

Annual Report and Accounts 2014/15



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Milton Keynes Hospital NHS Foundation Trust Annual Report and Accounts 2014/15

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This report is based on guidance issued by the Independent Regulator of NHS Foundation Trusts and was approved by the Board of Directors of Milton Keynes NHS Foundation Trust on 22 May 2015.

Joe Harrison

The Annual report can be made available in other languages and formats on request.



Section 1



Introduction

Introduction

Chairman's Introduction

It is with great pride and pleasure that I write this introduction to the 2014/15 annual report – my first as Chair of Milton Keynes Hospital NHS Foundation Trust.

I was appointed as Chair in July 2014 and have spent the last eight months really getting to know our wonderful staff, volunteers, governors, members and charity supporters. I have been deeply impressed by the passion and commitment I have seen for our hospital among all those groups, and particularly the pride and pleasure our staff take in providing excellent care and services for patients.

We don't always get it right, but we strive, both to provide high quality care in the first instance, and also to admit when we have got it wrong and to provide rapid redress and remedy. I am an ardent supporter of openness and transparency - starting with the Board - and since I started as Chair we have seen the publication of difficult and sensitive reports through our public meetings, allowing for open discussion, as well as new reports on risks and serious incidents (and learning from those); along with increasing reporting on quality measures.

In my first months as Chair I have reviewed how our Board functions, and how it delegates some of its responsibilities, as appropriate, to Committees to scrutinize and seek assurance on. We have five main Committees – Finance and Investment; Quality and Clinical Risk; Audit; Charitable Funds and Workforce and Development Assurance – as well as a Remuneration and Nominations Committee. These Committees meet at least quarterly with the exception of Finance and Investment Committee which meets monthly, and many have public representatives in attendance in the form of our governors.

The Council of Governors also meets bi-monthly and it has been a great pleasure to work closely with this inspiring and committed group over the past months. Bob Collard stepped down from his role as Lead Governor in August 2014 having served 2 years in the post and following an election through the Council of Governors, Lesley Bell was appointed as Lead Governor. I would like to say a sincere thank you to Bob for his contribution during his tenure, and to Lesley for her leadership and support. We held five elections for public governors in different constituencies, which continue to ensure that the trust members and public views on the services we provide are represented to Board members through the Council of Governors.



I have also worked with the Council of Governors on the appointment of a new Non Executive Director, replacing Penny Emerson, whose term of office ended in February 2015. This competitive process saw Simon Lloyd, Chief People Officer and General Counsel at Santander, appointed from the beginning of May 2015.

I have also been fortunate to attend many events in my capacity as Chair, and some of the most special have been arranged by the hospital to celebrate our wonderful staff. We held the first staff awards ceremony for a number of years in December 2014; recognizing the outstanding achievements of staff across the hospital. This was a really exceptional event and testament to the fantastic work our staff do, not just every day, but in innovating and improving services over and above the job they are employed to do, to improve care for patients.

I have also been delighted to attend some wonderful celebrations of educational and professional achievement; particularly in nursing and health care support worker education. Many of our staff has undertaken a bespoke stroke training course to improve their skills in caring for patients who have suffered a stroke. Likewise a significant number have extended their skills in caring for patients with dementia to ensure those patients and their families get the best possible care and support.

It fills me with such pride to celebrate these achievements with staff, and to see firsthand the positive effect this development has on the care we provide to patients and to relatives and carers.

We have much to be proud of at Milton Keynes Hospital. There is a real dynamism around developments – including the Medical School and Academic Centre, and the Cancer Centre, which is likely to form the basis of our next high profile charitable appeal. We are continuing apace with the development of the site to ensure that our services meet the needs of our growing population.

We are fully participating in the Milton Keynes and Bedfordshire healthcare review, which is being led by the two areas' CCGs as well as Monitor and the NHS Trust Development Authority. This important review is set to involve a public consultation on the options for service configuration to ensure the health and care needs of local people are best met.

Quality forms the heart of our Board discussions, and you need only to look at our Board agendas to see that we spend the majority of our time discussing the quality of the care and services we provide to patients; ensuring that we are meeting national standards and, where we are not, ensuring that robust plans are in place to address the issues identified.

Like the rest of the organisation, I was delighted that so much of our good practice and the care and compassion of our staff was recognised by the Care Quality Commission during their inspection, and also that the areas the inspection team identified for improvement were areas that we, as a Board, were well aware of and focused on improving.

Financially we are performing to plan, and are committed to continuing our approach to realistic financial planning, consistent delivery, the achievement of efficiency savings and investments in quality.

I am certain 2015/16 will be another year of successes and of challenges as we work hard to meet our ambitious targets within a changing national and local health and social care environment. I am also certain that our staff will continue to strive to provide excellent, professional care to every patient who seeks our help and services, day and night. Our patients and their care and experience, remain our first and overriding priority and we will continue to do our very best to provide first class care and services for every patient, every time.

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Baroness Margaret Wall

Chief Executive's Introduction

I am delighted to introduce the annual report for 2014/15.

It has been a year of real accomplishments at Milton Keynes Hospital NHS Foundation Trust. I hope our 3,000 staff and the 300,000 people we serve feel a sense of pride and achievement in our successes and continued growth as a provider of first class acute health care despite the challenges that we, like most other hospitals in the country, have faced and continue to face.

We continue to put quality – which we define as safe, effective care combined with a good patient experience – at the centre of our decision-making and at the heart of our hospital. It is for this reason that one of the things I am most proud of is from the feedback from our Care Quality Commission visit, which followed a formal three-day inspection by the Health and Social Care regulator in October 2014.

More than 80% of our clinical areas assessed received a rating of 'good' and our surgical leadership was recognised as 'outstanding' – one of very few in the country to receive such an accolade. Although overall we were rated as 'requiring improvement' this positive report reflects the huge strides in care quality delivery that have been made across the hospital.

The report we received from the inspection team demonstrated that our skilled and professional doctors, nurses and support staff consistently deliver good, safe care for our patients in critical care, maternity and gynaecology, services for children and young people, end of life care, and outpatients and diagnostic imaging.

This is a truly tremendous reflection on our staff and the caring, compassionate services they provide 24 hours a day, seven days a week.

The report also highlighted two areas where we need to improve - our urgent and emergency care (A&E) and acute medical services. These are the services that come under most pressure due to increasing demand from our growing population, increasing numbers of very sick patients, and difficulty in discharging medically fit patients into other appropriate settings - all issues that have been particularly acute in 2014/15.



We have teams of very dedicated clinical professionals leading positive change in urgent and acute medicine, and we are determined to ensure that patients coming into the hospital through A&E and into our acute medical wards get the best possible care and experience.

A&E performance and the four-hour assessment and admission or discharge target is never far from national and local news headlines and we strive every hour of every day and every night to see, assess and admit or discharge patients through our A&E department as quickly and as safely as possible. It is impossible to overstate just how hard our A&E team works in order to provide rapid treatment and rapid clinical decision making to ensure patients are not kept waiting in A&E for extended periods of time. We did not achieve the target of 95% of patients assessed, admitted or discharged for 2014/15, ending the year at 92.2%.

This clinical improvement has been combined with a substantial estate development programme we have been, and continue to implement. We have spent millions of pounds increasing clinical capacity across the hospital, with the first phase of expansion in A&E completed in October, creating more cubicles to see and treat patients, as well as increasing cardiology and cancer clinical areas. In addition we have refurbished and improved many of the patient areas, which is evident when you walk around the hospital now.

We continue to do our utmost to ensure that we meet all of the national target standards, working with our Health and Social Care system partners – including Milton Keynes CCG, Milton Keynes Council and Central and North West London NHS Foundation Trust who run Milton Keynes community health services.

There is more on our performance against key national targets and local quality targets contained within the body of the annual report, although I must also highlight that the hospital achieved every single one of the national cancer targets, making our performance one of the best in the country.

As well as quality and estate improvements, we have also seen other major investments and developments at the hospital throughout the year. One of the most significant has been the continued development of a medical school and academic campus, in partnership with the University of Buckingham Medical School. We welcomed the first cohort of medical students to the hospital in January 2014 and will be providing an increasing number of students with training and education whilst the construction of the academic buildings takes place over the next two years.

This is incredibly exciting for the hospital and will bring many benefits – including the ability to attract and retain first-class doctors.

Furthermore we have a growing reputation for nursing and other professional education, including bespoke courses for specialist nurses and healthcare support workers in dementia and stroke care thanks to our strong relationship with the Open University and commitment to furthering the skills of our workforce.

Other investments include over £600,000 in technology to support patient observations and the early detection of the deteriorating patient – using that technology to reinforce clinical decision-making and escalation when observations are out of expected ranges.

We have also developed a number of our clinical services, winning back Sexual Health Services from Virgin Healthcare via a competitive tendering process (the first time a service has returned to the NHS from the private sector) in March 2015. We have also set up a joint orthopaedic spinal service with Buckingham Hospitals NHS Trust, ensuring patients do not have to travel outside of Milton Keynes to access their care.

We have seen significant changes in maternity and obstetrics, with new clinical leadership and a dedicated division - Women and Children's Services. Following the deaths of five babies shortly after birth between July 2013 and March 2014, we also commissioned an independent external expert review of the care provided in those individual cases and asked the Royal College of Obstetricians and Gynaecologists and the Royal College of Midwives to review our services. Recommendations have been made, accepted in full and in line with our stated aim of being open and transparent, all external reports have been published on our website. The Royal Colleges and the Care Quality Commission have all assessed maternity services as safe ('good' under every element of the CQC's criteria). We also established a Maternity Improvement Board in place, inviting membership and attendance from the Care Quality Commission, Monitor and Milton Keynes CCG so that we continue to appropriately scrutinize care and standards across maternity services, ensuring we maintain improvements and deliver the safest possible care to women before, during and after child birth.

As well as changes to our clinical leadership teams, 2014/15 also saw us establish a permanent executive team for the first time in a number of years. Kate Burke joined the Trust as Director of Corporate Affairs in May 2015; John Blakesley was appointed Deputy Chief Executive in July 2014 (having been Director of Performance between April 2013 and June 2014, replacing Darren Leech who left the Trust in June 2014); Caroline Hutton as Director of Operations in October 2014 (having been in an interim role between June and September 2014) and Emma Goddard as Director of Service Development also in December 2014.

This, together with the appointment of an excellent substantive Chair in Baroness Margaret Wall of New Barnet in July 2014, means we have a stable leadership to take the organization forward – continuing to improve and develop the care and services we provide.

I have yet to mention finance, and although it may seem unusual to be satisfied to note a deficit position, I am very pleased that we delivered on our financial plan to make a £24.9m deficit in the year. Very few Trusts delivered on their financial plans for 2014/15, and therefore our approach of being transparent and realistic has seen us deliver on our plans for Monitor, doing what we said we were going to do at the start of the year. The financial challenge will continue to grow and we are currently engaged in a strategic review of how health care services should be designed and delivered in Milton Keynes and Bedfordshire to address the issue of financial viability as well as clinical service provision.

I would like to end by saying a sincere thank you to the 3,000 staff at Milton Keynes Hospital who work tirelessly and with great dedication and professionalism to care for our patients. I would also like to extend that thank you to our wonderful volunteers and the many, many individuals and companies who support the fantastic work of our charity.

I look forward to sharing the coming year with you, and the exciting developments and continuing improvements it will bring.

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Joe Harrison



About us

Background

Milton Keynes Hospital NHS Foundation Trust was founded on 1 October 2007 under the National Health Service Act 2006. The hospital has 526 beds (including day acute and neonatal beds), and employs over 3,000 staff, providing a full range of acute hospital services to the city of Milton Keynes and the surrounding areas. We are increasingly providing more specialist services to local people and we continue to develop our facilities to meet the needs of a growing population.

Our Vision and Trust Objectives

Our vision is "to be the healthcare provider of choice, growing with Milton Keynes." The Board agreed the following trust objectives to deliver the vision:

Trust Objectives:

- 1 Improve patient safety
- 2 Improve patient experience
- 3 Improve clinical effectiveness
- 4 Delivery key targets
- 5 Developing a sustainable future
- 6 Develop robust and innovative teaching and research
- 7 Become well governed and financially viable
- 8 Improve workforce effectiveness
- 9 Make best use of the estate
- 10 Develop as a good corporate citizen

Factual information

Milton Keynes Hospital was officially opened in 1984. The acute services provision at that time included operating theatres, an Emergency department, maternity services, general and speciality wards, full diagnostic x-ray facilities, and a major pathology department.

Other projects that were completed soon after this major development included a postgraduate education centre and an extended physiotherapy department, including a hydrotherapy pool.

Construction of phase two started in 1988 and focused on the expansion of facilities to support the continued population growth of Milton Keynes (estimated increase from 1984 to 1994 - 40%). The development contained six additional 28-bed wards, a further suite of operating theatres, extra accommodation for the pathology department and additional accommodation for staff. Phase two opened in 1992.



1984

1988

1992

2005

MK Hospital officially opened

Phase **two** commences **Six** additional **28** bed wards Operating theatre suite

Phase **two** opened MK General NHS Trust New MRI scanning unit **28** bed orthopaedic ward GP paediatric assessment unit Refurbished A&E department **£1.5m** Macmillan haematology and oncology unit **£12m** treatment centre dedicated to day cases **60** bed spaces

4 operating theatres

Milton Keynes General NHS Trust formally came into being on 1 April 1992. Since then, significant changes have included the expansion of postgraduate education facilities, a new MRI scanning unit and the expansion and re-location of the cardiology unit and coronary care ward. In recent years the site has grown further with the addition of a 28-bed orthopaedic ward, a GP paediatric assessment unit, fracture clinic and the refurbishment of the Emergency department.

Expansion continued with the opening of a $\pounds 1.5m$ Macmillan Haematology and Oncology Unit within the main hospital. In January 2005 the biggest single development on the site for ten years, a $\pounds 12m$ treatment centre dedicated to day cases and extended day case surgery, was opened with 60 bed spaces and a further four operating theatres. The centre has proved very popular with patients.

During 2006/07 the sexual health centre was refurbished and a new £2.5m angiography unit opened. Construction work on a new multi-storey car park was completed in July 2007 and our cardiology services continue to develop. Extra capacity has been added to clinics such as orthopaedics, ophthalmology and a rolling refurbishment of wards and corridors is ongoing.

Since becoming an NHS Foundation Trust on 1 October 2007 sustained expansion has continued. During 2008/09 Ward 14, previously run by the local primary care trust, was fully refurbished and reopened by the hospital. In April 2009 the hospital opened a new significantly expanded £4.6 million state-of-the-art endoscopy unit and a new 22 bed ward.

In response to the number of patients that required step down facilities rather than acute care, the trust invested in developing a ward into a therapist led facility for patients on the road to recovery. The Phoenix Unit opened in 5 November 2012 and has 20 beds.

The trust has entered into a partnership with the University of Buckingham to establish the first independent Medical School in the country, with the first medical students commenced at the University in January 2015.

From 2 April 2015 the trust has changed its name to Milton Keynes University Hospital NHS Foundation Trust.

2007

£2.5m angiography unit opened

Development of cardiology services

NHS Foundation Trust formation Extra capacity to orthopaedics and ophthalmology

Multi-storey car park completed

2009

Ward 14 fully refurbished **£4.6m** endoscopy unit and new **22** bed ward

2012

Therapist led facility developed The Phoenix Unit opens with **20** beds

2015

Partnership with the University of Buckingham to establish the first independent Medical School in the country.

Milton Keynes University Hospital NHS Foundation Trust.

Ambulatory Emergency Care Unit

The Ambulatory Emergency Care Unit (AECU) was officially opened in May 2013 and provides a quick diagnosis for patients who do not need admission. Patients can choose to attend AECU or be referred to the Unit by their GP. This service has improved patient access to emergency treatment and is nationally recognized as good practice.

A&E phased expansion

The first of a two-phase interim development to expand the footprint within the A&E department has taken place, this has increased capacity by four majors bays and six minors and reconfiguring the area for greater accessibility. The second phase is due to take place during 2015/16.

Cancer Service development

Cancer Services development saw the repatriation of patients from neighbouring Trusts from April 2014. This has meant care closer to home for patients although the facilities within the Trust have yet to be fully developed, contributing to a poor patient feedback result in the National Cancer Patient Experience Survey. The Cancer Centre is in the initial stages of planning and will involve significant patient engagement as additional cancers (gynaecological and skin) are further repatriated in 2015/16.

Our services

Social and Community Issues

The current population of Milton Keynes Unitary Authority is estimated to be 252,400 (Mid-Year Population Estimates 2012) and is one of the fastest growing areas in the country. The population is expected to reach 302,100 by 2026, according to current forecasts. Just over 25% of the population is currently aged under-19 and the 2011-12 Milton Keynes Joint Strategic Needs Assessment (JSNA) identified a need for services to be targeted and more reflective of the borough's comparatively young population. The population aged 65+ is projected to increase by 82.8% between 2012 and 2026. The total natural catchment area of the trust is considered to be circa 15% wider than Milton Keynes Unitary Authority boundary consisting of patients from the market towns of Buckingham and Leighton Buzzard, and the surrounding villages.

Equally significant is growth in the over 60 age group, with current numbers increasing even faster and therefore placing additional pressure on resources. This creates both opportunities and challenges. As well as ensuring current services deliver a high-quality outcome, we also need to focus on the development of key services.

There are significant pockets of deprivation and poverty: parts of Eaton Manor and Woughton wards are in the 10% most deprived in England in relation to various measures of deprivation, including income, employment and education. Inequalities in terms of social and economic circumstances affect health, for example increased levels of respiratory disease, cancer, type 2 diabetes, poor mental health and substance misuse. There are also inequalities in the outcomes for children and young people across Milton Keynes.

Milton Keynes has a number of challenges ahead of it – a rapidly ageing population, a growing population in number that is also increasingly richer in terms of ethnicity and racial mix, and the tougher economic and financial environment that has implications for health and social care. A key part of the health challenge in Milton Keynes is the increasing numbers of people with complex long-term conditions. Almost $\mathfrak L7$ in every $\mathfrak L10$ spent on health care is for people with these conditions.

The hospital also serves the wider population surrounding Milton Keynes, Northamptonshire, Bedfordshire, Oxfordshire and other areas in Buckinghamshire.

Over the coming years, we will continue to work with a range of stakeholders including Milton Keynes Clinical Commissioning Group (CCG), Community Health Services, Milton Keynes Council and our local involvement network Healthwatch to improve patient services. Co-operation will ensure that patients can access appropriate services as and when they need to, and our goal is to ensure that we offer high-quality, seamless care.

Principal activities

The trust provides a range of services and specialities. All inpatient services and most outpatient services are provided on the Milton Keynes hospital Eaglestone site. The trust is organised into a number of corporate directorates and an operational directorate overseeing clinical divisions, all under the leadership of the Chief Executive. The executive directors, and clinical service unit (CSU) leadership teams, are responsible for the day-to-day management and running of the hospital's services.

The trust delivers its services through four divisions of Medicine, Surgery, Women and Children's and Core Clinical. This will enable more focus on these key services for local people.

Healthcare Review of Milton Keynes and Bedford.

Monitor (the Regulator for Foundation Trusts), the Trust Development Authority and NHS England have commissioned a review of healthcare provision for the residents of Milton Keynes and Bedford. The Trust is participating fully in all aspects of the review which seeks to implement a model of healthcare provision that is clinically and financially sustainable in the medium term. The review published the Case for Change in April 2014 http://www.shapingmkhealth.co.uk/case-for-change/why-we-need-to-change/.

The public consultation from the Clinical Commissioning Groups for Milton Keynes and Bedford on proposals for the future is expected in 2015.



Section 2



Strategic Report

Strategic Report

Our History

Milton Keynes Hospital was officially opened in 1984. The acute services provision at that time included operating theatres, an Accident and Emergency (A&E) department, maternity services, general and speciality wards, full diagnostic x-ray facilities, and a major pathology department. Due to the increasing population, the Hospital continued to expand with an additional six 28 bed wards being opened in 1992. Milton Keynes General NHS Trust formally came into being on 1 April 1992.

Milton Keynes Hospital NHS Foundation Trust was founded on 1 October 2007 under the National Health Service Act 2006.

The trust has established a partnership with the University of Buckingham to provide the country's first independent Medical School and on 2 April 2015 the trust attained University status and is now, Milton Keynes University Hospital NHS Foundation Trust.

Our hospital

The hospital has 526 beds (including day acute and neonatal beds), and employs 3,000 staff, providing a full range of acute hospital services to the city of Milton Keynes and the surrounding areas. In line with the national picture, the Trust has continued to see an increase in both activity and acuity over the last few years. This has been particularly evident in both emergency and outpatient activity. The level of general population growth has added approximately 9% to the emergency demand but extra growth in Milton Keynes has increased that to 17% partly due to size of population and partly due to the older population growing twice as fast as the national average.

Our community

The current population of Milton Keynes Unitary Authority is estimated to be 252,400 (Mid-Year Population Estimates 2012) and is one of the fastest growing areas in the country. The population is expected to reach 302,100 by 2026, according to current forecasts. Just over 25% of the population is currently aged under-19 and the population aged 65+ is projected to increase by 82.8% between 2012 and 2026. This creates both opportunities and challenges. As well as ensuring current services deliver a high-quality outcome, we also need to focus on the development of key services.

There are significant pockets of deprivation and poverty: parts of Eaton Manor and Woughton wards are in the 10% most deprived in England in relation to various measures of deprivation, including income, employment and education. Inequalities in terms of social and economic circumstances affect health, for example increased levels of respiratory disease, cancer, type 2 diabetes, poor mental health and substance misuse. There are also inequalities in the outcomes for children and young people across Milton Keynes.

Milton Keynes has a number of challenges ahead of it – a rapidly ageing population, a growing population in number that is also increasingly richer in terms of ethnicity and racial mix, and the tougher economic and financial environment that has implications for health and social care. A key part of the health challenge in Milton Keynes is the increasing numbers of people with complex long-term conditions. Almost $\mathfrak L7$ in every $\mathfrak L10$ spent on health care is for people with these conditions.

Healthcare Review of Milton Keynes and Bedford.

The Trust's regulator Monitor, NHS England and Trust Development Authority are reviewing the healthcare provision in Milton Keynes and Bedford. The Trust is participating fully in the review with other stakeholders, Bedford Hospital, Milton Keynes Clinical Commissioning Group and Bedford Clinical Commissioning Group.

In January 2015, the MK CCG's Board gave the go-ahead to the next phase of the review work, which focuses on:

- 1. Care closer to home
- 2. Care delivered in hospital

The review generated 14 options for hospital care – refined down to two options:

	Bedford Hospital	Milton Keynes Hospital
Option 1	Integrated care centre	Major emergency centre
Option 2	Major emergency centre	Integrated care centre

Details of the services provided by each of these care centres are given in the Director's report.

Our Strategy

Our vision is "To be the healthcare provider of choice, growing with Milton Keynes" and the Board agreed the following Trust Objectives to deliver the vision:

- 1 Improve patient safety
- 2 Improve patient experience
- 3 Improve clinical effectiveness
- 4 Delivery key targets
- 5 Developing a sustainable future
- 6 Develop robust and innovative teaching and research
- 7 Become well governed and financially viable
- 8 Improve workforce effectiveness
- 9 Make best use of the estate
- 10 Develop as a good corporate citizen



Our Business Model

The Trust Board is responsible for running the Trust efficiently and effectively. It has six sub Committees which are required to provide assurance to the Board on the performance of the organisation and these are audit, quality and clinical risk, finance and investment, workforce and development assurance, charitable funds and remuneration.

The trust Board has 7 voting non-executive directors (at 31 March 2015 - 5 men, 1 women and 1 vacancy) and 6 voting executive directors (4 men and 2 women). There are three non-voting executive director roles which sit on the Board, director of operations, director of service development and director of corporate affairs (3 women).

The non executives directors are responsible for holding the executive team to account for the performance of the organisation. The Health and Social Care Act 2012 introduced a duty for the Council of Governors, which comprises of public, staff and appointed Governors are responsible for holding the non-executive directors to account for the trust's performance.

The day to day running of the services provided by the hospital is the responsibility of the Divisions and Clinical Service Units:

Divisional and Clinical Service Unit Structure

There are four divisions, medicine, women and children's, surgery and core clinical & support services. The 14 clinical service units (CSU) are responsible for the day-to-day management and delivery of services within their areas, in line with trust strategies, policies, and procedures. CSUs work within the trust's Standing Financial Instructions, Standing Orders, Scheme of Delegation and budgetary rules.

Our policies

Staffing policies

The trust works within the statutory framework and also has agreed policies regarding social, community and human rights issues. All policies are published on the Trust website and are reviewed regularly to ensure that they remain current and complied with.

The trust is committed to providing a fair, efficient and effective recruitment and selection service as part of its wider commitment to equality of opportunity. The trust employs a range of policies and procedures to ensure disabled applicants are given full and fair consideration. These include the Recruitment and Selection Policy and a good practice guide to Employing Disabled People. The trust is accredited with the "Positive About Disability" or "Two Ticks" symbol, which demonstrates commitment to encouraging individuals with a disability to apply for posts and guarantees an interview if such an individual meets all the essential criteria.

The trust recognises the value of a diverse workforce and is committed to supporting the employment, training and career development of people with disabilities and staff that become disabled during their employment, this includes the trust's Management of Sickness Absence policy which sets out our standards and requirements to support staff.

Environmental Policies

The trust has undertaken risk assessment and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, and has policies regarding reducing the carbon footprint. As can be seen later in this report, Carbon emissions continue to reduce.

The trust has a number of policies relating to our patients and each policy is reviewed and approved by an Executive Director chaired Committee or Board.

Our performance

The performance of the hospital has been affected by the increase in the number of patients it has seen and the delays in discharging medically fit patients into appropriate setting whether that be at home or in the community.

A&E 4 hour target

The trust experienced the same pressure in delivering the A&E 4 hour target as the majority of trusts have done nationally. The performance was 92.2% in 2014/15 which was an improvement on 2012/13 performance of 91.4%, but a reduction in performance compared with 2013/14 which was 94.4%.

The trust has recognised that the clinical space in A&E is inadequate to meet the needs of the increasing population of Milton Keynes and completed phase 1 of a development programme to increase clinical capacity.

Clostridium Difficile Infections

In 2014/15, the trust was set a stretch target of 19 cases of Clostridium Difficile (CDiff) Infections (the trust had 37 CDiff infections in 2013/14). During 2014/15 there were 35 cases were recorded however, none of these cases were due to cross contamination.

MRSA Infections

The trust had no cases of MRSA during 2014/15.

Cancer targets

All national targets for Cancer have been achieved.

18 week referral to treat

The trust achieved the nationally set targets regarding the waiting times on the 18 week referral to treatment (RTT) pathways, with the exception of admitted RTT in Q2 for admitted patients. The Surgery division made great improvements in reducing the number of patients who were waiting in excess of 18 weeks during the first eight months of the year (from 231 to 83 patients). However, due to demand on the hospital during the winter a number of planned operations had to be cancelled. This has meant that the waiting list had risen again to 235 patients waiting in excess of 18 weeks.

There have been some issues raised through the external audit process regarding the data quality of the 18 week RTT indicator. Further detail regarding this is given in the Annual Governance Statement.

Performance in 2014/15 included the following:

- 320,026 outpatient attendances at the hospital, over 23,000 more than last year
- 25,756 patients were elective admissions admitted (i.e. for planned care)
- 29,482 patients were admitted as an emergency; an 11% decrease compared to the previous year
- 78,388 people attended ED; a 4% increase on the previous year
- The 30 Day Readmission rate was 7.3% compared to 8.1% in 2013/14
- 3,802 babies were delivered by trust staff

CQC Inspection

The Care Quality Commission's team of inspectors visited the hospital over three days in October to formally inspect and assess the quality of the care the trust provides.

The report was published in March 2015. Six of the eight areas assessed were judged overall to be 'good'. They included critical care, maternity and gynaecology, services for children and young people, end of life care, and outpatients and diagnostic imagining. Two areas - urgent and emergency services and medical care - were rated as 'requires improvement'.

Specialty Area	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and Emergency services	Requires improvement	Good	Requires improvement	Requires improvement	Requires improvement	Requires improvement
Medical care	Requires improvement	Requires improvement	Good	Requires improvement	Good	Requires improvement
Surgery	Good	Good	Good	Good	Outstanding	Good
Critical care	Good	Good	Good	Good	Good	Good
Maternity and Gynaecology	Good	Good	Good	Good	Good	Good
Services for children and young people	Good	Good	Good	Good	Good	Good
End of Life Care	Requires improvement	Good	Good	Good	Good	Good
Outpatients and Diagnostic Imaging	Good	Not Rated	Good	Good	Good	Good
Overall	Requires improvement	Good	Good	Requires improvement	Good	Requires improvement

The trust has developed a comprehensive action plan to address the recommendations identified by the CQC and the implementation of the actions will be monitored by the Management Board and the Quality and Clinical Risk Committee.

Our staff

The Hospital's biggest asset is its staff and it employs 3144 (2708 whole time equivalents) at the end of the financial year. (Female 2507 and Male 637). As the senior managers of the organisation the Board of Directors and the composition of the Board is given above.

The trust approved the Workforce Strategy in 2014. The aim of the strategy is to develop a flexible, skilled and motivated workforce which has the competencies, capacity and capability, alongside demonstrable behaviours in line with the trust values, to meet the trust's objectives and future challenges. The strategy supports the trust's Business Plan and the trust's Quality Strategy. It is underpinned by a series of annual workforce and training plans.

The trust's management and Board of Directors monitors key performance indicators regarding its workforce and these include:

- The sickness absence rate for period April 2014 to March 2015 was 3.87% (this has improved further in 2014, from 4.55% in 2012/13 to 4.24% in 2013/14)
- 84% of staff received an annual appraisal in 2014/15 (90% in 2013/14).
- 87%% of staff completed mandatory training (80% in 2013/14). Robust monitoring systems have been implemented whereby managers are notified in advance of appraisals which are due to be completed and these are followed up if the appraisal is not completed.

A draft Workforce Strategy was consulted on during the summer of 2014 and approved in the autumn 2014 and this will provide the framework for organisational development for the organisation.

The trust has gradually increased opportunities for apprenticeships throughout the trust completing 5 in 2013/14. In 2014/15 28 apprenticeships were successfully completed with a further 25 on programme. 2015/16 looks to increase this number further as we will offer at least 60 apprenticeships.

The trust has continued to invest in learning and development for staff to improve the care given to our patients.

The trust proactively engages with its staff on the operational and financial performance of the organisation and how their role contributes to it. This is achieved through meetings with staff where managers cascade information, Chief Executive's monthly roadshows and the CEO weekly message. An example of this is the Spring to green initiative which involved both clinical and non clinical staff taking action to improve patient flow throughout the hospital.

The Chief Executive's roadshows and weekly message also provides staff with information on the wider strategic issues for example the development of the hospital site and the Bedford and Milton Keynes healthcare review.

Our Impact on the Environment

The trust's 2007 carbon baseline assessment was 12,747 tonnes per annum, with a target to reduce carbon to 9,559 tonnes by 2014/15.

The following table shows Co2 performance per annum to date

2010/11	11,808 Tonnes
2011/12	11,108 Tonnes
2012/13	11,183 Tonnes
2013/14	10,508 Tonnes
2014/15	9,786 Tonnes

The decrease in carbon from last year will be due in large part to a relatively mild winter with decreased heating requirements and a continuation of the trust's two medium voltage generators to be able to provide our own electricity generation on occasion without being dependant on the mains network as well as having the ability to export electricity back to the mains network to assist electricity supply in this area of the country.

Our Risks

The organisation's key risks against achieving its strategic objectives are detailed in the BAF. Forward risks and mitigation plans are also considered in the trust's Annual Plan submission.

The highest rated risks on the BAF at the end of the 2014/15 financial year were:

- 1.3 Failure to deliver appropriate standards of care in Women's Health (20)
- 3.2 Lack of compliance with best evidence-based clinical practice (20)
- 4.1 Failure to deliver key national targets (20)
- 7.4 Inability to keep to budgeted levels of agency and locum staffing (20)
- 8.1 Inability to recruit to critical vacancies (20)

The principle reasons for these risks and the actions to mitigate the risks are included in the Risk and control section of the Annual Governance Statement.

The trust continues to run at a deficit and is reliant on Department of Health funding to meet its financial obligations. This risk is included on the BAF which is reported to the Finance and Investment Committee and trust Board.

Our Estate

The trust Board approved the Estates Strategy in 2014 which details the long term development of the Milton Keynes site which includes provision of an academic centre for the Medical Centre, Common Front Door, new Main Entrance and Cancer centre.

Cancer Centre: A new build with the potential for the trust to incorporate allied services alongside, ensuring clinical adjacency is optimised and a comprehensive service for cancer patients. Depending on the delivery solution this may be developed alongside bringing Radiotherapy bunkers on site in partnership with an external partner.

Medical School and academic centre: A new build, funded by the University of Buckingham, to provide a purpose built learning environment for medical students. Common Front Door: A major redevelopment of outdated and inadequate A&E facilities, to incorporate the Urgent Care Centre stream of work. This simplification of service access points for patients is firmly aligned with the CCG commissioning plans.

All these schemes are designed to improve service offerings as well as enhancing the environment, demonstrating the trust's commitment to improve patient care. All building developments and stages of the strategy will prioritise the replacement and rationalisation of the oldest estate, with new safer, greener buildings. Over time, the trust will consolidate inpatient ward based areas, ensuring optimal clinical and operational adjacency and efficiency. Our plans will be developed in line with the clinical strategy and clinical staff will have a key role to play in how the site will be developed for the long term. All statutory obligations will be met, providing a safe and suitable patient environment with clear commitment to meeting environmental and Care Quality Commission (CQC) standards and outcomes, particularly those relating to privacy, dignity and comfort of patients.

The local council and planners are engaged and supportive of our plans to build up, not out, preserving green field and many undeveloped areas of the site for the future. We will plan in such a way that our healthcare, education and other service provider partners can be part of the future "health campus" at the MK hospital site. We will look to make it simple for patients to navigate on arrival at the site, particularly between planned and emergency services.

Plans are being developed to provide a single, modern and welcoming entrance to the hospital for the largest footfall services such as outpatients, diagnostics and planned services. On arrival at the hospital patients, visitors and staff will see a strong, confidence inducing set of buildings with real visual impact. We will retain, as part of a sustainable transport plan, sufficient parking and travel arrangements for patients, visitors and staff.

Our Investment for the Future

Electronic Patient Record procurement

The Department of Health has no plans to extend the contract or continue to fund the current Electronic Patient Records services. Following national guidance and specific legal advice (taken by Department of Health, London Trusts, Oxford University Hospitals and others) the trust undertook an EU compliant procurement process for software and services provision post October 2015. The trust Board approved the business case for the provision of a new electronic patient record software system and the implementation process is underway.

Whilst the key goal of this project is to secure business continuity beyond the expiry of the current contract in October 2015, it will also form a platform for future benefits delivery including both improved clinical safety and clinical effectiveness. Indeed informatics is the key enabler for the trust to meet its strategic clinical and operational goals, and underpins much of the transformation required to deliver the Quality, Innovation, Productivity and Prevention (QIPP) agenda.

Our Finances

The accounts are prepared under International Financial Reporting Standards and Monitor's Annual Reporting Manual under the National Service Act 2006.

Financial headlines for 2014-15 were:

- Total income of £179.3m, an increase of £6.2m (4%) on the previous year;
- Income from clinical activities was up by £6.1m (3.5%) at £166.9m:
- Retained deficit for year increased to £24.9m from £17m the previous year (which was in accordance with the trust's financial plan); and
- Against Monitor's Continuity of Services Rating the trust scored '1', in a scale of '1'-'4', where '4' is the highest performance rating and the lowest level of financial risk.

Going Concern

A statement of Going Concern is included in Section 1 Accounting Policies and other information within the Annual Accounts, an excerpt is included below;

IAS 1 requires management to undertake an assessment of the NHS Foundation trust's ability to continue as a going concern. These accounts have been prepared on a going concern basis as there has been no application to the Secretary of State for the dissolution of the NHS Foundation Trust and the Directors currently believe there is a realistic alternative to doing so. The Directors have therefore prepared these financial statements on a going concern basis.

The current economic environment for all NHS Trusts and NHS Foundation Trusts continues to be challenging with on-going internal efficiency gains necessary due to annual tariff (price) reductions; cost pressures in respect of national pay structures; non-pay and drug cost inflation; as well as nationally set contract penalties for contract performance deviations, combined with commissioner (CCG) expectations to reduce activity through ensuring care can be better provided within the community, i.e. managed outside the hospital.

The trust has incurred a deficit of $\mathfrak{L}24.9m$ for the year ended 31 March 2015 (deficit for 2013/14 was $\mathfrak{L}17m$). The Directors consider that the outlook presents significant challenges in terms of cash-flow for the reasons outlined above, including planned reductions in activity commissioned from the trust and the need to reduce the underlying cost base of the trust to continuously align capacity and demand.

The trust has prepared its financial plans and cash flow forecasts on the assumption that adequate funding will be received from Milton Keynes Clinical Commissioning Group ("MKCCG") (contractual income), and through DH funding facilities. These are expected to be sufficient to prevent the trust from failing to meet its obligations as they fall due, and to continue operating until adequate plans are in place to achieve financial sustainability for the trust. However, the Directors have identified that there are material uncertainties that casts significant doubt over whether the trust will continue to exist in its current form, and over its ability to discharge its liabilities in the normal course of business.

