Operating surplus		**1,540**	4,256
Finance costs:			
Finance income	6	**71**	73
Finance expense – financial liabilities	7	**(28)**	(16)
Finance expense – unwinding of discount on provisions	16.1	**(10)**	(10)
Public Dividend Capital (PDC) dividend payable		**(1,712)**	(1,707)
Net finance costs		**(1,679)**	(1,660)
Movement in fair value of investment property	10.1	**0**	0
SURPLUS FOR THE YEAR FROM CONTINUED OPERATIONS		**(139)**	2,596
Other comprehensive income and expenses			
Impairment losses on property, plant and equipment		**(6,374)**	0
Revaluation gains on property, plant and equipment		**3,426**	0
Other recognised gains and (losses)		**(1,046)**	1,693
Remeasurements assets/(liabilities) on defined benefit pension schemes		**936**	(1,925)
Other reserve movements		**0**	0
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(3,197)**	2,364

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

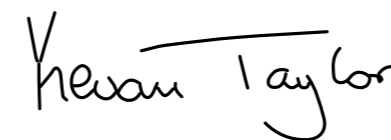|	Note	31 March 2016 £000	31 March 2015 £000
Non-current assets			
Intangible assets	8	**65**	9
Property, plant and equipment	9	**55,569**	56,009
Investment property	10	**200**	200
Trade and other receivables	12	**3,955**	4,885
Total no-current assets		**59,789**	61,103
Current assets			
Inventories	11	**99**	130
Trade and other receivables	12	**6,932**	5,231
Cash and cash equivalents	13	**25,771**	28,933
Non-current assets held for sale	14	**-**	167
Total current assets		**32,802**	34,461
Current liabilities			
Trade and other payables	15	**(7,741)**	(7,334)
Taxes payable	15	**(1,625)**	(1,795)
Provisions	16	**(1,533)**	(831)
Other liabilities	17	**(50)**	(13)
Total current liabilities		**(10,949)**	(9,973)
Total assets less current liabilities		**81,642**	85,591
Non-current liabilities			
Provisions	16	**(731)**	(710)
Other liabilities	17	**(4,427)**	(5,200)
Total non-current liabilities		**(5,158)**	(5,910)
Total assets employed		**76,484**	79,681
Financed by taxpayers' equity:			
Public Dividend Capital		**33,926**	33,926
Revaluation Reserve	9.3	**16,633**	19,804
Income and expenditure reserve		**25,925**	25,951
Total tax payers' equity		**76,484**	79,681

Kevan Taylor
Chief Executive (as Accounting Officer)
25 May 2016

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STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDING 31 MARCH 2016

Changes in taxpayers' equity for 2015/16	Public Dividend Capital £000	Revaluation Reserve £000	Income & Expenditure Reserve £000	Total £000
Taxpayers' equity at 01 April 2015	33,926	19,804	25,951	79,681
Surplus for the year	-	-	(139)	(139)
Impairment losses on property, plant and equipment	-	(6,374)	-	(6,374)
Revaluations gain on property, plant and equipment	-	3,426	-	3,426
Receipt of donated assets				-
Transfer to the income and expenditure account	-	(223)	223	-
Other recognised gains and losses*		-	(1,046)	(1,046)
Remeasurements on defined benefits pension scheme	-	-	936	936
Taxpayers' equity 31 March 2016	33,926	16,633	25,925	76,484
Changes in taxpayers' equity for 2014/15				
Taxpayers' equity at 1 April 2014	33,826	19,804	23,587	77,217
Surplus for the year		-	2,596	2,596
Other recognised gains and losses*	-	-	1,693	1,693
Remeasurements on defined benefits pension scheme	-	-	(1,925)	(1,925)
Public Dividend Capital received	100	-	-	100
Taxpayers' equity at 31 March 2015	33,926	19,804	25,951	79,681

The amounts included with within the revaluation reserve relate to property, plant and equipment.

* £1,046,000 (£1,693,000 at 31 March 2015) relates to the back to back agreement with Sheffield City Council Local Authority defined benefit pension scheme on the Statement of Financial Position.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2016

	Note	2015/16 £000	2014/15 £000
Cash flows from operating activities			
Operating surplus from continued operations	SOCI	1,540	4,256
Non-Cash income and expense			
Depreciation and amortisation	9	2,254	2,236
Impairments and reversals	9	1,201	5
(Gain)/Loss on disposal	3	(469)	147
(Increase)/decrease in trade and other receivables	SOFP	(1,618)	(694)
(Increase)/decrease in inventories	SOFP	31	(40)
Increase/(decrease) in trade and other payables	SOFP	447	(1,038)
Increase/(decrease) in other liabilities	SOFP	37	(43)
Increase/(decrease) in provisions	SOFP	714	(84)
Other movements in operating cash flows	SOFP	-	(9)
Net cash generated from operations		4,137	4,736
Cash flows from investing activities			
Interest received	6	71	73
Purchase of intangible assets	8	(60)	-
Purchase of property, plant and equipment	9	(6,169)	(1,863)
Receipts from disposal of property, plant and equipment	9	636	-
Net cash outflow from investing activities		(5,522)	(1,790)
Cash flows from financing activities			
PDC received		-	100
PDC dividend paid		(1,777)	(1,786)
Net cash generated used in financing activities		(1,777)	(1,686)
Net increase in cash and cash equivalents		(3,162)	1,260
Cash & cash equivalents as at 01 April		28,933	27,673
Cash & cash equivalents as at 31 March	13	25,771	28,933

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ANNUAL REPORT 2015/16

ANNUAL REPORT 2015/16

Supporting notes to the accounts

Note 1. Accounting Policies and other information
1 Accounting policies and other information

Monitor is responsible for issuing an accounts direction to NHS Foundation Trusts under the NHS Act 2006. Monitor has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual which shall be agreed with the Secretary of State. Consequently, the following financial statements have been prepared in accordance with the 2015/16 NHS Foundation Trust Annual Reporting Manual issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS Foundation Trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

Sheffield Health and Social Care NHS Foundation Trust ("the Trust") achieved Foundation Trust status on 01 July 2008.

1.1 Accounting Period
The accounts of the Trust have been drawn up for the year to 31 March 2016.

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

1.3 Acquisitions and Discontinued Operations
Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.4 Consolidation
The Trust is one of the related Charities to Sheffield Hospitals Charitable Trust, under the umbrella registration of 1059043-3. The Trust is not a corporate trustee of the charity. The Trust has assessed its relationship to the charitable fund and determined it not to be a subsidiary because the Trust does not have the power to govern the financial and operating policies of the charitable fund so as to obtain benefits from its activities for itself, its patients or its staff.

The Trust will not be consolidating the Sheffield Hospitals Charitable Trust. The Department of Health corresponds directly with NHS charities whom are independent of their linked Trust (with independent trustees) to obtain the information they require to consolidate the Department of Health group. Sheffield Hospitals Charity is one such charity.

Other subsidiaries
Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to minority interests are included as a separate item in the Statement of Financial Position. The amounts consolidated are drawn from the published financial statements of the subsidiaries for the year (except where a subsidiary's financial year end is before 01 January or after 01 July in which case the actual amounts for each month of the Trust's financial year are obtained from the subsidiary and consolidated).

Where subsidiaries' accounting policies are not aligned with those of the Trust (including where they report under UK FRS 102) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation. Subsidiaries which are classified as held for sale are measured at the lower of their carrying amount and 'fair value less costs to sell'.

During 2015/16 the Trust established an operating company, 7 Hills Care and Support Ltd wholly owned by the Trust and which is currently dormant.

Associates
Associate entities are those over which the Trust has the power to exercise a significant influence. Associate entities are recognised in the Trust's financial statement using the equity method. The investment is initially recognised at cost. It is increased or decreased subsequently to reflect the Trust's share of the entity's profit or loss or other gains and losses (e.g. revaluation gains on the entity's property, plant and equipment) following acquisition. It is also reduced when any distribution, e.g., share dividends are received by the Trust from the associate. Associates which are classified as held for sale are measured at the lower of their carrying amount and "fair value less costs to sell". During 2015/16 the Trust recognises no Associates.

Joint ventures

Joint ventures are arrangements in which the Trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method. During 2015/16 the Trust recognises no Joint ventures.

Joint operations

Joint operations are arrangements in which the Trust has joint control with one or more other parties and has the rights to the assets, and obligations for the liabilities, relating to the arrangement. The Trust includes within its financial statements its share of the assets, liabilities, income and expenses. During 2015/16 the Trust recognises no Joint operations.

1.5 Income

The main source of income for the Trust is from Clinical Commissioning Groups, which are government funded Commissioners of NHS health and patient care.

Income is recognised in the period in which services are provided and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with Commissioners in respect of health and social care services. Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

Interest income is accrued on a time basis, by reference to the principal outstanding and interest rate applicable.

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.

1.6 Expenditure on Employee Benefits

Short-term Employee Benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

1.6.1 NHS Pension Scheme

Past and present employees are covered by the provisions of two NHS Pensions Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded, defined benefit schemes that covers NHS employers, GP Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2016, is based on valuation data as 31 March 2015, updated to 31 March 2016 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012.

The Scheme Regulations allow for the contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

c) Scheme provisions
The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 01 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the 12 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).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

1.6.2 Local Government Pension Scheme
Some employees are members of the Local Government Pension Scheme, administered by the South Yorkshire Pensions Authority, which is a defined benefit pension scheme. The scheme assets and liabilities attributable to these employees can be identified and are recognised in the Trust's accounts. The assets are measured at fair value, and the liabilities at the present value of future obligations.

The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The net interest cost during the year arising from the unwinding of the discount on the net scheme liabilities is recognised within finance costs. Re-measurements of the defined benefit plan are recognised in the income and expenditure reserve and reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'. These postings are mostly countered by the terms of the current partnership agreement.

The terms of the current partnership agreement with Sheffield City Council ('the Council') provide that any long term pension liability arising from the scheme will be funded by the Council, with the exception of any pension changes which relate to salary increases in excess of any local government grading agreements. The impact on the current and prior year Statement of Comprehensive Income and Statement of Changes in Taxpayers' Equity relating to the application of IAS 19 - 'Employee Benefits' within the accounts of the Trust is mostly negated by the inclusion of a corresponding non-current receivable with the Council. For further information see note 24.

1.6.3 NEST Pension Scheme
The Trust is a member of the National Employment Savings Trust (NEST) pension scheme which operates as a defined contribution plan. The Trust pays contributions into a fund but has no legal or constructive obligation to make further payments if the fund does not have sufficient assets to pay all of the employees' entitlements to post-employment benefits. The Trust's obligation is therefore limited to the amount it agrees to contribute to the fund and effectively place actuarial and investment risk on the employee. The amount recognised in the period is the contribution payable in exchange for service rendered by employees during the period.

1.7 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.

1.8 Property, Plant and Equipment

1.8.1 Recognition

Property, Plant and Equipment is capitalised where: it is held for use in delivering services or for administrative purposes; it is probable that future economic benefits will flow to, or service potential be provided to, the Trust; it is expected to be used for more than one financial year; the cost of the item can be measured reliably; and the item has a cost of at least £5,000; or collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control (a "grouped asset"); or items form part of the initial equipping and settingup cost of a new building, ward or unit, (treated as a "grouped asset") .

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

1.8.2 Measurement

Initial valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are measured subsequently at valuation. An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

Land and buildings used for the Trust's services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. The current revaluation policy of the Trust is to perform a full valuation every five years with an interim valuation in the third year. These valuations are carried out by professionally qualified valuers in accordance with Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Manual. Fair values are determined as follows:

- Land and non-specialised buildings – market value taking into account existing use

- Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where a service could be provided in any part of the City, the Trust has used the alternative site valuation method.

A full revaluation was undertaken as at 31 March 2016 and is reflected in these financial statements.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are re-valued and depreciation commences when they are brought into use.

The carrying value of plant and equipment is written off over their remaining useful lives and new plant and equipment is carried at depreciated historic cost as this is not considered to be materially different from fair value.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably.

Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation

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

The estimated useful economic lives used by the Trust are as follows:

	Minimum life – Years	Maximum life - Years
Assets held under finance lease:	lower of lease term of useful economic life	
Buildings – Freehold	15	50
Plant and Machinery	5	15
Transport Equipment	3	7
Information Technology	3	7
Furniture and Fittings	7	10

Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use.

Revaluation gains and losses
Increases in asset values arising from revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised as operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income.

1.8.3 Impairments
In accordance with the FT Annual Reporting Manual, impairments that arise from a clear consumption of economic benefits or of service potential in the assets are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment. As the Trust has no current or prior year impairments of this type, no adjustment is required.

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

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

1.8.4 De-recognition
Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met; the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales; the sale must be highly probable in that 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'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

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

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

1.9 Intangible assets

1.9.1 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. 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.

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

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

- The project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- The 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 e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- Adequate financial, technical and other resources are available to the 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.

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

1.9.2 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, provided this exceeds £5,000.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating.

Revaluation gains and losses and impairments are treated in the same manner as for property, plant and equipment.

An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5. Intangible assets held for sale are measured at the lower of their carrying amount or 'fair value less costs to sell'.

Amortisation

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

1.10 Investment property

Investment property comprises properties that are held to earn rentals or for capital appreciation or both. It is not depreciated but is stated at fair value based on regular valuations performed by professionally qualified valuers. Fair value is based on current prices for similar properties in the same location and condition. Any gain or loss arising from the change in fair value is recognised in the Statement of Comprehensive Income. Rental income from investment property is recognised on a straight line basis over the term of the lease.

1.11 Government and other grants

Government grants are grants from Government bodies other than income from clinical commissioning groups or NHS Trusts for the provision of services. Where a Government grant is used to fund expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

During 2015/16 no government grants or other grants were received.

1.12 Donated Assets

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

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

During 2015/16 no donated assets were received.

1.13 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 continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their existing carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses. Depreciation ceases to be charged when assets are classified as 'held for sale'. Assets are de-recognised when all material sale contract conditions have been met.

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 income statement. On disposal, the balance for the asset on the revaluation reserve, donated asset reserve or government grant reserve is transferred to retained earnings.

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

1.14 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the First in First Out (FIFO) method.

1.15 Financial instruments, financial assets and financial liabilities

1.15.1 Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

1.15.2 Measurement

Financial assets are categorised as 'Loans and receivables'.
Financial liabilities are classified as 'Other Financial liabilities'.

a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets. The Trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and 'other receivables'. Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the next carrying amount of the financial asset. Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income. (Loans from the Department of Health are not held for trading and are measured at historic cost with any unpaid interest accrued separately.)

b) Other financial liabilities

All 'other' financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability. They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities. Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

1.15.3 Impairment of financial assets

At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced through the use of a bad debt provision.

1.15.4 De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

1.16 Leases

1.16.1 Finance leases

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

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as an item of property, plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability is derecognised when the liability is discharged, cancelled or expires. During 2015/16 the Trust has no finance leases.

1.16.2 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.

1.16.3 Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

1.17 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation at the reporting date. Where the effect

of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates mandated by HM Treasury.

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 recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims. The contribution is charged to operating expense. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 16.1 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHS Litigation Authority and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

1.18 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the Trust's control) are not recognised as assets, but are disclosed in note 19 where an inflow of economic benefits is probable. As at 31 March 2016 the Trust has no contingent assets.

Contingent liabilities are not recognised, but are disclosed in note 18, 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 Trust'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.

1.19 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS Trust, being Sheffield Care Trust. The Secretary of State can issue new PDC to, and require repayments of, PDC from the Foundation Trust. PDC is recorded at the value received. HM Treasury has determined that, as PDC is issued under legislation rather than under contract, it is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets (including lottery funded assets), (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility and (iii) for 2013/14 only, net assets and liabilities transferred from bodies which ceased to exist on 1st April 2013, and (iv) any PDC dividend balance receivable or payable. In accordance with the requirements laid down by the Department of Health (as the issuer of the PDC), the dividend for the year is calculated on the average relevant net assets as set out in the 'pre-audit' version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

1.20 Value Added Tax

Most of the activities of the 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 property, plant and equipment assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.21 Corporation Tax

The Finance Act 2004 amended Section 519A of the Income and Corporation Taxes Act 1998 to provide power to the Treasury to make certain non-core activities of the Trust, which are not related to, or ancillary to, the provision of healthcare and where profits exceed £50,000 per annum, are potentially subject to corporation tax and should be subject to a review.