During 2014/15 there has been a national policy change as to how trust's in deficit positions have their cash requirements financed by the DH. Historically this has been through Public Dividend Capital (PDC) but in March 2015, the DH required that all NHS organisations currently in receipt of temporary PDC (as the trust were during 2014/15), and all organisations who require future funding support (as the trust financial plan for 2015/16 necessitates), would in future be funded through loans and working capital facilities. Funding for the 2015/16 financial year will be through a combination of a revolving working capital facility and interim revenue/capital support loans. This change to the funding mechanism from equity to loan instruments will change the structure of the balance sheet with the effect of increasing long term liabilities and reducing net assets. The revenue facilities have a maturity of between 4 and 5 years and the capital loan is expected to be repaid over a 15 year period.

The trust's immediate working capital requirements have been secured for the first quarter of the 2015/16 financial year through the agreement of a revolving working capital facility of £15.2m. The trust is in the process of securing a £36.2m Interim Revenue Support Loan and a £7.8m Interim Capital Support Loan for the full financial year at which point the revolving working capital facility will be repaid. The interim funding loans will be required for the duration of the financial year whilst the system Healthcare Review is being progressed, which will then allow a Recovery Plan to be developed which enables a return to a financially sustainable position. On the assumption of receipt of the above funds the trust would continue to remain a going concern.

Positive cash balances will be maintained throughout the period through successfully securing commitments to necessary funding from DH and a contract with the lead commissioner MKCCG that gives assurance of income flows.

The significant risks facing the trust are summarised as follows:

- The trust has prepared a cash flow forecast which shows a minimum level of headroom of £1m. There is a level of uncertainty over whether the trust will receive additional interim loans of £36.2m and £7.8m required to meet its financial obligations. The trust has however developed its financial plan assuming that it will receive this funding and thus continue on a going concern basis.
- 2. There is uncertainty over whether the trust will achieve its efficiency savings plan of £8.4m which has been assumed in its financial plan. This is a level of savings which is extremely challenging and must be supported with adequate clinical focus and engagement in quality process improvement against agreed and appropriately detailed and delivery plans.
- 3. The future for Milton Keynes Hospital NHS Foundation Trust is likely to be influenced by the outcome of the jointly commissioned system review taking place across Bedfordshire and Milton Keynes CCG geography which was originally commissioned in 2013. The review was set up as a result of concerns about the pressures on the local health system and, in particular, the clinical and financial sustainability of Bedford Hospital and Milton Keynes Hospital. A progress report was published on 29 October 2014 which identified a number of options. These options are currently being validated and further developed with a broad spectrum of stakeholders. This is due to deliver a further options appraisal during 2015/16.

There are thus material uncertainties which may cast significant doubt as to the Trust's ability to continue as a going concern and therefore may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that would result if the going concern basis were not appropriate.

Our future development, performance and position The following factors which are likely to impact the trust's development, performance and position:

- Increasing numbers of patients both emergency and planned.
- Increasing population, especially the elderly and those with complex long term conditions
- Healthcare Review of Milton Keynes and Bedford.
- Commissioners ability to pay for increasing demand for Hospital services
- Capital investment required to develop the hospital's estate.
- · Ability to attract and retain highly skilled staff.

Summary

In 2014/15, the trust has made significant improvements to the care our patients receive, but there is still room for improvement. This is reflected in the report following the CQC inspection in October 2014 which rated six out of eight areas as good and two as requiring improvement. The organisation continues to drive through improvements in patient care in order to deliver better outcomes for our patients.

The lack of adequate capacity in A&E has become a major issue, but otherwise the Hospital has a growing catchment area, good accessibility and facilities and with the proposed developments of the Medical School and Cancer facilities on site, we believe represent an exciting opportunity for our existing staff and our ability to attract and retain staff.

Longer term, the trust looks forward to the opportunity presented by the Bedfordshire and Milton Keynes Healthcare Review to contribute to a more efficient provision of services across a wider catchment area, bringing enhanced scale and critical clinical mass.

The strategic report was approved by the Board of Directors.

Joe Harrison

Date: 27 May 2015

Spe Hensian



Section 3

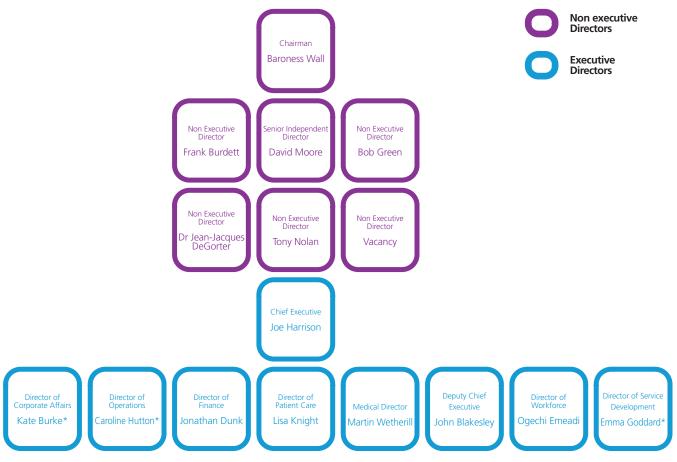


Directors' Report

Directors' Report Valuing Our Staff Patient Experience Performance Review Stakeholder Engagement

Directors' Report

The Board of Directors



* Indicates non voting member

As at 31 March 2015

In addition to the above Board Members, other members of the Board in 2013-14 were:

Penny Emerson, Non Executive Director (left February 2015)

Professor Kate Robinson, Non Executive Director (left April 2014)

Chris Mellor, Interim Chairman (left June 2014)

Darren Leech, Director of Strategy and Estates (left June 2014)

2014/15 review

CQC Inspection

The Care Quality Commission's team of inspectors visited the hospital over three days in October to formally inspect and assess the quality of the care the trust provides.

The report was published in March 2015. Six of the eight areas assessed were judged overall to be 'good'. They included critical care, maternity and gynaecology, services for children and young people, end of life care, and outpatients and diagnostic imagining. Two areas - urgent and emergency services and medical care - were rated as 'requires improvement'.

Of the 40 individual ratings given to the eight specialty areas (each area is rated against the criteria of safe, effective, caring, responsive and well led) one rating was classed as outstanding, 30 ratings were classed as good, eight as requires improvement and one was not rated.

The trust was one of the few hospitals in the country to receive a rating of 'outstanding' for being 'well led' in its surgical services.

Despite the high number of 'good' ratings, this gave the hospital an overall rating of 'requires improvement'. Chief executive Joe Harrison said: "I know this will be disappointing to many, but I do think this is a fair and balanced report which identifies those areas we know we need to continue to develop and improve as well as those already good, which we can move to outstanding."

The CQC highlighted six areas of outstanding practice in its report. These were:

- Improvements for visually impaired people had taken place across wards and departments.
- 2. The Cancer Patient Partnership group provided an outstanding way of engaging with people and this had led to improvements in patient care.
- 3. Care delivered by staff working in bereavement teams was good, this included the care provided to women and their partners after the death of a baby. The bereavement specialist midwife had recently won a national award for her work in the trust's maternity service.
- 4. Leadership within surgery was 'outstanding'. There was a shared purpose, excellent relationships and there were high levels of staff satisfaction.
- 5. Staff were committed to working together in order to improve quality for patients.
- Consultant medical staff were engaged with the leaders in the trust and were positive about the future for Milton Keynes Hospital.

Specialty Area	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and Emergency services	Requires improvement	Good	Requires improvement	Requires improvement	Requires improvement	Requires improvement
Medical care	Requires improvement	Requires improvement	Good	Requires improvement	Good	Requires improvement
Surgery	Good	Good	Good	Good	Outstanding	Good
Critical care	Good	Good	Good	Good	Good	Good
Maternity and Gynaecology	Good	Good	Good	Good	Good	Good
Services for children and young people	Good	Good	Good	Good	Good	Good
End of Life Care	Requires improvement	Good	Good	Good	Good	Good
Outpatients and Diagnostic Imaging	Good	Not Rated	Good	Good	Good	Good
Overall	Requires improvement	Good	Good	Requires improvement	Good	Requires improvement

The CQC did not formally instruct us to take action to improve (known as compliance actions) but made eight recommendations that inspectors believe the trust should action to continue to improve. These were:

- Patients in the waiting area in the medical assessment unit should have a means of calling for urgent help if required.
- 2. Full and accurate records need to be maintained in relation to the care and treatment of every patient.
- 3. Suitable arrangements need to be put in place for all staff to receive appropriate training and appraisal.
- 4. The trust should ensure patients who need inpatient care and treatment are transferred from the medical assessment unit to an appropriate ward within 72 hours.
- Pre-operative safety checks need to be carried out in accordance with World Health Organisation (WHO) guidelines; for all surgery.
- 6. The trust should ensure patients' privacy and dignity is maintained in the A&E department.
- 7. The trust should ensure the completion of Do Not Attempt Cardio Pulmonary Resuscitation (DNACPR) documentation is consistent across the hospital.
- The maternity and gynaecology governance team needs to ensure appropriate and timely monitoring, updating and checking for the completion of action plans which arose from analysis or serious incidents.

A number of other actions for consideration were also included in the report and the trust has developed a comprehensive action plan to tackle every recommendation and ensure we can move from requires improvement, to good, to outstanding as part of our journey to excellence. The lead for the CQC action plan implementation is the Director of Patient Care and Chief Nurse and will be monitored by the Management Board.

Mr Harrison added: "This really is an overwhelmingly positive report and there is much to celebrate and be proud of. Clearly we cannot be complacent about the improvements we need to continue to make, and we must focus our support on those areas where we know we need to provide both better care quality and a better experience for our patients."

Spring to Green initiative

The week before Easter 2015 saw the hospital's Spring to Green initiative this week. This aimed to focus the entire health system, locally and nationally, on moving out of black escalation (for beds and demand through A&E) and into green (which means the hospital is running smoothly and as normal).

There were some really positive changes, with an average of 20 patients each day being discharged before lunchtime, take-home prescriptions being ordered ahead of time to enable effective discharge and reduce delays, and wards and departments really supporting A&E with the rapid transfer of patients to appropriate beds.

Ward liaison officers, who are mostly back-office staff who don't usually work in clinical settings, did a fantastic job in supporting ward teams and doing the all-important running around to get administrative and other non-clinical tasks done to enable clinical staff to focus on patient care.

Reports from both the wards and the liaison officers themselves were incredibly positive and as a result the hospital is looking at how to take this kind of support forward. During the Spring to Green week, executive directors and other senior managers were out and about across wards and departments undertaking notes reviews and looking to fix delays in care pathways for patients.

The initiative was a real example of how staff in all roles and areas can pull together to make a really positive difference to patient care and to our own and others' working environments.

Pioneering Research underway

A new research project into the detection of prostate cancer using specially trained dogs is underway at Milton Keynes Hospital.

Consultant urologist Mr Iqbal Anjum has joined forces with the charity Medical Detection Dogs for the study. The trained dogs sniff urine samples under strict laboratory conditions.

'This is an extremely exciting prospect,' says Mr Anjum.
'Over the years there have been many anecdotal reports suggesting that dogs may be able to detect cancer based on the tumour's odour. It is assumed that volatile molecules associated with the tumour would be released into the person's urine, making samples easy to collect and test.'

In the last few years, dogs from Medical Detection Dogs have been used to scent exhaled breath samples of lung cancer patients, along with breath and faecal samples from colorectal patients with promising results.

Patients attending one of Mr Anjum's clinics will be invited to voluntarily take part in the research. Urine samples will be collected and sent away to be tested by trained dogs at Medical Detection Dogs' purpose built facility in Great Horwood.

'A study in 2004 (Willis et al) provided a 'proof of principle' that cancer can be detected by olfactory methods,' adds Mr Anjum. 'I am delighted that we are able to undertake this research and look forward to the findings.'

The pooches from Medical Detection Dogs were the highlight of a Research Awareness Seminar at the hospital where Claire Guest, CEO of Medical Detection Dogs explained the science behind the olfactory techniques.

Their work was just one of seven subjects up for discussion in the successful event, which was open to staff from all areas of the hospital.

Rowena Fletcher, head of research and development says: "It was a very informative afternoon and wonderful to see so many people attend. This is the second Research Awareness Seminar we have run in the trust and it is definitely set to be an annual event."

First 'home grown' research study approved

In April 2015, our R&D (research and development) team reported that the trust had received approval for our first 'home grown' research study. All of the previous studies we have taken part in started at different hospitals or universities, and this is the first time the trust has been the sponsor for a research study. So it is a huge milestone for research in our hospital.

The study is entitled 'Exploring the use of activity monitors with young people with Chronic Fatigue Syndrome/Myalgic Encephalomyelitis (CFS/ME)', and is a result of collaboration with The Open University.

This is a true team effort, and due to the hard work of Jess Digby (Academic Research Coordinator), Glenda Dalton (Physiotherapy) and Sue Peacock (Consultant Health Psychologist), and of course, our colleagues at The Open University.

Working together to reduce missed hospital appointments

We're working with patients to remind them to cancel appointments that they are unable to attend so the time can be allocated to another patient.

Fortunately these missed appointments, known as Did Not Attends (DNAs), are below the national average at the hospital. The number of DNAs has fallen steadily over the last few years.

Despite this, the impact of missed appointments is still significant. In the last year the DNA rate has been less than five per cent, but this still translates to 12,004 missed appointments.

At an average cost of £117 for each appointment, the hospital loses around £1.4million over the year - which could have been used to further support the care of local people.

Trudi Mynard, Head of Patient Services, said: "We need patients to attend their appointment on time, or get in touch with us in advance to cancel. We would like to thank the majority of our patients - more than 95 per cent - who do this.

"If you really can't attend a certain time or day, just give us a call or send us an email, and we can make sure that someone else has the opportunity to use the appointment instead."

If you no longer need an appointment, or if the date is not suitable, the appropriate contact details will be on your appointment letter.

NHS Change Day success

Hospital employee Marc Yerrell was one of 20 healthcare workers nationwide to be chosen to share the success of their NHS Change Day pledge.

The support services supervisor took part in an online web seminar as part of a national event celebrating the impact of this year's NHS Change Day.

NHS Change Day aims to improve patient care and services through the passion, commitment and innovation of NHS staff.

Marc pledged to save the hospital £20,000 a year with his innovative scheme to recycle furniture. He had noticed that when a ward or department no longer needed an item of furniture, it would often be disposed of because of the difficulty of finding a suitable home for it. So he decided to set up Pre-loved, a furniture bank for unwanted items.

A description of each item, with a photograph, is placed on the trust's intranet while the item itself is catalogued so it can be easily accessed when it is needed by another department.

During the year, the scheme exceeded the £20,000 saving and hundreds of items have been reused, including desks, office chairs, filing cabinets, pedestals and drip stands.

Marc said: "It has been great seeing the money racking up from the Pre-loved scheme which has proved to be very popular. We would predict that well over a tonne in weight of furniture has also been saved from landfill."

Marc is a great ambassador for NHS Change Day, having previously launched a popular coin-operated wheelchair scheme at the hospital.

New Medical School

The hospital has entered into a partnership with the University of Buckingham to create the country's first independent medical school.

In January 2015 we welcomed the first cohort of 70 students to the hospital. Initially studying at the university, the students will spend the final two and a half years of their four and a half year course working and training at Milton Keynes Hospital. The first cohort of students will therefore be training at the hospital in 2017.

Speaking about the partnership, Professor Wetherill said: "This is a fantastic opportunity for the trust. Bringing a medical school to Milton Keynes is just the start of our expansion plans that will ultimately enable us to become a world-class teaching hospital.

"As well as developing our educational programmes for undergraduate and postgraduate students, the soon to be built medical school campus will also mean we can take on more research projects.

Prime Minister David Cameron joined Iain Stewart MP in praising the new independent medical school.

During Prime Minister Questions, Milton Keynes MP Iain Stewart asked: "While people are quick to criticise problems in the NHS, it is right also to celebrate its successes."

He added: "Will the PM join me in congratulating Milton Keynes Hospital and the University of Buckingham for establishing a new medical school which will train the next generation of clinicians and enhance the standard of Milton Keynes Hospital?"

In response the Prime Minister said: "I am very happy to join my honourable friend in doing that. Making sure we educate the next generation of doctors, nurses and clinicians is absolutely vital."

This is the first stage of a joint project between Milton Keynes Hospital and the University of Buckingham that will eventually see a new purpose-built academy in January 2017.

On 2 April 2015, the hospital officially changed its name to Milton Keynes University Hospital NHS Foundation Trust. This change recognises our relationship with the University of Buckingham Medical School and our status as an academic and teaching centre.

New Chair Appointed

In July 2014, the hospital has appointed Baroness Margaret Wall of New Barnet as chair of the board of directors.

Baroness Wall joined from Barnet and Chase Farm NHS Trust, where she was chair since 2005. Achievements during her tenure at the trust included a complete turnaround in performance, with the hospital now one of the best performing in London across all areas of patient care; and a move towards sustainability and security for acute health provision through a locally led and delivered service reconfiguration.

On her appointment, Baroness Wall, said: "It is a privilege to join Milton Keynes Hospital as chair, and I very much look forward to meeting staff and patients over the coming weeks.

"It is clear that the hospital is committed to continuing to improve quality, invest in staff and involve patients and the public in its strategy for the future.

"I am passionate about ensuring the services we provide for local people are safe, effective and responsive and will continue to be able to meet the needs of our communities. There is much good work and achievement to build on at and I am delighted to have the opportunity to be part of the hospital's future."

Lead Governor, Bob Collard, said: "Baroness Wall's passion and commitment to the health service is clear to see, and her record in supporting improvements in care quality and services for patients is exceptional.

"As governors, our commitment is to Milton Keynes Hospital and I am sure Baroness Wall will be an excellent ambassador for the trust."

Healthcare Review

Activity is increasing on the Milton Keynes and Bedford Healthcare review, which will decide the future of Healthcare services in both areas.

In January 2015, the MK CCG's Board gave the go-ahead to the next phase of the review work, which focuses on:

- 1. Care closer to home
- 2. Care delivered in hospital

What's next for the hospital?

The review generated 14 options for hospital care – refined down to two options:

	Bedford Hospital	Milton Keynes Hospital
Option 1	Integrated care centre	Major emergency centre
Option 2	Major emergency centre	Integrated care centre

The major emergency care centre and integrated care centre are described below:

	Definition	Services Offered
Major emergency centre	A large unit capable for assessing and initiating treatment for the majority of patients without all hyperacute services Serving a population of 0.5 – 0.75 million	Moving toward 24 hour seven day a week consultant delivered A&E, emergency surgery and acute medicine Level 3 Intensive Care Unit Inpatient Paediatric service Obstetric service with level 2 Neonatal care unit
Integrated Care centre	A unit capable for assessing and initiating treatment for a large proportion of patients Integrated outpatient, primary, community and social care hub Serving a population of 0.1 – 0.25 million	GP and A&E consultant led urgent care incorporating out of hours GP services Step up and step down beds possibly with 48 hour assessment unit Outpatient and diagnostic No obstetric service

Public consultation on this is anticipated late in 2015. Joe Harrison said: ""Our commitment remains to the continued expansion of Milton Keynes Hospital and the development of services to meet the needs of our growing population.

"We are already expanding our A&E department to cope with rising demand as well as building a new cancer centre and a new medical school on the hospital site. We will continue with these ambitious plans, along with our continued focus on improving the quality of the care we provide to our patients."

Visit by secretary of State for Health, Jeremy Hunt

In April 2015 we had a surprise visit from Secretary of State for Health Jeremy Hunt, who dropped in to tour the hospital and express his excitement about the positive changes we are making to the hospital to increase the quality of the care we provide.

As part of his visit, Jeremy met with Baroness Wall and Joe Harrison to hear about the improvements we are making to the hospital, such as the academic centre and the common front door, and then had a guided tour of the hospital including areas such as A&E and the main reception where he met with staff, patients and volunteers.

Jeremy was delighted with what he heard saying: "I really think this hospital is going places. I absolutely think it has the potential to be a world-class teaching centre."

During the tour, Jeremy caught up with our outstanding surgery team and was keen to hear how they managed to achieve their 'outstanding' rating from the CQC. The surgery team explained how the secret to their success is effective two-way communication from staff on the wards to senior management, and that all improvements (particularly in patient safety) come as a result of feedback from frontline staff. Which I was personally delighted to hear, and something I am keen to see across all departments.

Restaurant survey

Work is proceeding well on the plans to renovate and upgrade the Eaglestone restaurant area of the hospital. In April 2015 the final floor plans were agreed to locate the restaurant, Costa and a New League of Friends shop in the existing area, providing greater variety for staff and patients in the most convenient location.

A few weeks ago we conducted a catering survey for staff and patients, the results of which are being used to plan the food and drink that will be offered in the new area, which is due for completion in December 2015.

Facebook launch

In October, we launched our hospital Facebook page, using the site to post good news stories about the work going on in the hospital. Stories included a feature about our hardworking A&E receptionists, our baby hearing screening team, staff education successes and news of our staff awards, along with patient compliments.



Hello, My Name is...

Milton Keynes Hospital joined a massive social media movement launched by a terminally ill doctor from the north of England.

The 'Hello my name is...' campaign was spearheaded by Dr Kate Granger, a young hospital consultant from Yorkshire who works in elderly care, to improve the patient experience not only here in the UK, but across the world.

Kate became frustrated with the number of staff who failed to introduce themselves to her when she was in hospital. Her campaign on social media platform Twitter is inspiring nurses, doctors, therapists, receptionists, porters, domestics and staff in all roles.

Dr Granger, 33, has terminal cancer, and has made it her mission in whatever time she has left to get as many members of NHS staff as possible pledging to introduce themselves to their patients.

This campaign is simple – reminding staff to go back to basics and introduce themselves to patients properly. Kate talks about this as "the first rung on the ladder to providing compassionate care" and sees it as the start of making a vital human connection, beginning a therapeutic relationship and building trust between patients and healthcare staff.

Chief Executive, Joe Harrison, said: "We are delighted to support this important campaign, which reinforces us all how important the little things are, especially when we are at our most vulnerable.

"A simple hello and introduction really can make the difference between a patient feeling anxious and scared, to feeling reassured and at ease. As patients, we all want to be treated as people first and foremost and this campaign reminds us that it is the smallest things that often make the biggest difference."

In Milton Keynes Hospital alone, more than 3,000 staff have more than one million patient contacts each year. That's how many lives can be impacted by this campaign as it spreads. The collective launch will boost the national campaign around compassionate care considerably, with 400,000+ staff potentially involved.

Electronic Patient Records

The current national Electronic Patient Record system will not be supported from October 2015, so the trust needed to procure a replacement system. The trust has undertaken a procurement process and is investing £22m Electronic Patient Records over the next five years, which will see us use technology to deliver more efficient and effective healthcare. There has been extensive clinical engagement in the project and the system will also improve processes to enhance patient care.

What do we want to achieve?

- 1 All patient information to be collected at the point of care available in a single record to those that need to see it, when they need to see it. Our staff will be able to do this without waiting to use a computer, having to find a piece of paper or ask the patient to give the same information repeatedly.
- 2 We will support our patients in becoming partners in their own care by enabling them to view and have ownership over their healthcare records.

How are we going to do it?

With a variety of new apps and software, some of which will begin to roll-out later this year. The most significant system will be our new Electronic Patient Record (EPR) system. The programme will be user-led, and will respond to the needs of our staff and our patients.

Improving the patient experience

Every year our inpatients are asked about their experiences as part of a national survey. In the last survey, patients identified some areas for improvement. These were particularly about noise at night, communication and help with eating and drinking.

Since then, we have been making a number of changes to respond to the patient feedback. We showcased those changes in a "You said, we did" poster campaign. In addition, we made some additional improvements. These include:

- New door signs for ward areas, which are put up at night and remind people to be quiet.
- New boards above patient beds, which display the patient's named nurse and named doctor.
- Creating leaflet packs which have all the basic information patient's need, with specific packs for adult patients, maternity patients and for children.

New website

We launched our new hospital website in August 2014. As well as a bolder, brighter new look, the layout has also been improved to make it easier for people – whether they are inpatients, outpatients, visitors, GPs or others – to find the information they need.

The layout is based on feedback from these groups, plus staff and existing website users. The website is also much easier to use on mobile devices like phones and iPads, to recognise that website users are increasingly accessing information away from a PC.

Wi-Fi for all

In January we launched free public and patient Wi-Fi in all areas, to ensure that people can access the web and their emails across the hospital.

Patient Advice and Liaison Service

We've relaunched our Patient Advice and Liaison Service (PALS). The service, available to all patients and their relatives, has also relocated to a more accessible part of the hospital site. The PALS office is now situated close to the reception area inside the Main Entrance.

Complaints and PALS Manager Julie Goodman explained: "PALS offers patients and relatives support and advice independent from their clinical care. If they're unhappy with any aspect of their hospital experience, they can contact PALS, so we can try and help resolve things

Nothing is too small or too big for PALS to deal with," she added.

For more details, email: pals@mkhospital.nhs.uk or call 01908 243633.



Staff Awards

We celebrated the achievements and commitment of staff at its first-ever glittering awards ceremony in December 2014.

More than 100 people attended the awards event, which recognised inspirational individuals and talented teams regularly going over and above to give patients the best possible care. Staff, patients and visitors were encouraged to nominate in 10 categories.

Chief executive Joe Harrison and hospital chairman Baroness Wall of New Barnet compared the event at the Kent's Hill Hilton hotel. The Mayor of Milton Keynes, Councillor Derek Eastman was guest of honour.

Mr Harrison said: "It was wonderful to personally reward our hard-working staff for their outstanding efforts. We presented awards to some very special people. The winners were selected from an incredibly high standard of entries and we'd like to thank everyone for voting – it's great to see our staff appreciated by both colleagues and patients."

The winners were:

Improving Patient Safety	James McHugh
Improving Patient Experience	Tracy Rea
Improving Clinical Effectiveness	Tracy Davis
Student of the Year	Shaan Meeda
Leader of the Year	Claire Fordham
Patients' Award	Hand Therapy Team
Community Ambassador Award	Jimmy Cooney
Team of the Year award	Neo Natal Unit
Unsung Hero	MK Arts for health volunteers Barbara Murray, Andrew White and Matthew Stemp.
CEO Award	Marc Yerrell

Nursing

Nursing showcase at Health Education Thames Valley

Staff from nursing showcased some of the work they'd been doing with our healthcare assistants and Milton Keynes College's health and social care students at an event in Oxford. Deputy chief nurse Jane Naish presented a session on best practice for work experience, based on the innovative and exciting work going on at the hospital.

Nursing Conference

More than 150 delegates from across the UK attended a conference at the Open University on the future of nursing education. The event was organised by Milton Keynes Hospital, showcasing the innovative work they do in ensuring that nurses and midwives continue to develop their careers.

The free event, which took place on Monday, 9 March 2015, included keynote speeches from Dr Kathleen Duffy from NHS Education Scotland and Professor John Clark, director of education for LETB (Local Education Training Board) for Thames Valley.

"As a hospital, Milton Keynes has been leading the way in terms of innovation and education. This was a great opportunity to be able to pass on our knowledge to colleagues from other trusts," says Jane Naish, deputy chief nurse.

Among the education innovations already in place at the hospital are recognised training modules in end of life care and dementia for healthcare assistants (HCAs), student mentoring and peer mentoring, along with twelve fully-funded places for healthcare assistants to study for degrees in nursing, midwifery and theatre practitioners. The hospital also offers placements for health and social care students from Milton Keynes College, as well as around 110 undergraduate student nurse placements.

The lively conference offered a wealth of ideas and information to staff from other trusts.

"We had delegates from all over the country keen to learn from our experience here at the hospital," explains Jane. "We had great feedback from students, nurses, midwives and mentors keen to know more about our work.

"We're keen to really invest in our staff and encourage them to develop, whatever stage of their career they are at. It was great to see so many people at the event interested in taking our ideas and implementing them in their own healthcare settings."

Milton Keynes hospital's education team has already been praised for its work. In 2014, the practice development team was commended as Health Education Thames Valley's Best Team.

Apprenticeships

April 2014 saw National Apprenticeships week – and to mark the occasion, colleagues from the hospital's learning and development team were on hand to explain what was available.

Two members of the catering team – catering assistant Amie and supervisor Louise - have already taken advantage of the scheme. Louise completed her hospitality, leadership and management apprenticeship two years ago, and has already enrolled on another: level four generic management. She said: "It's a real challenge, but it's certainly worth it. It helped to embed the knowledge and skills I've gained from working at the hospital and given me more enthusiasm for my role and the people I work with."

Apprenticeships can be completed by staff at any age, so long as they have been working here for six months and are on a permanent contract on bands 1 to 4.

Career Development

Our on-site careers day was well-attended, with lots of staff exploring development opportunities, including the 12 fully-funded places on offer for nursing training in 2015. This is in addition to the four HCAs who began their fully-funded nursing training in 2014.

Deputy chief nurse Jane Naish said: "There was a fantastic turnout and lots of interest from staff in bands one to four interested in furthering their career by training as registered nurses, midwives and operating department practitioners."

We also secured funding for 50 places on a new Open University module, which started in February 2015. All healthcare and maternity care assistants were eligible to apply, along with other members of staff in bands 1-4 including ward clerks, porters, housekeepers and catering staff.

The module we selected was 'Improving Health and Wellbeing'. This course consists of 40-hours of online multimedia course and 4×2 hour internal training sessions.

30 Years' service

Hospital staff with 30 years' service were presented with special awards at the trust's Annual Members' Meeting in September.

Many of those receiving their long service award joined the hospital in 1984 when it was officially opened by the Duchess of Kent. But some, like Veronica Gordon, superintendent radiographer, started working at the trust when it was a small community hospital.

Veronica said: "I started working here before we became MK General and eventually a foundation trust. The hospital has gone from strength to strength in the last 30 years – and I'm really proud to have been a part of it from its early inception to now.

"But it doesn't feel like I've been here for that long. I still feel like a youngster."

Long-serving volunteers retire

Ivy Osborne, one of our longest serving volunteers, retired in March 2015 – aged just 95! Ivy, from Bletchley, had been working in the Friends' shop since the hospital opened. And 89-year-old Doll and Albert Appleford, retired after 26 years of making sandwiches for hungry staff and patients.

Doll said: "The ladies in the kitchen are really marvellous."

Ivy added: "I've loved every minute here and will miss everyone."

Julie Forbes, senior supervisor of the Friends' Hospital Shop, said: "The contribution they made was absolutely wonderful. We loved working with them. They enjoyed a good laugh and a joke and we will certainly miss them."

The Friends of Milton Keynes Hospital and Community have raised more than £1.3 million for the hospital since setting up in 1979. They have funded a range of projects, including new wheelchairs for the main reception and A&E department, quiet rooms for the relatives of cancer patients in Oncology and seating and tables for A&E.



Continued Improvement agreed with sector regulator

In December, the hospital committed to continued improvements in its A&E performance, financial position and governance as part of a formal undertaking with health sector regulator Monitor.

The enforcement undertaking, made under section 106 of the Health and Social Care Act 2012, saw the trust agree its plans with Monitor as part of a collaborative approach to continued improvement.

This undertaking replaces the previous agreements (also made under section 106 of the Act) the trust had with Monitor, and recognises progress in delivery against improvement plans over the past 12 months.

Chief Executive, Joe Harrison, said: "We continue to work very closely with Monitor to deliver on our financial and performance obligations, according to national targets and requirements.

"We have made real progress over the past 12 months, despite continuing to face significant challenges, both in terms of demand and capacity in our A&E department; and in managing a planned deficit budget, whilst continuing to invest in improving care quality. We are also progressing significant developments on the hospital site, including a new medical school and cancer centre and the expansion of A&E.

"Monitor have been very supportive of the trust, recognizing our efforts and progress and our commitment to continuing to improve care and services to patients. We have welcomed the opportunity to agree the next year's undertakings with Monitor and are confident that we will see further improvement over the next 12 months."

The hospital was authorised as a foundation trust in 2007. Monitor is the sector regulator of NHS-funded health care services. Under the Health and Social Care Act 2012 its main duty is to protect and promote the interests of people who use them.

Artwork to celebrate our 30th birthday

An artist was commissioned to create a series of images depicting staff at work to celebrate the hospital's 30th birthday.

Stacey Allan was chosen from 92 applicants to undertake the artwork, which celebrated the work of staff and helped familiarise patients with the varying roles and different uniforms in the hospital.

She produced ten pictures using layers of cut paper and visited the hospital to meet and photograph staff for the project.

Her bold and vibrant images caught the attention of the judging panel, which included representatives from the hospital and Arts for Health Milton Keynes.

Sharon Paulger, director of Arts for Health Milton Keynes, said: "We wanted something clear and eye-catching that patients would notice as they fleetingly pass by and her work is bright and bold so was ideal for this."

Freelance artist Stacey, from Surrey, specialises in making paper collage illustrations but also works digitally and with inks. Her work was unveiled in September and takes pride of place along a corridor near the hospital's main entrance.

Arts for Health Milton Keynes uses art to enhance the hospital environment and improve the health and well-being of patients, and currently has a collection of 390 artworks at Milton Keynes Hospital.

Art Exhibition

The hospital was delighted to display The Feet of Those, a special exhibition which celebrated a team of charity workers who support people in need. Over a six month period artist Alastair Gordon worked alongside the London City Mission charity team to create this collective portrait, documenting the shoes of 70 members of the team.

The Feet of Those was commissioned by London City Mission to celebrate their 180th anniversary. Special thanks to London City Mission and the artist for the loan of the work.

Medicine

Ebola Preparedness

During the winter of 2014, we had several patients coming into the hospital who were assessed as an Ebola risk. However, had no positive cases of Ebola as all of these patients tested negative to the virus, been treated for other conditions and subsequently discharged.

The correct protocols have been followed to ensure the necessary precautions have been in place while treating the patients, and as the response internationally has stepped up, we too worked hard training and preparing staff across the hospital to feel ready should we have a confirmed case.

- We localised the national protocol and documented simple flow diagrams to explain the pathway to follow if a patient presents with a risk of Ebola at A&E, Maternity, Medical Assessment Unit (MAU) or Paediatrics. This ensures we are able to identify and isolate a patient who presents with symptoms of Ebola.
- We held several sessions to ensure correct fitting of respiratory protective equipment, should it be needed.
 We also carried out a rollout programme of this training to make sure that staff were all familiar in the correct use of the protective masks.
- These front door areas of the hospital where we see urgent and emergency patients (for example A&E, Medical assessment units) also have large containers with all the required protective equipment, should we need to treat a patient suspected of having Ebola.
- We established an internal steering group to take responsibility for ensuring that our planning was in place and adequate. This team included the Director of Operations, infections control nurse, microbiologist, Deputy Chief Nurse, Emergency planning officer and an A&E representative.

We are confident that we have systems, equipment and access to expert testing and advice in place that will allow us to deal with any suspected Ebola patients at the hospital.

Community beds

During winter, the hospital commissioned and filled 20 additional community beds for patients who no longer need acute hospital care but are not well enough to go home.

Chief Executive Joe Harrison said: "To cope with winter pressures, we opened every extra bed in the hospital that we had. Staff worked flat out, day and night, to care for patients and I would like to publicly thank them for their fantastic efforts."



Proactive Elderly Care Team (PECT) pilot

From November to February 2015, we ran a pilot service to deliver and evaluate the benefits of timely and co-ordinated assessment, advice, interventions and support to frail older patients.

PECT was a specialist multi-professional team of consultant geriatricians, nurse, occupational therapists, physiotherapists, clinical support worker and administrator. They were tasked to pilot a frail older person's pathway in the trust in the form of a dedicated team to deliver and assessment and liaison service.

The evidence suggests that patients aged 75 and over presenting in acute hospital settings with Frailty symptoms benefit from an early multi-disciplinary geriatric assessment which focuses on identifying the sometimes subtle medical, functional and social issues that are unique to this vulnerable cohort. Such issues, if left unaddressed can result in poor clinical outcomes, poor patient and family experience, delayed discharge and repeated hospital admissions.

The team aimed to screen all patients aged 75 and over for Frailty to provide an assurance that patients who require Comprehensive Geriatric Assessment were identified. They then conducted a Comprehensive Geriatric Assessment as soon as possible - within one hour of presentation on Medical Assessment Unit 1; within four hours of referral on Medical Assessment Unit 2; within 24 hours of referral on speciality wards.

Through the application of the Frailty criteria and Comprehensive Geriatric Assessment PECT aimed to identify patients that might benefit from new or additional care packages in the community; referral to the Phoenix Unit or referral to the Community Reablement or Rehabilitation services and refer these patients as soon as possible to the Discharge Co-ordination Teams.

Roll-out of new end of life care plan

The specialist palliative care team rolled out the new end of life care plan, called personalised care plan for the dying patient across the trust .This care plan has been developed to address the issues raised by the Neuberger investigation into the Liverpool Care Pathway.

The care plan is a set of tools to enable staff to provide the best possible care for dying patients. Each ward has been allocated a Palliative Care Advanced Nurse Practitioner (ANP) to support them to embed this into practice.

Improving the experience for patients leaving hospital

A new Patient Discharge Unit was opened in May 2014. It provides a comfortable and welcoming environment for patients while they wait for their take-home medications or for their transport home.

The unit is more pleasant for patients, and while they wait, staff continue to take care of them – whether it is making them a cup of tea or arranging a hot meal for when the patient gets home.

The unit can support up to 20 patients, with separate areas provided for men and women.

Jennie Barker, the trust Lead for Patient Discharge, said: "The unit is purpose-built and is therefore able to offer a lot more room. It's open and airy and patients feel valued here."

Jean Knight, the hospital's Head of Operations, said: "The new unit is making the experience of leaving the hospital more pleasant for patients. They get to wait in a comfortable environment and are well looked after by nursing staff.