The Trust has carried out a review of corporation tax liability of its non-healthcare activities. At present all activities are either ancillary to patient care activity or below the de-minimis £50,000 profit level at which corporation tax is due.

1.22 Foreign exchange

The functional and presentational currencies of the Trust are sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction. Where the Trust has assets or liabilities denominated in foreign currency at the Statement of Financial Position date:

- monetary items (other than financial instruments measured at fair value through income and expenditure) are translated at the spot exchange rate on 31 March;
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction; and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising from the settlement of the transaction or on retranslation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

1.23 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. However, they are disclosed in note 20 to the accounts in accordance with the requirements of HM Treasury's Financial Reporting Manual.

1.24 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 in to different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accruals basis with the exception of provisions for future losses.

1.25 Accounting Standards that have been issued but have not yet been adopted

The following accounting standards, amendments and interpretations have been issued by the IASB and IFRIC but are not yet required to be adopted:

IFRS 11 (Amendment) – acquisition of an interest in a joint operation (not yet EU adopted. Expect to be effective from 2016/17).

IAS 16 (amendment) and IAS 38 (amendment) - depreciation and amortisation (not yet EU adopted. Expect to be effective from 2016/17).

IAS 16 (amendment and IAS 41 (amendment) – bearer plants (not yet EU adopted. Expect to be effective from 2016/17).

IAS 27 (amendment) – equity method in separate financial statements (not yet EU adopted. Expect to be effective from 2016/17).

IFRS 10 (amendment) and IAS 28 (amendment) – sale or contribution of assets (not yet EU adopted. Expect to be effective from 2016/17).

IFRS 10 (amendment) and IAS 28 (amendment) – investment entities applying the consolidation exception. (not yet EU adopted. Expect to be effective from 2016/17).

IAS 1 (amendment) – disclosure initiative (not yet EU adopted. Expect to be effective from 2016/17).

IFRS 15 – Revenue from contracts with customers (not yet EU adopted. Expect to be effective from 2017/18).

Annual improvements to IFRS: 2012-15 cycle – (not yet EU adopted. Expect to be effective from 2017/18).

IFRS 9 - Financial Instruments: Financial Assets and Financial Liabilities (not yet EU adopted. Expect to be effective from 2018/19).

The Trust has considered the above new standards, interpretation and amendments to published standards that are not yet effective and concluded that they are either not relevant to the Trust or that they would not have a significant impact on the Trust's financial statements, apart from some additional disclosures. This conforms with the FT ARM 2015/16, which requires that any amendments to standards are applied in accordance with the applicable timetable, with early adoption not permitted.

1.26 Critical 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. The Trust confirms that it has not used any key assumptions concerning the future or had any key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year that need to be disclosed under IAS1.

The main area of estimation uncertainty within the Trust is the carrying value of the property portfolio and the assumptions used in the determination of fair value at the Statement of Financial Position date. In accordance with Trust policy, a property valuation is commissioned every five years with interim valuations every third year. The revaluations are undertaken by professional valuers and significantly reduce the risk of material misstatement. Refer to Paragraph 1.8 for further details.

Provisions have been calculated having recognised an obligating event during the year and include estimates and assumptions relating to the carrying amounts and timing of the anticipated payments. The litigation provisions are based on estimates from the NHS Litigation Authority and the injury benefit provisions on figures from NHS Pensions. Refer to Paragraph 1.17 for further details.

A further area where estimation is required relates to the net liability to pay pensions in respect of the staff who transferred to the Trust from Sheffield City Council. This estimation depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in the retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged by the South Yorkshire Pensions Authority to provide the Trust with expert advice about the assumptions to be applied. Refer to Paragraph 1.6.2 and note 24 for further details.

1.27 Transfers of functions from other NHS Bodies

For functions that have been transferred to the Trust from another NHS or local government body, the assets and liabilities are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain or loss corresponding to the net assets or liabilities transferred is recognised within income or expenses, but not within operating activities.

For property plant and equipment assets and intangible assets, the cost and accumulated depreciation/amortisation balances from the transferring entity's accounts are preserved on recognition in the Trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

For functions that the Trust has transferred to another NHS or local government body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss or gain corresponding to the net assets or liabilities transferred is recognised within expenses/income, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve. Adjustments to align the acquired function to

the Foundation Trust's accounting policies are applied after initial recognition and are adjusted directly in taxpayers' equity.

2 Operating Segments

The Trust considers that it has one operating segment, that being the provision of health and social care. All revenues are derived from within the UK. Details of operating income by classification and operating income by type are given in note 3.

3 Operating income

3.1 Operating income by classification comprises:

	2015/16 £000	2014/15 £000
Income from activities		
Cost & Volume Income	3,883	4,011
Block contract income	82,135	85,437
Clinical partnerships providing mandatory services (including Section 75 agreements)	3,159	3,647
Other clinical income	9,012	7,697
Total income from Commissioner-requested services	98,189	100,792
Other operating income		
Research and development	1,221	865
Education and training	6,288	6,396
Non-patient care services to other bodies	17,152	19,269
Other income	1,040	672
Profit on disposal of other tangible fixed assets	469	3
Reversal of impairments of property, plant and equipment	326	-
Rental revenue from operating leases	313	42
Income in respect of staff costs	3,687	3,785
	30,496	31,032
Total operating income	**128,685**	**131,824**

3.2 Private patient income

The Trust has no private patient income in 2015/16 (2014/15 £nil).

3.3 Operating lease income

Rental income from operating leases:	2015/16 £000	2014/15 £000
Rents recognised as income in the period	313	42

Future minimum lease receipts due:	2015/16 £000	2014/15 £000
Receivable on leases of buildings expiring:		
Not later than one year	46	42
Later than one year and not later than five years	46	82
Later than five years	-	-
	92	124

3.4 Operating income by type comprises:

	2015/16 £000	2014/15 £000
Income from activities		
NHS Foundation Trusts	9	8
NHS Trusts	-	-
NHSE/Clinical Commissioning Groups	88,629	91,535
Local Authorities	8,710	8,164
Non-NHS: Other	841	1,085
	98,189	100,792
Other operating income		
Research and development	1,221	865
Education and training	6,288	6,396
Non-patient care services to other bodies	17,152	19,269
Income in respect of staff costs	3,687	3,785
Rental revenue from operating leases	313	42
Other income	1,040	672
	29,701	31,029
Operating income before profits on disposal	127,890	131,821
Profit on disposal of tangible fixed assets	469	3
Reversal of impairments of property, plant and equipment	326	-
Total operating income*	128,685	131,824

* Income is almost totally from the supply of services. Income from the sale of goods is immaterial.

3.5 Income from activities arising from Commissioner requested services

Under the terms of its Provider License, the Trust is required to analyse the level of income from activities that has arisen from Commissioner requested and non-Commissioner requested services. Commissioner requested services are defined in the provider license and are services that Commissioners believe would need to be protected in the event of provider failure. All services provided by NHS Foundation Trusts are automatically regarded as Commissioner requested services unless at some point prior to 01 April 2016 Commissioners decide they should not be so designated. Under condition 9 of the Provider License mandatory services were 'grandfathered' across on 01 April 2013 when licensing was introduced for Foundation Trusts. As at the reporting date no changes have been made.