"It is also reducing pressure on busy wards. It means staff on wards can focus their attention on caring for patients, not chasing up medications or transport, and it frees up beds for the patients that need them."

Patients invited to help

We asked patients and local people to help us improve the experience of those using our Accident and Emergency Department.

The invitation came after a national survey, published in December, revealed that, on average, patients' rate their experience of care and treatment in the hospital's A&E less favourably than at other similar trusts.

Deputy Chief Nurse and Head of Quality Jane Naish, said: "Making sure patients feel listened to, well informed, valued and respected as individuals is really important to us, and it's clear to see that we still have improvements to make.

"We have been doing a lot of work to improve patient experience in A&E, including investment to improve the space and facilities available.

"To help us continue to improve and make sure patients have the best experience possible in our A&E department, and across the hospital, we are also asking patients to give us their ideas on how we can make their time with us as positive as it can be."

Interested parties are now forming a patient experience group to feedback their views to the hospital.

Sweet dreams with MK's CPAP machines

Patients with sleep related breathing problems can now get their treatment in Milton Keynes, rather than needing to travel to Oxford.

Patients with a snoring problem or who feel tired all the time are given a machine to take home which measures their pulse and oxygen level overnight. Downloading that information back at the hospital, doctors can tell if the patient has a condition like sleep apnoea – where the patient pauses breathing whilst sleeping.

The condition is then managed with a Continuous Positive Airway Pressure (CPAP) machine, which is attached to the patient's nose, mouth or both at night. It keeps the airway open with a constant flow of air. The hospital issues the machine, shows the patient how to use it, and the patient is then able to return home.

Dr Rabinder Randhawa, who set up the service, said: "The results can be incredible. The patient is able to get a better quality of sleep, so they can start feeling better straight away. It can have a positive effect on relationships too, which can be put under real strain if a partner snores or has night-time breathing problems."

Super slipper socks help prevent falls

By popular demand, extra-grip slipper socks have popped up in the hospital shop.

Since late 2013 the slipper socks have been given to patients staying at the hospital who are at risk of falling, but otherwise able to move around freely. They have grips on the top and bottom to ensure traction whichever way they are worn – especially helpful if a patient wears them in bed and the sock slides around the foot.

Patients, relatives and carers became enamoured with the footwear because of the extra grip, but have been unable to purchase them until now. Thanks to the hard work of hospital volunteers, the slippers are available to buy.

Tracey Davies, patient falls co-ordinator, said "We had lots of people ask us where they could buy some but we couldn't find any local suppliers. The socks keep our patients' feet warm, and don't present a tripping hazard like traditional slippers.

"Thankfully, volunteers from the League of Friends Shop have been working hard to satisfy demand, sourcing the socks to sell in their shop!"

Anyone can purchase the slipper socks from the League of Friends Shop in the hospital's main reception. They are also available from the Friends' trolley service, which visits wards and departments during the day.

New post-falls protocol

New patient post-falls protocol and checklists have been introduced to ensure that post-fall treatment, care and documentation is accurate and consistent in line with National Patient Safety Guidelines. All inpatient and outpatient areas received protocol posters and checklists.

Core Clinical Division

Simple test can beat bowel cancer

We encouraged all local people aged between 60 and 74 to take a test for bowel cancer during April 2014 - Bowel Cancer Awareness month. We took the initiative after national figures showed that just over half of those eligible come forward for the lifesaving test.

Screening is quick and painless, and if blood is found in a stool sample, an appointment will be automatically arranged with the screening nurses at the hospital. If diagnosed early, bowel cancer can be cured in 90% of cases.

Judith Stewart, lead nurse for bowel cancer screening at the hospital said: "Often, the condition can develop without showing any symptoms, so it is vitally important those in the at-risk group have the test every two years.

"Bowel cancer is the third most common cancer in men and women, with one in 20 people in the UK developing the condition. Unfortunately many patients are unwilling to take the test.

Testing can be done, quickly and easily, on your own and in the privacy of your own home.

Early detection of bowel cancer allows for early treatment and increased survival rates. Most people who complete the home screening test will need no further investigations.

Inflammatory Bowel Disease support for GPs

GPs with patients suffering from inflammatory bowel disease (IBD) can now call on the hospital's two dedicated IBD Nurse Specialists in the gastroenterology team.

Lianne Lewis and Jane Radice have dedicated roles supporting patients with ulcerative colitis and Crohn's disease. As well as running three IBD clinics a week, they also staff a patients' helpline, which GPs can also access for advice.

New Stroke Nurse Specialist

Nina Roberts is the hospital's newly appointed stroke nurse specialist. Based on Ward 7, the stroke unit, she is on hand to offer expert advice and support across all hospital areas.

Staff can call on her if they suspect that a patient on other wards is having, or has had a new stroke.

"My role is to be on hand to help out in a situation like this so that we can ensure that patients get the best care possible," explains Nina. "The first 72 hours after a stroke are the most crucial."

Glaucoma Patient Support Group

So many patients wanted to attend our Glaucoma Patient Support Group in March 2015 that a second session had to be arranged. In total over 100 people attended the informative evenings organised by glaucoma link nurse Jill Kimber.

The sessions included Mr Areeb Moosavi giving an entertaining - and frequently humorous - talk on the eye condition, with further sessions on eye drops by Mr Subhash Suthar from the International Glaucoma Association and Caroline Pearson, our eye clinic liaison officer. Those attending got plenty of opportunity to ask questions on all aspects of their condition.

"It was really wonderful to see so many people coming along to find out more," says Jill Kimber. "Patients were really keen to know as much as possible and this event provided them with the opportunity to do so in an informal setting."

Plans are already underway for another meeting of the group in the autumn of 2015. This is a great example of the hospital offering value-added support to patients.

Opening of second chemotherapy suite

A second chemotherapy suite has now opened at Milton Keynes Hospital.

The Cancer Services Team has been working hard for the past year to enable Milton Keynes patients to have their chemotherapy locally, thereby avoiding the need to travel at this difficult time.

One of the short term solutions developed was to open up a second chemotherapy area within the hospital to accommodate all patients requiring chemotherapy.

The Oncology Suite has now opened on Ward 18 and patients are being treated with chemotherapy in this area, as well as on the Macmillan Unit.

There has also been a successful recruitment drive which has led to an increase in the provision of chemotherapy nurses and oncology doctors, enabling the team to provide and continue to develop a quality service.

Sally Burnie, head of cancer services, said: "We would like to take this opportunity to thank all staff involved in this project, in cancer services and across the trust, for their help, understanding and hard work to enable us to achieve this development."

Dementia-friendly improvements

Considerable work has been done to make key ward areas more dementia-friendly.

Research shows that people with dementia find it easier to distinguish between colours in the red and yellow range, and harder to distinguish blues, greens, tints and shades.

The hospital has applied this evidence and redecorated to make certain areas more acceptable to patients with dementia. Wards 3, 21 and medical assessment unit 2 were the key areas targeted for redecoration.

Lead dementia nurse Ruth Edwards explained: "We are trying to make key areas as clear as possible for people with dementia. We have installed red toilet seats in patient areas and some visitor toilets. Larger wall clocks with bright yellow faces have been put up to make them really visible to patients with dementia."

Toilet and bathroom doors have also been painted red and to emphasise patient access areas, door frames have been painted grey so that they can be clearly seen.

Outpatients Department gets a fresh new look

A fresh lick of paint brightened up more improving the experience of patients visiting the Outpatients Department. Huge numbers of patients benefit from the improved environment, as these clinical areas are amongst the busiest in the whole hospital – seeing around 200,000 patients each year.

The extensive redecoration of the outpatients' clinical areas included the repainting of 93 consulting rooms and offices, seven reception and waiting areas, 12 corridors, two stairwells, six cupboard spaces and 11 toilets.

Patient Keith Rock, from Yardley Gobion, said: "I've come here several times and it's very nice now. It's lovely and clean and has really brightened up the place."

The scheme is being managed by the hospital's Capital Projects Team, who have been working hard to get the areas improved while minimising interruption to patients and clinics.

Outpatients Healthcare Assistant Sara Stone said: "They've done a brilliant job. It's made a much nicer working environment for staff and a more pleasant place for patients to visit."

All clinics remained open while the work was carried out, so patients were able to continue to receive clinical advice and treatment throughout.

Estates Development

A very significant programme of estate improvement and development is underway. One of the first changes we're making is to the current front entrance – making it a clinical space and temporarily moving the main entrance to the treatment centre.

These changes, starting in 2015, will see the League of Friends' shop move from its current location into the Eaglestone Restaurant and new locations for the other amenities provided in the current main entrance.

The longer-term plan is to build a brand-new main entrance near to main outpatients, joining up the existing main hospital entrances through an atrium. To enable the temporary main entrance works to happen, we will need to do a lot of work to replace signage, bus, taxi and some car and pedestrian routes to enable patients and staff to access the site appropriately.

It is tremendously exciting to be developing our services and site to meet the needs of our growing local population. With these developments, the academic centre and medical school, cancer centre and A&E expansion, we are really starting to deliver our ambition to provide the best possible services to our patients now and in the future.



Ward Redecoration

A significant investment is being made into the redecoration of all wards throughout the hospital.

The programme of work has been going on since 2014. Already, in outpatients, 90 consultation rooms and seven waiting areas have been decorated. Work will continue well into well into 2015. It includes the painting of all corridors, from the entrances to nursing stations and exits, as well as day rooms, waiting areas, toilets and staff rooms.

Wall protection has been added to avoid damage and reduce future maintenance and standardised light fittings will be installed throughout. Flooring has been repaired or replaced where necessary and new blinds fitted to improve privacy for patients.

The work follows an audit to determine the improvements needed, carried out by the trust's Environmental Group. This includes representatives from infection control, estates, purchasing, support services, finance, hotel services and IT, as well as matrons.

Estates services manager Peter Jones, who is leading the project, said: "We have never undertaken anything on this scale before. It is the start of a longer term plan to invest year on year and is a continuation of improving and maintaining the environment for the benefit of patients and staff."

Scalp Coolers for cancer patients

Cancer patients at the hospital now have access to two Scalp Cooling Systems, machines which can prevent or reduce hair loss for some patients undergoing certain types of chemotherapy treatment.

They were donated by breast cancer charity Walk the Walk. As hair loss is not considered life-threatening, funding for Scalp Coolers in the NHS is not a high priority. However the impact on a patient's self-esteem, confidence and family can be tremendous. Keeping their hair can help people retain their identity, and some small sense of normality - as the most visible sign of cancer is hair loss.

The Scalp Coolers are administered before, during and after chemotherapy, and work by lowering the temperature of the scalp, thereby reducing blood flow to the hair follicles. This can prevent or minimise the damage, meaning that hair loss isn't always inevitable.

Nina Barough CBE, Founder and Chief Executive of Walk the Walk said: "I have seen for myself just how utterly devastating hair loss can be for cancer patients undergoing chemotherapy, so I am absolutely delighted that Walk the Walk has been able to do something very tangible that will help to improve the overall experience of cancer treatment for many people."

Sally Burnie, Head of Cancer Services the hospital added: "We are hugely grateful for the support Walk the Walk has given us. Going through cancer treatment is frightening enough, and we know that hair loss can be particularly distressing. This machine will hopefully make their journey that little bit easier."

Laundry upgrade

An upgrade the hospital's Microfibre Laundry is helping to keep infection risks to a minimum. The improvements have also doubled the hospital's laundry capacity.

The state-of-the-art facility has a reception and sorting area for used mops and cloths, two pass-through washing machines and a separate "clean" drying area with two tumble driers, where laundry is packed for onward distribution across the hospital.

The new environmentally friendly machines operate at low wash temperatures, reducing the carbon footprint. The hospital has been using a microfibre cleaning system for the past nine years. Microfibre mops and cloths are more efficient and cost effective than disposable ones.

Domestic Services Manager Adrian Clarke said: "The new laundry is two-and-a-half times the size of the old one and there is no chance of cross contamination as the dirty microfibre goes in one side and the machine passes through the wall into the clean side.

"The old laundry was open to the elements so employees sometimes had to work in sub-zero temperatures or temperatures in excess of 30 degrees in summer, but this is no longer the case so the working environment has been vastly improved."

New wheelchairs offer dignified moves

The hospital now has a bariatric wheelchair for patients up to 380kg in weight. Feedback has been overwhelmingly positive and staff are pleased that they can now move bariatric patients in a more dignified manner. The chair was funded by the sale of old uniforms and April's pre-loved clothing sale.

Please bleep the support team on 1480 to request the chair. Unfortunately, it cannot be left with the patient.

Surgery Division

Cheery new area helps children undergoing surgery

Woodland creatures, hot air balloons and underwater scenes adorn the walls and ceiling of a new recovery bay dedicated to children at the hospital.

The light and airy bay, which accommodates up to three patients at a time, is used for children undergoing planned operations and is separate from the adult recovery area.

Recovery nurses wear brightly coloured, themed tabards and the call bells have a different tone to those used by the adults.

Colourful disposable curtains can also be drawn around each bed, offering privacy to the children and their parents.

Jan Wilson, Matron for Anaesthetics and Theatres, said: "It was important to have a separate area for children to improve the patient experience for both the children and adult patients.

"There is new equipment throughout, it's very bright and child-friendly and has been well received, with good feedback from many parents."

Jan nominated recovery sisters Barbara Brandon and Kerry Scott for Surgical Recognition Awards for their hard work on the project.

Jan said: "They were quite doggedly determined to make it happen and kept the momentum going. They are very patient focused and were clear on what the end goal was.

"On the first day the bay was open we had only one child on the list and Barbara went that extra mile for her by buying her a fluffy black dog with a pink ribbon."

Barbara said: "We care very deeply for the children who come here and want them to have a positive experience of visiting hospital."

Outpatients

The lead nurse has implemented a voucher scheme in conjunction with the League of Friends. This ensures that frail/elderly or any vulnerable patient who comes to clinic on hospital transport without money can receive a hot drink and snack to sustain them during their stay in the department.

Students help with extra care and company for patients

Patients received extra care and company from students studying at a local college.

Milton Keynes Hospital welcomed 17 Health and Social Care students from MK College hoping to pursue a career in nursing. The hospital teamed up with the college to offer placements on adult wards for one day a week, over three months.

The students, aged 17 and over, observed nursing staff to gain first-hand experience of hospital care. The prospective nurses helped patients with personal care and supported people who found eating and drinking difficult. Students were also encouraged to spend time with their patients by talking, reading or playing cards.

Jane Naish, deputy director of patient care, said: "It was first time Milton Keynes Hospital offered placements to local students and we were delighted to be working with the college."

Each student was mentored by a Healthcare Assistant (HCA), who had completed extensive training provided by the hospital's practice development team.



Women and Children's Division

We Listened to Parents

In October 2014, we held a series of listening events for parents whose children had been treated at the hospital over the past year. The aim of the informal sessions was for our staff to learn more about the hospital experience from the perspective of young patients and their families.

It was the second year we'd done this and we've already acted on many of your suggestions. Sally Conway, quality improvement nurse for children's services said: "It has been really useful for us to listen to the views and experiences of parents. And everyone who attended was pleased to have been given the opportunity to offer their own thoughts.

"It was great to see such a variety too – we had parents of children with long-term conditions who visit the hospital a lot and others who had been inpatients due to emergencies.

"We are now working through all the comments and suggestions to see where we can implement more changes to ensure that every child's experience is a positive one."

The hospital has already made lots of changes as a result of the feedback from the 2013 event. These include:

- recliner chairs for parents next to every bed space
- · a dedicated quiet room for parents
- a chill-out area for older children
- free Wi-Fi in all paediatric areas
- fruit and snack rounds three times a day, along with snack boxes 24 hours a day
- · improved play facilities on the children's wards
- wards are now more colourful and child-friendly with bright new curtains and murals

Many of the changes have been funded by Leo's Appeal, run by Milton Keynes Hospital Charity.

Parents' praise for healthcare hero

Local parents took to Facebook to praise a specialist midwife after she won a national healthcare hero award. Tracy Rea, our specialist bereavement midwife, was nominated for the Tommy's Award by local mum Kayleigh Moore.

In nominating Tracy, Kayleigh said: "To Tracy, being a midwife is much more than just a job. She does more than going the extra mile. She has set up her own support group and all of us who attend agree on how special she is. I nominated her for the Tommy's Awards to say thank you for everything she does."

Lots of people agreed with Kayleigh. When the news was posted to Milton Keynes Hospital Charity's Facebook page, local parents joined in to praise Tracy's dedication and the special care she provides to bereaved families.

The post was shared nearly 30 times, liked by more than 50 people and received 24 comments. Thanks to this overwhelming show of support from the Milton Keynes Hospital Charity Facebook community, the post was seen by over 3,000 Facebook users in less than 24 hours.

Katie Simpson, local mum and fundraiser for the hospital charity, wrote: "Tracy was with us every step of the way when I gave birth to our stillborn son, Charlie. She was also with us throughout my following pregnancy and birth of our second son, Thomas, who was born screaming loud and clear! Tracy is an amazing person who goes way above her job role!"

Others called Tracy an "incredible lady", an "amazing woman" and "the most amazing midwife". But one comment sums up the community's feelings towards Tracy: "She is a guardian angel for mums of sleeping babies".

Children get a dedicated X-ray room at MK Hospital

An X-ray room specifically for children has been built to accommodate the increasing number of young patients attending A&E.

Last year the imaging team examined 8,500 children, with this figure set to rise.

Deputy Imaging Service Lead Andrew Delaney said: "The number of children coming to the hospital is increasing year on year, so it is fantastic to have this new facility to complement the existing X-ray room.

"The state-of-the-art technology is also improving efficiency and how quickly we are able to see patients."

The new room uses direct digital radiography, which means it takes less radiation to produce an image of similar contrast to conventional radiography. The use of digital technology also allows the image to be reviewed sooner, reducing waiting times in A&E.

Susan Delaney, Deputy Superintendent Radiographer in A&E X-ray added: "The radiographers are delighted with the investment that the hospital has made and are enjoying working with this new equipment for the benefit of patients."

Fun for children in eye clinic courtyard

The refurbished eye clinic courtyard was officially opened by patient Umayrah Ali. The six-year-old was one of a number of children who regularly visit the clinic who attended the event.

The area, which boasts artificial grass, ride-on toys, hopscotch and seating, is designed to keep young patients occupied while they wait for their appointment and help ease any stress related to a hospital visit.

The courtyard was refurbished with the help of local companies Marshalls, Urban 10, Kings Langley Building Supplies and Grand Designs of Hemel Hempstead, who donated items or their time to the project.

Forget-me-not garden

A small group of bereaved parents worked together to create a tranquil garden space at the hospital. The area, by the breast care unit, is primarily for bereaved parents, their family and friends, for quiet contemplation about the loss of their loved one.

Tracy Rea, specialist bereavement midwife, said "We wanted to dedicate the 'Forget- me-not' garden to our little lost ones and create a place to give some comfort and hope for all those who use it."

Record delivery

Community midwife Carol Duncombe had a record-breaking month in August, as she helped a lady give birth to her seventh child – after delivering the patient's six other children too!

Carol, who has worked at Milton Keynes Hospital for 30 years, retired last year but then returned to her patch in Olney after deciding she couldn't give her up role.

Community midwifery matron Mary Plummer said: "It's very rare to see one midwife help the same mum to give birth to seven babies. Carol is committed to the women she looks after - and she can be rightfully proud that her career has resulted in such a landmark achievement."

Fundraising – Review of 2014-15

Throughout the past year Milton Keynes Hospital Charity has been working to support the Milton Keynes Hospital NHS Foundation Trust.

Thanks to the charity's supporters, we are able to make a real difference to the experience of patients, their families and the staff who treat them - benefitting the community in and around Milton Keynes.

Our fundraising enables wards and departments to go over and above what the NHS provides – always funding specific, tangible items such as:

- State of the art equipment
- · Comfort items for patients
- · Special advanced training for members of staff
- Pilots for new patient-care initiatives
- New welcoming, positive environments for everyone treated in our hospital.

The charity is made up of around 25 individual funds, covering all divisions within the trust. Donors are able to support the individual ward or hospital area they care about most, as well general hospital funds.

We are so grateful for the support that the community and beyond continues to provide, which generated £250,000 in the 2014-15 financial year.

Although we have enjoyed fantastic support for individuals, groups and local businesses, donations to the charity have unfortunately fallen for the second consecutive year. This is a challenging climate to raise funds, with more and more charities operating within the area –so we have been strengthening our charity branding, our presence within the community and our volunteer base to support long-term plans. During the year we have:

- Raised £250,000 through charitable events and donations
- Recruited 450 new donors to the trust
- Organised a wide and varied calendar of events, which included curry nights, quiz nights, a special cinema screening and our first Winter Ball
- Increased our social media presence online
- Doubled our number of corporate partners yet again in 2014-15 including Bidwells, ID Medical, Intu, Santander, Mazars and Dentons
- Named the charity of the year for MK News and throughout the year had almost 80 stories in the local media.

We also championed our fundraising campaign Leo's Appeal, named after our mascot Leo the Lion and raising funds for special extras for the children's wards at the trust. More than £80,000 has been raised thanks to the generosity of Milton Keynes and we are excited to be spending the money on new fold-down chair beds for parents and play equipment for young patients. We have now started working with local company Cantoo Design in spending funds on new artwork to go up throughout areas where children stay in hospital.

Through the support of the charity, we've been able to fund some incredible items to enhance our patient's experience, including:

- Six brand-new incubators for high dependency babies on our neonatal unit
- Yellow clocks to help our dementia patients tell the time
- A bright and fun fish-themed mural for our paediatric day surgery unit
- A special Calesca milk warmer will heat up breast milk to give babies on the neonatal unit a warm feed instantly at any time they need
- An INR blood test machine to test blood thickness for patients on Warfarin in less than a minute, so staff no longer need to send away for results
- A plinth bed and extra weights to be used in our physiotherapy department
- Comfortable chairs for chemotherapy patients who spend considerable amounts of time sitting down
- A scalp cooling machine which can help prevent hair loss in cancer patients
- Fold-down chair beds for parents on the children's ward, so they can stay more comfortably overnight
- A special shower chair for patients on our stroke unit, to support them when they're unsteady on their feet
- Equipment to support patients with dropped foot (the inability to lift the foot and toes when walking)
- Four electrically powered chairs for patients being treated on our coronary care unit
- Wheelchairs for patients visiting the hospital
- Saturation monitors for our neonatal unit, providing important information on a baby's heart rate and oxygen levels
- New outdoor play equipment for young patients to use on the children's ward – including outdoor play equipment
- A portable electrocardiogram monitor for our preassessment unit, designed to help doctors diagnose problems with heart rhythm and tackle heart disease
- Special facilities dedicated to preparing feeds for babies and young children on the children's ward.

As we look ahead to the following year, there will be a focus on expanding the projects we fundraise for, including developments of our cancer services. We will also be investing in our corporate and legacy fundraising, by organising our first Make a Will week.

Head of Fundraising Vanessa Holmes said: "A huge thank you to everyone who has supported us this year. It has been another challenging year for the hospital charity, but as always we are so grateful for all the help we've received from our supporters – whether giving time or money – to benefit patients and their families.

"We were delighted to welcome Mazars, Santander, NHBC, Fossil and Bidwells onto the campus to revamp some of our courtyard gardens, an opportunity we will continue to offer companies in the coming year. We also held some incredible events this year, culminating in our Winter Ball in November.

"It's been a privilege to work with some amazing and truly inspirational groups and individuals, who have between them raised many thousands of pounds.

"Importantly, the time and effort people have invested in the charity has enabled us to purchase items that make a real and tangible difference to patients— everyone should take pride in the knowledge they have contributed to making someone's stay in hospital just that little bit easier. We will continue to invest in fundraising over the coming 12 months and look forward to reporting back on many more items that have made a difference next year!"

Valuing Our Staff

Workforce strategy (2014 to 2017)

To deliver the trust's large and complex agenda over the coming years, an integrated approach to patient care, workforce management, development and planning is essential. This change agenda needs to be managed whilst, at the same time, continuing to provide high quality service. The workforce strategy sets out the strategic framework for the MKH workforce and was approved in 2014.

Aligned to the trust's mission and strategy, the workforce strategy was developed with input from key stakeholders (including Trust Board and senior leadership, the workforce and development assurance committee, management board, workforce board, Clinical Board, Joint Consultative and Negotiation Committee and Local Negotiating Committee). Colleagues also contributed to this through a staff engagement programme.

The aim of the strategy is to develop a flexible, skilled and motivated workforce which has the competencies, capacity and capability, alongside demonstrable behaviours in line with the trust values, to meet the trust's objectives and future challenges. The strategy supports the trust's Business Plan and the trust's Quality Strategy. It is underpinned by a series of annual workforce and training plans.

However, at its core is the trust's mission, vision, values and goals which will drive a strong values based approach to the effective management of the workforce. Whilst the strategy naturally has a focus on the trust's vision of being an employer of choice, it is vital not to lose sight that it will also directly and actively contribute to being a service and organisation of choice for service users and commissioners respectively.

The strategy recognises the culture of the trust, how it is led and how it recruits and retains staff, building on the progress of the WeCare programme, to ensure we deliver the highest possible care to our patients.

The trust has a proven track record of supporting its staff through its commitment to education based on a philosophy of lifelong learning. The trust's organisational development Plan is a key part of the workforce strategy and is integral to, and underpins it.



Staff engagement and staff survey

The national staff survey was undertaken between October to December 2014; following the extremely busy time of a CQC inspection.

A random sample of 765 directly employed staff was sent the survey to complete, of which 378 staff responded. The 2014 response rate of 49% is above average for an acute trust. This compares with 53% in 2013, which, in-turn was a significant increase on the 2012 response rate. A variety of methods were used to encourage returns, including regular and wide ranging communications with staff, publicity at meetings, monitoring and chasing of non-return areas and a prize draw.

Through the trust's "We Care" initiative, we will work with colleagues and take action to continue improving Milton Keynes Hospital, both for our patients and our staff. A summary of the survey response is as follows:

Overall the results were better than average for 58% of the outcomes – compared to 21% in the 2013 and 14% in 2012. We have achieved above average key findings in the following areas:

- feel satisfied with the quality of work and patient care they are able to deliver,
- receiving job-relevant training, learning or development in the last 12 months,
- having well-structured appraisals in the last 12 months,
- · receiving health and safety training in the last 12 months,
- fairness and effectiveness of incident reporting procedures,
- staff agreeing that they would feel secure raising concerns about unsafe clinical practice,
- fewer staff experiencing physical violence from patients, relatives or the public in the last 12 months,
- fewer staff feeling pressure in the last 3 months to attend work when feeling unwell,
- good communication between senior management and staff,
- · able to contribute towards improvements at work,
- · staff job satisfaction,
- staff recommendation of the trust as a place to work or receive treatment,
- having equality and diversity training in the last 12 months.
- believing the trust provides equal opportunities for career progression or promotion and
- agreeing that feedback from patients/service users is used to make informed decisions in their directorate/ department.

2014 NHS staff survey results

Response Rate	2013		2013		Improvement / Deterioration
	53%		49%		Decrease of 4%
	2	013	2	014	
Top 5 Ranking Scores	Trust	National Average	Trust	National Average	Improvement / Deterioration
Percentage of staff receiving job-relevant training, learning or development in last 12 months	78%	81%	86%	81%	Improvement of 8%
Percentage of staff agreeing that feedback from patients/service users is used to make informed decisions about their directorate/department	N/A*	N/A*	64%	56%	N/A (Top 20% of Trusts)
Support from immediate line managers	3.62	3.64	3.75	3.65	Improvement of 0.13
Staff motivation at work	3.84	3.86	3.94	3.86	Improvement of 0.10
Effective team working	3.68	3.74	3.81	3.74	Improvement of 0.13

^{*} N/A - new question for 2014 staff survey (no comparison available from 2013)
The trust rated amongst the highest (best) 20% of its comparator acute trusts in the following key areas:

- · Effective team working
- Support from immediate managers
- Staff motivation at work
- Staff agreeing that feedback from patients/service users is used to make informed decisions about their directorate/ department

Areas for Improvement:

	2	013	20	014	
Bottom 5 Ranking Scores	Trust	National Average	Trust	National Average	Improvement / Deterioration
Percentage of staff witnessing potentially harmful errors, near misses or incidents in last month	32%	33%	37%	34%	Deterioration of 5%
Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months	28%	29%	31%	29%	Deterioration of 3%
Percentage of staff suffering from work-related stress	37%	37%	41%	37%	Deterioration of 4%
Percentage of staff appraised in last 12 months	80%	84%	81%	85%	Improvement of 1%
Percentage of staff experiencing discrimination at work in last 12 months	12%	11%	13%	11%	Deterioration on 1%

Actions taken since 2013 staff survey:

Based on the key findings and direct feedback from colleagues in the course of the 2013 staff survey, a number of initiatives have been implemented over the past year:

The following actions have been taken after listening to staff in the 2013 staff survey:

- Introduced Annual Staff Awards
- Introduced the monthly chief executive's 'going the extra mile' (MKGem) awards where anyone can nominate a member of staff for their outstanding work.
- Held a 30 year service celebration event
- Re-launched the trust's newsletter 'Staff Focus'
- iWantGreatCare system and application introduced (including Staff, Family and Friends test)
- Revised the trust's appraisal paperwork to reflect our values and behaviours
- Increased the number of staff receiving an appraisal
- Increased the number of staff undertaking statutory and mandatory training
- Launched the Careers Development Unit for nursing staff
- Supported over 70 HCA's and support workers to undertake a Dementia course with the Open University
- Supported 48 HCA's to complete the End of Life Care programme with the Open University
- The chairman regularly visits hospital departments
- The executive director's regularly undertake ward rounds
- The non-executive directors and governors undertook the "15 steps" programme, which is an initiative to help look at our care through the eyes of patients and service users, to help capture what good quality care looks, sounds and feels like.

It is, however, recognised that there is still work to do in order to improve in key areas and to continue to build on this year's achievements; this is far from a one-off piece of work.

The results will be discussed widely; with the Joint Consultation and Negotiation Committee (JCNC), Local Negotiating Committee (LNC), and Medical Advisory Committee (MAC), the Management Board, and the Workforce Assurance Committee.

The results will also be shared widely with staff through a comprehensive communications plan. Input from these groups, and staff generally, will be sought and encouraged in order to develop a collaborative action plan to address the key findings. The action plan will be developed in conjunction with the 'We Care' and equalities programme and will be brought back to the Management Board for future monitoring.

Key areas for improvement are:

- An increase in number of staff agreeing that their role makes a difference to patients
- A reduction in the percentage of staff working extra hours
- Staff appraisal rates to be improved and sustained
- A reduction percentage of staff suffering work-related stress
- A reduction in the percentage of staff witnessing potentially harmful errors, near misses or incidents
- A reduction in the percentage of staff experiencing harassment, bullying or abuse from staff

Equality and Diversity

The trust has a longstanding commitment to ensuring that our services and employment practices are fair, accessible and appropriate for all patients, visitors and carers in the community we serve, as well as the talented and diverse workforce we employ. The trust board receives a comprehensive annual report of equality and diversity information.

The trust remains committed to providing an environment equally welcoming to people of all backgrounds, cultures, nationalities and religions. Our 'We Care' standards, behaviours and commitments help us to achieve this aim. The trust has retained the same score for the percentage of staff receiving equality and diversity training. This is also the case for staff believing that the trust provides good equal opportunities for career progression or promotion and is above average (better) for acute trusts. There is also no change to the score in relation to staff experiencing discrimination at work and is above (worse than) average for acute trusts.

The workforce lead and the service lead for equality and diversity are both members of the Workforce Assurance Committee which is responsible for overseeing equality and diversity for the trust.

The trust is committed to providing a fair, efficient and effective recruitment and selection service as part of its wider commitment to equality of opportunity. The trust employs a range of policies and procedures to ensure that disabled applicants are given full and fair consideration throughout the recruitment process. These include the recruitment and selection policy and a good practice guide to employing disabled people. The trust is accredited with the "Positive about Disability" or "Two Ticks" symbol, which demonstrates commitment to encouraging individuals with a disability to apply for posts and guarantees an interview if such an individual meets all the essential criteria.

In order to support colleagues who may have dyslexia, dyscalculia and dyspraxia, some initial work has been undertaken this year in collaboration with Occupational Health to establish a process for testing whether a hidden

disability is present. In order to ensure that the trust is able to signpost and refer employees for hidden disability assessments, Dyslexia Action, a national charity, which offers a range of hidden disability assessments has been added to the trust list of preferred suppliers.

The trust recognises the value of a diverse workforce and is committed to supporting the employment, training and career development of people with disabilities and staff that become disabled during their employment; this includes the trust's management of sickness absence policy, which sets out our standards and requirements to support staff

Our workforce

Staff in post as at 31/03/2015:

Staff Group	Number of Staff	FTE
Add Prof Scientific and Technic	97	90.11
Additional Clinical Services	537	453.00
Administrative and Clerical	636	561.70
Allied Health Professionals	138	113.70
Estates and Ancillary	322	229.12
Healthcare Scientists	105	94.80
Medical and Dental	372	358.44
Nursing and Midwifery Registered	937	807.71
Total	3,144	2,708.58

The following is a breakdown of staff by gender:

Total	3,144
Male	637
Female	2,507

At the 31 March 2015, the trust Board comprises; seven non executive directors (five male, one female and one vacancy) and nine executive directors, (four male and five female).

Health and wellbeing

Occupational Health (OH)

The OH service undertakes both pre-employment and employment fitness for work assessments. It also provides an immunisation/screening programme to ensure staff are protected against infectious diseases in line with Department of Health guidance.

The OH service continues to support the trust with the management of sickness absence and providing advice in relation to health conditions which may have an impact upon an individual's health at work or vice versa, providing a face to face counselling service for psychological support.

The service has trialled a link with the Core Clinical division for the provision of physiotherapy to enable early intervention for musculoskeletal problems in staff. We also benefit from the support from a dietician on a weekly basis to assist with the wider public health issues, such as tackling obesity.

The OH Service provides flu vaccinations for staff to protect patients and reduce levels of staff absenteeism. This year, the level of eligible colleagues who received the vaccine was up to 73%.

Further health and wellbeing initiatives included quarterly education based health and wellbeing clinics. The success of these was such that the sessions were over-subscribed and in high demand. Feedback from the trusts clinical and support divisions has been overwhelmingly positive.

Absence Rate for year 01/04/2014 to 31/03/2015:

Milton Keynes Hospital NHS Foundation Trust				
Year - 1 April 2014 to 31 March 2015	Cumulative Absence (WTE)	Cumulative Available (WTE)	Cumulative % Abs Rate (WTE)	No of Episodes
All Staff Groups	37,471.53	967,037.19	3.87%	6856

The sickness absence rate for period April 2014 to March 2015 was 3.87% (this has improved further in 2014, from 4.55% in 2012/13 to 4.24% in 2013/14)

The wellbeing of our staff continues to be a top priority for the trust, in terms of improving workforce effectiveness and its effect on patient care. By focusing on 'hotspot' areas of sickness absence, we have been able to bring conclusions to individual cases and identify areas of best practice. In addition to this, we have sought to improve absence reporting in order to more easily identify trends and patterns within departments and divisions.

Using a variety of methods, we continue to educate managers on their role in managing sickness absence and have a structured programme of activity to reduce our level of long and short term sickness absence, including:

- Ongoing to roll out eRostering (an electronic rostering system) for all wards which allows for real-time sickness absence reporting which is leading to more accurate and timely information.
- Use of Health Education Thames Valley project monies to review and develop a new 'positive return' absence reporting form in order to capture reasons and type of absences.
- Monthly monitoring of staff that have triggered against our policy target.
- 4. A range of health promotion strategies to encourage staff wellbeing.

Workforce resourcing

Aligned to the workforce strategy and the trust's objectives, the trust has developed and delivered a number of key initiatives and activities to support the recruitment and retention of its workforce over the course of the past year, including:

- Overseas nursing recruitment campaigns (Italy, Spain & Croatia)
- Supporting junior doctors rotations to ensure that medical staffing skill mix, support and education is timely and appropriate.
- Improvements to the advisory appointments committees (consultant recruitment) process
- Introduced recruitment metrics to monitor activity and areas for improvement
- Retrospective disclosure and barring service exercise to ensure compliance with NHS employment checking standards
- Introduced enhanced bank rates in order to reduce reliance on high cost agency alternatives
- Introduced recruitment and retention premia in areas that are recognised as 'hard to recruit' and/or retain.

Acting on feedback received from key stakeholders has been critical to improving the way in which the trust recruits and retains its workforce in a competitive acute healthcare environment.

The introduction of recruitment metrics has enabled the trust to monitor the entire recruitment pipeline, from resignation/vacancy control, through to offer letter and start date. This has helped to identify blockers and improve our systems in order to streamline our processes to great effect.

In collaboration with senior nursing colleagues, the workforce resourcing team has embarked on overseas recruitment campaigns and supported local, regional and national recruitment events. Both of these types of support have helped to provide assurance that the Trust is well positioned to compete with neighbouring Trusts for both newly qualified and experienced nurses for whom it is recognised there are national shortages.

Through the trust's nursing and midwifery workforce forums, the team has also been able to develop packages of education with the practice development team, in an effort to reduce turnover. An onboarding questionnaire has been developed to pick up new colleagues within their first 6 months of trust employment and address any concerns that they might have which, if left unchecked, would otherwise lead to them looking elsewhere to work. In addition to this, a renewed exit questionnaire and process have been developed in order that we can best learn from the experiences of departing colleagues.



Learning & Development

Corporate Trust Induction

On a monthly basis the team delivers a relevant and professional induction experience for all new recruits, which includes key information such as trust values & objectives, and a personal welcome from the Chief Executive who shares a latest trust update.

Based on feedback from managers and new colleagues, the corporate induction has been condensed into a half day general induction for all staff on day one. The afternoon now comprises the mandatory elements and the rest of the 5 day programme for will address all mandatory training and essential skills requirements. The topic 'Care of the Dying' has been added and all training doctors are now invited to Corporate Induction.

Mandatory training

The department offers a comprehensive service for all mandatory training requirements. The compliance rate as at 31st March 2015 was 87%, an all-time high for the trust. An audit of staff training compliance highlighted some system and reporting areas for improvement that will help us to record, monitor and report compliance.

In year, the Chief Nurse wrote a personal letter to approximately 100 nursing staff and promotion events were held to remind colleagues about the different ways to remain compliant in mandatory training.

Appraisal

The compliance rate for appraisals as at 31st March was 84% against its target of 90%. In year, we achieved in excess of 90% and it is intended that the divisions will use some of the learning that came from these levels of performance to drive sustainable and measurable increases that we have seen over the past year.

Monitoring systems have been developed to help us in this regard; the trust, its managers and colleagues can now act in line with a trajectory of planned appraisal activity that can now be mapped up to a year in advance to CSU, departmental and divisional levels.

Learning Beyond Registration (LBR) funding

Each trust receives an annual allocation of funding from Health Education Thames Valley (HETV) for the Continuing Professional Development (CPD) of non-medical staff in bands 5-9. For the financial year 2014/15 the trust was allocated £241,664 (based on a formula of total regional CPD budget divided by full time equivalent (FTE) for each organisation).

Funding requests received from across the trust totalled nearly double the allocation, these requests were then discussed and prioritised against overall service needs by an internal education panel resulting in the reduction in the number of requests to meet the exact HETV allocation. This funding has enabled approximately 170 staff to access some form of higher academic education this year and work is ongoing to ascertain the effect of such training on retention and the wider benefits to the trust. Further partnerships for training have been reviewed for use in the 2015/16 and beyond (e.g. University of Bedfordshire, University of Buckingham, Northampton University.

Widening Participation

Each trust has the opportunity to submit an annual education funding bid for staff working within bands 1-4. In 2014/15 the trust submitted an overall bid for £166,936; fortunately, despite HETV funding constraints the trust was awarded a full allocation. This funding has supported a number of staff through various apprenticeship frameworks, accredited certificates and short courses. There is more flexibility in the way this funding can be used; wherever possible the trust has been creative in our provision to allow a larger number of staff to receive learning opportunities for example on-site training and collaborative working with local education providers i.e. Milton Keynes College and The Open University.

We have also taken up opportunities to bid for additional funding throughout the year and have had successes in the following areas:

Evaluation of the Dementia Care programme	awarded £11,220
Breast Screening Foundation Degrees x2	awarded £24,000 (2 year programme)
Paediatric ANP programme	awarded 1 free place (approximately £8,200)
HR Apprentice Salary	awarded full year salary (approximately £8,500)

Apprenticeships

The trust has gradually increased opportunities for apprenticeships throughout the trust completing 5 in 2013/14. In 2014/15 28 apprenticeships were successfully completed with a further 25 on programme. 2015/16 looks to increase this number further as we will offer at least 60 apprenticeships. New supporting information and guidance for managers has been developed to increase exposure to this opportunity.

Coach to Lead

Coach to Lead was launched in 2014/15 - this practical learning opportunity is aimed to develop clinicians / line managers to:

- Think more widely about how they engage with their staff
- Enhance their success in working with others to deliver quality improvements to services
- Safe and confidential arena to explore and build an understanding of management of change
- Increases self-awareness and their impact on those around them

11 participants joined Cohort 1, 8 participants joined Cohort 2 and a further 10 colleagues joined Cohort 3.

NHS management training scheme (MTS)

The trust was successful in gaining accreditation for the MTS in 2014 and one trainee has been placed with the workforce team, leading on a number of discrete projects aligned to their competencies and gaining valuable acute trust healthcare experience along the way. Applications for the 2015 intake were submitted in February 2015 and the trust has been awarded at least one placement, due to commence in September 2015.

Medical Education

A number of successful quality and heads of schools visits for postgraduate education took place from which invaluable feedback was gained:

- Anaesthetics 10th February 2015
- Radiology 16th February 2015
- General Practice 24th February 2015
- Obstetrics & Gynaecology 25th February 2015
- Multidisciplinary HETV Quality Visit 10th March 2015

Preparation for the new Buckingham Medical School students was ongoing throughout the year, in readiness for their start date in May 2015. Dr Richard Butterworth was appointed as Deputy Director of Medical Education with overall responsibility for quality assurance. The University of Buckingham has produced a 'Code of Practice for Quality Management', which outlines the expectations, responsibilities, processes and procedures for quality assurance of the MB ChB curriculum.

Library and e-learning

The library supports staff undertaking statutory, mandatory and CPD training via e-learning. The drug calculations and antibiotic e-learning modules were re-launched following close work with advanced nurse practitioners, clinical governance, pharmacy and consultant colleagues.

Regionally, the Library inputs to the redesign of e-assessments for statutory and mandatory training, and also designs guidelines and purchases software to improve access to e-learning for those with disabilities.

Organisational Development

Themes from the staff survey were linked to the wider organisational development work being undertaken through the "We Care" and the Leadership Development programmes. These activities were mapped against the deliverables of the trust's workforce strategy (2014 – 2017) and the trust's top ten objectives to ensure alignment and consistency of approach to organisational development. This year has seen the relaunch of the 'We Care' working group in order to further embed its behaviours and standards into the trust.

The 'We Care' project is based on an understanding that patient experience is hugely influenced by our interactions with them and that colleagues who feel actively engaged in their work simply provide better care to patients and this, in-turn drives better patient outcomes when coupled with advances in healthcare science and research. The purpose of the programme has been to use staff and patient feedback to develop core values for the Trust and to describe the underpinning behaviours and actions that will support those values being shown in all our systems, activities, processes and in staff behaviours.

A pool of staff have been trained to deliver 'We Care' teams sessions across the trust during 2014, to assist with the embedding of these values and behaviours and enabling teams to identify their own objectives around behaviours. The embedding of actions will support the strategic direction of providing consistent high quality care of which staff can be proud. Staff must also however continue to see action taken on the feedback they give and that from patients and the project has given ongoing feedback to staff.

The Leadership Development programme for CSU and divisional teams was designed to support the values identified within the "We Care" programme, including an "engaging and involving" leadership style. The leadership development project was launched in December 2012 and the first cohort has now completed all their sessions. A second cohort commenced their programme in January 2014 and continued into the summer of 2014.

Remuneration

Details of the Board of Directors remuneration are included in the Remuneration Report. (section 6)

Volunteering

Milton Keynes University Hospital NHS Foundation Trust has over 270 volunteers that enhance the experience of patients, visitors and staff. Our teams of volunteers make a positive impact on the care that the hospital delivers, and have supported the trust during 2014/15 by giving over 25,000 hours of their time.

People volunteer for different reasons but one thing our volunteers have in common, is that they want to make a positive difference by giving their valuable time for free, for no financial reward, to benefit others. Our volunteers bring a range of skills and knowledge, and we welcome individuals from a wide range of backgrounds, from retirees to students who want to train as doctors, physiotherapists, nurses and midwifes.

We have at least 60 different volunteering opportunities within the Hospital where volunteers give their time to support areas such as A&E, Chaplaincy, Macmillan and Reception or on Wards at lunch or supper times. We can usually match an individual to a role which is of interest to them, that they find rewarding and fits in around their work and personal life.

We also benefit and greatly appreciate the time and commitment that is given on a regular basis by other Voluntary Services and Charities, and their volunteers, such as Arts for Health, Bucks Vision, Hospital Radio and the Friends of Milton Keynes hospital and Community.

Patient Experience

Complaints And Pals Team

The Complaints and PALS Team receive feedback in the form of comments, compliments, concerns and complaints. Compliments are shared with appropriate staff and an acknowledgment sent to the patient. A thank you letter is also sent to individual staff that have been named in compliments. This is undertaken by the Chief Executive.

The PALS Office is now located just off Main Reception and the PALS team are visible throughout the trust. PALS business cards and posters are available on all wards and departments. The service was re-launched in the main entrance area in July 2014 to raise awareness of the service to patients, visitors and staff.

Complaints are dealt with in line with trust policy and take into account the complainant's wishes on how they would like their complaint resolved. Local resolution takes the form of either a written response to the complainant or a meeting with the responsible staff or both.

A review of our complaint handling process was undertaken at the end of 2014 to ensure we were meeting current national best practice standards. As a result of this review the following changes have been/will be made:-

- · Complaints policy re-written
- A new on line database for the recording/reporting of all complaints
- Training provided by an external provider concentrating on best practice training for complaints staff and for investigators of complaints
- The introduction of a triage system that categorises complaints by severity with clinical oversight
- In respect of reassurance with regard to shared learning from complaints, a complaints panel will be set up for each division to present a sample of complaints for shared learning on actions and learning from complaints
- Reassurance process to be put in place by means of a 10% audit on complainant's satisfaction with the trust's response to their complaint
- Ensuring that the responsible division are involved with the complaint and the complainant at the beginning of the process to bring about a timely and appropriate resolution for the complainant

The trust encourages complaints and any increase in numbers of complaints should be considered as a positive indication that patients and their families are empowered to give their feedback. Each complaint gives the trust an opportunity to learn and improve patient experience.

	Year			
	11/12	12/13	13/14	14/15
Number of Complaints	720	744	443	616

The increase in the number of complaints can be attributed to the following:

- External reports and reporting in the media of NHS complaints especially following the Francis enquiry and the Clwyd and Hart report
- PALS rebranding and moving to main reception making it more accessible for patients and families to raise any issues
- Improved advertising of the PALS service

The trust will to provide a timely response and resolution to complaints.

Trust staff and the Complaints and PALS Team deal with some concerns within one working day and the information from these concerns, although not nationally reportable, is recorded as a category 1 complaint on the trust's complaint database (DATIX) since 2011. The number of complaints dealt with in this manner is shown in the table below. An example of a category 1 complaint would be a situation where there has been some miscommunication regarding an appointment and immediate resolution is found.

	Ye		
	12/13	13/14	14/15
Number of Category 1 complaints	363	227	276

The PALS Team also takes calls from patients and the public who are trying to access information and advice. These calls are logged on the PALS module of DATIX.

	Ye		
Type of call	12/13	13/14	14/15
Advice	183	246	127
Information	90	439	753
Signposting	5	43	203
Totals	278	728	1,088

The trust received 2381 (as reported at 15th April 2014) compared to 3607 compliments in 2013/14. The decline in numbers is due to lack of reporting of compliments received by some wards and departments.

Service improvements from Patient Feedback

- Triangulation of patient feedback from Friends and Family Test (FFT), Picker Surveys and complaints and comments. The outcome from this triangulation has evidenced that the trust has issues with:-
 - 1. Noise at night
 - 2. Food Quality
 - 3. Communication and staff attitude
 - 4. Cleanliness
- The Friends and Family Test results are published on the trust's website
- 'Hello my name is' campaign whereby every member of staff ensure that they greet any patient or visitor with an 'hello' and inform the person of their name
- Health Care Assistant (HCA) education in partnership with the Open University continues. Training is available in respect of dementia care and end of life care
- Top and Pants feedback in Paediatrics, children are asked what they feel was good (tops) about their stay in hospital and what was not so good (pants)
- In response to requests free wifi is now available throughout the hospital for patients and visitors
- Designated parking for the disabled is now available near all hospital entrances

Improvements in Patient/Carer Information

It is important that the trust provides patients and carers with appropriate information regarding their care. The following are examples of improvements to information that is provided:

 Funded and implemented 'This is Me' by the Alzheimer's society for carers of patients to enable appropriate care to be given to the patient

Professionally designed and implemented following key patient leaflets which are in easy to read and attractive format which all patients receive on their admission to hospital

- Your stay in hospital (includes meal times, visiting hours, how to raise a complaint/concern)
- · Preventing falls in hospital
- Preventing Pressure ulcers
- Information and advice for carers of patients with dementia
- Staying with your partner in hospital (partners are allowed to stay overnight on the maternity wards)
- Staying with your child in hospital
- · The discharge process



Performance Review

Monitor's Compliance Framework and the Care Quality Commission

Monitor is the Independent Regulator of NHS Foundation Trusts and uses the Compliance Framework to assess the performance of each trust. Monitor took on new powers from April 1st 2013 as the sector regulator for health and now has responsibility for licensing providers of NHS-funded services holding them accountable through the Compliance Framework.

The Care Quality Commission also continues to undertake continuous assessments of the services that we provide to ensure we meet the national standards of quality and safety.

The table below details our performance for 2014/15.

Indicator NATIONAL REQUIREMENTS	Assessment Benchmark / Target		Trust Performance	Outcome
Clostridium Difficile Infections	Maximum 19		35	Not Achieved
MRSA Bacteraemia (hospital associated)	Maximum 0		0	Achieved
All cancers, 31 day wait for second or subsequent treatment	Drugs treatments Surgery Radiotherapy	98% 94% 94%	100% 100% 100%	Achieved
All cancers: 62-day wait for first treatment	GP referred NHS Screening Consultant upgrade	85% 90% 85%	86.53% 94.15% 100%	Achieved
All cancers: 2 week wait from referral to first appointment	All cancers Symptomatic breast	93% 93%	94.9% 96.06%	Achieved
The percentage of Referral to Treatment (RTT) pathways within 18 weeks for completed admitted pathways.	90%		90.1%	Achieved
The percentage of Referral to Treatment (RTT) pathways within 18 weeks for completed non-admitted pathways.	95%		96.6%	Achieved
Maximum wait of 4 hours in Emergency Department from arrival to admission, transfer or discharge	95%		92.2%	Not Achieved
ACUTE FOUNDATION TRUST TARGETS - MINIMUM STANDARDS				
CQUINs	90%		50%	Not yet agreed with CCG
Family and Friends Test - Inpatients (% Recommend)	No national target set		92%	
The percentage of complaints responded to within the agreed time	90%		79%	Not Achieved

Actions to Drive Performance Improvement

The trust aims to continuously improve performance against national indicators, both in areas of achievement, as well those areas where it has not achieved national targets.

Infection Control

- · Each reported CDI case is formally reviewed by a collaborative trust / CCG review panel, which makes a recommendation on whether each reported case was due to a 'lapse in care' (e.g. avoidable) in the hospital environment
- Both measures (all CDI cases and then considered due to a 'lapse in care') will be reported up to Board level throughout 2015/16
- Root cause analysis is used as the basis to identify risks and opportunities

Cancer

- Ongoing collaboration with tertiary centres to ensure that evidence of treatment is returned in a timely manner and any breaches are attributed correctly
- Real time data validation has increased internally to provide greater assurance around the quality of data
- Reconciliation of data across national and local IT systems to provide a more robust, reliable and timely view of monthly and quarterly performance is now in place, with comprehensive quarterly reports to evidence out performance reporting

Referral to Treatment

- Patients continue to be booked in order of referral
- Proactive management of waiting lists to facilitate effective forward planning
- Internal review of theatre and day case productivity to predict fluctuations in demand and capacity throughout the year to avoid a growing backlog of patients
- Ongoing Data Quality monitoring to assure the reliability of RTT data and adjust internal processes (people, information and systems) accordingly

Emergency Department (ED)

- Plans for development of the department in line with local population growth
- Planned implementation of new 'Streaming' process to improve patient flow
- Continuous work with the CCG to encourage collaboration between the Urgent Care Centre and ED to ensure patients go to the correct service
- Collaboration with the wider health and social care economy to identify and address some of the issues which cause longer than necessary stays in hospital
- The 'Spring to Green' initiative at the end of March/ beginning of April was successful and had a positive impact on patient flow. Lessons learned will be embedded as 'business as usual' where appropriate, with other similar initiatives to be scheduled

COUIN

- The CQUIN schedule for 2015/16 has been agreed with CCG, which will enable more effective planning and data collection processes
- Project manager has been embedded for CQUIN delivery as part of the trust Transformation Programme Management team
- Delivery of CQUINs will be monitored through Transformation Board, which reports to management board and the Finance and Investment Committee

Patient Experience – Friends & Family

- The "I Want Great Care" system is embedded to collect feedback from Patients and Staff on their experience, which is reported on a monthly basis to Board level
- The trust is using quantitative and qualitative feedback about departments, wards staff and clinics to continuously improve patient experience and service delivery
- There is a continuing focus on increasing response rates to gain reliable insight

Complaints

- Greater emphasis on accommodating criticism through complaints to inform changes in practice, learn lessons and drive continuous improvement in service provision and patient experience
- Compliance with required complaints timescales to respond is reported/challenged at Divisional Performance review meetings to Executive Director level
- Further granularity on the level of complaint will be reported throughout 2015/16 to the Board through amended Key Performance Indicators
- Reporting will focus on response times for all complaints as well as learning from more serious complaints (Category 6) resulting in a negative patient experience

Activity

Performance in 2014/15 included the following:

- 320,026 outpatient attendances at the hospital, over 23,000 more than last year
- 25,756 patients were elective admissions admitted (i.e. for planned care)
- 29,482 patients were admitted as an emergency; an 11% decrease compared to the previous year
- 78,388 people attended ED; a 4% increase on the previous year
- The 30 Day Readmission rate was 7.3% compared to 8.1% in 2013/14
- 3,802 babies were delivered by Trust staff

Performance Summary

The trust received an increased number of GP referrals in 2014/15 compared to the previous year. It also treated more patients in the Emergency Department and saw more patients in an outpatient setting than planned. Elective activity remained relatively stable compared to the previous year and emergency admissions decreased by some 11%.

Sustainability

The trust's 2007 carbon baseline assessment was 12,747 tonnes per annum, with a target to reduce carbon to 9,559 tonnes by 2014/15.

The following table shows Co2 performance per annum to date

2010/11	11,808 Tonnes
2011/12	11,108 Tonnes
2012/13	11,183 Tonnes
2013/14	10,508 Tonnes
2014/15	9,786 Tonnes

The decrease in carbon from last year will be due in large part to a relatively mild winter with decreased heating requirements and a continuation of the trust's two medium voltage generators to be able to provide our own electricity generation on occasion without being dependant on the mains network as well as having the ability to export electricity back to the mains network to assist electricity supply in this area of the country. This also produces an income stream to the trust as part of the government backed Short Term Operating Reserve (STOR) and Falcon energy saving programs that are designed to assist and reduce dependency on the mains local area network. There has been an increase in the use of gas compared to last year as the trusts new Combined Heat & Power unit is now running at full capacity using more gas than the previous old unit to produce more efficiently electricity and heating in the Phase 1 part of the hospital. This combined with a continuing trust initiative to only buy replacement or additional highly rated energy saving appliances wherever possible and on-going staff awareness initiatives to reduce consumption has continued to produce a substantial fall in carbon over the last financial year.

The foundation trust has undertaken risk assessment and carbon reduction delivery plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting Requirements are complied with.

The trust will be undertaking a study that will provide the information required to plan for energy usage in the long term linked the development of the Estate, and so linked to the Estate Strategy approved by the trust Board in 2014.

This study will provide the trust with an Energy Strategy to ensure that we continue to make best use of the estates as set out in our trust objectives, linking this to the NHS Carbon Reduction Strategy that was published in 2014 and national guidance and best practice.



Stakeholder Engagement

The trust actively engages with stakeholders on the performance of the trust and any proposed changes in services. There are many groups and organisations with which the trust engages.

One of the trust's top priorities has always been to focus on how to improve our services to our patients by listening to concerns and feedback from service users.

Over the past year, the trust has engaged different methods to successfully collect patient views and responses on how we can continuously improve the patient and public experience at the hospital. For example, the 15 Steps initiative, where patients and the public assess the environment and recommend improvements.

The trust implemented the revised board and committee structure to ensure that there are clear reporting lines and accountabilities.

We are committed to listening and acting on the feedback we receive from those who use our services. The trust places great importance on the information it receives from our patients, their families and carers.

An example of stakeholder engagement is the development of the Glaucoma Support Group. The first meeting was held in October 2014 which was attended by 70 patients and family members. It has received hugely positive feedback both on the day and at subsequent clinic appointments. This includes:

- Increased understanding of the condition
- · Enhanced awareness of the need to adhere to treatment
- · A feeling of "I'm not alone"
- · Shared experience with other patients
- Family understanding their relatives behaviours and pressures
- A sense of validation

A further session was held in March 2015 and was oversubscribed.

Engaging with our local community

Our policy is to consult and involve members, patients and other stakeholders on improving the care we provide. We do this by finding out what our patients and other stakeholders think about the care they have received and, through our Council of Governors, asking for views on our longer-term plans. Members are not just informed of issues regarding the trust, but are actively involved in shaping services. For example members have been informed on events regarding the Healthcare Review public forum meetings. Members were also invited to the public forum meetings as part of the CQC inspection in October 2014.

The main forum for representing the interests of patients, carers, employees and the local community is through the Council of Governors, which includes elected representatives from the public, staff, local business, the voluntary sector, the CCG, the local authority and Youth Council.

Milton Keynes CCG

The trust has established a working relationship with the GP Commissioning Groups for the contract negotiations and longer term health care planning.

Health and Adult Social Care Select Committee

The chief executive, the chairman and governors have continued to keep the elected representatives of the Council and in particular, the Health and Adult Social Care Committee appraised of service issues at the trust.

The Council have continued to support the strategic solution of the trust. In addition, the Council has a representative on the Council of Governors, Councillor Nigel Long.

Health and Wellbeing Board

The director of patient care and chief nurse represents the hospital on the Health and Wellbeing Board and reports any issues back to the trust Board and governors, as appropriate. The chair of the Health and Wellbeing Board, Councillor Debbie Brock, was also an appointed representative on the Council of Governors until May 2014. Milton Keynes Council representative on the Council of Governors from May 2014 was Councillor Nigel Long.

Healthwatch MK

The remit for both the Council of Governors and Healthwatch MK is complementary, both bodies representing the health interests and concerns of the members and people of Milton Keynes. Throughout 2014/15 collaboration continued as appropriate. The Chair of Healthwatch MK is an appointed Governor on the Council of Governors and a Governor is a co-opted member of the Healthwatch MK. The trust participated in the Here's Healthwatch event with stalls on diagnostic services, patient experience and membership.

Council of Governors

The Council of Governors has met formally five times during the year, (six including the Annual Members' Meeting). Although the timetable of meetings has been altered to ensure that the Council of Governors meets the week following trust Board, to receive updated performance information. Governors have also been involved in a wide range of activities, from recruiting members, 15 Steps, PLACE inspection and commenting on the trust's strategy. Additionally, Governors developed an information leaflet for distribution to parish councils, local GP surgeries and the local community on their role.

The Council of Governors has received regular updates on progress on addressing the issues raised by the Care Quality Commission regarding dignity and nutrition and monitor regarding Trust-wide governance issues. Governors are also involved in the nomination committee, engagement group, and food quality group.

Patient 15 Steps

The governors have been instrumental in the implementation of 15 steps programme. This provides feedback on the environment and first impressions of an area in the hospital. As a result recommendations are made for improvement and wherever possible these are implemented immediately.

A governor has also sat on the group considering clinical excellence awards, staff awards and the PLACE inspection.

Media relations/activity

Milton Keynes Hospital regularly has coverage in local weekly papers, local radio and regional television. It also features occasionally on national TV and also in business press and nursing publications.

In 2014/15, our news coverage included:

- Regular coverage of the hospital charity's Leo's Appeal, including celebrations of the first anniversary of the campaign in September 2014
- Ongoing coverage relating to the Healthcare Review
- News on our planned extension of our A&E Department
- During the winter of 2014, media interest in our A&E Department was high. This resulted in several media visits and subsequent news coverage
- Extensive details of the results of our CQC Inspection when the final report was released in March
- BBC Look East feature on the role of healthcare assistants
- News stories on our name change to Milton Keynes University Hospital NHS Foundation Trust
- An extensive feature in the Independent newspaper focusing on the hospital as an example of the pressures on beds that NHS trusts face due to problems discharging medically fit patients into appropriate social care settings
- Coverage of the visits of health secretary Jeremy Hunt, shadow chancellor Ed Balls and shadow health secretary Andy Burnham
- Articles on our annual staff awards
- · News pieces on nursing conferences and nurse training

As well as proactively placing media stories, the trust responds to hundreds of enquiries and requests every year. We have a clear commitment to an open and positive approach to media relations as a publicly funded body, the trust is committed to ensuring that an executive director or senior manager is available for interview on subjects of particular public interest. Chief executive Joe Harrison gave many print and broadcasts media interviews during 2014/15, along with medical director Professor Martin Wetherill. This ensures that all reported stories are as balanced as possible and reflect the facts relating to the subject matter of any particular story.

During 2014/15, the trust extended its social media presence with the launch of a hospital Facebook page in October 2014. This has attracted many followers, particularly the posts featuring human interest stories about our staff. The hospital charity's stand-alone Facebook page has over 800 likes. Our Twitter feed also continues to attract attention, with many posts re-tweeted by others.

In the autumn of 2014, the hospital's website was revamped to bring it in line with the trust's corporate identity and make it even easier for people to find the information they are looking for

Partnerships – improving healthcare for our patients

The trust is committed to provide the best healthcare possible for the people of Milton Keynes and beyond. In order to do this, the trust has a number of partnerships:

Oxford University Hospitals NHS Trust

Patients who require specialist care that the Milton Keynes hospital cannot provide are referred to Oxford University Hospital's for tertiary care.

Bedford Hospital NHS Trust

The trust has ongoing partnership with Bedford hospital in certain care pathways e.g. vascular surgery.

Luton and Dunstable University Hospital NHS Foundation Trust

Patients requiring maxillo facial specialist care are referred to Luton and Dunstable University Hospital NHS Foundation Trust.

Northampton General Hospital NHS Trust

Oncology treatment for certain specialties was provided by Northampton Hospital for cancer patients e.g. gynaecology. However, the trust continues to expand the provision of oncology services and repatriates patients to enable them to receive treatment closer to home. Northampton General Hospital served notice on Radiotherapy service they provided to patients referred to them from the trust. The trust has established a local provider to undertake radiotherapy from 1 April 2014 until a longer term solution can be established.

Buckinghamshire Healthcare NHS Trust

The trust has partnered with Buckinghamshire healthcare NHS Trust to provide a joint musculoskeletal service.

University of Buckingham

The trust has partnered with the University of Buckingham to provide an academic centre on the Milton Keynes hospital site. Planning for an academic centre is well underway and the first students commenced at the University of Buckingham in January 2015. Students are expected to undertake their clinical training at the hospital from January 2017.

Oxford Deanery

All the trust's trainee doctors are graduates from the Oxford Deanery.





Section 4



Quality Report

Quality Report

Statement on quality from the Chief Executive

I am delighted to introduce the Quality Accounts for Milton Keynes University Hospital NHS Foundation Trust, which provides us with the opportunity to reflect on our quality achievements and successes over the past twelve months as well as to identify areas for further improvement, including our quality priorities for the coming year.

Our top priorities at Milton Keynes University Hospital NHS Foundation Trust are to improve patient safety, clinical effectiveness and the patient experience.

During the last year the Trust:

Cared for **55,283** in-patient

Cared for **320,026** outpatients

Attended to 78,388 people in A&E

Delivered 3,802 babies

Were paid **£179million** for our services

I am proud of the quality of care we provide at Milton Keynes Hospital. Of course there are areas where we can and must do more to keep improving, but we have also made real improvements throughout the year.

In October the Care Quality Commission visited the Trust to formally inspect and assess the quality of the care we provide, with the report published in March.

Six of the eight areas assessed were judged overall to be 'good'. They included critical care, maternity and gynaecology, services for children and young people, end of life care, and outpatients and diagnostic imagining.

The Trust was one of the few hospitals in the country to receive a rating of 'outstanding' for being 'well-led' in its surgical services.

Two areas - urgent and emergency services and medical care - were rated as 'requires improvement'.

Despite the high number of 'good' ratings, this gave the hospital an overall rating of 'requires improvement'. Whilst this was disappointing to many, this was a fair and balanced report which identified those areas we know we need to continue to develop and improve as well as those already good, which we can move to outstanding.

Demand for A&E has continued to prove challenging this year, as physical space still remains a limiting factor. In 2014-15 the Trust was awarded £2.9million to help us manage the ever-increasing workload in our A&E department, where the number of patients increases by 10 per cent every year.

We have already started work on an expansion of clinical areas, taking place over two phases. In December 2014 we completed a clinical expansion in A&E, creating five new bed bays for patients. Following on from this in spring 2015 we are starting a larger, second phase to create a significant expansion of clinical space for assessment work, which we expect will be completed in October 2015.

In addition to the challenges we face with A&E, we continue to have significant numbers of patients who no longer need acute care but who cannot be discharged as their onward care package is not in place.

We have been working with the CCG and our community partners CNWL to enable patients who no longer need acute care to be discharged more rapidly – as well as looking at other, innovative ways to improve the flow of patients through the hospital. This will be a top priority for us in 2015-16.

During 2014/15 the Board has received regular reports to its public meetings addressing concerns raised regarding maternity services. The actions taken by the trust, including the commissioning of internal and external reviews is detailed in paragraph 2.2.1.

Quality is central to the care we provide here at Milton Keynes Hospital and we will continue to ensure we improve the quality of care alongside the experiences of our patients, their carers and families across the hospital.

Statement of Assurance

There are a number of inherent limitations in the preparation of Quality Accounts which may impact the reliability or accuracy of the data reported. These include:

- Data is derived from a large number of different systems and processes. Only some of these are subject to external assurance, or included in internal audits programme of work each year.
- Data is collected by a large number of teams across
 the trust alongside their main responsibilities, which
 may lead to differences in how policies are applied
 or interpreted. In many cases, data reported reflects
 clinical judgement about individual cases, where another
 clinician might have reasonably have classified a case
 differently.
- National data definitions do not necessarily cover all circumstances, and local interpretations may differ.
- Data collection practices and data definitions are evolving, which may lead to differences over time, both within and between years. The volume of data means that, where changes are made, it is usually not practical to reanalyse historic data.

The Trust and its Board have sought to take all reasonable steps and exercise appropriate due diligence to ensure the accuracy of the data reported, but recognises that it is nonetheless subject to the inherent limitations noted above. Following these steps, to my knowledge, the information in the document is accurate with the exception of the matters identified in respect of the 18 week referral to treatment incomplete pathway and 6 week diagnostics indicators as described In the Annual Governance Statement.

Joe Harrison

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Date: 27 May 2015

Introduction

This report provides an overview of the Trust's performance across our key priorities and illustrates our commitment to providing a quality service for patients.

It also outlines our planned measures for assuring and sustaining our performance for the future. This includes the recognition that there are areas which require improvement.

Milton Keynes Hospital is a district general hospital providing a broad range of general medical and surgical services, including A&E. We continue to develop our facilities to meet the needs of a fast-growing population. The hospital provides services for all medical, surgical, maternity and child health emergency admissions.

In addition to delivering general acute services, Milton Keynes Hospital increasingly provides more specialist services, including cancer, cardiology and oral surgery. It also has the responsibility for treating premature babies born locally and in the surrounding areas.

We aim to provide quality care and the right treatment, in the right place, at the right time. The Trust Objectives are focused on delivering quality care with the first three objectives being:

- 1. Improve Patient Safety
- 2. Improve Patient Experience
- 3. Improve Clinical Effectiveness

To support our framework for quality we have a rigorous set of standards for monitoring against local and national targets. This helps us to continually assess our performance and tackle issues as they arise. The Trust is developing our Quality Strategy. This will define the overarching priorities for the hospital in the forthcoming years. It is expected that this will be adopted by the reports to the Trust Board in Q2 of 2014/15.

As well as our staff, we are also proud of our strong relationships with our stakeholders. The involvement of patients, the public, governors, local information networks, and health system partners is integral to our development.

Our governors are involved throughout the year in monitoring and scrutinising our performance. The governors continue to demonstrate their enthusiasm and commitment to fulfilling their role as elected representatives of patients and the public, through their direct activity with the community as well as their participation in Milton Keynes Healthwatch meetings and other community forums. A Governor also attends the Quality Committee which monitors performance of the Hospital against the quality priorities set in the Quality Account.

During the year, we have continued to be actively engaged with the Milton Keynes Council Health and Adult Care Select Committee and the Health and Wellbeing Board on subjects of importance to the community.

This report also outlines our measures for assuring and sustaining performance for the future, recognising that there are areas requiring improvement.

Priorities for Improvement

Introduction

The Quality Accounts are annual reports to the public about the quality of services that providers of healthcare deliver and their plans for improvement.

The purpose of the Quality Accounts is to enable:

- Patients and their carers to make well informed choices about their providers of healthcare;
- The public to hold providers to account for the quality of the services they deliver; and
- Boards of NHS providers to report on the improvements to their services and to set out their priorities for the following year.

As part of our quality account for 2015/16 the Trust is required to choose at least 3 quality priorities for the year to be included within Part 2 of our Quality Accounts.

There are criteria for choosing these priorities which are:

- They should be determined following a review of the quality of service provision
- · They should reflect both national and local indicators
- They should be aligned with the three domains of quality: patient safety, clinical effectiveness and patient experience

Once agreed the quality account must report upon how progress to achieve the priorities is identified including how they will be monitored/measured and how they will be reported by the Trust.

Our Priorities for 2015/16

The following priorities identified have been shared with, and agreed by our Governors.



Trust Objective One – Patient Safety

Improvement in the collection and management of clinical observations, resulting in better management of the deteriorating patient

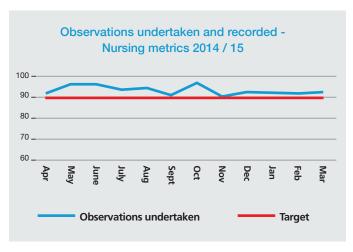
The Trust has been successful in its bid for £646,000 investment into digital technology to assist in the collection of clinical observations (blood pressure, pulse, blood oxygen saturation levels). In order to utilise this programme to its full potential we are also:

- Retraining all health care and maternity support workers in taking observations and competency assessing them.
- Competency assessing all qualified nursing and midwifery staff in taking and understanding the implications of clinical observations.
- Testing the junior medical staff on their management of the deteriorating patient.
- Developing our clinical observation policies and procedures to fit our new skill sets and the new technology

We have chosen this project, as during our analysis of serious incidents over the last year, our identification and management of deteriorating patients has been a reoccurring theme. We believe that by focusing on this topic we can reduce the number of clinical incidents.

We collect data in the nursing metrics on taking clinical observations for which the target is 90%. As part of this project we will stretch this target to 95%.

Our performance in 2014/15



How we will monitor our performance

The nursing metrics are monitored monthly at divisional performance meetings through to the management board.



Trust Objective 2 – Patient Experience

To consistently achieve a recommendation rate of 92% in the Friends and Family Test in our cancer inpatient and outpatient facilities and to improve the response rate to 30%.

This year we had a very disappointing Cancer Patient Survey, with patients identifying significant improvements they felt necessary for good care. This year we have seen a growth in cancer services as a result of repatriations of patients from Northampton General Hospital, and the Trust strategy is to have its own cancer centre in the upcoming years. It is vital that we ensure that the patients within our cancer services are getting the experience and care that they deserve.

The cancer services team and the specialist teams involved in the survey have put together an action plan which they believe will deliver improvements in patient experience.

The best way to measure patient experience on an ongoing basis is to use the Friends and Family Test indicators which we collect on a monthly basis. We have poor response rates in both areas, and in order to get the best feedback from our patients to improve our services, this will be improved to 30%. Recommendation rates are not consistent, so the Trust is setting a target of 92% for the cancer inpatient and day case services.

How we will monitor our performance

The friends and family test results and response rate is monitored monthly at divisional performance meetings through to the management board.

Our performance in 2014/15

		% of respondents who would recommend the service	% of respondents who would not recommend the service	Total number of responses	Response Rate
	Oncology Suite	100%	0%	25	10.42%
January	Ward 22	80%	10%	10	20.41%
	Macmillan Unit Day Cases	100%	0%	6	1.93%
February	Oncology Suite	100%	0%	14	6%
	Ward 22	92%	8%	13	23%
	Macmillan Unit Day Cases	0%	0%	0	0%
	Oncology Suite	100%	0%	26	10%
March	Ward 22	100%	0%	10	19%
	Macmillan Unit Day Cases	100%	0%	1	0%

Trust Objective 3 – Clinical Effectiveness

To deliver the national CQUIN on Sepsis:

- The total number of patients presenting as emergencies who met the criteria of the local sepsis protocol and were screened for sepsis
- The number of patients with sepsis and who receive intravenous antibiotics within 1 hour of presenting.

For both of the above, the targets are based upon the national CQUIN (Commissioning for Quality and Innovation) framework which has a sliding scale of achievement.

The aim in Quarter 1 is to collect the baseline data which will determine our target for improvement.

Sepsis is a common and potentially life threatening condition where the body's immune system goes into overdrive in response to an infection setting off a series of reactions that can lead to widespread inflammation, swelling and blood clotting. This can lead to a significant drop in blood pressure, which can mean that the blood supply to vital organs such as the kidneys heart and brain is reduced. Sepsis is recognised as a significant cause of mortality and morbidity in the NHS with around 35,000 deaths attributed to sepsis annually.

Problems in achieving consistent recognition and rapid treatment are thought to contribute to the number of preventable deaths from sepsis.

Last year the Trust undertook a significant amount of training and implemented new processes to tackle sepsis. This year by adopting the measures outlined by National Best Practice we will consolidate and develop this work further.