	2015/16 £000	2014/15 £000
Income from services designated (or grandfathered) as Commissioner requested services	98,189	100,792
Other income from services not designated as Commissioner requested services	30,496	31,032
Total	**128,685**	**131,824**

4 Operating expenses by type

4.1 Operating expenses by type comprise:

	2015/16 £000	2014/15 £000
Services Received		
Service from NHS Foundation Trust	1,773	1,666
Services from NHS Trusts	7	12
Services from CCGs and NHS England	7	50
Services from other NHS bodies	78	72
Purchase of healthcare from non-NHS bodies	4,244	5,292
Employee Expenses		
Employee expenses – Executive Directors	859	839
Employee expenses – Non-Executive Directors	91	97
Employee expenses – Staff	99,625	98,916
Redundancy	431	220
Research and Development - Staff	411	411
Property Related Expenditure		
Depreciation on property, plant and equipment	2,250	2,233
Amortisation on intangible assets	4	3
Impairments of property, plant and equipment	1,527	5
Losses on disposal of property, plant and equipment	-	150
Premises	5,236	5,839
Rentals under operating leases	1,511	1,757
Establishment	879	880
Car parking and security	63	106
Other Expenses		
Research and development expenditure	554	323
Drug costs	811	853
Inventories written down (net, including inventory drugs)	66	9
Supplies and services – clinical (excluding drug costs)	825	1,827
Supplies and service - general	1,118	1,195
Transport	1,177	1,346
Increase/(decrease) in provision for impairment of receivables	108	120
Change in provisions discount rate(s)	(5)	38
Audit fees: statutory audit	71	76
Internal Audit fees (including Counter Fraud Services)	107	79
Clinical negligence premium	354	228
Legal fees	270	250
Consultancy costs	877	969
Training, courses and conferences	730	670
Patient travel	73	33
Therapeutic activities	93	89
Hospitality	26	75
Publishing	14	7
Insurance	229	263
Losses, ex gratia and special payments	107	110
Other	544	460
	127,145	127,568

Limitation on Auditors' liability

There is a £1,000,000 limit on the Trust's Auditors' liability. (2014/15 £1,000,000)

4.2 Operating leases
4.2.1 Payments recognised as an expense

	2015/16 £000	2014/15 £000
Minimum operating lease payments	1,511	1,757

4.2.2 Future minimum lease payments due:

	2015/16 £000	2014/15 £000
Payable:		
Not later than one year	1,385	1,472
Later than one year and not later than five years	1,190	1,270
Later than five years	9,229	9,367
	11,804	12,109

4.23 Significant Leasing Arrangement

The term of the operating lease for properties on the Northern General Hospital site is 125 years from 01 April 1991. The rent payable to Sheffield Teaching Hospitals NHS FT (STH) is based on the capital charges for the buildings.

There is no option to renew when the lease finishes on 31 March 2116. At the end of the lease period or following a termination by the tenant, if the landlord sells the property or any part of it, the net proceeds of the sale will be divided between the landlord and the tenant in accordance with a table contained in the lease ranging from 50% / 50% within one year of reversion to 100% / nil in favour of the landlord after 10 years from the reversion date.

Under the terms of the lease the following restrictions are imposed; not to assign, sub let, mortgage, charge or part with possession of the whole or part of the property and to only use the property, or any part of it, for the housing and treatment of learning disabilities service users.

5 Employee expenses and benefits

5.1 Employee expenses

	2015/16 £000	2014/15 £000
Salaries and wages	78,311	79,184
Social security costs	5,937	6,068
Employer contributions to NHS pension scheme	9,176	8,951
Employer contributions to Local Authority scheme	446	442
Termination benefits	806	220
Agency / contract staff	6,746	5,565
	101,422	100,430
Less costs capitalised	(96)	(43)
Total employee expenses excluding capitalised staff	**101,326**	**100,387**

5.2 Employee Benefits

There were no employee benefits, other than the benefits of the relevant pension schemes.

5.3 Directors' and Non-Executive Remuneration

	2015/16 £000	2014/15 £000
Fees to Non-Executive Directors*	84	91
Executive Directors – Salaries**	701	677
Executive Directors – Benefits (NHS Pension Scheme)	91	73
	876	841

* Excludes National Insurance contributions.
**Further information about the remuneration of individual Directors and details of their pension arrangements is provided in the Remuneration Report.

5.4 Early retirements due to ill health

During 2015/16 there were seven (2014/15 - five) cases of early retirements from the Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £335,019 (2014/15 - £463,692). The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

6 Finance income – interest income

	2015/16 £000	2014/15 £000
Bank accounts	71	73

7 Finance costs – interest expense

	2015/16 £000	2014/15 £000
Finance costs associated with the Local Authority pension scheme*	28	16

* The Finance interest income associated with the Local Authority Pension Scheme is presented net as a finance cost in 2015/16 in line with IAS19 changes. Refer to Accounting Policies note 1.6.

No claims were arising or payments made during 2015/16 under The Late Payment of Commercial Debts (Interest) Act 1998 (year ended 31 March 2015 - £nil).

8. Intangible assets

	2015/16 £000	2014/15 £000
Computer software		
Gross cost at 1 April	27	27
Additions	60	-
Disposals		
Gross cost at 31 March	87	27
Amortisation at 1 April	18	15
Provided during the year	4	3
Disposals		
Amortisation at 31 March	22	18
Net book value - closing		
At 31 March	65	9

Intangible assets are all purchased. No intangible assets have been financed via government grants or leases in year.

9 Property, plant and equipment

9.1 Current Year movements

2015/16	Land £'000	Buildings £'000	Assets under construction £'000	Plant and machinery £'000	Transport equipment £'000	Information technology £'000	Furniture & fittings £'000	Total £'000
Cost or valuation								
At 01 April 2015	8,191	46,325	2,817	1,266	410	2,301	162	61,472
Additions purchased	-	-	5,959	-	-	-	-	5,959
Impairments	-	(10,187)	-	-	-	-	-	(10,187)
Impairment reversals credited to operating income	92	41	-	-	-	-	-	133
Reclassifications	-	6,362	(6,738)	-	-	376	-	-
Revaluations	2,561	(253)	-	-	-	-	-	2,308
Reclassified as held for sale	-	-	-	-	-	-	-	-
Disposals	-	-	-	(213)	(84)	-	-	(297)
At 31 March 2016	**10,844**	**42,288**	**2,038**	**1,053**	**326**	**2,677**	**162**	**59,388**
Accumulated depreciation								
At 01 April 2015	-	2,339	-	750	348	1,878	148	5,463
Provided during year	-	1,891	-	84	34	238	3	2,250
Impairments	-	(2,286)	-	-	-	-	-	(2,286)
Impairments charged to revaluation reserve	-	(193)	-	-	-	-	-	(193)
Revaluations	-	(1,118)	-	-	-	-	-	(1,118)
Reclassified as held for sale	-	-	-	-	-	-	-	-
Disposals	-	-	-	(213)	(84)	-	-	(297)
At 31 March 2016	**-**	**633**	**-**	**621**	**298**	**2,116**	**151**	**3,819**
Opening Net book value								
Owned	8,191	43,208	2,817	516	62	423	14	55,231
Donated	-	778	-	-	-	-	-	778
Total at 01 April 2015	**8,191**	**43,986**	**2,817**	**516**	**62**	**423**	**14**	**56,009**
Closing Net book value								
Owned	10,844	40,934	2,038	432	28	561	11	54,848
Donated	-	721	-	-	-	-	-	721
Total at 31 March 2016	**10,844**	**41,655**	**2,038**	**432**	**28**	**561**	**11**	**55,569**

No assets used in the provision of Commissioner-requested services were disposed of during the year ending 31 March 2016.

No assets were held under finance leases or hire purchase contracts as at 31 March 2016.

9.2 Prior Year movements

2014/15	Land £'000	Buildings £'000	Assets under construction £'000	Plant and machinery £'000	Transport equipment £'000	Information technology £'000	Furniture & fittings £'000	Total £'000
Cost or valuation								
At 01 April 2014								
Additions purchased	8,292	46,557	428	1,141	459	2,246	162	59,285
Reclassifications	-	-	2,715	-	-	-	-	2,715
Revaluations	-	-	(326)	197	-	129	-	-
Reclassified as held for sale	(101)	(74)	-	-	-	-	-	(175)
Disposals	-	(158)	-	(72)	(49)	(74)	-	(353)
At 31 March 2015	**8,191**	**46,325**	**2,817**	**1,266**	**410**	**2,301**	**162**	**61,472**
Accumulated depreciation								
At 01 April 2014	-	485	-	733	349	1,729	142	3,438
Transfers by absorption – modified	-	-	-	-	-	-	-	-
Provided during year	-	1,899	-	89	49	190	6	2,233
Reclassified as held for sale	-	(3)	-	-	-	-	-	(3)
Disposals	-	(42)	-	(72)	(50)	(41)	-	(205)
At 31 March 2015	**-**	**2,339**	**-**	**750**	**348**	**1,878**	**148**	**5,463**
Opening Net book value								
Owned	8,292	45,529	428	408	110	517	20	55,304
Donated	-	543	-	-	-	-	-	543
Total at 01 April 2014	**8,292**	**46,072**	**428**	**408**	**110**	**517**	**20**	**55,847**
Closing Net book value								
Owned	8,191	43,208	2,817	516	62	423	14	55,231
Donated	-	778	-	-	-	-	-	778
Total at 31 March 2015	**8,191**	**43,986**	**2,817**	**516**	**62**	**423**	**14**	**56,009**

No assets used in the provision of Commissioner-requested services were disposed of during the year ending 31 March 2015.

No assets were held under finance leases or hire purchase contracts as at 31 March 2015.

9.3 Revaluation Reserve Movements

	31 March 2016 £000	31 March 2015 £000
Relating to Property, Plant and Equipment		
As at 01 April	**19,804**	19,804
Reserves transfers	**(223)**	-
Impairment losses	**(6,374)**	-
Revaluation gains	**3,426**	-
As at 31 March*	**16,633**	19,804

*A full revaluation was undertaken as at 31 March 2016 and is reflected in these financial statements. An interim valuation will take place within three years, per our accounting policies. Refer to note 1.8 for further details.

9.4 Contractual capital commitments

Contracted Capital Commitments at 31 March not otherwise included in these financial statements are:

	31 March 2016 £000	31 March 2015 £000
Property, plant and equipment*	**-**	3,054

* The Trust's Capital scheme to develop Endcliffe Ward, PICU, in 2014/15 completed in year. The Trust's scheme to develop and refurbish Forest Close is in progress and nearing completion, with all associated costs already accounted for in these statements.

10 Investment Property

10.1 Investment Property – Carrying Value

	31 March 2016 £000	31 March 2015 £000
Investment Property as at 31 March	**200**	200

10.2 Investment property expenses

	31 March 2016 £000	31 March 2015 £000
Direct operating expense arising from investment property	**12**	8

10.3 Investment property income

	31 March 2016 £000	31 March 2015 £000
Investment property income	**47**	42

10.4 Disclosure of Interests in other Entities

The Trust has reviewed its arrangements under IFRS10 Consolidated Financial Statements, IAS 28 Associates, IFRS11 Joint Arrangements and IFRS 12 Disclosure of interests in other entities. The Trust currently has no arrangements that require disclosure under these standards.

11 Inventories

11.1 Inventories analysis at 31 March

	31 March 2016 £000	31 March 2015 £000
Drugs	**91**	84
Consumables	**8**	46
Total inventories	**99**	130

11.2 Inventories recognised in expenses in year

	2015/16 £000	2014/15 £000
Inventories recognised as an expense in the period*	**583**	1,895
Write-down of inventories (including losses)	**66**	9
	649	1,904

* Inventories recognised as an expense in the period (consumed) are recorded against additions in the period. Inventories in 2014/15 included issue of community equipment. In 2015/16 this service has transferred to a new provider.

12 Trade and other receivables

12.1 Trade and other receivables

	Current		Non-current	
	31 March 2016 £000	31 March 2015 £000	31 March 2016 £000	31 March 2015 £000
NHS receivables	**3,060**	3,458	**-**	-
Receivables due from NHS charities	**-**	-	**-**	-
Other receivables with related parties	**2,050**	1,300	**3,665**	4,579
Provision for impaired receivables	**(269)**	(161)	**-**	-
Prepayments	**308**	380	**290**	309
Accrued income	**221**	(188)	**-**	-
Interest Receivable	**6**	6	**-**	-
PDC receivable	**96**	31	**-**	-
VAT receivable	**399**	156	**-**	-
Other receivables	**1,061**	249	**-**	-
	6,932	5,231	**3,955**	4,885

The majority of trading is with Clinical Commissioning Groups, as Commissioners for NHS patient care services. As Clinical Commissioning Groups are funded by the government to purchase NHS patient care services, no credit scoring of them is considered necessary. In addition, commissioning of social care is through public sector funded bodies, such as councils and housing associations. Again, no credit scoring is considered necessary.

12.2 Provision for impairment of receivables

	31 March 2016 £000	31 March 2015 £000
At 01 April	161	41
Increase in provision	235	139
Unused amounts reversed	(127)	(19)
At 31 March	269	161

12.3 Ageing of impaired receivables

	31 March 2016 £000	31 March 2015 £000
By 0 – 30 days (within term)	152	-
By 30 – 60 days	-	-
By 60 – 90 days	-	-
By 90 – 180 days	4	46
Over 180 days	113	115
Total	269	161

12.4 Receivables past their due date but not impaired

	31 March 2016 £000	31 March 2015 £000
By 0 – 30 days (within term)	1,389	706
By 30 – 60 days	441	185
By 60 – 90 days	150	205
By 90 – 180 days	66	70
Over 180 days	734	456
Total	2,780	1,622

13 Cash and cash equivalent

	31 March 2016 £000	31 March 2015 £000
At 01 April	28,933	27,673
Net change in year	(3,162)	1,260
At 31 March	25,771	28,933
Broken down into:		
Cash at commercial banks and in hand	199	164
Cash with the Government Banking Service	25,572	28,769
Cash and cash equivalents as in Statement of Financial Position	25,771	28,933

14 Non-current assets held for sale

Current year 2015/16	Property, plant and equipment £000	Other assets £000	Total £000
As at 01 April 2015	167	-	167
Assets classified as available for sale in the year	-	-	-
Assets sold in year	(167)	-	(167)
Impairment of assets held for sale	-	-	-
As at 31 March 2016	-	-	-

Prior year 2014/15			
As at 01 April 2014	-	-	-
Assets classified as available for sale in the year	172	-	172
Assets sold in year	-	-	-
Impairment of assets held for sale	(5)	-	(5)
As at 31 March 2015	167	-	167

15 Trade and other payables

	Current	
	31 March 2016 £000	31 March 2015 £000
Receipts in advance	5	118
NHS payables	896	138
Amounts due to other related parties	1,240	1,219
Trade payables – capital	756	966
Other trade payables	1,482	1,223
Social security costs	1,625	1,795
Accruals	3,362	3,670
Total	9,366	9,129

16 Provisions

	Current		Non-current	
	31 March 2016 £000	31 March 2015 £000	**31 March 2016 £000**	31 March 2015 £000
Legal claims	**228**	174	**-**	-
Redundancy	**66**	216	**-**	-
Injury Benefits	**51**	50	**662**	710
Restructurings	**197**	-	**-**	-
Other	**991**	391	**69**	-
Total	**1,533**	831	**731**	710

16.1 Movement in Provisions

	Legal claims £000	Redundancy £000	Injury Benefits £000	Restructuring £000	Other £000	Total £000
At 01 April 2015	174	216	760	-	391	**1,541**
Arising during the year	120	66	-	197	832	**1,215**
Utilised during the year	(35)	-	(52)	-	(101)	**(188)**
Unwinding of discount	-	-	10	-	-	**10**
Change in discount rate	-	-	(5)	-	-	**(5)**
Reversed unused	(31)	(216)	-	-	(62)	**(309)**
At 31 March 2016	**228**	**66**	**713**	**197**	**1,060**	**2,264**
Expected timing of cash flows:						
Not later than one year	228	66	51	197	991	**1,533**
Between one and five years	-	-	196	-	69	**265**
Later than five years	-	-	466	-	-	**466**
	228	**66**	**713**	**197**	**1,060**	**2,264**

Legal claims relate to claims brought against the Trust for Employer's Liability or Public Liability. These cases are handled by the NHSLA, who provide an estimate of the Trust's probable liability.

Actual costs incurred are subject to the outcome of legal action. The eventual settlement costs and legal costs may be higher or lower than provided. Costs in excess of £10,000 per case are covered by the NHSLA and are not included above.

A provision of £714,000 relates to Injury Benefits. These are payable to current and former members of staff who have suffered injury at work. These cases have been adjudicated by the NHS Pensions Authority. The value shown is the value of payments due to the individuals for the term indicated by Government Actuary life expectancy tables, and the actual value of this figure represents the main uncertainty in the amounts shown. (31 March 2015 - £760,000).

£2,752,468 is included in the provisions of the NHS Litigation Authority at 31 March 2016 in respect of clinical negligence liabilities of Sheffield Health and Social Care NHS Foundation Trust (31 March 2015 - £2,331,524).