How we will monitor our performance

Our performance in achieving our CQUIN indicators is monitored via the trust's performance dashboard and by our commissioners.

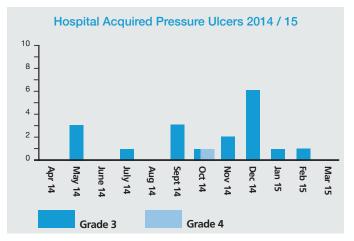


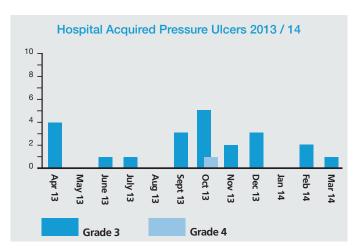
How we did last year 2014/15?

Priority 1

Elimination of Grade 3 and 4 avoidable pressure ulcers

We did not achieve our aim to eliminate grade 3 and 4 pressure ulcers. December resulted in a large rise in the number of grade 3 pressures ulcers. This may be due to the increase number of patients who were admitted to the hospital. However we did make a very small improvement on the overall numbers compared to the previous year. (19 in total in 2014/15 compared to 23 in total in 2013/14)





How we achieved this?

We have introduced a number of quality improvements this year that are now becoming embedded and making an impact.

These include:

- Investing in new equipment that helps reduce pressure ulcers on the heels as this is our second most common site on the body for pressure ulcer (the first being the sacrum)
- We have reviewed our education. Going forward all Registered Nurses will receive specific skills and learning via scenarios and simulation in caring for those patients who are the most frail and as such more likely to develop pressure ulcers. Our Health Care Assistants are being supported through a competency programme which prioritises pressure ulcer prevention and skin care.
- We have reviewed our We Care Round the Clock (intentional rounding which is two hourly patient checks) to include repositioning and recording at the same time.
- We have also introduced a visual prompt to remind all staff that a patient is at risk of pressure ulcers using our popular magnet system and a little red foot.
- We will be continuing to monitor pressure ulcers at Trust board level.

For all emergency admissions to be seen and have a thorough clinical assessment by a suitable consultant as soon as possible but at the latest within 14 hours from the time of arrival at hospital.

We have stated that we saw the year as our planning year. The reason we needed such a long time to plan this project is because we know that it will involve large scale service redesign and probable investment.

Throughout 2014/15 pathways of care have been reviewed across clinical areas. These include:

- Review of the acute medical model to support rapid assessment by senior clinicians supported by the multidisciplinary teams. Patients are reviewed quickly to see if any other pathways of care may be more suitable such as Outpatient antibiotic therapy.
- The Emergency Surgical pathway has also been reviewed to help speed up assessment, diagnosis and management. This has been achieved by introducing an Advanced Nurse Practitioner and nursing team to support the introduction of 'hot clinics' led by one consultant for outpatient review and emergency surgery being led by another.

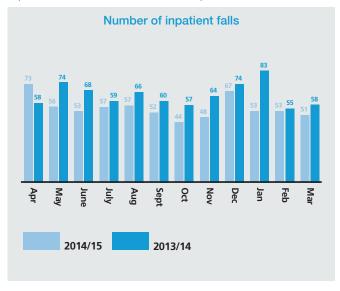
Whilst we await the outcome of the healthcare review of Bedfordshire and Milton Keynes we will be limited in our current progress of this work.

Priority 3

Reduction in hospital-based falls by 5%.

Last year we set ourselves the target of reducing falls by 5% and have unfortunately fallen short of this.

The Hospital recorded 776 falls within 2014/15 compared to 668 falls reported in the 2013/14 Quality Account. Subsequent validation of the data found that four falls reported in 2013/14 that were not inpatient falls.

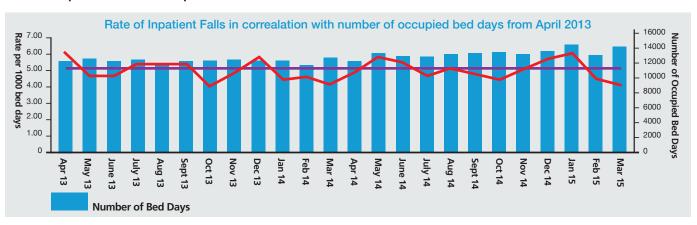


However we continue to treat more patients each year and this increases. If there are more people it is probable that the number of falls will increase. By comparing the number of falls against the number of occupied bed days we can measure if the rate of falls is changing.

A rate of 5.6 falls per thousand bed days is seen as a key benchmark target set by the National Patient Safety Agency (NPSA).

In 2014/15 the rate was 4.85 per 1000 bed days. This is lower than the expected rate set by the NPSA. We are also admitting more people after a fall, which also increases the likelihood that they may fall again.

Rate of Inpatient Falls since April 2013 to date

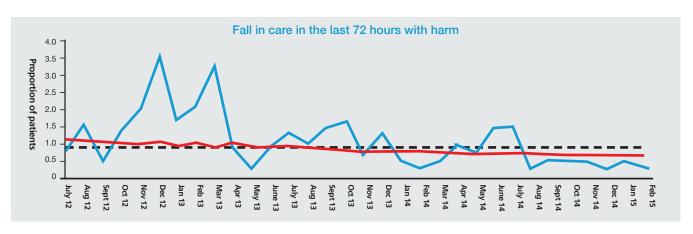


Measuring the harm that a fall causes is also a better indicator of how we have improved through falls prevention. Low or 'no harm' would indicate effective falls prevention as not all falls can be prevented but the impact can be reduced.

We have significantly reduced the level of harm experienced by patients who fall. This is measured monthly on the National Safety Thermometer.

We are able to compare ourselves against the national average using the NHS Safety Thermometer. This year we are below the national average of falls with harm.

Safety Thermometer Falls with Harm in Care: Milton Keynes Hospital NHS Foundation Trust



How have we achieved this?

Falls prevention contributes to the reduction in harm when a fall occurs. For example we have embedded the assessment on admission and identification of people at risk throughout their hospital admission.

We have also introduced a new Post Falls protocol which initiates a whole team approach to reviewing why a patient has fallen to reduce the risk and harm if they are to fall again. Patients attending our Emergency Department following a fall are now all offered referral to the Community Falls Team for ongoing support and advice.

We have reviewed our education. Going forward all Registered Nurses will receive specific skills and learning via scenarios and simulation in caring for those patients who are the most frail and as such more likely to be at risk of falls.

The most complex patients who fall are individually reviewed by the falls prevention coordinator

Priority 4

To reduce deaths from sepsis

What is sepsis?

Sepsis is infection that travels into the blood. Each year in the UK, it is estimated that more than 100,000 people are admitted to hospital with sepsis and around 37,000 people will die as a result of the condition.

Why we chose this as a priority?

- Sepsis is the leading cause of death in hospitals worldwide (McClelland & Moxon 2014)
- The incidence of sepsis is increasing, likely in part to be due to an ageing population who are more at risk of infection
- The UK Sepsis Trust estimates over 12,500 lives per year could be saved if sepsis is recognised and treated in its early stages
- Early identification and treatment is key to reduction in death from sepsis. There is evidence to show that we can make improvements in our recognition and treatment of sepsis
- Administration of intravenous antibiotics within one hour of diagnosis of sepsis is the gold standard and priority treatment

What we have achieved this year?

- We introduced a protocol that helps identify patients with sepsis in the for Emergency Department
- Continuing training and education with our medical teams based around the Sepsis Six, a tool that reminds clinicians of the 6 key actions upon recognition of sepsis.
- We are providing skills' assessment on clinical observations to all of our Healthcare Assistants to improve rapid escalation to the Registered Nurse when needed.
- We have implemented the sepsis box in the Emergency Department which has all the equipment needed for rapid treatment of a septic patient in one place.
- We have completed a baseline audit of sepsis in the emergency department so we can review the impact of the boxes.
- These are the building blocks for this year (2015/16).
 National CQUINs (Commissioning for Quality and Innovation) for the year ahead.

Statement of Assurance from the Board of directors

During 2014/15 Milton Keynes Hospital NHS Foundation Trust provided and/or sub-contracted 36 relevant health services.

Milton Keynes Hospital NHS Foundation Trust has reviewed all the data available to them on the quality of care in 36 of these relevant health services.

The income generated by the relevant health services reviewed in 2014/15 represents 100 per cent of the total income generated from the provision of relevant health services by Milton Keynes NHS Foundation Trust for 2014/15.

Maternity and Obstetric Services – Internal and External Scrutiny and Review

In May 2014 following an internal CEO-led review process, the Executive escalated potential concerns to the Board of Directors in relation to standards of care in maternity and obstetric services from the previous year. Although performance indicators showed that the service was performing well within all of the national clinical indicators, and indeed had a perinatal mortality rate within the national expected range, internal concerns were escalated due to a number of unconnected factors, including; a 'cluster' of five neonatal deaths between July 2013 and March 2014; two never events involving retained tampons/ swabs in 2012 and 2014; and concerns raised by a former member of (locum) staff which were treated under the whistleblowing framework.

In order to ensure transparency and openness, and a clear process for managing and dealing with issues prior to them potentially becoming significant service failures, these concerns were reported to the Board in May 2014, with regular reports made to meetings of the Board in public since.

In relation to the five neonatal deaths referenced above; in May 2014 the Trust commissioned an independent external review, by Professor Timothy Draycott (consultant obstetrician and gynaecologist at North Bristol NHS Trust), into the care provided to those five mothers and their babies. The babies were born between July 2013 and March 2014 and four died shortly after transfer to a specialist (tertiary) centre, with one baby dying following surgery at a specialist (tertiary) centre. The review examined the care provided to mothers and babies during and immediately after childbirth. The review only examined care provided at and by Milton Keynes Hospital.

The Trust had conducted its own internal reviews and investigations into the care provided in these five cases which had identified issues in the care provided, and which the Trust had addressed as part of its process for investigating and learning from serious incidents. Following these reviews the Executive, as part of ensuring good governance, also commissioned an additional independent external scrutiny to examine every case and provide an independent expert view to support the provision of high quality care.

Key Findings of the Professor Draycott's Review

As expected given the findings of the internal reviews and the serious nature of the incidents the review identified poor or substandard care in each of the cases. In two of the five cases, Professor Draycott concluded that better care would very likely have led to a different outcome. In a further two cases he concluded that better care may have led to a different outcome and in one case he concluded that the care provided did not contribute to the outcome.

The Trust Board received and accepted Professor Draycott's report in January 2015 which detailed his findings and recommendations. The Board accepted Professor Draycott's recommendations, with the exception of paediatric assessment being undertaken within 24 hours of birth. The Board considered this recommendation carefully and decided that the Trust would continue to undertake paediatric assessments within 72 hours of birth as specified in NICE guidance.

Informing and Involving Families

The Trust has and continues to keep the five families involved in the Professor Draycott review fully informed according to their individual wishes. The families have all received a full copy of the report, including the detailed review of the care provided to mother and baby in their case. A full copy of the report and all appendices has also been supplied to HM Coroner. A copy of the report without the person-identifiable appendices has been supplied to Monitor, the Care Quality Commission and Milton Keynes Clinical Commissioning Group and is published on the Trust's website. The Trust has offered an unreserved apology to each family for the poor care identified.

Maternity Improvement Board

In order to ensure continued appropriate oversight the Trust has established a Maternity Improvement Board which is chaired by the Trust's Chief Executive and has membership/attendance from the CQC, Monitor and Milton Keynes CCG. The Maternity Improvement Board monitors the implementation of the maternity action plan which contains the recommendations of all internal and external reviews into the service, as well as tracking performance against national indicators.

External visits to maternity

In October 2014, the Royal College of Gynaecologist and Obstetricians (RCOG), Royal College of Midwives, CQC and MK CCG all carried out quality visits and inspections on the maternity service. All have reported that the care provided to our patients is safe, and the CQC also rated leadership, care, responsiveness and effectiveness as good overall.



Participation in Clinical Audit

During 2014/15 26 national clinical audits and 4 national confidential enquiries covered relevant health services that Milton Keynes Hospital NHS Foundation Trust provides.

During that period Milton Keynes Hospital NHS Foundation Trust participated in 23 [88%] national clinical audits and 4 [100%] national confidential enquiries of the national clinical audits and national confidential enquiries in which we were eligible to participate.

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

Where available we have quoted the participation rates provided by the national clinical audits themselves. Case ascertainment may be less or more than 100% in some of these audits, depending on the method used to calculate the expected number of cases.

For national clinical audits marked by an asterisk, confirmation of percentage case ascertainment was not available from the national clinical audit provider in time for publication but we believe our contribution for these audits to be 100%.

Eligible Quality Account Audit 2014-15	Category	Participated	% of cases submitted
Acute Coronary Syndrome or Acute Myocardial Infarction (MINAP)	Heart	Yes	75%
Adult Community Acquired Pneumonia	Acute	Yes	*100%
Bowel cancer (NBOCAP)	Cancer	Yes	*100%
Cardiac Rhythm Management (CRM)	Heart	Yes	100%
Case Mix Programme (CMP)	Acute	Yes	*100%
Diabetes (Adult)	Long term conditions	Yes	*100%
Diabetes (Paediatric) (NPDA)	Long term conditions	Yes	100%
Falls and Fragility Fractures Audit Programme (FFFAP)	Older People	Yes	100%
Inflammatory Bowel Disease (IBD) programme	Long term conditions	Yes	*100%
Lung cancer (NLCA)	Cancer	Yes	*100%
Major Trauma: The Trauma Audit & Research Network (TARN)	Acute	Yes	N/A
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK)	Women's & Children's Health	Yes	100%
Medical and Surgical Clinical Outcome Review Programme, National Confidential Enquiry into Patient Outcome and Death (NCEPOD)	Acute	Yes	100%
National Chronic Obstructive Pulmonary Disease (COPD) Audit Programme	Long term conditions	Yes	*100%
National Comparative Audit of Blood Transfusion programme	Blood and Transplant	Yes	*100%
National Emergency Laparotomy Audit (NELA)	Acute	Yes	134 cases 39%
National Joint Registry (NJR)	Acute	Yes	*100%
National Prostate Cancer Audit	Cancer	Yes	*100%
Neonatal Intensive and Special Care (NNAP)	Women's & Children's Health	Yes	100%
Non-Invasive Ventilation – adults	Acute	Yes	*100%
Oesophago-gastric cancer (NAOGC)	Cancer	Yes	*100%
Rheumatoid and Early Inflammatory Arthritis	Long term conditions	Yes	*100%
Sentinel Stroke National Audit Programme (SSNAP)	Older People	Yes	*100%

NCEPOD Study Eligible 2013-14	Participated	Cases Submitted
Sepsis	Yes	5
Gastrointestinal Haemorrhage	Yes	2
Lower limb amputation	Yes	6
Tracheostomy NCEPOD Study	Yes	7

Review of Clinical Audits

The reports of 4 national clinical audits were reviewed by the provider in 2014/15 and Milton Keynes Hospital NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided have been put in place. For example:

National Clinical Audit	Actions to improve quality of care
	 Total Hip Replacement for fractured Neck of Femur (#NoF) eligibility criteria and compliance at Milton Keynes Non-operative management for un-displaced intracapsular #NoF
National Hip Fracture Database	In comparison to the year before improvements have been shown and the Trust expects this year's report to show further improvement.
	Currently we are working with hip fracture patients to reduce hospital acquired infections by introducing a range of interventions specific to hip fracture care, which will be audited and presented during 2015/16.
National Paediatrics Asthma Audit	 Staff education on best practice Discharge labels to be used in patient notes for easy reference of discharge checklist for asthma Staff Education- advice on smoking cessation to parents by doctors and nurses Staff Education- shared learning with audit findings to Emergency Department staff
National Sentinel Stroke audit	 Advanced nurse practitioner has been appointed to facilitate rapid admission to the stroke unit. Process for fast track bed procedure agreed with consultants. Introduction of systems to identify Patients on outlying medical wards are identified and moved to the stroke unit rapidly Stroke unit staff received swallows training as part of the recent Bedford University Stroke Nurse training package. Review of each patient who fails to receive a screen in 24 hours – results to be shared at multi-disciplinary team meeting. Benchmarking has been undertaken and has identified a need for additional OT therapist support for SRU. Uplift in physiotherapy staff has facilitated weekend working. Benchmarking has been undertaken and has identified a need for additional speech and language therapists support for stroke unit SALT to attend weekly MDT meetings Ring fence two fast track beds to facilitate rapid admission from ED. Clear guidelines for junior medical staff. Each patient failing to meet the 48 hour target now has a clinical consultant review to identify the reason for failure - results to be shared at MDT meeting. Implementation of Monday MDT board round to complement full Thursday MDT All stroke patients on outlier wards to be discussed at MDT meeting and an MDT goals form completed and placed in patients notes. Ensure Trust care planning/ discharge document is completed. All patients requiring repatriation are discussed at the daily 10am operational bed meetings. Work with bed management team to step down medical patients from SRU to facilitate rapid admission for stroke patients. Raise profile of stroke service within ED Provide education for junior doctors in ED. Teaching session from Stroke Lead at Grand round.

The reports of 41 local clinical audits were reviewed by the provider in 2014/15 and Milton Keynes Hospital NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided.

Local Clinical Audit	Actions to improve quality of care
Cardiac Rhythm Management	 Files to be checked against the patient administration system to provide comparison against SPINE Trial checking all cancelled ICD/Pacemaker appointments to identify RIP's Continue to follow department protocols for persistent DNAs Continue to follow department protocols for home visits * SPINE is a national NHS IT system used for retrieving patient demographics
Sepsis – diagnosis and management	 Screen everyone who attends Introduce and implement protocol across the hospital Administer treatment within the first hour from arrival Every hour's delay increases mortality by 7.6%
Patient outcome following anaesthetic review	 Disseminate audit findings to Pre Assessment Team and Anaesthetic Team. As a result of this audit a new referral has been developed and is in circulation. To review the new anaesthetic referral form on an ad hoc basis to determine if compliance is being achieved by the POA nurses and the anaesthetists Changing the patients' pathway by combining the stand alone (patient's pathway) document with the anaesthetic referral. To place anaesthetic review sheets with pathway, to ensure all information is in one place for admission Patients who have an anaesthetic assessment – to ensure that proformas have this documented by pre-operative assessment and the hubs are entering this onto the TCI list. The anaesthetists on the day are then alerted about the high risk patients on their list To increase the number of patients that can be telephone assessed by the anaesthetic team. To look at potential one POA nurse running a sole clinic for patients to have dual and anaesthetic clinic – to support communication and quality of care A new EDM template for the orthopaedic clinic as part of the Rapid Recovery project, is currently being developed for routine procedures so that patients can be removed from the waiting lists if they are not fit for surgery – looking at a specific criteria
Pressure ulcer assessment preventative care and outcomes	 Tissue Viability Nurses undertake twice weekly Pressure Ulcer Prevention Rounding on Wards 15 16 17 and 18 with feedback to matrons contemporaneously Involve Physiotherapy and Occupational Therapy teams in proactive prevention; for example, chair height adjustments All inpatients to be repositioned (or encouraged to move themselves at intentional rounding times) Daily Registered Nurse skin check of all patients Introduce new visual prompt (red foot)to all areas to identify patients at risk of developing or who have pressure ulcers (Magnets, logo etc to aid with increasing awareness and campaign) Pilot use of alarm system to remind staff to put patients back to bed to support the "No more than 2 hours in the chair" recommendation Introduce new Foot mats to all clinical areas to reduce heel sores with appropriate education Repeat ward based product demos by reps for Aderma pads, Repose boots etc. Repeat AES stocking training on ward for sizing & fitting and care

Participation in Clinical Research

The number of patients receiving relevant health services provided or sub-contracted by Milton Keynes Hospital NHS Foundation Trust in 2014/15, that were recruited during that period to participate in research approved by a research ethics committee 3139 with some data left to be reported. Our target for the year was 500 patients.

41 studies in total have contributed to this recruitment figure. This year we have given NHS permission for a further 19 portfolio studies as well as a number of PICs and non-portfolio Research projects.

The Research and Development department had a budget of £500,000 for 2014/15, which has been used to provide research and development staff to support portfolio studies across the Trust. This not only includes research nurses but also the support services that are an integral part of the research process: pathology, pharmacy and radiology. This year we have recruited to a number of new posts and increased the team significantly. The team now includes: two paediatric Research Nurses, a Research Midwife, Rheumatology Research Nurse and a Sexual Health Research Nurse. We have also increased the number of R&D support staff to include an Academic Research Coordinator, an additional Research Coordinator and a Cancer Data Officer. Extra funding from the Cancer Research Network when it disbanded allowed 2 x 0.75 wte Clinical Lead posts, one for Haematology and one for Oncology.

Cancer CQUIN: to increase the percentage of patients enrolled in clinical trials by 35%. Our target was to recruit 143 patients into Cancer Trials this year and we have recruited 158 patients, exceeding the target.

Our aim is to provide patients with the latest medical treatments and devices and offer them an additional choice where their treatment is concerned. These are just a few examples of the National Institute of Health Research portfolio studies that we have recruited to this year:

Persephone: Duration of Trastuzumab with Chemotherapy in Patients with Early Breast Cancer: Six Months versus Twelve.

This is a multi-centre study within the UK and has been designed to investigate the A phase III, randomised trial comparing 6 months (9 cycles) trastuzumab treatment with 12 months (18 cycles), in patients with HER2 positive early breast cancer, in terms of efficacy (disease-free and overall survival), cost-effectiveness (Health Resource Use and Quality of Life) and safety (cardiac and other toxicity). We have recruited 6 patients so far to this study.

The SIMS Trial: Adjustable Anchored Single-Incision Mini-Slings Versus Standard Tension-Free Mid-Urethral Slings in the Surgical Management Of Female Stress Urinary Incontinence; A Pragmatic Multicentre Non-Inferiority Randomised Controlled Trial.

This study aims to assess whether adjustable anchored single-incision mini-slings are associated with non-inferior cure rates, less postoperative pain, shorter hospital stay, earlier recovery, earlier return to work and are whether they are more cost effective than standard tension free midurethral slings in surgical management of female stress urinary incontinence. We have recruited 15 patients so far into this study.

DARE: Diabetes Alliance for Research in England.

This study is investigating the inherited and environmental causes of diabetes. We have recruited 105 patients to this study this year alone.

Raising the Profile of R&D and developing 'Home Grown' Research

This year we have worked to raise the portfolio of R&D within the Trust. We held stands in main outpatients and the Eaglestone restaurant for both patients and staff as part of International Clinical Trials Day and supported the 'OK to ask' campaign, which aimed to increase awareness of trials in the general public and tell them it is OK to ask your clinician about any studies that may be open to you.

In December we held our second Research Awareness Seminar which was well attended by clinicians in our Trust, academics from our local universities, staff from the Thames valley and South Midlands Clinical Research Network and Oxford Academic Health Science Network. This stimulating event featured talks from representatives working for Medical Detection Dogs along with an excellent demonstration by Jack, a working cocker spaniel who expertly detected cancerous samples using his sense of smell. This served as an excellent networking opportunity and as a result more clinicians within Milton Keynes Hospital NH Foundation trust are designing own account research.

We have continued to hold monthly Research Collaboration Meetings which are attended by colleagues from Buckingham University and the Open University along with our own research active clinicians and research staff. We meet to discuss new collaborative ideas, grant opportunities and provide expertise to help push forward own account research.

There have been 23 ideas from Milton Keynes Foundation Trust staff and/or University academics, 17 of which are still ongoing and actively progressing. Two MKHFT sponsored studies were developed to a stage where they were ready to submit for ethical approval (both in collaboration with The Open University):

- Exploring the use of activity monitors with young people with Chronic Fatigue Syndrome/Myalgic Encephalomyelitis (CFS/ME) Pilot Study - (Approved 2nd April 2015)
- Studying the activity levels of patients recovering from knee surgery – (Approved 16th April 2015)

A submission has been made to Medical Research Council for £100k grant to fund a clinical trial of investigational medicinal product (CTIMP) looking at nursing fluorescence dye to detect the spread of cancer to lymph nodes during surgery, therefore potentially reducing the number of patients recalled for further surgery. This is in collaboration with The Open University with consultant surgeon as the Chief Investigator and MKHFT as the Sponsor.

We have worked closely with consultant urologist and Medical Detection Dogs to develop a protocol and supporting documents which will be submitted to ethics for approval imminently.

We are working on some areas in direct relation to funding calls put out by the National Institute for Health Research. These areas include HIV and Sexual Health and End of Life care. We also have active working groups refining ideas for research projects in Diabetes, Ageing and Frailty, Cardiology, Paediatrics and Trauma and Orthopaedics.

Goals agreed with Commissioners CQUIN

A proportion of Milton Keynes Hospital NHS Foundation Trust income in 2014/15 was conditional on achieving quality improvement and innovation goals agreed between Milton Keynes Hospital NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework.

Further details of the agreed goals for 2014/15 are listed below.

For the year 2014/15 the Trust has delivered approximately £1.9m out of the total potential £3.6m, but this has yet to be verified officially with the Commissioners.

The CQUINs and the performance in each are tabled below:

Goal	Name	High level detail	Performance 2014/15
NATION	NAL GOALS		
1	Friends and Family Test (FFT)	Implement Staff FFT Implement FFT into Day case and Outpatient areas. Increase the response rate for Inpatients and A&E Reduce Negative responses	The Trust achieved 3 out of the 5 elements (implementing FFT into Day case, Outpatients and Staff, and reducing negative responses).
2	NHS Safety Thermometer	A monthly prevalence data report on Pressure Ulcers, Falls, Urinary Tract Infection associated with catheters and Venous Thromboembolism (Assessment and Prophylaxis) To reduce pressure ulcers by 50%	The Trust attended all required pressure ulcer meetings and therefore secured 50% of this CQUIN. The Trust did not achieve the required reduction in pressure ulcers.
3	Dementia	90% success in screening patients for risks of dementia and ensuring appropriate onward referral for management. Provision of leadership, training and knowing how well supported carers of people with dementia feel.	The Trust has achieved all elements of the CQUIN this year.

Goal	Name	High level detail	Performance 2014/15
LOCAL	GOALS		
4	Improved Discharge Planning	Increasing the number of patients discharged before 12 Midday and increasing the number of patients who have an EDD recorded within 24 hours of admission	The Trust achieved two of the targets for increased discharge before 12, securing 50% of that CQUIN. The Trust achieved 30% of the EDD CQUIN.
5	Respiratory Care Bundle	Providing AECOP patients, where suitable with a discharge care bundle to support early discharge and reduce readmission.	The Trust achieved 80% of this CQUIN, only falling short in quarter four of the required audit target.
6	Medicine Related safety incidents	Increase the number of reports logged for medication related safety incidents.	The Trust exceeded the required target for this CQUIN.
7	Frail Elderly Ward Moves	Reduce the total number of ward moves during an episode of care for patients over 75 years old, with no moves being made between 10pm and 7am.	The Trust was unable to achieve this target for any month this year.
8	Reduction in Falls	Reduce the number of inpatient falls to equal to or less than 53 per month.	The Trust was unable to achieve this target for any month this year.
9	Stroke 4 Hour Transfer	Achieve 95% of Stroke patients being transferred up to the Stroke Unit within 4 hours of admission each month.	The Trust was unable to achieve this target for any month this year.
10	HIV	90% of patients recorded under the HIV service must be registered and disclosed to their GP	The Trust achieved 75% of this CQUIN, dropping short of the 90% target for 3 months of the year.
11	Increasing Cancer Trials	Increase the number of patients recruited to cancer trials.	The Trust exceeded the required target of patients recruited to Trials.



Care Quality Commission (CQC) registration and compliance

Milton Keynes Hospital NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is as Registered to provide the following regulated activities –

- · Urgent and Emergency Services
- · Medical Care
- Surgery
- Critical Care
- Maternity and Gynaecology
- · Services for children and young people
- · End of life care
- Outpatients and diagnostic imaging

Milton Keynes Hospital NHS Foundation Trust has no conditions on its registration.

Review of Compliance of Essential Standards of Quality and Safety

The Trust had a planned inspection from the CQC the week commencing 21st October with CQC inspectors on site for 2 days. The overall rating for the Trust following inspection was 'requires improvement'. However it should be noted that the overall matrix identifies many areas where 'Good' was accredited with one example of 'Outstanding' for Surgery under the well led category (see matrix below). Outpatients and Diagnostic imaging were not rated for the effective category which is standard CQC practice for this type of organisation.

Specialty Area	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and Emergency services	Requires improvement	Good	Requires improvement	Requires improvement	Requires improvement	Requires improvement
Medical care	Requires improvement	Requires improvement	Good	Requires improvement	Good	Requires improvement
Surgery	Good	Good	Good	Good	Outstanding	Good
Critical care	Good	Good	Good	Good	Good	Good
Maternity and Gynaecology	Good	Good	Good	Good	Good	Good
Services for children and young people	Good	Good	Good	Good	Good	Good
End of Life Care	Requires improvement	Good	Good	Good	Good	Good
Outpatients and Diagnostic Imaging	Good	Not Rated	Good	Good	Good	Good
Overall	Requires improvement	Good	Good	Requires improvement	Good	Requires improvement

Key findings from the report

- 1. Staff were caring and compassionate, treating patients with dignity and respect
- 2. The Trust was generally clean and well-maintained
- 3. Infection rates were in line with national averages. Staff washed their hands between patients
- 4. The Trust had consistently not met the target for treating 95% of patients attending A&E within four hours. Plans were in place to address this. Demand was exceeding the capacity
- 5. There were staff vacancies in some areas and some staff felt under pressure, but plans were in place to address this
- No open mortality outliers at the Trust, outcomes for patients were generally good
- Patients were given assistance to eat and drink, although fluid and intake charts were not always completed.
 Catering department worked closely with wards nurses and dieticians.

Areas of outstanding practice

- 1. Sensory walk rounds
- 2. The Cancer Patient Partnership Group
- 3. Staff working in bereavement teams
- 4. Leadership within surgery was "outstanding"
- Consultant medical staff were extremely engaged with leaders in the Trust

Areas of compliance or enforcement

Milton Keynes Hospital NHS Foundation Trust received no notifications of compliance or enforcement within the report.

Areas for improvement

- 1. Calling for urgent help in the Medical Assessment Unit waiting area
- 2. Secure storing of cytotoxic waste
- 3. Full and accurate records relating to care and treatment (VTE, dementia, fluid balance)
- 4. Staff uptake of mandatory training
- 5. Transferring inpatients from MAU within 72 hours
- 6. Pre-operative safety checks
- Cleaning schedules for equipment such as shower chairs and stools
- 8. Privacy and dignity in A&E
- 9. Do Not Attempt Cardiopulmonary Resuscitation documentation
- Completion of action plans within maternity and gynaecology
- 11. Operational protocols for partners on Ward 9 overnight.

Action plans have been developed by the Trust to drive improvement with aims and objectives set at continuing to build on the good. The Trust have ambitions to achieve outstanding and continuing our journey to excellence.

Data Quality

Milton Keynes Hospital NHS Foundation Trust submitted records during 2012/13 to the Secondary Uses service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data:

- which included the patient's valid NHS Number was:
 - 99.7% for admitted patient care;
 - · 99.8% for outpatient care; and
 - 98.2% for accident and emergency care.
- which included the patient's valid General Practitioner Registration Code was:
 - · 100.0% for admitted patient care;
 - · 100.0% for outpatient care; and
 - 100.0% for accident and emergency care.

Milton Keynes Hospital NHS Foundation Trust Information Governance Assessment Report overall score for 2014/15 was 84% and was graded Green. Milton Keynes Hospital NHS Foundation Trust was not selected for an external Payment by Results Audit of clinical coding during the financial year 2014-15.

Milton Keynes Hospital NHS Foundation Trust Information Governance Audit of clinical coding achieved the following scores for overall accuracy:

- · 90% of primary diagnosis correctly coded
- 90.8% of secondary diagnosis correctly coded
- 94.66% of primary procedures correctly coded
- · 96.01% of secondary procedures correctly coded

The number of episodes in the sample with errors which would have resulted in a change to the Healthcare Resource Group HRG was 16 which represent 8% of the total cases.

The commissioner was overcharged by £5736 for the errors in the audit sample.

Milton Keynes Hospital NHS Foundation Trust is committed to the development of data quality through the following:

- To improve how Trust healthcare data is governed through the implementation of a data quality strategy and supporting framework
- To improve patient safety by ensuring Trust health records are complete and accurate
- 3. To maximise service delivery by identifying and correcting areas of poor data quality.



Reporting against core indicators

Set out in the table below are the quality indicators that Trusts are required to report in their Quality Accounts.

Additionally, where the necessary data is made available to the Trust by the Health and Social Care Information Centre, a comparison of the numbers, percentages, values, scores or rates of the Trust (as applicable) is included for each of those listed in the table with

- a) the national average for the same; and
- b) with those NHS Trusts and NHS foundation Trusts with the highest and lowest of the same, for the reporting period.

Where data is not included this indicates that the latest data is not yet available from the NHS Information Centre.

Domains of Quality	Level	2012/13 M DYING PREMA	2013/14 ATURELY	2014/15
Summary Hospital-	MKHFT	1.0043 Band 2	1.04 Band 2	0.94 Band 2
Level Mortality Indicator (SHMI) value and	National	1.00	1.00	1.00
banding	High / Low	0.68-1.21	0.63-1.16	0.54-1.19
	MKHFT	1.06%	1.20%	1.20%
% of admitted patients whose treatment included palliative care	National	Not yet available	1.19%	1.34%
moduce pamatro care	High /Low	Not yet available	0-3.2%	0%-3.1%
% of admitted patients whose deaths were included in the SHMI and whose treatment included palliative care	MKHFT	Not yet available	27.5%	30.8%
	National	Not yet available	20.6%	24.7%
	High /Low	Not yet available	0-44.1%	0-49%

Indicator 1: Summary Hospital-Level Mortality Indicator (SHMI) value and banding

Milton Keynes Hospital NHS Foundation Trust considers that this data is as described for the following reasons: The data sets are nationally mandated and internal data validation processes are in place prior to submission.

Milton Keynes Hospital NHS Foundation Trust has taken the following actions to improve this score, and so the quality of its services, by continuing to review the data set within this indicator for any changes that may indicate a decline in the safety and quality. Banding 2 means that the mortality rate is 'as expected'

Our priorities this year continue to focus on improving this result as they include management of sepsis and the early recognition of the deteriorating patient.

Indicator 2: % of admitted patients whose treatment included palliative care

Milton Keynes Hospital NHS Foundation Trust considers that this data is as described for the following reasons: The data sets are nationally mandated and internal data validation processes are in place prior to submission.

Milton Keynes Hospital NHS Foundation Trust has taken the following actions to improve this score, and so the quality of its services, by continuing to review the data set within this indicator for any changes that may indicate a decline in the safety and quality.

Indicator 3: % of admitted patients whose deaths were included in the SHMI and whose treatment included palliative care

Milton Keynes Hospital NHS Foundation Trust considers that this data is as described for the following reasons: The data sets are nationally mandated and internal data validation processes are in place prior to submission.

Milton Keynes Hospital NHS Foundation Trust has taken the following actions to improve this score, and so the quality of its services, by continuing to review the data set within this indicator for any changes that may indicate a decline in the safety and quality.

Domains of Quality	Level	2012/13	2013/14	2014/15			
DOMAIN 3 HELPING PEOPLE RECOVER FROM EPISODES OF ILL HEALTH OR FOLLOWING INJURY							
*Patient Reported Out- come Measures for:	reported meas	orted Outcome M sures and as suc nly published in	h data for 14/15				
	MKHFT	0.08	Insufficient data	0.818			
Groin hernia surgery	National	0.08		0.876			
	High / Low	0.014-0.138		0.801 - 0.946			
	MKHFT	N/A	Insufficient data	N/A			
Varicose veins surgery	National	0.09		0.847			
	High /Low	0.015-0.189		0.74 - 0.902			
	MKHFT	0.45	Insufficient data	0.756			
Hip replacement surgery	National	0.42		0.799			
	High /Low	0.346-0.503		0.686 - 0.899			
	MKHFT	0.3	Insufficient data	0.834			
Knee replacement surgery	National	0.31		0.737			
	High /Low	0.198-0.384		0.577 - 0.834			

What are PROMS -**Patient Reported Outcome Measures?**

The NHS is asking patients about their health and quality of life before they have an operation, and about their health and the effectiveness of the operation afterwards. This will help the NHS measure and improve the quality of its care.

Indicator 4 – 7: PROM scores for groin hernia surgery, varicose veins surgery, hip replacement surgery, knee replacement surgery

Milton Keynes Hospital NHS Foundation Trust considers that this data is as described for the following reasons: The data sets are nationally mandated and internal data validation processes are in place prior to submission.

Milton Keynes Hospital NHS Foundation Trust has taken the following actions to improve this score, and so the quality of its services by, improving the response rate of post-operative questionnaires returned and reviewing the newly released data available.

Previously the rate is low despite a high response rate of pre-operative. When there is not enough data, there cannot be effective analysis to base and is not published. Increasing patient engagement in the provision of this feedback is required. The latest release of data in May 2015 will need to be considered by the clinical teams and at divisional performance meetings.

Domains of Quality DOMAIN 3 HELPING PEO OR FOLLOWING INJURY	Level	2012/13 R FROM EPISOI	2013/14 DES OF ILL HE/	2014/15 ALTH
Emergency Readmissions to	MKHFT		12.71%	Data not yet available
hospital within 28 days 0-15yrs standardised percent	National		9.87%	Data not yet available
Data last published in 2014 for 2011/12	High / Low		0-14.87%	Data not yet available
Emergency Readmissions to	MKHFT		11.91%	Data not yet available
hospital within 28 days >16yrs standardised percent	National		11.07	Data not yet available
Data last published in 2014 for 2011/12 only	High /Low		0-12.69	Data not yet available

Indicator 8: Emergency Readmissions to hospital within 28 days (This was changed by the National Information Centre in 2013/14 to 28 days from 30 days readmissions and is retrospective data to 2012/13)

Milton Keynes Hospital NHS Foundation Trust considers that this data is as described for the following reasons: The data sets are nationally mandated and internal data validation processes are in place prior to submission.

Milton Keynes Hospital NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by continuing to review why patients are readmitted and working with our partners within the community health services and local social care teams in making changes to reduce readmissions.

Domains of Quality	Level	2012/13	2013/14	2014/15			
DOMAIN 4 ENSURING PEOPLE HAVE A POSITIVE EXPERIENCE OF CARE							
Responsiveness to inpatients personal needs	MKHFT	63.7	65.3	Data not yet available			
	National	68.1	68.7	Data not yet available			
	High / Low	57.4-84.4	54.4-84.2	Data not yet available			
% of staff who would recommend the provider to friends or family needing care	MKHFT	50%	59%	61%			
	National	65%	66%	59%			
High is better	High /Low	35-94%	40-94%	35-84.2%			

Indicator 9: Responsiveness to inpatient personal needs Milton Keynes Hospital NHS Foundation Trust considers that this data is as described for the following reasons: The data sets are nationally mandated and internal data validation processes are in place prior to submission.

Milton Keynes Hospital NHS Foundation Trust has taken the following actions to improve this score, and so the quality of its services, by ensuring that all the clinical divisions have reviewed the results of the inpatient survey and work together to develop actions. Although there has been a slight improvement in the score specific actions are being taken to address what our patients are telling us about their experiences of care. These will be monitored through the trust performance review processes.

Last year we reported against the data that was available at that time but the data related to 2012/13.

Indicator 10: % of staff who would recommend the provider to friends or family needing care

Milton Keynes Hospital NHS Foundation Trust considers that this data is as described for the following reasons: The data sets are nationally mandated and internal data validation processes are in place prior to submission.

Milton Keynes Hospital NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services by, continuing to ensure staff feel supported and that their feedback is heard and responded to. Staff have a number of ways of giving feedback, face to face and anonymously. Weekly messages from the Chief Executive also include individual accolades received and achievements by teams.

Domains of Quality DOMAIN 5 TREATING AN			2013/14 SAFE ENVIRON	2014/15 IMENT AND
	MKHFT	96%	96%	*96%
% of admitted patients risk assessed for VTE	National	94.1%	96%	*96%
High is better	High / Low	10 - 84.6%	75-100%	*74-100%
Rate of C difficile per 100,000 bed days Low is better	MKHFT	13.36	13.7	28.3
	National	Not yet available	17.3	25
	High / Low	Not yet available	0-30.7	8.4-49.0
Total patient safety incidents	MKHFT	2850	2796	1856
Rate of patient safety incidents per 100 admissions	MKHFT	4.55	4.5	*24.33
	National (Small Acute)	6.79	6.4	*35.89
From April 2014 - Rate per 1,000 bed days	High / Low	*3.48-17.64	*3.48-17.64	*0.24-74.96
Total patient safety incidents resulting in severe harm or death	Total Number MKHFT	19	21	6
Rate patient safety incidents resulting in severe harm or death	% MKHFT	*0.1%	0.1	*0.3
	National (Small Acute)	0.90%	0.1	*0.9
	High / Low	0.1 - 2.4%	0-0.4	*0-74.3

^{*} Based on data available at time of report

Indicator 11: % of admitted patients risk assessed for VTE Milton Keynes Hospital NHS Foundation Trust considers that this data is as described for the following reasons: The data sets are nationally mandated and internal data validation processes are in place prior to submission.

Milton Keynes Hospital NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by continuing to provide more support in data collection to ensure that the assessment completed in health records are recorded for the measure. This continues to be monitored monthly.

Indicator 12: Rate of C difficile

Milton Keynes Hospital NHS Foundation Trust considers that this data is as described for the following reasons: The data sets are nationally mandated and internal data validation processes are in place prior to submission.

Milton Keynes Hospital NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by continuing to review each case and where there have been agreed lapses in care this is reported to the trust board and commissioners.

Indicator 13: Rate of patient safety incidents and % resulting in severe harm or death

Milton Keynes Hospital NHS Foundation Trust considers that this data is as described for the following reasons: The data sets are nationally mandated and internal data validation processes are in place prior to submission

Milton Keynes Hospital NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by continuing to review the data set within this indicator for any changes that may indicate a decline in the safety and quality as we are below the national average for this indicator.

Part 3 Other Information Review of Quality 2014/15

In selecting our quality metrics for the quality overview we have chosen measures from the Trust Board scorecard which forms part of our continuous Trust review and reporting. These measures cover patient safety, experience and clinical outcomes. They are metrics that are nationally known to be important indicators in their respective areas, as well as those which reflect our quality priorities. Where possible we have included historical performance and where available we have included national benchmarks. Some of the measures have changed over time and as such information regarding these changes is included.

Indicator PATIENT SAFETY	Measurement used	2012-13	2013-14	2014/15
Hand hygiene compliance	Internal target – percentage compliance as measured by Hand Hygiene measured by exception to compliance	89.5%	93.8%	87.95%
Hospital-acquired pressure ulcers (grades 3 and 4)	Internal target – total number measured by weekly incidence reporting log	6 (grade 3 only)	23 grade 3 1 grade 4	23 Grade 3 1x Grade 4 (5 x Grade 3 downgraded)
Patient falls	Internal target – total number of reported incidents.	669	668	776
Medication incidents	Internal target – total number of reported incidents.	386	380	713
Serious incidents	Internal target – total number of reported incidents.	101	125	125
"Never" events	This is a based on a nationally accepted list of events published by the National Patient Safety Agency.	2	0	1

Hand hygiene compliance

Ensuring that all hospital staff clean their hands between patients has contributed towards a reduction in health care associated infections across the NHS.

The data collection tool was reviewed last year to better reflect the World Health Organisation's five moments of hand hygiene and added in the Bare below the Elbow standard. There are 37 areas that complete the audit and those that do not return the audit are considered to be lapse in the standards and are written to by the Chief Nurse. The Infection Prevention Control Team and clinical teams will continue to promote the importance of effective hand hygiene and Bare below the Elbow.

Hospital-acquired pressure ulcers (Grades 3 and 4) and Serious Incidents

All Grade 3 and 4 pressure ulcers are reported as a Serious Incidents. Pressure ulcers are reported at the time of the incident. However the root cause analysis of five of the Grade 3 pressure ulcers reported, were found by our commissioners to have had all preventative care provided and the pressure ulcer could not be avoided.

Pressure ulcer prevention has been a quality priority for 2014/15 and will continue to be a key indicator of quality and ongoing improvement action for the year ahead.

Patient Falls

As described in Part 1 the number of falls has increased but against an increase in the number of patients being treated. However we have seen a significant reduction in the number of falls where harm has occurred that shows that our training and falls prevention care is having an impact.

Falls prevention will continue to be a key indicator of quality and will continue to be monitored and reviewed.

Medication incidents

Medication incidents are reported onto our incident reporting system when errors have been made. An error is reported even if no harm has been caused to a patient. Errors can be about prescribing, giving (known as administering) or dispensing (when the pharmacy department issues medications). Reporting medication incidents is the right thing to do and investigations into incidents often provide all staff with learning and sharing of improvements in practice.

As a hospital we had a low number of incidents reported compared to what is expected based upon the number and types of patients we care for. As such this year as one of our local CQUINs there has been a focus on increasing the reporting of medication incidences; led by our pharmacists we have seen a significant increase which was the intended outcome and will contribute towards learning and improvements for the year ahead.

Never Events

There are over 20 listed never events listed by the National Patient Safety Agency (NPSA 2014/15). They are selected as they are considered to be incidents that should not happen.

We have had 1 never event this year. As a never event, a comprehensive root cause analysis has been completed. All outcomes and lessons learnt in the investigation has been shared with the patient affected, all staff involved in the incident and shared across the trust in order to prevent it happening again. We are currently implementing an action plan.

Indicator	Measurement used	2012-13	2013-14	2014/15
CLINICAL EFFECTIVENESS				
Hospital standardised mortality ratio (HSMR): all	Risk of death relative to national average case mix adjusted from national data via Dr Foster Intelligence: this is a national definition. Target is below 100	106.6	88.1	90.0
Perinatal death rate	This data is provided to the MBRRACE-UK (Mothers and Babies: Reducing Risk through Audits and Confidential Enquiries)	Perinatal rate 6.5 per 1,000	Perinatal rate 7.8 per 1,000	Perinatal rate 4.8 per 1,000
Still birth rate	This data is provided to the MBRRACE-UK (Mothers and Babies: Reducing Risk through Audits and Confidential Enquiries)	Stillbirth 5.7 per 1,000	Stillbirth 5.7 per 1,000	Stillbirth 2.1 per 1,000
Readmissions under 30 days (elective)	Emergency admissions within 30 days of elective discharge, including day cases. Internally set target	12.4	2.8%	2.6%
Readmissions under 30 days (non-elective)	Emergency admissions within 30 days of non-elective discharge, including day cases. Internally set target	2.6	13.4%	12.2%

Hospital standardised mortality ratio (HSMR)

To understand the peak in 2012/13 a case note analysis and improvement actions were undertaken. We have significantly improved but want to continue this progress which is why we selected improving sepsis care as one of our priorities for 2014/15 as the analysis found that sepsis was an area that required improvement.

Perinatal and still birth rate

The Office for National Statistics have reported the Childhood, Infant and Perinatal Mortality rate for England and Wales, for 2013 . In 2013, there were 3,284 stillbirths nationally and 1,423 deaths at age under 7 days, resulting in a perinatal mortality rate of 6.7 deaths per 1,000 total births. The perinatal mortality rate for the Trust has reduced from 7.8 per 1000 to 4.8 per 1000 during the year 2013 – 2014.



Indicator PATIENT EXPERIENCE	Measurement used	2012-13	2013-14	2014/15
Informal complaints from patients	The number of informal complaints from patients received by the Trust	443	269	N/A
Complaints 2014/15 change of classification to includes all PALs and verbal complaints in overall number	The number of formal (written) complaints from patients received by the Trust	295	175	609
Midwife : birth ratio	Birth Rate Plus Midwifery Workforce planning tool	1:30	1:29	1:30

Patient Experience

In 2014/15 the Trust undertook patient surveys across five services; Emergency Department; Adult Inpatient; Child Inpatients; Maternity; Children; Neonates; and Outpatient

The results of these surveys have been reviewed by management boars with maternity and outpatient being excellent. Actions to be taken are being monitored both in divisional performance meetings and by management board.

Indicator WORKFORCE	Measurement used	2012-13	2013-14	2014/15
Staffing level incidents	Internal target – total number of reported incidents	174	218	503
Incidents of violence towards staff	Internal target – total number of reported incidents	29	56	55

Staffing level incidents

Reporting of staffing level incidents was changed in the last year. There used to be a staffing sub-category, however it was recognised that staffing is a contributory factor rather than an incident and therefore the category was removed and staffing incidents are now picked up where 'insufficient staffing' is recognised as contributory to any incident.

ndicator	Target and source (internal / regulatory / other)	2012-13	2013-14	2014/15
PERFORMANCE AGAINST KEY NATIONAL P	RIORITIES AND REGULATORY REQUIREMENTS 2010 TO 2014			
Maximum waiting time of 31 days from diagnosis to treatment for all cancers	>96% set by Monitor	Achieved 97.8%	Achieved 97.7%	Achieved 98%
Maximum waiting time of 62 days from urgent eferral to treatment for all cancers	>85% set by Monitor	Achieved 87.84%	Achieved 99.1%	Achieved 86.7%
Maximum wait of 2 weeks from GP referral to date first seen for all cancers	>93% set by Monitor	Achieved 96.8%	Achieved 96.7%	Achieved 94.9%
Maximum waiting time of 31 days for subsequent cancer treatments: drug treatments	>98% set by Monitor	Achieved 100%	Achieved 100%	Achieved 100%
Maximum waiting time of 31 days for subsequent cancer treatments: surgery	>94% set by Monitor	Achieved 98.6%	Achieved 97.2%	Achieved 100%
Maximum of 2 weeks wait from referral to being seen: symptomatic breast cancer patients	>93%	Achieved 95.9%	Achieved 94.6%	Achieved 96.1%
Referral to treatment within 18 weeks: Admitted	Admitted: >90%	Achieved 91% 15 out of 19 specialties are above 90% or have no patients recorded	Not achieved 88.8% 10 out of 13 specialties are above 90%	Achieved 90.1% 1 out of 13 specialti above 90% *See note below
Referral to treatment within 18 weeks:	Specialty: set by Monitor and Care Quality Commission; Commission; cannot achieve >3/18	As above	As above	As above
Referral to treatment in 18 weeks - patients on incomplete pathways	Patient on an incomplete pathway: 92%	Achieved 95.4%	Achieved 94.8%	Achieved 94.9%*
Diagnostic wait under 6 weeks	>99%	97.5%	99.1%	Achieved 99.4% *
A&E treatment within 4 hours (including Walk- n Centre)	>95% Set by Monitor and Care Quality Commission	Not achieved 91.4%	Not achieved 94.4%	Not achieved 91.6%
Rapid Access Chest Pain Clinic % seen vithin 2 weeks	100% Set by Care Quality Commission	Achieved 100%	Achieved 100%	Achieved 100%
Cancelled operations: percentage readmitted within 28 days	>95%	Achieved 95%	Not achieved 90.8%	Achieved 99.6%
Clostridium difficile infections in the Trust	Set by DH /SHA	Not achieved 19 Against 14	Not achieved 37 against 13	5 agreed lapses care against 19
MRSA bacteraemia (in Trust)	Zero tolerance set by DH	0	Not Achieved 3 against 0	0
MRSA bacteraemia (across Milton Keynes otal health economy)	Zero tolerance set by DH	0	6	3

Note: * Referral to treat 18 weeks

During this period the Trust experienced significant issues with an IT server which meant that the RTT build packages did not manifest effectively. The admitted / non-admitted pathways were correct as they use defined clock stops but the incomplete pathways could not be satisfactorily replicated. In addition, where the CCG use an Referral Management Service (RMS) the Trust does not always receive the correct referral date from the Choose and Book system. Because of the large numbers of referrals it is not possible to manually check the dates. The Trust, in common with most Trusts, treats these referrals as though they had been sent manually and therefore the date that the referral was received by the Trust is used as the clock start date. This is a nationally recognised problem. The Trust has also noted some data entry errors within respect to the 18 week incomplete pathway indicator. As a result of these matters, the Trust cannot, therefore, confirm the accuracy of this reported indicator.

Diagnostics

The Trust believes the reported figure to be materially correct. The process used last year was to utilise a 'snap shot' of the data but this detailed picture of individual patient data was not stored. However, we have noted some errors in data recorded for this indicator, including those which reflect the moving position post month end. The Trust is unable to recreate and reconcile the exact files used for the initial return and therefore it cannot evidence performance in retrospect. The accuracy of the reported 6 week diagnostic indicator cannot be assured through the audit process.

ANNEX 1 Statements from NHS: Milton Keynes, Milton Keynes Healthwatch dated 19 May 2015

Thank you for inviting us to comment on the MKUHFT Quality Account.

As the primary acute hospital for Milton Keynes residents and visitors, we receive feedback from patients, and friends / families throughout the year. In addition, we receive your own internal newsletter which is extremely helpful for us to understand the extensive work that has been carried out during the last 12 months under your leadership; and is still on-going to meet the requirements of Monitor, the CQC and your own aspirations set against the Bedfordshire and Milton Keynes Healthcare Review.

Achieving teaching hospital status is to be commended; this can only be to the benefit of patients and your own hospital team. I am sure that it will, be instrumental in raising clinical standards and lever in additional government funding. It will certainly put us on a par with those regional hospitals that receive Milton Keynes patients such as the Luton and Dunstable University Hospital and the Cambridge University Hospitals.

We note that your three top priorities are to improve patient safety, clinical effectiveness and the patient experience in specific areas. These are exactly the headings of the issues, comments and feedback that we receive from patients. I am afraid that they are generally negative in content but there are some positive ones also. We share your view that more still needs to be done. This again seems to be in line with the CQC's overall assessment of 'requires improvement'. Fuller information on our own issues analysis is contained in our Annual Issues Report, a copy of which is attached.

You may wish to note that we do get adverse comments regarding your PALS team in that they do not always ensure that the patient 's concerns are dealt with in a sympathetic, timely and reasonable manner. Organisationally, we tend to have a closer working relationship with the patient experience teams of our other partners in Milton Keynes, so perhaps you could give some consideration to this point and closer involvement with us in future.

We are very concerned to note a recurring theme in the Account regarding the need for additional training of clinical staff. We, probably like the general public, have an expectation that all clinical team members are competent and properly trained before undertaking the care and treatment of patients. Your new training programme clearly indicates that this is not the case.

Further, it appears that good practice, 'gold standards' and priority work programmes are only now being recognised by your Clinical Directors. In our view these should be the norm and we trust that the exemplary work of your "well led outstanding surgical team "(CQC comment) will be rolled out throughout other clinical areas regardless of the Quality Account process.

It appears that last year's priorities have been partially successful. However, the reporting against core indicators needs further work as in some cases - No's. 2 & 3 - Palliative Care, lack explanatory narrative.

The Review of Quality is an interesting section and again from the comments made, there are clearly many lessons still to be learned at the hospital from exemplars, peers or indeed from those with 'a fresh pair of eyes'; such as Healthwatch Milton Keynes acting as a 'critical friend' which we already do through the PLACE 2015 assessment. This is perhaps a potential way forward.

We would strongly advise that acronyms are only used once the full wording has been used in the first instance. Such an approach will help the lay reader to understand the content and context correctly. The document appears to have been written for NHS use rather than the whole community which the hospital serves. We would suggest that the use of language is more in line with the 'plain English style' maybe beneficial.

Overall, the Quality Account regime does appear to provide a focus for your management team and we trust that these objective comments are received in the spirit that they have been made in that there is still much to do at this new University Hospital to make us all proud.

Trust Response

The trust thanks Milton Keynes Healthwatch for their comments on the draft Quality Account 2014/15. The trust is restricted by the prescribed wording from Monitor, but take in the Council's comments for the Quality Account 2015/16.

Statement from Milton Keynes Council Quality Account's Panel dated 18 may 2015

General Comments

The Panel found the Hospital's Quality Account rather weighty and difficult to get through. It contains far too much jargon and technical terminology which would not be easily understood by the general reader. Although the Panel was aware that this was a draft document, they were disappointed at the poor standard of editing, use of grammar and lack of consistency with the use of (or lack of) capitalisation of certain words.

Although the Objectives set out in the Quality Account, on the whole, were clear, the presentation, as mentioned above, suffered from poor editing. On page 8, Section 2.1 is titled "Our Priorities for 2014/15". Initially the Panel thought that these were last year's priorities until it reached page 11 where the previous year's priorities are reviewed and realised they were different. Section 2.1 needs to be amended to read "Our Priorities for 2015/16".

On page 8 Objective 3 refers to "...the national CQUIN on Sepsis" although there is no explanation of the acronym "CQUIN" until page 10. The Panel found the lack of a glossary frustrating and recommends that a glossary of technical terms should be included as a standard component of any Quality Account.

The previous year's priorities, which are reviewed on page 11, would also benefit from a little more thought at the editing stage: "How we did last year?" would read better as "How did we do last year (2014/15)?" The inclusion of the date would provide the clarity which is currently lacking. It would also help to number this part '2.2' and renumber the remaining parts of Section 2 accordingly. This would also mean listing this part in the Contents at the beginning of the Quality Account which would be of benefit to the general reader, as this is likely to be one of the parts in which they would be most interested.

The Panel felt that the table on page 23, which lists the Hospital's performance against the goals set as part of the Commissioning for Quality Innovation Framework (CQUIN), would benefit from a final column indicating how the hospital plans to address problems where it has failed to meet the goals set by CQUIN.

The Panel liked the matrix on page 25 setting out the Hospital's compliance with the Care Quality Commission's essential standards of quality and safety, but felt that the "requires improvement" rating could have been linked more clearly with the list of "areas for improvement" on page 26.

Once again the Panel found the presentation of data in some of the tables meaningless as it was not always clear what the units where which were being cited. The inconsistent use of the % sign, even within the same table, was particularly irritating, especially as the Quality Accounts Panel has asked for this to be addressed in previous years. In some tables where a "High/ Low" level is shown, there is an indication of whether a higher or lower rating is better. The Panel liked this approach and thought it helpful, however, this presentation has not been used consistently throughout the Quality Account and needs to be addressed.

The table on page 30 needs clarification. The explanation marked by the asterix at the top of the table needs to be changed to show that it is the data for "13/14" which is not yet available, rather "12/13". Again this is an indication of the poor editing of this document prior to circulation. However, the Panel was concerned that even by May 2015, data relating to 2013/14 was still not available and felt that the tardiness in compiling this data needed to be addressed for the table to be meaningful. The inconsistent use of the % sign was also particularly noticeable in this table. The Panel thought that the terms in the "Domains of Quality" boxes for the last two lines of the table were confusing and suggest using the terms "Children" and "Adults", perhaps with an explanation that "Adult" means anyone over 16 years of age.

The Panel would also have liked to see included in the Quality Account something on the Hospital's collaborative work with partners to solve local problems and more direct comments from the patient feedback process.

Annex 1 on page 42 still refers to "Milton Keynes Link"; this organisation was replaced by "Healthwatch MK" at least 2 years ago and serves as an indication of the general sloppiness evident in this Quality Account and needs correcting.

Summary

The Panel is disappointed with the poor presentation of the Quality Account, and recommends that some serious editing needs to be done to ensure consistency of presentation and clarity of data. It needs to be read by a non-clinician to ensure that it is comprehensible to the general reader before publication. The Panel also recommends the use of a larger typeface, and although this will make the document longer, fewer words on a page, apart from being easier to read for those with a visual impairment, will make the document look less dense and intimidating.

The Panel is also disappointed that it has had to comment on the same issues as in previous years, such as the lack of clarity around the units being used in tables, too great a use of jargon and technical terms and the lack of a glossary.

The Panel acknowledges that some of the content is proscribed by Monitor but does not see this as being an excuse for not producing a document that is easy to read and understood by the general reader. The Panel recommends that over the next year the Hospital looks at Quality Accounts from other organisations, such as the Brook Organisation, to see how it can improve its presentation.

Trust Response

The trust thanks Milton Keynes Council for their comments. The Council received a draft report on 30 April 2015 and many of the grammatical issues highlighted by the Council were corrected after this date following the internal review process. The trust is restricted by the prescribed wording from Monitor, but take in the Council's comments for the Quality Account 2015/16.

Statement from Milton Keynes Clinical Commissioning Group dated

Milton Keynes Clinical Commissioning Group (MKCCG) has reviewed the Quality Account prepared by Milton Keynes University Hospital Foundation Trust (MKUHFT) for 2014/15.

MKUHFT has worked collaboratively with MKCCG during 2014/15 to maintain and further improve the quality of commissioned services. The 2014/15 Quality Account details a number of achievements in improving care, and at the same time is open and transparent about challenges experienced. The content of the report is well structured and presented, not only focusing on where the Trust achieved its quality goals but also acknowledging where further improvements are required.

The review of the 2014/15 Quality Account achievements are an accurate presentation of attainments throughout the year. Considerable effort and commitment from both individuals and professional teams has been involved throughout the year to deliver these improvements. There has been a strong focus on developing care for vulnerable patients. As a result, while the pressure ulcer and falls prevalence has not reduced, significant effort has been made to reduce system wide pressure ulcers prevalence and falls severity.

The CQC inspection in October 2014 identified many areas of good practice, including outstanding leadership in the surgical business unit. This is a significant achievement and a reflection of the Trusts ambition to develop patient centred leadership across all areas. A number of areas for improvement were also identified during the visit, and the Trust has in place a plan to implement the required changes to improve care the patients.

The CCG acknowledges the continued commitment to a wide range of audits throughout 2014/15 and looks forward to having the opportunity to discuss how the results can be used to directly influence developments in local care.

MKCCG fully endorse the 2015/16 priorities for improvement set out in the Quality Account and recognises the ambition to improve quality across the three objectives of patient safety, patient experience and clinical effectiveness. MKCCG can confirm to the best of our knowledge the Quality Account contains accurate information in relation to the quality of services provided by MKUHFT.

The CCG acknowledges the Trust is aspiring to achieve incremental improvements in the quality of care, in response to a variety of national initiatives including the Francis Report, Berwick Report and the Five Year Forward View. The CCG welcomes the opportunity to work collaboratively with the Trust to support continuous improvement in the quality of care offered to residents of Milton Keynes.



ANNEX 2 Statement of Directors' Responsibilities in Respect of the Quality Report

The directors are required under the Health Act 2009 and the National Health Service Quality Accounts Regulations to prepare Quality Accounts for each financial year.

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

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

- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2014/15:
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
 - Board minutes and papers for the period April 2014 to May 2015
 - o Papers relating to Quality reported to the Board over the period April 2014 to June 2015
 - Feedback from the commissioners dated 22 May 2015
 - Feedback from governors on quality priorities dated 10 March 2015
 - Feedback from Local Healthwatch organisations dated 19 May 2015
 - o Feedback from Local Authority dated 18 May 2015
 - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, being reported to Trust Board in July 2015.
 - o The national patient survey received April 2015
 - o The national staff survey March 2015
 - The head of Internal audit's annual opinion over the Trust's control environment dated April 2015
- the Quality Report presents a balanced picture of the NHS foundation Trust's performance over the period covered;
- the performance information reported in the Quality Report is reliable and accurate;

- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review;
- the Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations) (published at www. monitor-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

Date Chairman 27 May 2015

ANNEX 2 Independent Auditor's report

2014/15 limited assurance report on the content of the quality reports and mandated performance indicators

Independent Auditor's Report to the Council of **Governors of Milton Keynes Hospital NHS Foundation Trust on the Quality Report**

We have been engaged by the Council of Governors of Milton Keynes Hospital NHS Foundation Trust to perform an independent assurance engagement in respect of Milton Keynes Hospital NHS Foundation Trust's Quality Report for the year ended 31 March 2015 (the "Quality Report") and certain performance indicators contained therein.

This report, including the conclusion, has been prepared solely for the Council of Governors of Milton Keynes Hospital NHS Foundation Trust as a body, to assist the Council of Governors in reporting Milton Keynes Hospital NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2015, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Milton Keynes Hospital NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Scope and subject matter

The indicators for the year ended 31 March 2015 subject to limited assurance consist of the national priority indicators as mandated by Monitor:

- 18 week referral to treatment (incomplete pathways) waiting times; and
- Maximum 62 day waiting time from urgent GP referral to treatment for all cancers.

We refer to these national priority indicators collectively as the 'indicators'.

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 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';
- the Quality Report is not consistent in all material respects with the sources specified in 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 the six dimensions of data quality set out in the Detailed Guidance for External Assurance on Quality Reports.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with the documents specified within the detailed guidance. 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.

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 indicators;
- · 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 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.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, 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'.

The scope of our assurance work has not included testing of indicators other than the two selected mandated indicators, or consideration of quality governance.

Basis for qualified conclusion

As set out on page 113 of the Quality Accounts, the target for the 18 week Referral-to-Treatment (incomplete pathway) indicator is 92%, the Trust has reported that it has achieved this indicator with a reported result of 94.9%. The Trust disclosed issues in its 18 week Referral-to-Treatment (incomplete pathway) reporting during the year relating to incorrect waiting time start dates recorded for patients received by the Trust from a Referral Management Service and some patients received from other external clinical providers; incorrect start and stop dates due to data input errors; and IT server issues.

As the Trust notes, the data used in the calculation of this indicator has not been revised and the resulting metrics have not been recalculated as it is not practical to do so.

As a result of the issues identified by the Trust, we have concluded that there are errors in the calculation of the 18 week Referral-to-Treatment incomplete pathway indicator for the year ended 31 March 2015. We are unable to quantify the effect of these errors on the reported indicator for the year ended 31 March 2015.

Qualified conclusion

Based on the results of our procedures, except for the effects of matters described in the 'Basis for qualified conclusion' section above, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2015:

- 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;
- the Quality Report is not consistent in all material respects with the sources specified in Monitor's Detailed Guidance for External Assurance on Quality Reports 2014/15; 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.

Deloitte LLP **Chartered Accountants** St Albans 27 May 2015

ANNEX 4 Feedback on the Quality Account

If you would like further information contained within this report, please write to

Michelle Evans-Riches, Trust Secretary Milton Keynes Hospital NHS Foundation Trust, Eaglestone, Standing Way Milton Keynes MK6 5LD

Or email her at: michelle.evans-riches@mkhospital.nhs.uk



Section 5



Governance & Risk Management

Governance Of The Trust Trust Committees Code Of Governance Disclosures Annual Governance Statement

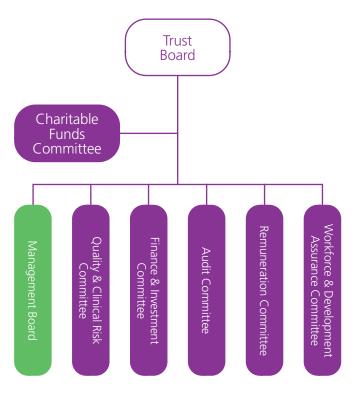
Governance & Risk Management

Governance of the Trust

Our approach

The strategic management of the trust is undertaken by the Board of Directors with the Board sub-committees which monitor performance against quality and financial indicators. The operational management of the trust is the responsibility of the management board which has balanced representation by clinicians and executive directors. The Council of Governors is responsible for holding the Board to account for the performance of the trust.

The following diagram shows the trust Board and subcommittee structure.



Assurance Committee

- NED & Exec Director Membership

Performance Boards - Exec Director led

Council of Governors

Decision making

The primary role of the Council of Governors is to contribute to the development of forward plans for the trust with the Board of Directors and to ensure that the interests of the community served by the trust are appropriately represented. The Council of Governors has statutory responsibilities for the appointment, appraisal, remuneration and removal of the Chair, non-executive directors and external auditors. It has a role to consult with members and the public and reflect the views of the membership. Its role also involves ownership of the membership strategy and the development of plans for growing and expanding our membership.

The Health and Social Care Act 2012 introduced a duty on the Council of Governors of the trust to hold the nonexecutive directors to account for the performance of the trust. Through the board development sessions with the governors' practical measures of how this can be achieved have been developed. For example, the non executive director chair of a Committee presenting reports to the public Council of Governors meetings.

The Council of Governors is chaired by the trust chairman. It consists of 15 governors elected by public members of the trust, each representing a geographic constituency, seven governors elected by staff of the trust, and five appointed governors. The table at Appendix 1 shows the constituencies and their governors. The table at Appendix 2 lists the governors and their attendance record at the eight Council of Governors meetings that took place in the year. All governors complete an annual declaration of interests form and this is available on request from the trust secretary.

In October 2012, Bob Collard was appointed as the vice chair of the Council of Governors for a period of two years. Bob Collard resigned from the Council of Governors in August 2014 and an election process was then undertaken with Lesley Bell being appointed as the Vice Chair of the Council of Governors in October 2014 for a two year period.

Governor Development

In 2014/15, governors took part in a dementia awareness session run by Lesley Bell, a public governor who is a dementia awareness trainer. All those who attended became dementia friends. The lead governor has also attended a seminar run by Deloitte regarding reporting requirements for Foundation Trust's and the Monitor Well Led framework Governors have attended events as part of the FTN Govern Well programme. Four governors attended a seminar on accountability in Manchester on 30 April 2014. Two public Governors attended a FTN core skills training session in October 2014 which objectives were:

- 1) To understand the framework within which NHS foundation trusts operate
- 2) To understand governors' statutory and non-statutory
- 3) To understand the concepts and methods of holding the board to account
- 4) To provide a forum for governors to meet and learn from each other

Two governors also attended NHS providers inaugural Governor focus conference which had plenary sessions on Policy briefing for Governors, FT governors and patient centred care. There were also workshop sessions on working with CQC, role of the lead Governor, how to hold Non Executive Directors to account and health relationships with Healthwatch.

Governors who have attended external development sessions prepare a summary of the learning and present it to the Council of Governors.

Newly elected Governors are invited to attend Governors are invited to attend the one day trust induction day for volunteers and governors.

The engagement group, which comprises of governors, have been involved in developing the governor development programme. There are three elements to the development programme:

Mandatory	Recommended	Other
Governance of trust Role of Governor, Non executive directors Trust induction NHS providers Induction Programme	Risk management dementia awareness external audit	Internal & external opportunities

Dementia champion and Lead Governor Lesley Bell, led a session for governors and non-executive directors in August 2014 to raise awareness of dementia, and those living with the condition.

The session included a viewing of Barbara's Story DVD, which was commissioned by Guys and St Thomas' Hospital, and shows the issues a patient with dementia can face when attending hospital as an outpatient or inpatient. Attendees of the development session were then officially Dementia Friends

Elections

Governor Elections 2014/15

In 2014/15 elections were held for the following seats on the Council of Governors.

Date	Constituency (see Appendix 1 for key)	Result
October 2014	Emerson Valley, Furzton, Loughton Park	Dr Robin Thornton * Unopposed
October 2014	Linford South, Bradwell, Campbell Park	Arthur Georgestone Unopposed
March 2015	Emerson Valley, Furzton, Loughton Park	Douglas Campbell OBE
March 2015	Stantonbury, Stony Stratford, Wolverton	Liz Bartlett
March 2015	Outer catchment area	Jean Button
March 2015	Extended area	No nominations
March 2015	Nurses and Midwives	No nominations
March 2015	Non-clinical staff groups e.g. admin & clerical, estates, finance, HR, management	Martyn Rollins Unopposed

^{*}Unfortunately, Robin Thornton had to resign from the governor role shortly after being elected.

The vacancies subject to the elections in 2014/15 arose because the governor's term of office came to an end.

During 2015/16 elections will be held for the following governor positions:

Constituency	No. of vacancies
Hanslope Park, Olney, Sherington, Newport Pagnell	1
Stantonbury, Stony Stratford, Wolverton	1
Outer Catchment Area	1
Scientists, technicians and allied health professionals	1
Staff: Non clinical staff groups e.g. Admin & Clerical, Estates, Finance, HR, Management	1

*The extended Area continues to be difficult to obtain any nominations for despite it being advertised at each election. This area will continue to be targeted in 2014/15.

Appointment of Non-executive directors (NED)

In 2013/14, due to the high standard of applicants and cognisant of Kate Robinson's resignation with effect from 30 April 2014, the nominations committee of the Council of Governors appointed Dr Jean-Jacques deGorter, who was a non-voting non executive associate member of the trust board until Kate Robinson left.

Due to the end of Penny Emerson's term of office in February 2015, the trust embarked on a recruitment campaign with the assistance of Harvey Nash.

The nominations committee, chaired by Lesley Bell (public governor) and supported by Harvey Nash, interviewed a short list of candidates, and recommended the appointment of Simon Lloyd.

The nominations committee took into account the skills and experience of the existing Board members and those required to strengthen the Board. The committee were actively seeking to appoint a NED with experience of implementing transformational change and organisational development.

Terms and conditions of NEDs are available from the trust secretary

Appointment and Removal of Chairman and Non executive directors

The trust's Constitution (paragraph 26 and Annex 7) specifies how the chairman and non executive directors are appointed and the process for removal from office. The Council of Governors is required to make decisions in both appointment and removal of people to these key roles.

Appointment of the Chairman

Chris Mellor was appointed by the Council of Governors as the interim chairman from September 2013 to the end of June 2014. A recruitment process commenced in the spring of 2014 to appoint a substantive chairman and was supported by Harvey Nash. The Nominations Committee chaired by Bob Collard recommended to the Council of Governors who agreed the appointment of Baroness Wall of New Barnet as the Chairman for three years at its meeting on 27 May 2014. Baroness Wall commenced as the Chairman of the Trust on 1 July 2014, following a handover from Chris Mellor during June.

Nominations Committee

The nominations committee is a sub-committee of the Council of Governors and makes recommendations to Council of Governors on the appointment, appraisal, remuneration and removal of the chair and non-executive directors and also on the appointment or removal of auditors. The nominations committee is chaired by a public governor, currently Lesley Bell.

The nominations committee has considered the remuneration of the chair and other directors and agreed that there should be no increase in salary for 2014/15. It is formally involved in the appraisal process of non-executives and reviews the appointment of external auditors.

The members of the nominations committee for 2014/15 are shown in Appendix 2.

Board Development

The Board has continued to utilise its bi-monthly strategy days as opportunities for joint development. During 2014/15 the board has had development on the following:

- Risk management provided by Mills and Reeves LLP
- **Duty of Candour**
- Monitor's Well Led framework and self assessment against the framework criteria
- Fit and proper person requirements for Board members
- Presentation by Monitor's Regional Director on the role and responsibilities of Monitor.

In addition, individual Board members development is identified through the annual appraisal process which for non executive directors is undertaken with the Chairman and for executive directors is undertaken with the Chief Executive. Opportunities are then sought to address the identified development needs.