17 Other liabilities

	Current		Non-current	
	31 March 2016 £000	31 March 2015 £000	**31 March 2016 £000**	31 March 2015 £000
Deferred Income	**50**	13	**-**	-
Net Pension Scheme Liability	**-**	-	**4,427**	5,200
Total	**50**	13	**4,427**	5,200

18 Contingent liabilities

	31 March 2016 £000	31 March 2015 £000
NHS Litigation Authority Legal claims	**80**	43
Employment tribunal and other employee related litigation	**-**	-
Redundancy	**150**	-
Other	**105**	611
	335	654

Legal claims contingent liabilities represent the consequences of losing all current third party legal claim cases. Redundancy contingent liabilities represent potential redundancies where there may be an outflow of resources embodying future economic benefits in settlement of: a) a present obligation; or b) a possible obligation whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. Other Contingent liabilities arise from unexpected events that give rise to the possibility of an outflow of resources embodying economic benefits.

In 2015/16 other contingent liabilities include potential costs of cessation of a non-patient care service and the potential costs to the Trust linked to the result of a current investigation.

19 Financial Instruments

IFRS 7, 'Financial Instruments: Disclosures', requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role

in creating or changing risk than would be typical of listed companies, to which the international financial reporting standards mainly apply. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department within the parameters defined formally within the Trust's Standing Financial Instructions and policies agreed by the Board of Directors.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Trust has low exposure to interest rate fluctuations as it has no borrowings and any excess funds are invested on a short term basis with low risk institutions.

Credit risk

As the majority of the Trust's income comes from contracts with public sector bodies, the Trust has low exposure to credit risk. The maximum exposure as at the end of the financial year is in receivables from customers, as disclosed in the receivables note.

Liquidity risk

The Trust's net operating costs are incurred under contract with Clinical Commissioning Groups, Local Authorities, and other government bodies which are financed from resources voted annually by Parliament. The Trust finances its capital expenditure from funds from cash reserves or loans. The Trust is therefore not exposed to significant liquidity risks.

19.1 Financial assets

The financial assets which have a floating rate of interest are cash held at the Government Banking Service and cash held with commercial banks. This cash is held on short term deposit. All other financial assets, including non-current assets, are non interest bearing. The Trust has no financial assets with fixed interest rates.

	31 March 2016 £000	31 March 2015 £000
Denominated in £ Sterling – Floating interest rate*	25,709	28,870

* This excludes cash in hand of £61,995 (2014/15 £63,352).

19.2 All Financial assets by category

	31 March 2016 £000	31 March 2015 £000
Loans and Receivables		
NHS receivables and accruals	3,103	3,584
Other receivables with related parties	5,715	5,876
Provision for irrecoverable debts	(269)	(161)
Other accrued income	184	(308)
Other receivables	1,061	249
Cash at bank and in hand	25,771	28,933
Total at 31 March	**35,565**	**38,173**

19.3 Financial liabilities

The Trust has no financial liabilities with floating or fixed rates of interest. They are all non interest bearing.

19.4 All Financial assets by category

	31 March 2016 £000	31 March 2015 £000
Other financial liabilities		
NHS payables and accruals	1,142	683
Other payables with related parties	1,240	1,219
Trade payables – capital	756	966
Other trade payables	1,460	1,223
Other Accruals	3,138	3,125
Total at 31 March	**7,736**	**7,216**

19.5 Fair values of financial assets and liabilities at 31 March 2016

The fair value of the Trust's financial assets and financial liabilities at 31 March 2016 equates to the book value.

20 Third Party Assets

The Trust held cash of £1,800,841 at bank and in hand at 31 March 2016 (31 March 2015 - £2,777,000) which relates to monies held by the Trust on behalf of patients. This has been excluded from the cash at bank and in hand amount reported in the accounts.

21 Losses and Special Payments

The value of Category 4 losses in year has increased due to an increase in out of date stock write offs and unforeseen damage to buildings.

There were no individual losses or special payment cases exceeding £300,000.

Losses and Special Payments shown below are reported on an accruals basis, exclude provisions for future losses, and include in year utilised provisions on a cash basis.

21.1 Losses by Category

	31 March 2016		31 March 2015	
	Number	**£000**	Number	£000
1. Cash losses	**4**	**-**	2	3
2. Fruitless payments and constructive losses	**-**	**-**	-	-
3. Bad debts and claims abandoned	**4**	**1**	16	9
4. Stores losses	**7**	**72**	4	17
Total at 31 March	**15**	**73**	22	29

21.2 Special Payments by Category

	31 March 2016		31 March 2015	
	Number	**£000**	Number	£000
5. Compensation payments	**4**	**126**	1	68
6. Extra-contractual payments	**-**	**-**	-	-
7. Ex gratia payments	**34**	**4**	26	13
8. Special severance payments	**-**	**-**	-	-
9. Extra-statutory and extra-regulatory payments	**-**	**-**	-	-
Total at 31 March	**38**	**130**	27	81

22 Events after the reporting period

There have been no significant events after the reporting period date.

23 Related party transactions

23.1 Register of Interests

Sheffield Health and Social Care NHS Foundation Trust is a corporate body established by order of the Secretary of State for Health.

During the year the Trust has had transactions with a number of organisations with which key employees/Directors of the Trust have some form of relationship. These are detailed below:

	Receipts from Related Party £000	Payments to Related Party £000	Amounts due from Related Party £000	Amounts owed to Related Party £000
University of Sheffield	274	381	44	73
Royal College of Psychiatrists	125	14	14	3
Turning Point	-	445	-	-
Sheffield City Council	13,813	675	5,621	334
Hardwick CCG	67	-	3	-
Sheffield Mencap	-	10	-	-
South Yorkshire Housing Association	5,821	219	312	-

The relationships are:

- The Executive Medical Director is Director of the National Collaborating Centre for Mental Health (NCCMH) which is a partnership between the Royal College of Psychiatrists and the British Psychological Society;

- The Chair is Professor of Social Policy at the University of Sheffield;

- The wife of the Chair is a Governor of Sheffield Mencap;

- One of the Non-Executive Directors serves as a Councillor at Sheffield City Council and is Chair of Sheffield City Council Health Scrutiny Committee;

- One of the Non-Executive Directors is the Deputy Leader of Sheffield City Council;

- One of the Non-Executive Directors provides unpaid consultancy to South Yorkshire Housing Association;

- One of the Non-Executive Directors receives a pension from Turning Point and is an appointed Trustee of the Turning Point Pension Scheme;

- The interim Board Secretary is a Lay Member (Audit and Governance) at NHS Hardwick CCG.

The Trust is required, under International Accounting Standard 24 'Related Party Disclosures', to disclose any related party transactions. The objective of IAS 24 is to draw attention to the possibility that the reported financial position and results may have been affected by the existence of related parties and by material transactions with them. In the cases above, all payments shown have been made by the Trust to the organisations concerned and not to the individual officers.

Amounts owed to related parties are unsecured, interest-free and have no fixed terms of repayment. The balances will be settled in cash. No guarantees have been given or

received. Provisions for doubtful debts have been raised against amounts outstanding in respect of Self Directed Support charges managed by Sheffield Council on behalf of individual service users totalling £204,552 but no other expenses are recognised in year in respect of bad or doubtful debts due from related parties.

23.2 Other related parties

The value of the Trust's transactions with other related parties during the year is given below:

| | 2015/16 | | 2014/15 | |
	Income £000	Expenditure £000	Income £000	Expenditure £000
Department of Health	914	-	512	-
Other NHS bodies	104,314	4,267	107,182	4,016
Other bodies (Including WGA)	13,909	15,791	13,728	16,376
	119,137	20,058	121,422	20,392

The value of transactions with Board members and key staff members in 2015/16 is £nil (2014/15 £nil). Details of Directors' remuneration and pensions can be found in the Remuneration Report of the accounts. Disclosures relating to salaries of Board members are given in note 5.3. Further details of Executive and Non-Executive Directors' salaries and pensions can be found in the Remuneration Report in the Annual Report.

The value of receivables and payables balances held with related parties as at the date of the statement of financial position is given below:

| | 2015/16 | | 2014/15 | |
	Receivables £000	Payables £000	Receivables £000	Payables £000
Department of Health	96	5	31	-
Other NHS bodies	3,117	1,087	3,582	793
Other bodies (Including WGA)	6,045	3,197	5,961	3,225
	9,258	4,289	9,574	4,018

The value of balances (other than salary) with related parties in relation to the provision for impairment of receivables as at 31 March 2016 is £204,552 (31 March 2015 £60,975).