Board of directors

The composition of the Board of Directors at 31 March 2015 is detailed below:

NON EXECUTIVE DIRECTORS		
Name	Appointment	
Baroness Margaret Wall	Chairman (from 1 July 2014)	
Frank Burdett	Non executive director	
Jean-Jacques De Gorter	Non executive director	
Robert Green	Non executive director	
David Moore	Non executive director	
Tony Nolan	Non executive director	

*Simon Lloyd Non executive director was appointed from 1 May 2015

EXECUTIVE DIRECTORS	
Name	Appointment
Joe Harrison	Chief Executive
Lisa Knight	Director of Patient Care and Chief Nurse
Martin Wetherill	Medical Director
John Blakesley	Director of Performance and Delivery (until 30 June 2014) Deputy Chief Executive (since 1 July 2014)
Ogechi Emeadi	Director of Workforce
Jonathan Dunk	Director of Finance
Kate Burke	Director of Corporate Affairs (since 6 May 2014)
Caroline Hutton	Director of Operations (from 30 June 2014) substantive from October 2014)
Emma Goddard	Director of Service Development (from 1 December 2014)

BOARD MEMBERS THAT LEFT DURING 2014/15			
Name	Appointment		
Chris Mellor	Chairman (Until 30 June 2014)		
Penny Emerson	Non executive director (until Feb 2015)		
Kate Robinson	Non executive director (until April 2014)		
Darren Leech	Director of Strategy and Estates (until 30 June 2014)		



Non-Executive Directors

Baroness Margaret Wall CHAIRMAN (FROM 1 JULY 2014)

- Baroness Margaret Wall of New Barnet joined the Trust in July 2014 for a period of three years. Before joining us, she was Chair at Barnet and Chase Farm Hospitals NHS Trust.
- Achievements during her tenure at Barnet and Chase Farm Trust include a complete turnaround in performance, with the hospital now one of the best performing in London across all areas of patient care; and a move towards sustainability and security for acute health provision through a locally led and delivered service reconfiguration.
- Baroness Wall's career was in the Trade Union movement, latterly as National Secretary and Head of Politics/Policy at Amicus, whose members include NHS professional and technical staff.
- She was created a life peer in the House of Lords in 2004 and was Chair of the Labour Party from 2001 to 2002.
- Baroness Wall is passionate about ensuring services Milton Keynes Hospital provides for local people are safe, effective and responsive and will continue to be able to meet the needs of our communities.

Dr Frank Burdett NON EXECUTIVE DIRECTOR

- Joined the Trust in February 2012. Four year appointment.
- · Until recently Pro Vice Chancellor at The University of Northampton with responsibility for strategy across research, innovation, enterprise, marketing, and international, as well as oversight of the School of Health, Northampton Business School and the School of Science and Technology
- Created over £30 million of successful projects including the Portfolio Innovation Centre, the ICON Sustainable Construction Centre and the NVision 3D Immersive Visualisation Centre
- Co-founded the University's Research Centre for Health & Wellbeing with the local PCT and County Council
- Prior career includes roles as Associate Dean and then Director of Commercial Affairs at the University of Bedfordshire, as Marketing Manager at Acorn Computer Group plc and as an academic at Bath Spa University
- Previously Council member of East Midlands Innovation (EMInn), Board member of Northamptonshire Enterprise Limited (NEL), Board member of Business Link Northamptonshire, Chair of East Midlands Universities Association Innovation Committee, Steering Group member of the Lord Stafford Awards, Director of BLC Leather Technology Centre, Director of UN Enterprise Ltd. and Director of ICON (EM) Ltd

Dr Jean-Jacques de Gorter NON EXECUTIVE DIRECTOR (FROM 1 MAR 2014)

- Joined the Trust in March 2014. Three year appointment.
- Dr de Gorter has held hospital and GP appointments in the NHS, Australia and New Zealand before joining NHS Direct as a Medical Director
- Joined the private sector as Director of Clinical Services at BUPA Hospitals.
- Since 2007 he has been Group Medical Director of Spire Healthcare Ltd.
- He lives in Buckinghamshire.

Robert Green NON EXECUTIVE DIRECTOR

- Joined the Trust in January 2013. Four year appointment.
- · Qualified Chartered Accountant with PwC
- · Over 30 years Board and senior financial experience mostly in the UK but also in the Far East and US
- · Was Group Finance Director of Wilson Connolly, based in Northampton, a FTSE 250 company
- MA Mathematics, Oxford University
- · Has lived in Milton Keynes for 14 years

David Moore NON EXECUTIVE DIRECTOR, DEPUTY CHAIRMAN (SENIOR INDEPENDENT DIRECTOR FROM 1 MARCH 2014)

- Joined the Trust in March 2012. Four year appointment.
- Spent 28 years working internationally for Citibank returning to the UK in 2008 as Managing Director for Citi Private Bank Operations Division in EMEA and Asia before retiring at the end of 2011
- · Significant experience in governance, finance, operations, strategic planning, quality and change management
- Public Member of Network Rail from 2008 through 2011
- · Lay Member of the Council of the University of Leicester sitting on Finance, Remuneration and Health & Safety Committees
- Independent Auditor for the Welton Townlands Trust
- Holds a Masters of Business Administration (MBA) and BA in Social Sciences

Tony Nolan Non executive director (FROM 1 MAR 2014)

- Joined the Trust in March 2014. Four year appointment.
- · Held senior positions in multi-national companies
- · Currently the Group Head of Business Improvement for Vodafone Group.
- Extensive experience in performance in a customer focused setting.
- · Lives in Buckinghamshire.

Executive Directors

Joe Harrison CHIEF EXECUTIVE

- Joined the Trust in February 2013.
- Formerly Chief Executive at Bedford Hospital for two years.
- 20 years' experience of working in the acute sector of the NHS, covering both big teaching hospitals and district general hospitals.
- Roles have included a range of senior operational and corporate positions at several London hospitals with a track record of improving patient services and performance

John Blakesley Deputy Chief Executive (FROM JULY 2014) (DIRECTOR OF PERFORMANCE AND DELIVERY APRIL 2013 – JUNE 2014)

- Over 30 years of experience in the NHS. His career started in Pathology, before moving into general management. He has undertaken a range of executive director roles as Director of Performance and Delivery and Deputy Chief Executive as well as Director of Market Management (Commissioning for a large PCT.)
- In addition, John has experience of the commercial sector with a specialised surgical company.
- Particular interest is using information systems as a means to improve patient care and decision-making
- Becoming the substantive Director of Performance and Delivery on 1 April 2014

Kate Burke **DIRECTOR OF CORPORATE AFFAIRS (FROM MAY 2014)**

- Kate has substantial experience as a communications professional and company secretary and has worked on and with boards in the acute health sector, police and criminal justice agencies, national government agencies and private companies.
- Before joining Milton Keynes Hospital as director of corporate affairs with responsibility for integrated governance and assurance, membership and corporate communications, Kate spent a number of years at Bedford Hospital as associate director of corporate affairs and communications and company secretary.
- Kate is passionate about staff and patient engagement, leadership, culture and transformation and about developing integrated governance systems to support the delivery of safe, effective, high quality care.

Jonathan Dunk director of Finance

- CIPFA qualified accountant with 10 years senior experience in the acute trust setting.
- Currently part of the NHS Leadership Academy, Nye Bevan Programme, taking high performing NHS employees through to a new qualification in NHS Executive Leadership.
- Prior to arriving at Milton Keynes was heavily involved in the pioneering acute trust franchise process implemented at Hinchingbrooke NHS Trust.
- Been employed within the NHS for 14 years, initially entering through the National Graduate Programme.

Ogechi Emeadi **DIRECTOR OF WORKFORCE**

- Prior to joining the Trust in March 2014, was Deputy Director of HR at North Middlesex University Hospital.
- Over 20 years' experience working in HR in the NHS delivered on strategic and operational human resources initiatives and organisational development agenda.
- Passionate about improving staff health and wellbeing and driving forward staff development

Caroline Hutton **DIRECTOR OF OPERATIONS (INTERIM FROM JUNE – SEPTEMBER 2014)**

- Joined the Trust in 2013 to lead on Transformation and was appointed substantively to the role of Director of Clinical Services responsible for operational management in October 2014.
- · Caroline is a registered nurse with 29 years NHS experience and has held a number of senior positions both operationally and clinically working across all healthcare sectors including the leadership and delivery of large complex cross organisational projects and programmes.
- · Caroline has significant experience of working in partnership with private sector organisations and commercial and legal teams from her leadership positions with the National Programme for IT and is passionate about encouraging collaboration of teams to consider new approaches to delivery of patient care as well as encouraging a data driven approach to operational planning and delivery.

Emma Goddard Director of Service Development (From December 2014)

- Appointed in December 2014 as the Director of Service Development.
- Experience includes various senior operational posts, in a range of NHS Hospitals, over a number of years. This has led to significant experience gained, across clinical services of the acute sector, and partnership working with commissioners, primary care services and the private sector.
- Prior to joining Milton Keynes Hospital as Director of Service Development, Emma spent some years working at Board level at Bedford Hospital working as the Chief Operating Officer. She has also spent some time working in the interim as Director of Operational Performance, responsible for the day to day running of the sites and supporting the Foundation Trust applications at the Hillingdon Hospitals.

Lisa Knight **DIRECTOR OF PATIENT CARE**

- Appointed as Chief Nurse and Director of Patient Care in October 2012, with a wealth of experience gained from a range of nursina disciplines.
- · Having trained and spent the first few years of her career at hospitals in north London, Lisa spent a year at an acute medical oncology unit in Toronto. On her return to the UK, Lisa pursued her interest in burns and plastic surgery care, working in units at University College Hospital and the Royal Free Hospital, utilising her postgraduate diploma in this specialty.
- · Operations Manager for surgery at Chase Farm, covering anaesthetics, operating theatres and intensive care. This was followed by roles at North Middlesex as senior nurse for the A&E and Medicine; interim Deputy Chief Nurse at Epsom and St Helier and interim Chief Nurse at Addenbrooke's.
- Particular nursing interests include effective pathways for the care of the elderly, safeguarding adults and managing the needs of patients with dementia.

Mr Martin Wetherill MRCS LRCP MB BS MEDICAL DIRECTOR

- · Worked for Milton Keynes hospital for more than 20 years and has a special interest in teaching and service transformation
- Trust's Clinical Transformation Director
- Led the trauma, orthopaedics and rheumatology teams as clinical director at Milton Keynes from 1991
- · Active committee member for regional and national committees including those regarding professional practice, teaching and assessment for consultant status of orthopaedic surgeons
- Medical Director from July 2011

Board Members who left during 2014/15

Chris Mellor CHAIRMAN (FROM SEP 2013 TO 30 JUNE 2014)

- Consultant working mainly in the utility and health sectors. He is currently Interim Chairman of Milton Keynes Hospital NHS Foundation Trust. Prior to this role, he was Interim Chairman of Sherwood Forest Hospital NHS Foundation Trust for nine months until June 2013. For eight years until March 2012 he was Deputy Chairman of Monitor.
- Chairman of Northern Ireland Water Ltd for four years from 2006. Before that, Chris was CEO of AWG Plc the Privatised Water and Waste Water Utility for six years, and eight years as Finance Director.
- Non executive director of Grontmij UK Ltd the Consulting Engineering Group quoted on the Dutch SE. for seven years, as a
 Non executive director of Addenbrokes Hospital Trust and as a member of the Government's fourth Advisory Committee on
 Business in the Environment.
- · A qualified accountant and has worked in both the private and public sectors.
- · A frequent speaker on leadership, change management and sustainable development.

Penny Emerson NON EXECUTIVE DIRECTOR (UNTIL FEB 2015)

- · Joined the Board in February 2012. Three year appointment.
- Partner in a healthcare consultancy providing organisational development, change management and business strategy support to NHS, public sector and pharmaceutical industry clients
- 14 year career in senior corporate leadership roles spanning four large pharmaceutical companies and two global healthcare communications agencies.
- RGN Westminster Hospital

Professor Kate Robinson BA PLD RGN RHV NON-EXECUTIVE DIRECTOR (UNTIL APRIL 2014)

- Joined the Trust in October 2008
- 18 years of Board and Executive experience
- · Former Chair of Luton Sixth Form College Corporation
- Extensive contribution to committees, boards and panels regionally and nationally in the sphere of education, research and health
- Published and presented papers nationally and internationally on a variety of education and health topics, including patient safety
- Previous non-executive director experience at Bedfordshire and Hertfordshire Ambulance Trust and Bedfordshire and Hertfordshire SHA
- Professor of Nursing, University of Bedfordshire

Darren Leech **Director of Strategy and Estates (Formerly Chief Operating Officer) (UNTIL 30 JUNE 2014)**

- · Director in a number of hospitals, with roles largely focused on operational service delivery
- Joint post with a PCT in Cambridgeshire, conducting a major strategic review and re-design of clinical services across hospital and community service settings
- Professional background in pharmacy
- · Currently a researcher at Ashcroft International Business School, Cambridge

Board Performance

The performance of the trust Board was monitored through a series of meetings with the independent regulator Monitor. Impending non executive director vacancies were discussed with Monitor with regard to the skills and knowledge required to strengthen the Board.

The chairman of the board meets with each non executive director on a one to one basis to discuss forthcoming issues and their individual performance. The non executive directors have telephone conference on a weekly basis to discuss issues and these are raised by the chairman with the chief executive.

The Board undertook a self assessment using Monitor's Well Led framework in July 2015 which identified areas for further development. The Board has received development sessions on the Duty of Candour, Board Assurance Framework and Fit and Proper persons legislation.

A review of progress against the action plan was undertaken before the end June 2014, when Chris Mellor left the Trust.

Chris Mellor's performance as Chairman was assessed by Graham Anderson, SID, before he left office at the end of February 2014 and was reported to the Council of Governors in April 2014. The Chairman undertook performance review meetings with each NED in collaboration with the lead Governor and reported the outcome to the Council of Governors in June 2014.

The non executive directors will be having appraisals with the Chairman in the early in 2015-16 and the outcome will be reported to the Council of Governors. The Chairman's appraisal will take place during this time.

Register of interests

The Trust maintains two registers of interests. The first includes interests of all directors; the second interests of the Council of Governors. Both documents are available for public inspection (contact the trust secretary). An annual report is made to the trust Board regarding the interest of executive directors and Non executive directors. If there is any item which could have a conflict of interest at a Board or Committee meeting the respective Director is required declare the interest and leave the meeting.



Board Of Directors - Declarations of Interests as at 31 March 2015

The table below sets out the declarations of interests made by all members of the Board of Directors.

	Do you, your spouse, partner or family member hold or have any of the following: - A directorship of a company?		Do you, your spouse, partner or family member have any connection with
Director and Title	 Any interest or position in any firm, company, business or organisation (including charitable or voluntary organisation) which has or is likely to have a trading or commercial relationship with the Foundation Trust? Any interest in an organisation providing health and social care to the National Health Service? 	Do you, your spouse, partner or family member have a position of authority in a charity or voluntary organisation in the field of health and social care?	any organisation, entity or company considering entering into a financial arrangement with the Foundation Trust including but not limited to lenders of banks?
Blakesley, John Deputy Chief Executive	Partner works for NHS England	Yes – 1. Trustee of Milton Keynes Hospital Charity 2. Partner is Trustee of Facial Palsy Charity	No Danks?
Burdett, Frank Non executive director	No	Yes – Trustee of Milton Keynes Hospital Charity	No
Burke, Kate Director of Corporate Affairs	Yes – 1. Partner is director of Elevation Public Relations Ltd 2. Family Member working in financial management for Cambridgeshire and Peterborough CCG	Yes – Trustee of Milton Keynes Hospital Charity	No
DeGorter, Jean-Jacques Non executive director	Yes: 1. Spire Healthcare Ltd 2. Classic Hospitals Ltd 3. Thames Valley Hospital Ltd	Yes – Trustee of Milton Keynes Hospital Charity	Yes. Commercial arrangements in place at four sites in the UK with Cancer Partners UK
Dunk, Jonathan Director of Finance	Yes Wife works in Legal Department at Cambridge University Hospitals NHS FT	Yes – Trustee of Milton Keynes Hospital Charity	No
Emeadi Ogechi Director of Workforce	Yes 1. Sister Medicine Management, North East London Clinical Support Unit 2. Brother-in-law GP trainee, London practice.	Yes – Trustee of Milton Keynes Hospital Charity	No
Goddard, Emma Director of Service Development	No	Yes – Trustee of Milton Keynes Hospital Charity	No
Green, Robert Non executive director	Yes. 1. Bond Estates Holdings Ltd 2. Bond Estates Ltd 3. Chasely Associates Ltd 4. Deputy Chairman – MK Development Partnership (Part of MK Council)	Yes – Trustee of Milton Keynes Hospital Charity	No
Harrison, Joe Chief Executive	Yes. 1. Spouse Director, NHS England 2. Two Family members Durrow Health Management consultancy	Yes – Trustee of Milton Keynes Hospital Charity	No
Hutton, Caroline Director of Service Delivery	Yes – Spruced up LTD (brother)	Yes – Trustee of Milton Keynes Hospital Charity	No
Knight, Lisa Director of Patient Care & Chief Nurse	Yes. Spouse is group Finance Director Alto digital	Yes – Trustee of Milton Keynes Hospital Charity	No
Moore, David Non executive director	Yes, 1. College Court Conference Centre Ltd 2. Treasurer and lay member of council - University of Leicester	Yes – Trustee of Milton Keynes Hospital Charity	No
Nolan, Tony Non executive director	Yes. Pinkglove Care Services Ltd	Yes – Trustee of Milton Keynes Hospital Charity	No
Wall, Margaret Non executive director	No	Yes – Trustee of Milton Keynes Hospital Charity	No
Wetherill, Martin Medical Director	Yes. Partnership with spouse - Orthopaedic Practice Shalstone Medical Services	Yes – Trustee of Milton Keynes Hospital Charity	No

Register Of Interest Council Of Governors

Director and Title Arthur Georgestone Public	Do you, your spouse, partner or family member hold or have any of the following: - A directorship of a company? - Any interest or position in any firm, company, business or organisation (including charitable or voluntary organisation) which has or is likely to have a trading or commercial relationship with the Foundation Trust? - Any interest in an organisation providing health and social care to the National Health Service? Director of Crime Watch security and Technology. All Nations believers Christ Church	Do you, your spouse, partner or family member have a position of authority in a charity or voluntary organisation in the field of health and social care?	Do you, your spouse, partner or family member have any connection with any organisation, entity or company considering entering into a financial arrangement with the Foundation Trust including but not limited to lenders of banks?
Michael Moutrie (Governor until Feb 2015) Public	Director of York House Centre (Stony Stratford)		Wife is trustee of Save the Children
Ann Thomas Public	League of Friends of Milton Keynes Hospital Ltd		Friends of Milton Keynes Hospital Ltd
Clare Hill Appointed	Gardens Elect Ltd League of Friends of Milton Keynes Hospital Ltd Hill & Lieu LLP	League of Friends of Milton Keynes Hospital Ltd	

Trust Committees

Committees

The Board has six sub committees; audit, quality and clinical risk, finance and investment, charitable funds, workforce and development assurance and remuneration committee.

Audit Committee

The audit committee is chaired by non executive director Bob Green. The chair has recent financial experience as detailed in the biography above.

The audit committee meets five times a year, each meeting (apart for that in May) considers:

- The work of the internal audit, including whether audits have been followed up and issues resolved. The committee requests that senior officials and/or directors attend where actions have not been followed up to its satisfaction. The committee agrees the work plan of internal audit once a year;
- the work of the external auditors, including any issues that they wish to raise;
- the work of the Trust's counter-fraud team;
- a list of all debts that are to be written off;
- updates to the IFRS work and accounting policies;
- the board assurance framework and corporate risk

The audit committee provides assurance to the Board on:

- the effectiveness of the organisation's governance, risk management and internal control systems;
- the integrity of the trust's financial statements, the trust's annual report and in particular the statement on internal
- the work of internal and external audit and any actions arising from their work.

The audit committee monitors the review of the board assurance framework and the significant risk register.

The audit committee reviews auditor independence both as part of its scrutiny of the annual report and accounts and as part of its annual review of the auditors' work. The audit committee is satisfied that there are no issues that compromise the external auditors' independence from work outside the Trust.

The audit committee had oversight of the procurement process for the internal audit function and approved the appointment of KPMG. The committee agreed the internal audit plan for the remainder of 2014/15 following KPMGs appointment in September 2014.

The audit committee has monitored the actions taken against the recommendations made by the external auditors Deloitte on the 2013/14 Quality Account. The audit committee has reviewed and agreed the significant risks identified by the external auditors in the audit plan 2014/15 and will be reported in the audit opinion, which were:

- Going concern
- Revenue recognition and NHS debt provision
- Accounting for Capital expenditure

The audit committee escalated the issue of building insurance to the trust Board. The committee had raised concern that the limit on any single claim with NHSLA insurers was £1m and asked for other trusts to be contacted to see what insurance cover was in place and to discuss the issue with Monitor. Monitor was of the view that it was a local issue for the trust to consider. A number of trusts were contacted regarding their insurance cover provision and the following trusts have the same NHSLA cover with £1m cap on each claim:

Kettering hospital has taken out an additional policy to cover the value of the estate and this was due to large capital investment being made on the site. The additional insurance cost circa £60K per year.

The Board was advised that the Department of Health had funded large capital programmes where there had been substantial loss or damage to hospital buildings. The Board decided that this issue needed to be raised with Monitor to provide national guidance.

The audit committee is responsible for ensuring robust clinical governance processes are in place. It reviews the internal audit reports which provides recommendations for improvement e.g. Serious incident review. In addition, the audit committee receives a quarterly report on progress against the clinical audit programme.

Quality and Clinical Risk Committee

The quality and clinical risk committee chaired by non executive director, Jean-Jacques deGorter met 11 times in 2014/15. It reports directly to the Board and provides assurance about the quality of care to patients and for overseeing the delivery of the quality priorities set by the Trust in its quality accounts.

The quality and clinical risk committee oversees the implementation of the strategic objectives for improving patient safety, patient experience and clinical effectiveness. The committee escalates issues to the Board on areas of concern that have been highlighted by the committee through the clinical governance reporting e.g. quarterly reports on serious incidents and mortality. The committee has provided assurance to the Board regarding mortality rates and there has been significant improvement in performance.

The quality and clinical risk committee continues to monitor performance against the adult nursing metrics and has been instrumental in developing a quality dashboard which the committee will scrutinise at each meeting. The committee was responsible for overseeing the development of the Quality Improvement Strategy which was approved by the trust Board in September 2014.

The quality and clinical risk committee has also received the CQC compliance report regarding follow up dignity and nutrition and supporting workers inspections and receives updates on the action plan to address the areas of improvement.

Finance and Investment Committee

The finance and investment committee chaired by non executive director David Moore met 13 times during the year. It received monthly reports on the financial position of the trust, cash flow forecast and transformation programme updates. The committee was also responsible for monitoring the capital spend and through regular reporting monitors the implementation capital projects.

The committee undertook deep dives into transformation projects which include procurement, clinical coding and tactical planning. The committee scrutinised the business case for investment in the Electronic Patient Record (EPR) which was approved by trust Board in December 2014.

The financial planning process for 2015/16 was considered by the committee which recommended the interim budget to the Board of Directors.

Charitable Funds Committee

The charitable funds committee is chaired by a non executive director Frank Burdett and met 4 times in 2014/15. The registered charity Milton Keynes Hospital Charity and has to adhere to the rules of the Charities Commission. The committee approved the annual accounts for 2013/14 at its meeting in December 2014 and these were submitted to the Charity Commission by the deadline. The charitable funds committee has encouraged the use of charitable funds to improve the service provided to patients and has introduced an item whereby it hears from the CSU which has received charitable funds on the improvement to patient care. The Operations Manager for Children's services attended the committee to share the improvements the investment in a milk kitchen on wards 4 and 5 and the neo natal incubators had on the care we provide to children and babies.

The membership of the committee has been expanded to include two Governors.

Workforce and Development Assurance Committee

The workforce and development assurance committee was chaired by non executive director Penny Emerson had its first meeting in January 2014 and has met 6 times during 2014/15. The workforce and development assurance committee was responsible for developing the workforce strategy which was approved by trust Board in November 2014 and providing assurance to the Board that it is being implemented effectively.

Remuneration Committee

The remuneration committee is a sub-committee of the trust Board and agrees the salaries of the chief executive and the executive directors. The committee comprises of the trust chairman and all the non executive directors. The chief executive and director of workforce attend the meeting, but leaves when discussing the salary for their own position. The remuneration committee met three times in 2014/15.

A table of attendees at the Board and its sub committees is attached at Appendix 2.

Board of Directors and Preparation of Accounts

The annual report and accounts have been prepared under a direction issued by Monitor. In support of the chief executive, as accounting officer of the NHS Foundation Trust, the Board of Directors has responsibilities in the preparation of the accounts.

Monitor, the independent regulator of NHS Foundation Trusts, with the approval of HM Treasury, in exercise of powers conferred on it by paragraph 25(1) of Schedule 7 of the National Health Service Act 2006 directs that the accounts give a fair and true view of the Foundation Trust's gains and losses, cash flows and financial state at the end of the financial period.

To this end, the Board of Directors are required to:

- apply on a consistent basis accounting policies laid down by Monitor with approval of the Treasury
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts
- keep proper accounting records, which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned Act
- safeguard the assets of the Foundation Trust and hence take reasonable steps for the prevention and detection of fraud and other irregularities

Internal Auditors

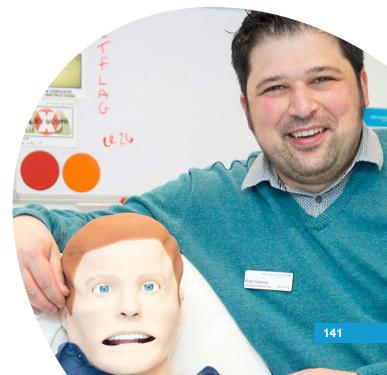
Details of the internal audit function carried out by CEAC (until end August 2014) and KPMG from September 2014 is provided in the Annual Governance Statement.

External Auditors

Deloitte LLP has been the Trust's financial auditors for 2014/15. Their audit responsibilities include the statutory services as well as the Quality accounts and value for money exercise. The total cost recognised in the accounts for this work is £96,000 (including VAT).

The Trust has also used Deloitte for additional assurance work in respect of business cases, Electronic Patient Record and VAT and tax advice. This was at a cost of £56,000 (including VAT where non-recoverable).

In order to ensure that independence is maintained, in instances where the external auditors are used for work other than the external audit, the Council of Governors approve this and the audit committee is also informed.



Code of Governance Disclosures

In January 2014, Monitor published the NHS Foundation Trust Code of Governance (replacing September 2006 version). The purpose of the Code of Conduct is to assist NHS foundation trust boards in improving their governance practices by bringing together the best practice of public and private sector corporate governance. The Code is issued as best practice advice, but imposes some disclosure requirements which all foundation

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

The table below explains the two points where the trust does not comply with the code of governance, together with an explanation of why it does not.

Provision	Explanation for non-compliance
A.5.6 The Council should establish a policy for engagement with the Board of Directors for those circumstances when they have concerns.	The Council of Governors raise concerns at their regular meetings which members of the Board of Directors attend. In addition, the lead governor meets with the chairman and can raise issues on behalf of the Council. The senior independent director also meets informally with governors to discuss issues and governors can raise concerns through these meetings.
B2.4 The chairman or an independent non-executive director should chair the nominations committee.	The nominations committee believes that the committee should be chaired by a member of the Council of Governors as the Members' Council carried responsibility for its functions. This has been in effect since 2008/9.

Additional and Public Interest Disclosures

Health and Safety Performance 2014/2015

During 2014/2015, 370 staff incidents (including violence and abuse incidents) were recorded compared to 355 in 2013/14. This represents a 4% increase from the previous year.

Incident	2011/12	2012/13	2013/14	2014/15
Violence & Abuse	175	140	154	159
Sharps/Needlesticks	80	89	54	67*
Slip,trip or fall on level	45	44	37	36
Collision/Contact with an Object	33	21	24	36
Musculoskeletal Injury	27	39	31	21
Contact with moving machinery/equipment	6	2	5	11
Cut with sharp object (not sharps)	10	5	8	9
Exposure to Harmful substances (e.g. chemical/x-ray)	4	4	3	6
Patient Handling Injuries	8	6	9	5
Bodily Fluids	6	4	3	4
Illness - Collapsed/ Fainted	4	1	0	4
Load Handling Injuries	9	6	12	3
Struck by moving object	13	6	4	3
Near Miss	1	0	3	3
Fall from height	3	3	1	2
Hot Burn	4	3	7	1
Exposure to Excessive Noise	1	0	0	0
Totals	429	373	355	370

^{*} This data reflects the incidents reported on the Datix the Trust electronic incident reporting system and it is noted that there is some variance with those incidents reported to Occupational Health.

Figure 1: A Comparison of Type of Incidents Reported by Year from 2011-2015.

The categories with the highest incident rates are violence and abuse, sharps/needle stick injuries, slip, trips and falls and collision/contact with an object incidents. Details on actions taken to minimise incident rate for these categories is given below.

Any health and safety incidents that resulted in major injury were reported to the Health and Safety Executive as required under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations, 1995 (RIDDOR). Out of the 370 staff incidents reported only 13 where classified as either major injuries or resulted in more than 7 days absence from work. The table below gives details of the type of incidents reported as RIDDORS in the Trust.

Incident	Total
Musculoskeletal Injury	5
Slip, trip or fall on level	4
Collision or Contact with an object	3
Contact with moving machinery/equipment	1
Total	13

Actions Taken

Actions taken to minimise incident rates are as follows:

Violence and abuse

The trust approved a business case to increase security staffing levels to deal with the management and reduction of physically violent incidents. This provides additional qualified staff to use, where appropriate, safe control and restraint techniques of violent individuals. It also enables a more effective service to provide an immediate response to any incident not within the capabilities of nursing and medical staff.

Sharps/Needlestick Injuries

It was noted that although sharps injuries had decreased since the implementation of safe sharps, there had been a slight rise on the previous year, and occasionally the exposures resulted from a safety device. Therefore a screensaver was introduced and the BD Rep was asked to visit all clinical areas to reiterate correct practice. In addition posters have been displayed showing staff how to activate the sharps device to maintain staff safety.

Daniels Healthcare Limited sharp's bin audited undertaken in December 2014 which found 100% compliance in relation to risk of protruding sharps and 96% compliance in relation to proper assembly of sharps bins.

Slip, Trips and Falls

There has been a small decrease in the number of slips, trips and falls reported on Datix (36 in 2014/2015 compared to 37 in 2013/2014).

Eye care Vouchers

The display screen equipment (DSE) policy has been updated and uploaded onto the intranet. Staff who are DSE users are encouraged to complete the DSE E-learning program which gives guidance on the appropriate set up of work area to minimise chance of musculoskeletal injuries. All staff have also been made aware via the chief executive's weekly newsletter that they can request eye care vouchers through the Health and Safety Advisor.

Improvements to Health and Safety Management

The following improvements have been made to manage health and safety:

The content of the Risk Management and Health & Safety Induction and Mandatory training is regularly reviewed. Production of the Risk Management and Health & Safety workbook to improve compliance with training and provide staff with the essential information to refer to.

Following the HSE visit on 8th October 2014 to investigate a previous serious incident in Pathology, the Trust received an enforcement letter from the HSE, The following actions would be subsequently implemented:

- 1. The Department produced a communication protocol to ensure effective communication between staff
- 2. Implementation of permits to work to only be signed by senior members of staff and the 'not applicable' option when asked if safety cabinet has been fumigated should be removed from the permit to work document to avoid confusing staff and external contractors when fumigation
- 3. Training for Pathology Staff on their responsibilities in dealing with contractors as part of the safety training in working in CL3 safety cabinets
- 4. Departmental Health and Safety Policy updated to make it clear to all staff when fumigation would be needed and when not required
- 5. Process to ensure contractors working on site sign in with Fstates
- 6. Reminder of agreed processes submitted within the CEO's weekly message

Consequently, the HSE took no further action in relation to this incident.

Countering fraud and corruption

The Board of Directors has established policies and procedures to minimise the risk of fraud and corruption, along with a procedure to be followed in the event of any reported fraud. Members of staff with reasonable suspicions are encouraged to report them, and the trust's policy is that no employee will suffer as a result of reporting reasonablyheld suspicions.

The reporting procedure is detailed in Appendix A of the trust's Standing Financial Instructions. The guidance also includes contact details for the Trust's local counter-fraud specialist (LCFS) and the NHS Fraud and Corruption Reporting Line.

The trust raises awareness of fraud and corruption in many ways, by regular messages on staff payslips, fraud awareness posters, fraud awareness days, intranet articles including fraud alerts, and the trust whistle blowing policy.

Reported concerns are investigated by the trust's local counter-fraud specialist, (KPMG), who reports to the director of finance and liaises with NHS Protect and police as necessary. If the reported concerns are substantiated the matter will be pursued in accordance with criminal, civil or disciplinary proceedings, or a combination of these. The trust works hard to create an anti-fraud culture and to prevent and detect fraud and corruption. The local counter-fraud specialist produces a written report to the audit committee.

The Trust partakes in the National Fraud Initiative (NFI). The NFI is the Audit Commission's data matching exercise. It is designed to help participating bodies detect fraudulent and erroneous payments from the public purse. The exercise is run every two years and it works by matching data provided by the Trust against data provided by other participating public bodies, such as payroll, pension payrolls and housing benefits.

Counter Fraud Qualitative Assessments Countering Fraud and Corruption

The Board of Directors have established policies and procedures to minimise the risk of fraud and corruption, along with a specific procedure to be followed in the event of any reported fraud. Members of staff with reasonable suspicions are encouraged to report them, and the Trust's policy is that no employee will suffer as a result of reporting any reasonablyheld suspicion(s).

The reporting procedure is detailed in Appendix A of the Trust's Standing Financial Instructions. The guidance also includes contact details for the Trust's local counter-fraud specialist (LCFS) and the NHS Fraud and Corruption Reporting Line.

The Trust raises awareness of fraud and corruption through a number of ways including regular messages on staff payslips, fraud awareness posters, fraud awareness days, staff training, intranet articles including fraud alerts, and the Trust's whistle blowing policy.

Reported concerns are investigated by the local counter-fraud specialist who reports to the Director of Finance and liaises with NHS Protect and other agencies as necessary. If the reported concerns are substantiated the matter will be pursued in accordance with criminal, civil or disciplinary proceedings, or a combination thereof as appropriate. The Trust works hard to create an anti-fraud culture and to prevent and detect fraud and corruption. The local counter-fraud specialist produces regular progress reports to the audit committee including an annual report detailing the proactive and reactive work undertaken during the financial year.

The Trust partakes in the National Fraud Initiative (NFI) exercise. The NFI is the Audit Commission's data matching exercise which is designed to help participating bodies detect fraudulent and erroneous payments from the public purse. The exercise is run every two years and it works by matching data provided by the Trust against data provided by other participating public bodies. Matches include areas such as payroll, pensions and housing benefits.

Counter Fraud Qualitative Assessments

At the end of each financial year, NHS Protect requires organisations to provide an annual statement of assurance against the anti-fraud standards. This statement of assurance is provided through completion of the annual report and the Self Review Tool (SRT).

The purpose of the anti-fraud, bribery and corruption quality assurance programme is to be constructive and supportive. The assurance and assessment processes do not focus solely on non-compliance with the standards: they also highlight compliance, outcomes achieved and effective practice where it is found. Where standards are not being met NHS Protect will, provide advice, support and assistance to organisations in order to help them improve performance.

As a result of participating in the 2014/15 exercise, utilising the revised Standards for Providers which focussed on the counter fraud measures in place, MKHFT has been advised that NHS Protect will not be undertaking a full or focused assessment prior to 30 June 2015. However, it was stated that the Trust may be selected for a thematic assessment or for a triggered assessment. If this happens, NHS Protect will make contact in due course, giving at least four weeks' notice of any assessment. At the time of writing, no such communication had been issued.

Further advice and guidance on the quality assessment programme can be found in the Standards for Providers.

The Standards are available at http://www.nhsbsa.nhs.uk/3577.aspx.

Information Governance and Data Security

The Information Governance Steering Group (IGSG) oversees the trust's Information Governance Toolkit annual assessment and action plan. Through this governance structure the Trust's Information Governance Statement of Compliance (IGSoC) is assessed on an ongoing and annual basis to ensure connection to the NHS National Network (N3) and the use of the NHS Care Records Service applications.

Data security risks are managed via an Information governance framework, which comprises of an information governance policy, related policies and guidance and the information governance Steering group (IGSG). In particular, the trust's risk management policy sets out a structured approach to information risk management. This includes the appointment of the senior information risk officer (SIRO), information asset owners (IAOs) and information asset administrators (IAAs). Information risk identification is supported by the maintenance of an information asset register and regular information mapping exercises. Any significant risks identified from these processes are included in the trust's risk register and will therefore be subject to the formal management attention commensurate with the assessed risk.

The trust completes the Information Governance Toolkit (IGT) annually to demonstrate adequate practice and provide assurance that all aspects of information risk management are appropriately managed. The IGT assessment is externally reviewed by the Trust's Internal Auditors. The SIRO, Caldicott Guardian and IGSG monitor progress and compliance with the IGT on an on-going basis. The SIRO and Caldicott Guardian sit on the Management and Trust boards.

The Trust continues to achieve good percentages on the Information Governance Toolkit (IGT) (version 12). In 2013/2104 the Trust achieved 88%, compared with this year 2014/2015 which is currently at 84%, the reason for reduction is due to audits pending.

The trust operates in a complex environment and exchanges data with a number of organisations. The trust therefore continues to prioritise activities to reduce the risk of data loss or accidental disclosure of personal data. Information governance policy and guidance is continually reviewed and training and awareness raising programmes target all Trust staff. Information Governance Training includes an assessment of understanding of key aspects of policy and assessment scores will indicate the success of awareness raising activities. Strengthened technical controls will result in a reduction of risk of specific types of data loss, for example privacy impact assessments on all new systems and processes.