The Department of Health ("the Department") is regarded as a related party. During the year, the Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

- Sheffield CCG;
- Health Education England;
- NHSE – Yorkshire and Humber Local Office;
- NHSE – Yorkshire and Humber Commissioning Hub;
- Barnsley CCG;
- North Derbyshire CCG;
- Rotherham CCG;
- Doncaster CCG;
- Southern Derbyshire CCG;
- Hardwick CCG;
- Derbyshire Healthcare NHS Foundation Trust;
- Nottinghamshire Healthcare NHS Trust;
- Rotherham Doncaster and South Humber NHS Foundation Trust;
- Sheffield Children's NHS Foundation Trust;
- Sheffield Teaching Hospitals NHS Foundation Trust;
- Leeds Partnership NHS Foundation Trust
- NHS Litigation Authority;
- NHS Business Services Authority.

In addition, the Trust has had a number of material transactions with other Government departments and other central and local Government bodies. Most of these transactions have been with HM Revenue and Customs (including National Insurance Funds), the NHS Pension Scheme as well as with Sheffield City Council in respect of joint enterprises and the South Yorkshire Pension Scheme.

24 South Yorkshire Pensions Fund - Retirement Benefit Obligations

The total defined benefit pension loss for 2015/16 in respect of the local government scheme administered by South Yorkshire Pensions Authority was £611,000 (the year ended 31 March 2015 - £494,000). A pension deficit of £4,427,000 is included in the Statement of Financial Position as at 31 March 2016 (31 March 2015 - £5,200,000 deficit).

The terms of the current partnership agreement with Sheffield City Council provide that any long term pension liability arising from the scheme will be funded by the Council, with the exception of any pension changes which relate to an increase in salary in excess of any local government grading agreements. The impact on the current and prior year statement of consolidated income and taxpayers equity relating to the application of IAS 19 - 'Employee Benefits' within the accounts of the Trust is negated by the inclusion of a corresponding non-current receivable with the Council. As at 31 March 2016, the deficit on the scheme was £4,427,000 (31 March 2015 - £5,200,000 deficit), the majority of which is offset by a non-current receivable of £3,665,000 (31 March 2015 - £4,576,000).

Estimation of the net liability to pay pensions depends on a number of complex judgements. A firm of consulting actuaries is engaged by South Yorkshire Pensions Authority to provide expert advice about the assumptions made, such as mortality rates and expected returns on pension fund assets.

Pension increases or revaluations for public sector schemes are based on the Consumer Prices Index ("CPI") measure of price inflation.

The main actuarial assumptions used at the date of the statement of financial position in measuring the present value of defined benefit scheme liabilities are:

	31 March 2016 %	31 March 2015 %
Rate of inflation	2.00	2.00
Rate of increase in salaries	3.75	3.75
Rate of increase in pensions and deferred pensions	2.00	2.00
Discount rate	3.60	3.30
The current life expectancies at age 65 underlying the accrued liabilities for the scheme are:		
Non retired member – Male (aged 65 in 20 years' time)	25.40	25.30
Non retired member – Female (aged 65 in 20 years' time)	28.50	28.40
Retired member – Male	23.00	23.00
Retired member - Female	25.70	25.60

The fair value of the scheme's assets and liabilities recognised in the balance sheet were as follows:

	Scheme assets %	31 March 2016 £000	Scheme assets %	31 March 2015 £000
Equities	57.64	9,960	59.55	10,105
Government Bonds	12.02	2,077	12.77	2,167
Other Bonds	9.03	1,561	8.34	1,416
Property	11.69	2,020	10.91	1,852
Cash/Liquidity/Other	9.62	1,662	8.43	1,430
Total fair value of assets	100.00	17,280	100.00	16,970
Present value of defined benefit obligation		(21,707)		(22,170)
Net retirement benefit deficit		**(4,427)**		**(5,200)**

Updates to IAS19 mean that rather than recognising the expected gain during the year from scheme assets in finance income and the interest cost during the year arising from the unwinding of the discount on the scheme liabilities recognised in finance costs; we now present the net interest cost during the year within finance costs. Actuarial gains and losses are not presented; rather the Re-measurements of the defined benefit plan are disclosed and recognised in the income and expenditure reserve. To provide comparative data last years' figures are restated and presented under new IAS19 guidance.

Movements in the present value of the defined benefit obligations are:	2015/16 £000	2014/15 £000
At 01 April	(22,170)	(17,962)
Current service cost	(441)	(352)
Interest on pension liabilities	(726)	(802)
Member contributions	(109)	(109)
Actuarial (losses)/gains on liabilities	1,343	(3,319)
Benefits paid	396	374
At 31 March	**(21,707)**	**(22,170)**

Movements in the present value of the defined benefit obligations are:	2015/16 £000	2014/15 £000
At 01 April	16,970	14,739
Interest on plan assets	563	660
Remeasurements (assets)	(407)	1,401
Administration expenses	(7)	(7)
Employer contributions	448	442
Member contributions	109	109
Benefits paid	(396)	(374)
At 31 March	**17,280**	**16,970**

The net pension expense recognised in operating expenses in respect of the scheme is:	Year ended 31 March 2016 £000	Year ended 31 March 2015 £000
Current service cost	(441)	(352)
Pension expense to operating surplus	(441)	(352)
Net interest cost	(163)	(135)
Administration expenses	(7)	(7)
Pension expense	(170)	(142)
Net pension charge	(611)	(494)

The reconciliation of the opening and closing statement of financial position is as follows:	2015/16 £000	2014/15 £000
At 01 April	(5,200)	(3,223)
Expenses recognised	(611)	(494)
Remeasurements (liabilities and assets)	936	(1,925)
Contributions paid	448	442
At 31 March	(4,427)	(5,200)

Remeasurement gains and losses are recognised directly in the Income and Expenditure reserve. However the majority of the gains and losses are covered by the back to back agreement with Sheffield City Council (further information is provided at note 1.6.2). At 31 March 2016, a cumulative amount of £774,000 was recorded in the Income and Expenditure Reserve (31 March 2015 £583,000).

The history of the scheme for the current and prior year is:

	2015/16 £000	2014/15 £000
Present value of defined benefit obligation	(21,707)	(22,170)
Fair value of scheme assets	17,280	16,970
Net retirement obligation	(4,427)	(5,200)

Experience losses on scheme liabilities in remeasurement for 2015/16 are £nil (year ended 31 March 2015 £nil) and experience gains on scheme assets are £nil (year ended 31 March 2015 £nil)

SECTION 7.0: GLOSSARY

Accounts Payable (Creditor)
A supplier who has delivered goods or services in the accounting period and has invoiced the Trust, but has not yet been paid.

Accounts Receivable (Debtor)
An organisation which has received a service from the Trust in the accounting period and has been invoiced by the Trust, but has not yet paid.

Annual Accounts
Documents prepared by the Trust to show its financial position.

Annual Governance Statement
A statement about the controls the Foundation Trust has in place to manage risk.

Annual Report
A document produced by the Trust which summarises the Trust's performance during the year, including the annual accounts.

Asset
Something which is owned by the Trust. For example, a building or a piece of equipment, some cash or an amount of money owed to the Trust.

Audit Opinion
The auditor's opinion of whether the Trust's accounts show a true and fair view of its financial affairs. If the auditors are satisfied with the accounts, they will issue an unqualified audit opinion.

Available for sale
Assets are classed as available for sale if they are held neither for trading nor to maturity. An example of this would be an investment without a maturity date such as an ordinary share.

Budget
Represents the amount of money available for a service in a period of time and is compared to actual spend for the same period.

Capital Expenditure
Money spent on buildings and valuable pieces of equipment such as major computer purchases.

Cash and cash equivalents
Cash includes cash in hand and cash at the bank. Cash equivalents are any other deposits that can be converted to cash straight away.

Cash Equivalent Transfer Value (Pensions)
This is the total value of the pension scheme benefits accrued (i.e. saved up) which are the contributions paid by a member of staff and the Trust over the period of employment. These funds are invested and valued at a point in time by an actuary. The cash equivalent transfer value is the amount which would be transferred, if a staff member moved to work for a different organisation.

Continuity of Service (COS) Risk Rating
Previously used prior to the introduction of the Financial Sustainability Risk Rating. The COS rating incorporated only two metrics, namely liquidity (days) and capital service capacity ratio (time) which monitored the financial stability of the Trust.

Corporation tax
A tax payable on a company's profits. Foundation Trusts may have to pay corporation tax in the future. The legislation introducing corporation tax to Foundation Trust has been deferred and 2011/2012 was the first year that Government introduced corporation tax to Foundation Trusts.

CQC
Care Quality Commission. The independent regulator of all health and social care services in England.

CQUINs
Commissioning for Quality and Innovation payments framework were set up in 2009/10 to encourage care providers to continually improve how care is delivered.

Current Assets
These are assets, which are normally used or disposed of within the financial year.

Current Liabilities
Represents monies owed by the Trust that are due to be paid in less than one year.

Deferred Income
Funding received from another organisation in advance of when we will spend it.

Depreciation
An accounting charge which represents the use, or wearing out, of an asset. The cost of an asset is spread over its useful life.

EBITDA
Earnings Before Interest, Tax Depreciation and Amortisation – this is an indicator of financial performance and profitability and indicates the ability to pay the dividends due to the Government in respect of the 3.5% return on assets the Trust is expected to achieve.

External Auditor
The independent professional auditor who reviews the accounts and issues an opinion on whether the accounts present a true and fair view.

Finance lease
An arrangement whereby the party leasing the asset has most or all of the use of an asset, and the lease payments are akin to repayments on a loan.

Financial Sustainability Risk Rating
The new approach replacing the previous Continuity of Service (COS) Risk Rating. The COS rating incorporated only two metrics, namely liquidity (days) and capital service capacity ratio (time) which monitored the financial stability of the Trust.

The Financial Sustainability Risk Rating measures a basket of four financial metrics: Capital Services Capacity Rating, Liquidity Rating, I&E Margin Rating and I&E Margin Variance Rating.

Financial statements
Another term for the annual accounts.

Foundation Trust Financial Reporting Manual
The key document, published annually by Monitor, setting out the framework for the Trust's accounts. Now called the *Annual Reporting Manual*.

Going concern
The accounts are prepared on a going concern basis which means that the Trust expects to continue to operate for at least the next 12 months.

IFRS (International Financial Reporting Standards)
The professional standards Trusts must use when preparing the annual accounts.

Impairment
A decrease in the value of an asset.

Income and Expenditure Reserve
This is an accumulation of transfers to / from the Revaluation Reserve as well as the cumulative surpluses and deficits reported by the Trust, including amounts brought forward from when it was an NHS Trust.

Intangible asset
An asset which is without substance, for example, computer software.

Inventories
Stocks such as clinical supplies.

Liability
Something which the Trust owes, for example, a bill which has not been paid.

Liquidity ratio
Liquidity is a measure of how easily an asset can be converted into cash. Bank deposits are very liquid, debtors less so. The liquidity ratio is a measure of an entity's ability to meet its obligations, in other words how well it can pay its bills from what it owns.

MEA (Modern Equivalent Asset)
This is an instant build approach, using alternative site valuation in some circumstances.

Monitor
Monitor is the sector regulator for health services in England.

Net Book Value
The net book value is the lower of the cost to the business to replace a fixed asset or the recoverable amount if the asset was sold (net of expenses).

NICE
National Institute for Health and Care Excellence. NICE provide independent, evidence-based guidance on the most effective ways to prevent, diagnose and treat disease and ill health, reducing inequalities and variation.

NIHR
National Institute for Health Research. The NIHR is a large, multi-faceted and nationally distributed organisation, funded through the Department of Health to improve the health and wealth of the nation through research.

Non-current assets held for sale
Buildings that are no longer used by the Trust and declared surplus by the Board, which are available for sale.

Non-current asset or liability
An asset or liability which the Trust expects to hold for longer than one year.

Non-Executive Director
These are members of the Trust's Board of Directors, however they do not have any involvement in the day-to-day management of the Trust. Their role is to provide the Board with independent challenge and scrutiny.

NPSA
National Patient Safety Agency. Their key functions transferred to the NHS Commissioning Board Specialist Health Authority in June 2012.

Operating lease
An arrangement whereby the party leasing the asset is paying for the provision of a service (the use of the asset) rather than exclusive use of the asset.

Payment By Result/Payment by Outcomes
A national tariff of fixed prices that reflect national average prices for hospital procedures. Already in use in acute Trusts and currently being developed for mental health and learning disabilities services.

POMH
The national Prescribing Observatory for Mental Health (POMH-UK) aims to help specialist mental health Trusts/healthcare organisations improve their prescribing practice.

Primary statements
The four main statements that make up the accounts: the Statement of Comprehensive Income; Statement of Financial Position; Statement of Changes in Taxpayers' Equity; and Statement of Cash Flows.

Provisions for Liabilities and Charges

These are amounts set aside for potential payments to third parties, which are uncertain in amount or timing, for example, claims arising from litigation.

Public Dividend Capital

This is a type of public sector equity finance based on the excess of assets over liabilities at the time of the establishment of the predecessor NHS Trust. It is similar to a company's share capital.

Public Dividend Capital Payable

This is an annual amount paid to the Government for funds made available to the Trust.

Reference Cost

The costs of the Trust's services are produced for the Department of Health for comparison with other similar Trusts.

Revaluation Reserve

This represents the increase or decrease in the value of property, plant and equipment over its historic cost.

Right First Time

A Sheffield programme formed to achieve a vision of working in partnership across Health and Social Care to transform services and deliver better outcomes for people.

Risk Assessment Framework (RAF)

The RAF was updated in August 2015. It sets out the risk assessment framework that Monitor use to assess each NHS Foundation Trust's compliance with two aspects of its provider licence; continuity of services and governance license conditions. NHS Foundation Trusts are assigned a financial sustainability risk rating and a governance rating.

Service Line Reporting

A system which identifies income and expenditure and then produces gross profit across defined 'business units', with the aim of improving quality and productivity.

Statement of Cash Flows

Shows the cash flows in and out of the Trust during the period.

Statement of Changes in Taxpayers' Equity

This statement shows the changes in reserves and public dividend capital during the period.

Statement of Comprehensive Income

This statement was previously called 'Income and Expenditure Account'. It summarises the expenditure on pay and non-pay running costs less income received, which results in a surplus or deficit.

Statement of Financial Position

A year-end statement which provides a snapshot of the Trust's financial position at a point in time. The top half shows the Trust's total net assets (assets minus liabilities). The bottom half shows the Taxpayers Equity or investment in the Trust.

Third Sector Organisations

This is a term used to describe the range of organisations that are neither public sector nor private sector. It includes voluntary and community organisations (both registered charities and other organisations such as associations, self-help groups and community groups), social enterprises, mutuals and co-operatives.

True and fair

It is the aim of the accounts to show a true and fair view of the Trust's financial position, that is they should faithfully represent what has happened in practice.

UK GAPP (Generally Accepted Accounting Practice)

The standard basis of accounting in the UK before international standards were adopted.

Unrealised gains and losses

Gains and losses may be realised or unrealised. Unrealised gains and losses are gains or losses that the Trust has recognised in its accounts but which are potential as they have not been realised. An example of a gain that is recognised but unrealised is where the value of the assets has increased. This gain is realised when the assets are sold or otherwise used.

SECTION 8.0: CONTACTS

Sheffield Health and Social Care NHS Foundation Trust Headquarters
Fulwood House
Old Fulwood Road
Sheffield
S10 3TH

Tel: **0114 2716310** (24 hour switch board)

www.shsc.nhs.uk

Human Resources
If you are interested in a career with Sheffield Health and Social Care NHS Foundation Trust, visit the Trust website (www.shsc.nhs.uk) and click on 'Working for the Trust'.

Communications
If you have a media enquiry, require further information about our Trust or would like to request copies of this report please contact the Communications Manager.
Email: communications.shsc@shsc.nhs.uk
Tel: **0114 2716706**

Membership
If you want to become a member of the Trust or want to find out more about the services it provides, please contact the Membership and Governor Officer on **0114 2718768**.

Contacting members of the Council of Governors
The Governors can be contacted by emailing governors@shsc.nhs.uk or by phoning **0114 2718768**.

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