The trust has comprehensive and relevant policies covering information governance and security, data quality and records management.

During 2014/15 we had two information governance serious incidents which related to:

- 1. A considerable amount of notes left in a car both in the boot and on show. These notes related to a substantial amount of patients. The Trust has no reason to believe that the data was compromised.
- 2. The procurement manager was contacted by an external company who deal with auctioning of equipment to advise that they had seen a BV212 C Arm (x-ray equipment which can store live and stored images before, during and after surgery) on a competitors auction website which was clearly identifiable as being from Milton Keynes Hospital and there were two images displayed which also clearly showed patient information

Both of these breaches were reported to the Information Commissioners Office (ICO) and an assessment was undertaken. The Trust were found to have robust policies and procedures in place and the ICO was satisfied with the investigations and actions taken.

Freedom of Information

Freedom of Information continues to gain momentum and this year, the trust received 516 requests in 2014/15, which included 2910 questions compared to 2013/2014 where 476 requests were received which included 2956 questions. These continue to increase in complexity. The trust continues to deliver an effective service and have answered 94% within the 20 working day deadline.

	2012 /13	2013 /14	2014 / 15
No of requests	207	476	516
No of questions	1057	2956	2910

Data Quality

The trust relies on robust, quality information and data to make informed decisions and is committed to maintaining the highest standards of data quality through effective management. The Trust is actively engaged with its commissioners to monitor quality under the national contract and monitors both local and national targets through the use of key performance indicators. Moving forward, the data quality strategy will enable an effective data quality culture aligned to the Trust values.

There have been some issues raised through the external audit process regarding the data quality of the 18 week RTT indicator. Further detail regarding this is given in the Annual Governance Statement.

Cost Allocation and charging requirements

The trust has complied with the cost allocation and charging requirements set out in HM Treasury and Cabinet Office public sector information guidance.



Annual Governance Statement

Scope of Responsibility

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

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Milton Keynes Hospital 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 Milton Keynes Hospital NHS Foundation Trust for the year ended 31 March 2015 and up to the date of approval of the annual report and accounts.



Capacity to Handle Risk

Risk management arrangements

- The Board of Directors (Board) has overall responsibility for the effective management of strategic risks identified through the Board Assurance Framework (BAF);
- The Audit Committee provides assurance to the Board on the robustness of the systems and processes surrounding the management of risk throughout the organisation and assures the Board on their adequacy.
- The Trust has a systemic process for the identification, recording and management of risk through its specialty, divisional and significant risk registers and BAF.
- The Board has approved a delegated governance structure through which risks are monitored and managed. This is described in the Board approved risk management strategy and risk management policy.
- Board assurance committees provide the Board with assurance in relation to all aspects of governance, performance and risk management. Each committee reviews relevant risks on the BAF on at least a quarterly basis and if necessary, escalates risks or risk management issues to the Board. The Board considers all risks against the achievement of strategic objectives through the BAF.
- The Board committee structure is shown below:

Trust Board

Audit Committee

Finance & Investment Committee

Quality & Clinical Risk Committee

Workforce & Development Assurance Committee

Remuneration Committee

Responsible for the operational management and oversight of clinical and corporate risks throughout the organisation

Responsible for the ensuring the adequacy of risk management processes throughout the organisation. Full oversight of the BAF

Responsible for ensuring appropriate identification of, mitigation, controls and assurance on financial/ investment risks Responsible for ensuring appropriate identification of, mitigation, controls and assurance on quality (clinical) risks

Responsible for ensuring appropriate identification of, mitigation, controls and assurance on workforce risks

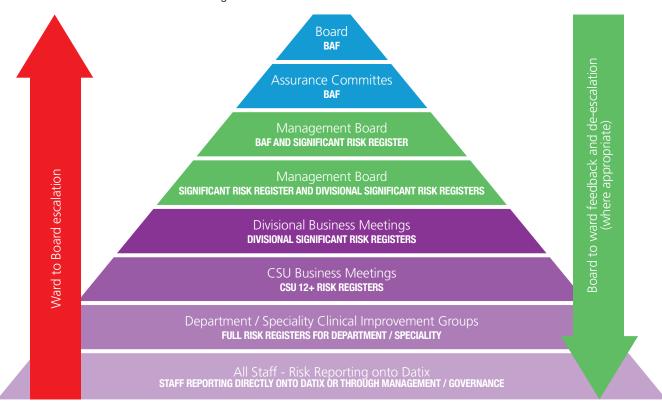
In year developments to risk management

The Trust continues to strengthen its risk management processes.

- In 2014/15 the Risk and Compliance Board was established, which is chaired by the Director of Corporate Affairs. It meets every month and reviews risks rated 15 and above on the significant risk register (SRR). It challenges the risk scores, control measures and actions being taken to reduce each risk and reports each month to the Management Board. In addition, Divisional risk registers are reviewed on a rotational basis to ensure that the risks are relevant and appropriate. The Risk and Compliance Board also receives reports on the number of overdue incidents, audit compliance, trust documentation and reports on other compliance reports e.g. CQC and NICE guidelines, and other relevant statutory, legislative, or regulatory compliance requirements.
- The Trust Board approved a revised risk management strategy in September 2014. This clearly defines the risk management processes for the organisation and the escalation and de-escalation of risk as detailed in the diagram below:

Development of the Board Assurance Framework (BAF)

- The BAF has continued to be developed and is used as the principle reporting mechanism for the monitoring and management of the key risks against the trust's strategic obiectives:
- The trust Board revised the BAF following a workshop in July 2014 and each risk was aligned to strategic objectives. The reporting template enables the trust Board to clearly identify any changes in the risk profile.
- The BAF continues to be developed as an active Board management and assurance tool, with presentation and discussion at Board meetings.
- The BAF and risk management arrangements were subject to an internal audit early in the re-development process to enable best practice to be embedded and any areas for focussed development to be identified at the earliest opportunity. The audit completed in February 2015.



Risk management structures

The trust revised its risk management structures and director-level responsibility for risk oversight and management. The risk management structure in effect up to 31 March 2015 is described below:

- The Director of Corporate Affairs is the executive lead for risk management and governance. The Director of Corporate Affairs has responsibility for risk management which includes litigation, Datix incident and risk reporting and health and safety. The responsibility for Complaints and Patient Advice and Liaison Service (PALs) is now the responsibility of the Director of Patient Care and Chief Nurse.
- The Director of Corporate Affairs is the designated executive director lead for health, and safety, supported by the Health and Safety Advisor and the Trust's fire advisor. The Deputy Chief Executive is the designated executive director for security, supported by the accredited Local Security Management Specialist. The Director of Corporate Affairs chairs the Health and Safety Board which meets on a quarterly basis.
- The Trust's Senior Information Risk Owner is the Deputy Chief Executive, who is responsible for, and oversees all information risk within the Trust and has undertaken the required training to discharge these responsibilities.
- The Trust's Caldicott Guardian (the Medical Director) is ultimately responsible for the correct use of patient identifiable information

Staff training on and awareness of risk and risk management

- The Trust's mandatory training programme includes responsibilities and processes relating to risk management encompassing fire safety, health and safety and clinical risk. These are included in the induction programme and regular updates are provided for staff. The trust Board receives regular reports regarding mandatory training compliance as part of the monthly performance dashboard.
- Guidance on risk management issues is disseminated to staff through briefing systems (electronically and via meetings) and via the intranet. Good practice and learning is shared through routine communications, training and meetings/committees. A risk handbook has been developed for circulation to all staff informing them of their responsibility for reporting risks and the organisational processes on risk management.
- All directors and divisional managers have a leadership responsibility for risk management within their own areas and are accountable to the trust Board via general and specific reports.

The Risk and Control Framework

- The Trust's risk management strategy, policy and procedures provide a systematic approach to the anticipation, prevention, mitigation and management of risk across all areas of the Trust's business. It is based upon the principles laid down in legislation, government guidance and industry best practice. It is reviewed and audited annually for compliance with legal requirements and with a view to defining areas for further improvement.
- The risk management strategy describes the Trust's commitment and approach to effective risk management and the systems that the Trust has in place or is further developing at a strategic, corporate and operational level to ensure that assurance is provided to the trust Board and to external bodies that risk is being managed effectively within the trust and that the Trust promotes a culture of proactive risk management.
- Risk management is recognised as a fundamental part of the Trust's culture and an integral part of good practice. It is integrated into the trust's philosophy, practices and business plans and is the business of everyone in the organisation.
- The Trust's risk assessment processes, investigating incidents, complaints and claims procedures are the principle sources of risk identification. The risk assessment identifies the criteria for risk scoring both likelihood and consequence on a scale of 1 to 5, with the highest risk being accorded a score of 25 (5x5). The risk assessment process also requires an appropriate risk management plan.
- The risk assessment process, as described in the risk management strategy, clearly states the escalation process to senior managers to monitor, manage and mitigate the risk according to its overall likelihood and consequence. The risk assessment process is applied to all types of risk, clinical, financial, operational, capital and strategic.
- The risk management process requires divisions to maintain and monitor their own risk registers. All divisional risks with a score of 15 or above are included on the significant risk register, reviewed by the Risk and Compliance Board with issues (e.g. poor controls/ mitigation) escalated to Management Board on a monthly basis; and to Board assurance committees, where appropriate, for potential inclusion on the BAF.

- All business cases have a risk assessment on the corporate template. The scored risk rating strongly influences priorities within the Trust capital programme.
- The BAF helps provide assurance to internal and external stakeholders in relation to meeting the Trust objectives. Assurance of the risk management system is also supported by independent assurance processes both internal and external, and achievement of satisfactory outcomes or results.
- The BAF identifies the Trust's strategic objectives and principal risks and is developed in consultation with the executive team; taking account of the wider risk environment. The control systems which are used to manage risks are identified together with the evidence for assurance that these are effective. Lead managers and directors are identified to deal with gaps in control and assurance and are responsible for developing action plans to address the gaps.
- The Board continues to increase the profile and ownership of quality performance and has taken steps to strengthen governance arrangements at all levels of the organisation. Risk management and integrated governance plans are required to be submitted to Monitor as part of the Trust's enforcement undertakings under s106 of the Health and Social Care Act 2013.
- The Board ensures effective communication and consultation at all levels within the organisation and with external stakeholders. Engagement with stakeholders at various forums such as the Council of Governor's Meetings and Healthwatch meetings provides an opportunity for risk related issues to be raised and discussed.
- The trust has a dedicated Compliance Manager that monitors compliance with CQC registration requirements. CQC compliance is reported to the Risk and Compliance Board and issues are escalated to the Management Board as required. The action plan following the CQC recommendations following the inspection in October 2014 is monitored by the Divisional performance meetings and Quality and Clinical Risk Committee. The trust also undertakes periodical CQC peer reviews.

Key organisational risks 2014/2015

The organisation's key risks against achieving its strategic objectives are detailed in the Board Assurance Framework (BAF). Forward risks and mitigation plans are also considered in the trust's Annual Plan submission.

The highest rated risks on the BAF at the end of the 2014/15 financial year were:

BAF REF1.3

Failure to deliver appropriate standards of care in Women's Health (20)

As detailed in the Annual Governance Statement the risk was identified following never events, serious incidents, a Whistleblowing allegation and reported baby deaths.

Actions taken to mitigate risk

The trust has taken the following actions to mitigate the risk:

- 1. Full action plan in place monitored through internal governance systems including CIGs, Maternity Improvement Board (which has membership from MKCCG, CQC and Monitor), the Quality and Clinical Risk Committee, Management Board and Board of Directors.
- 2. External medical review completed by Professor Draycott.
- 3. Royal College of Obstetricians and Gynaecologists and Royal College of Midwives review undertaken.
- 4. New divisional leadership in place.
- 5. Monitoring and monthly reporting of key quality indicators for maternity - all of which are in the expected range.
- 6. Externally led and facilitated cultural review and team development.

BAF REF 3.2

Lack of evidence of compliance with best evidencebased clinical practice (20)

Climate does not support compliance and conflicting views emerge.

Actions taken to mitigate risk

- 1. Dedicated clinical lead being identified for NICE/ clinical quality standards.
- 2. Clinicians to sign off receipt of best practice guidance and implementation process, with sign off document to be drafted and approved.
- 3. Doctors revalidation process to support evidence based clinical practice.

BAF REF 4.1

Failure to deliver key national targets (20)

The trust continues to see demand for acute services exceeding capacity and the CCG's plans to appropriately manage demand have not reduced the activity. The trust continues to be adversely impacted by the provision of services in the wider healthcare community e.g. primary, community and social care.

The trust has taken the following actions to mitigate the risk:

- 1. Rigorous clinical and operational management of the site on a daily basis (including 3 daily bed meetings).
- 2. Clear internal and external escalation policies for peaks in demand.
- 3. Weekly RTT meetings for all departments
- 4. Weekly meetings with CCG and Central North West London (community service providers).

BAF REF 7.4

Inability to keep to budgeted levels of agency and locum staffing (20)

The trust has experienced difficulty in recruiting to some clinical roles. In addition, agency staff are often required to fill essential posts due to short term sickness and peaks in activity.

Actions taken to mitigate risk

The trust has taken the following actions to mitigate the risk:

- 1. Weekly vacancy control panel reviewing and agreeing applications to recruit to vacant posts.
- 2. Control of staffing costs identified as a key transformation work stream
- 3. Improvements to capacity planning
- 4. Robust rostering and leave planning
- 5. Whole time equivalent budgets aligned to activity plans with divisional triumvirate sign off

BAF REF 8.1

Inability to recruit to critical vacancies (20)

There is a national shortage of appropriately qualified staff in some clinical roles, particularly at consultant level. The trust is also affected by competition for specific roles from surrounding hospitals and a buoyant locum market. In addition, following the recommendations from the Francis report there has been a national drive to increase nursing numbers leaving market shortfall.

Actions taken to mitigate risk

The trust has taken the following actions to mitigate the risk:

- 1. Continual focus on nursing recruitment to proactively manage attrition
- 2. Identification of difficult to recruit to roles with proactive strategies for retention and recruitment
- 3. Networking with other trusts
- 4. Working with AHSNs, LETB, Universities and other academic institutions to recruit students as appropriate.
- 5. Oversight at Workforce Board
- 6. Workforce metrics
- 7. Published workforce strategy

These risks are reviewed at the Trust Board on a monthly basis.

The trust continues to run at a deficit and is reliant on Department of Health funding to meet its financial obligations. This risk is included on the BAF which is reported to the Finance and Investment Committee and trust Board.

Maternity and Obstetric Services – Internal and External Scrutiny and Review

In May 2014 following an internal CEO-led review process, the Executive escalated potential concerns to the Board of Directors in relation to standards of care in maternity and obstetric services from the previous year. Although performance indicators showed that the service was performing well within all of the national clinical indicators, and indeed had a perinatal mortality rate within the national expected range, internal concerns were escalated due to a number of unconnected factors, including; a 'cluster' of five neonatal deaths between July 2013 and March 2014; two never events involving retained tampons/ swabs in 2012 and 2014; and concerns raised by a former member of (locum) staff which were treated under the Whistleblowing framework.

In order to ensure transparency and openness, and a clear process for managing and dealing with issues prior to them potentially becoming significant service failures, these concerns were reported to the Board in May 2014, with regular reports made to meetings of the Board in public since.

In relation to the five neonatal deaths referenced above; in May 2014 the Trust commissioned an independent external review, by Professor Timothy Draycott (consultant obstetrician and gynaecologist at North Bristol NHS Trust), into the care provided to those five mothers and their babies. The babies were born between July 2013 and March 2014 and four died shortly after transfer to a specialist (tertiary) centre, with one baby dying following surgery at a specialist (tertiary) centre. The review examined the care provided to mothers and babies during and immediately after childbirth. The review only examined care provided at and by Milton Keynes Hospital.

The Trust had conducted its own internal reviews and investigations into the care provided in these five cases which had identified issues in the care provided, and which the Trust had addressed as part of its process for investigating and learning from serious incidents. Following these reviews the Executive, as part of ensuring good governance, also commissioned an additional independent external scrutiny to examine every case and provide an independent expert view to support the provision of high quality care.

Key Findings of the Professor Draycott's Review

As expected given the findings of the internal reviews and the serious nature of the incidents the review identified poor or substandard care in each of the cases. In two of the five cases, Professor Draycott concluded that better care would very likely have led to a different outcome. In a further two cases he concluded that better care may have led to a different outcome and in one case he concluded that the care provided did not contribute to the outcome.

The Trust Board received and accepted Professor Draycott's report in January 2015 which detailed his findings and recommendations. The Board accepted Professor Draycott's recommendations, with the exception of paediatric assessment being undertaken within 24 hours of birth. The Board considered this recommendation carefully and decided that the Trust would continue to undertake paediatric assessments within 72 hours of birth as specified in NICE guidance.

Informing and Involving Families

The Trust has and continues to keep the five families involved in the Professor Draycott review fully informed according to their individual wishes. The families have all received a full copy of the report, including the detailed review of the care provided to mother and baby in their case. A full copy of the report and all appendices has also been supplied to HM Coroner. A copy of the report without the person-identifiable appendices has been supplied to Monitor, the Care Quality Commission and Milton Keynes Clinical Commissioning Group and is published on the Trust's website. The Trust has offered an unreserved apology to each family for the poor care identified.

Maternity Improvement Board

In order to ensure continued appropriate oversight the Trust has established a Maternity Improvement Board which is chaired by the Trust's Chief Executive and has membership/attendance from the CQC, Monitor and Milton Keynes CCG. The Maternity Improvement Board monitors the implementation of the maternity action plan which contains the recommendations of all internal and external reviews into the service, as well as tracking performance against national indicators.

External visits to maternity

In October 2014, the Royal College of Gynaecologist and Obstetricians (RCOG), Royal College of Midwives, CQC and MK CCG all carried out quality visits and inspections on the maternity service. All have reported that the care provided to our patients is safe, and the CQC also rated leadership, care, responsiveness and effectiveness as good overall.

Risk Appetite

The Trust is committed to not taking risks that would affect care quality or that would place the organisation in breach of regulatory requirements. The Board recognises the need for clearly defined risk appetite against its strategic objectives, as part of its risk management process.

The Board will self-certify the validity of its Corporate Governance Statement. A number of compliance assessments review the adequacy of the governance arrangements. These are undertaken by the Director of Finance who provides assurance on financial performance and the relevant executive director on other areas of governance in relation to the trust's regulations. Assurance on compliance with relevant regulations, internal policies and procedures is undertaken through the trust's Board assurance committee structure; for example, CQC registration via the Quality and Clinical Risk Committee and fire regulations through the Health and Safety Board. Compliance assessments are also undertaken by internal audit, which has provided assurances in relation to aspects of the Trust's governance arrangements.

Stakeholder Involvement in Risk Management

In order to ensure that risk management is not seen only as an issue that needs to be addressed within the organisation alone there are arrangements in place for working with stakeholders and partner organisations, including close working with Milton Keynes CCG.

These cover both operational and strategic issues such as service planning and commissioning, performance management, research, education and clinical governance. Issues arising are fed into the Trust's risk capture process and are subject to risk action plans if the risk is graded sufficiently highly on the risk grading matrix referred to above.

Stakeholders attend meetings and are involved with the Trust which gives them opportunities to raise issues relating to risks which impact upon them. These stakeholders include for example:

A. Patients and Public

- Patient Experience team
- 15 steps (an assessment of patient areas by patients and Governors)
- · Local Health and Wellbeing Board
- Annual Members Meeting
- Healthwatch MK
- PLACE survey
- Representatives from local authority, Healthwatch MK, MK CCG and youth representatives on the Council of Governors
- Patient story at Board meetings.

b. Staff

- Staff survey
- Staff roadshows
- Ask Joe questions can be submitted to the Chief Executive and are responded to via the intranet
- Quarterly staff magazine
- Whistleblowing policy which was reviewed and updated in 2013/14 and meets National Audit Office guidelines.

c. Health partners

- There are regular performance review meetings with CCGs, GPs and Ambulance Trusts
- Stakeholder membership of working groups
- Stakeholder membership on the Maternity Improvement Board with the CCG, CQC and Monitor.
- Involvement in the strategic review of healthcare provision for the residents of Milton Keynes and Bedford.

Governance

Since 2010, the Trust has been rated by Monitor, the NHS Independent Regulator, as at '1' for financial management and 'red' for quality governance, due to the financial deficit of the trust and the CQC conditions placed on the Trust. The trust has been monitored on a monthly basis by Monitor and has made some progress in both areas.

The Trust Board has continued to receive monthly quality performance and safety reports to provide assurance on quality governance. It includes the high level performance and quality dashboard and is discussed at CSU Clinical Improvement Groups (CIG).

Executive Directors

There have been changes to the Board of Directors during 2014/15.

Kate Burke joined the Trust in May 2014 as the Director of Corporate Affairs, responsible for governance, communications and fundraising.

Darren Leech, Director of Strategy and Estates left the Trust at the end of June 2014 and a new portfolio was created under the post of Deputy Chief Executive. John Blakesley changed his portfolio from Director of Performance and Delivery to the Deputy Chief Executive role from the beginning of July 2014.

The role of Director of Performance and Delivery was changed to Director of Operations and in July 2014 Caroline Hutton was appointed as the interim Director of Operations. This appointment was made substantive in September 2014.

Emma Goddard was appointed as Director of Service Development in December 2014, with responsibility for the transformation programme and the implementation of the electronic patient record system.

Non Executive Directors

The interim Chairman, Chris Mellor's, term came to an end in June 2014 and Baroness Wall of New Barnet became the Chairman on 1 July 2014 for a three year term.

Kate Robinson tendered her resignation as a Non Executive Director with effect from 30 April 2014. Jean-Jacque DeGorter had been appointed as an associate Non Executive Director from 1 March 2014 and became a voting member of the Board from 1 May 2014.

Penny Emerson's term of office came to an end in February 2015 and Simon Lloyd was appointed for three years from April 2015.

Meetings

The trust Board meetings continued to be bi-monthly meetings in public with strategic Board development days during the intervening months. This enables more proactive planning of the strategic direction for the Trust and provides an opportunity to discuss business planning and service delivery issues fully.

Key issues from Board meetings are cascaded to all staff following these meetings. The visibility of executive directors has been enhanced with the Medical Director, Director of Patient Care and Chief Nurse and Director of Operations formally visiting clinical and non clinical areas on a weekly basis. The non-executive directors have been regularly visiting areas of the hospital. Most recently, they have undertaken visits to the following areas of the hospital prior to Board meetings:

- Surgery Assessment Unit
- Endoscopy
- Maternity and Labour wards
- Pharmacy

A programme of non-executive director visits has been developed for 2015/16.

Following the success of the leadership development programme in 2012/13, a second cohort of staff from corporate and clinical areas completed the same programme in 2014/15.

Each month the Divisional triumvirates for surgery, medicine and core clinical have a performance review meeting where the Deputy CEO, Director of Finance and Director of Workforce scrutinise the performance of the CSUs and the Division as a whole. The divisions have corresponding meetings with each of the CSUs, to ensure that information is being disseminated throughout the organisational structure.

Incident Reporting

The Trust has an online incident reporting system (Datix) which is available for any member of staff to report an incident. A proactive reporting culture has promoted reporting and incidents are monitored and trends identified, including those relating to the same staff members and teams, and learning from incidents is shared. An analysis of serious incidents is carried out periodically. Incident reporting is an integral part of induction training which every member of staff has to attend within eight weeks of commencing work with the trust. It also forms part of the risk management training which is mandatory for all staff on a three-yearly basis.

A comparison of incidents and serious incidents for 2012/13, 2013/14 and 2014/15 is given below:

Incident	2012/13	2013/14	2014/15
Clinical Incident	3465	4014	5242
Non-Clinical Incident	757	717	907
Statement of Concern	571	557	471
Serious Incidents	124	142	121
Totals	4917	5430	6741

During 2014/15 the trust ceased using 'Statement of Concern' as on review it was found that this classification was either incidents that had been incorrectly categorised or it was a risk and should have been raised through a risk assessment form. This will account for the decrease in the number of incidents under this category during 2014/15.

The overall trend in the numbers of Serious Incidents over the past five years has been increasing. However, this should be taken in context with relevant denominators and the openness of reporting.

In 2014/15, the Serious Incident Report Group (SIRG) has been established. It is chaired by the Medical Director or Director of Corporate Affairs and meets weekly to review the root cause analysis of SIs and reports prior to submission to the CCG.

Serious incidents are reported on a monthly basis to the Management Board, Quality and Clinical Risk Committee and to the public Trust Board which meets bi-monthly. To provide oversight of the Trust's serious incidents, the Quality and Clinical Risk Committee receives a quarterly trends analysis to identify areas of improvement.

There have been no breaches in submission of the serious incident reports to MK CCG.

The Trust has a designated person to manage National Patient Safety Agency (NPSA) issues. The Datix manager has responsibility for leading on ensuring compliance with safety alerts as well as reporting applicable incidents to the National Reporting and Learning System (NRLS). These are then analysed by NHS England (this was previously undertaken by the National Patient Safety Agency (NPSA)) and national benchmarking is completed.

The Trust encourages staff to report incidents, as evidence has shown that high reporting organisations, even with incidents of low severity, are known to have a better and more effective safety culture. It is this culture that helps Trusts assess the quality of the care they are providing and continue to improve safety for both patients and staff. Serious incidents are copied to the Risk Manager who in consultation with the Head of Governance and Risk and the Medical Director/ Director of Patient Care and Chief Nurse (or empowered deputies) ensures that the appropriate level of investigation and root cause analysis (RCA) is undertaken. The level of investigation is dependent upon the seriousness of the incident and the timeframes set by the CCG, which is in line with the Trust incident reporting policy using a common template. All serious incidents reports are approved by the Medical Director/ Director of Patient Care and Chief Nurse and CEO before being reported externally on the national database for reporting incidents (STEIS) data base.

It is the responsibility of the Clinical Service Units (CSUs) to monitor the action plans, lead on implementing improvements and disseminate any lessons learnt from RCA investigations. This is to ensure that the organisation is learning from incidents and minimising recurrence. The CCG randomly selects a number of action plans to review. Part of this process includes the review of evidence to demonstrate completion, improvement and dissemination of learning.

The Trust reported one never event in 2014/15 compared to none in 2013/14 and two in 2012/13. The never event in 2014/15 related to a retained tampon in maternity. The incident was fully investigated and reported to the CCG, CQC and Monitor. In response to the learning points identified as a result of the investigation, training was provided for both obstetric and midwifery staff to reinforce the importance of counting swabs and instruments and documenting accurately on the appropriate page within the woman's hand held record. There was a review of the procedure for counts, including when it is acceptable for different staff to undertake counts especially when the person undertaking the suturing changes. Staff have been reminded, as part of the training for swab counts, to use the whiteboards in the delivery rooms to aid contemporaneous record keeping and swab counts. Tampons were also removed from the suturing packs so that they have to be asked for separately and therefore counted independently

Care Quality Commission

The Quality and Clinical Risk Committee receives reports on the three key domains of quality - safety, experience and effectiveness - which includes information on how the Trust complies with the Care Quality Commission (CQC) essential standards and the Care Quality Committee (CQC) Intelligent Monitoring report.

The Trust had the following CQC concerns from inspections in 2013:

March 2013 - Outcome 14 - Supporting Workers and Outcome 16 -Assessing and monitoring the service quality and provision

June 2013 - Outcome 13 - Staffing levels and Outcome 21 -People's personal records should be accurate, kept safe and confidential

The CQC had not undertaken follow up inspections to assess whether the Trust was fully compliant. The CQC inspection regime altered in 2014 and a rigorous process of assessing Trusts against the CQC essential standards was implemented nationally.

The CQC undertook an inspection of the Trust in October 2014 and the inspectors visited A&E, medical and surgical wards, maternity, children services, outpatients and end of life care.

The inspection showed a significant improvement in the overall care being provided at the hospital. Whilst the outcome remains 'Requires Improvement' the Trust received 80% of its individual service ratings at either "Good" or "Outstanding".

The CQC made particular mention of the good levels of staff engagement, particularly among the consultant body and recognised a number of areas of outstanding practice. There were no formal compliance issues raised and all other issues raised were points that the Trust was already aware of and working to improve.

Specialty Area	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and Emergency services	Requires improvement	Good	Requires improvement	Requires improvement	Requires improvement	Requires improvement
Medical care	Requires improvement	Requires improvement	Good	Requires improvement	Good	Requires improvement
Surgery	Good	Good	Good	Good	Outstanding	Good
Critical care	Good	Good	Good	Good	Good	Good
Maternity and Gynaecology	Good	Good	Good	Good	Good	Good
Services for children and young people	Good	Good	Good	Good	Good	Good
End of Life Care	Requires improvement	Good	Good	Good	Good	Good
Outpatients and Diagnostic Imaging	Good	Not Rated	Good	Good	Good	Good
Overall	Requires improvement	Good	Good	Requires improvement	Good	Requires improvement

The Trust no longer has any outstanding CQC concerns.

The Trust is fully compliant with the registration requirements of the Care Quality Commission.

The Duty of Candour

The Board received a report in October outlining the new requirements of the Duty of Candour which were effective from 1 October 2014 and had a development session in December 2014 following the publication of the CQC guidelines. The Board is committed to openness and transparency and this can be evidenced by the reporting of delivering excellence in maternity to the public Board meetings. Compliance with the Duty of Candour will be monitored by the quality and clinical risk committee.

Financial governance

The last year has seen the Trust deliver further material improvements in its internal financial governance, which have enabled delivery of all key financial metrics in line with formally agreed plans. The overall financial position continues to remain a challenge however, with immediate operational pressures presenting an ongoing challenge with regard to maintaining strong financial controls in the face of unprecedented local activity growth and patient acuity increases. Until a system wide strategic solution is agreed these difficulties are unlikely to reduce. However against this backdrop there have been clear and measurable improvements in performance regards financial governance to ensure key metrics can continue to be delivered. This continued delivery has enhanced credibility and raised external assurance that the financial picture at the trust is clearly understood.

This has been achieved through a number of key actions:

- Adhering to governance controls is strictly monitored, with clear requirements on all levels of budget management to adhere to Trust Board approved SFI's.
- Performance management has been improved with strong attention on ensuring a clear understanding of variances to financial plans. Further disciplines are in the process of being implemented in this area with new recovery plan requirements being enforced where adverse variances arise.
- Cash management continues to be a priority with comprehensive processes firmly established allowing the trust to robustly forecast cash positions and deliver upon external regulatory requirements.
- The Trust budgeting process has again been built on a bottom up basis allowing full understanding of the pressures and opportunities in each area. Once again the relationship between capacity and what it costs, what levels of activity this can facilitate and therefore the true levels of trust income have been at the heart of this budgeting process.
- Divisions are required to formally sign off budgets with clear commitment that all aspects of their budgets are consistent and deliverable.
- The Trust activity income monitoring system has been in place across 2014/15 allowing the organisation to understand its billable activity at the most granular of levels. As a consequence the level and volume of contract challenges from commissioners have been materially reduced.
- Monitor undertook a validation of the 2014/15 annual plan to ensure it was robust and deliverable. Trust financial data has been central to the Healthcare review across the system in recognition of its robustness and reliability. The Trust have been at the heart of these financial discussions, supporting CCG partners in modelling forward projections and determining the preferred solution for the health economy.
- The Trust capital planning process and programme outcomes for 2015/16 have been subject to specific scrutiny by Monitor and DH over recent months. This review has explicitly reported back that governance processes reflect good practice and outcomes are reflective of absolute need.

In 2013/14 the Trust implemented a clinically led process of investment prioritisation, whereby both capital and revenue investment needs are determined by a representative board of clinical leaders. This has been further embedded during 14/15 and is recognised to be at the heart of driving Trust decision making. The process of business case approvals has also been further enhanced and embedded, with full management board and, as appropriate Trust Board, sign off a core requirement. The organisation is thus following good practice in terms of financial governance and ensuring all funds are targeted in the most clinically appropriate manner.

From April 2014 the acting Director of Finance was made permanent at the Trust following a competitive external process. With a substantive executive team in place across the majority of the financial year the trust has a significant degree of continuity, assurance and effective governance. Within the finance team there has been an additional Deputy Director post created focused on financial delivery of the Healthcare Review and strategic projects. This has enabled far greater assurance regarding both operational performance and key long-term developments.

Following a fundamental overhaul of the Trust Transformation delivery team in 2013/14, under the externally commissioned leadership of EY, the last financial year has been a year of consolidation of best practice and moving towards a fully internally delivered programme. This best practice is evidenced in the way in which savings schemes were identified, planned and then delivered and tracked. The outcomes resulting from the transformation programme have been significant, with savings delivery in 2014/15 of £8.4m, a further increase on the previous year and materially greater than prior to the new structures having been embedded in 13/14. Schemes have been tracked to ensure all savings are robust and linked to tangible financial savings in the form of explicit expenditure reductions or additional income delivered through greater productivity.

EY moved into a reduced interim role during 2014/15 as providers of governance and assurance to the programme. This allowed the trust to assure that the programme office is sustaining the delivered improvements. The appointment of a substantive director of Service Development to lead the programme from January 2015 will ensure strong internal leadership is assured. The development of the 2015/16 savings programme commenced at an early point in 2014/15 with genuinely transformational, long-term schemes, at the heart of the forthcoming programme.

Information Governance and Data Security

The Information Governance Steering Group (IGSG) oversees the Trust's Information Governance Toolkit annual assessment and action plan. Through this governance structure the Trust's Information Governance Statement of Compliance (IGSoC) is assessed on an ongoing and annual basis to ensure connection to the NHS National Network (N3) and the use of the NHS Care Records Service applications.

Data security risks are managed via an information governance framework, which comprises of an information governance policy, related policies and guidance and the IGSG. In particular, the Trust's risk management policy sets out a structured approach to information risk management. This includes the appointment of the senior information risk officer (SIRO), information asset owners (IAOs) and information asset administrators (IAAs). Information risk identification is supported by the maintenance of an information asset register and regular information mapping exercises. Any significant risks identified from these processes are included in the trust's risk register and will therefore be subject to the formal management attention commensurate with the assessed risk.

The Trust completes the Information Governance Toolkit (IGT) annually to demonstrate adequate practice and provide assurance that all aspects of information risk management are appropriately managed. The IGT assessment is externally reviewed by the Trust's Internal Auditors. The SIRO, Caldicott Guardian and IGSG monitor progress and compliance with the IGT on an on-going basis. The SIRO and Caldicott Guardian sit on the Management and Trust Boards.

The Trust continues to achieve good percentages on the Information Governance Toolkit (IGT) (version 12). In 2013/2014 the Trust achieved 88%, compared with this year 2014/2015 which is currently at 84%, the reason for reduction is due to audits pending.

The Trust operates in a complex environment and exchanges data with a number of organisations. The trust therefore continues to prioritise activities to reduce the risk of data loss or accidental disclosure of personal data. Information governance policy and guidance is continually reviewed and training and awareness raising programmes target all Trust staff. Information governance training includes an assessment of understanding of key aspects of policy and assessment scores will indicate the success of awareness raising activities. Strengthened technical controls will result in a reduction of risk of specific types of data loss, for example privacy impact assessments on all new systems and processes.

The Trust has comprehensive and relevant policies covering information governance and security, data quality and records management.

During 2014/15 there were two information governance serious incidents which related to:

- 1. A considerable amount of notes left in a car, both in the boot and visible within the vehicle. These notes related to a substantial number of patients. The Trust has no reason to believe that the data was compromised.
- 2. The Procurement Manager was contacted by an external company who deal with auctioning of equipment to advise that they had seen a BV212 C Arm (x-ray equipment which can store live and stored images before, during and after surgery) on a competitor's auction website which was clearly identifiable as being from Milton Keynes Hospital and there were two images displayed which also clearly showed patient information (x 2).

Both of these breaches were reported to the Information Commissioner's Office (ICO) and an assessment was undertaken. The Trust was found to have robust policies and procedures in place and the ICO was satisfied with the investigations and actions taken.

Freedom of Information

Freedom of Information continues to gain momentum and this year. The Trust received 516 requests in 2014/15, which included 2,910 questions compared to 2013/2014 where 476 requests were received which included 2,956 questions. These continue to increase in complexity. The Trust continues to deliver an effective service and has answered 94% within the 20 working day deadline.

Data Quality

The Trust relies on robust, quality information and data to make informed decisions and is committed to maintaining the highest standards of data quality through effective management. The trust is actively engaged with its commissioners to monitor quality under the national contract and monitors both local and national targets through the use of key performance indicators. Moving forward, the data quality strategy will enable an effective data quality culture aligned to the trust values.

18 weeks Referral to Treat

During this period the Trust experienced significant issues with an IT server which meant that the RTT build packages did not manifest effectively. The admitted / non-admitted pathways were correct as they use defined clock stops but the incomplete pathways could not be satisfactorily replicated. In addition, where the CCG use a Referral Management Service (RMS) the Trust does not always receive the correct referral date from the Choose and Book system. Because of the large numbers of referrals it is not possible to manually check the dates. The Trust, in common with most Trusts, treats these referrals as though they had been sent manually and therefore the date that the referral was received by the Trust is used as the clock start date. This is a nationally recognised problem. The Trust has also noted some data entry errors within respect to the 18 week incomplete pathway indicator. As a result of these matters, the Trust cannot, therefore, confirm the accuracy of this reported indicator.

Diagnostics

The Trust believes the reported figure to be materially correct. The process used last year was to utilise a 'snap shot' of the data but this detailed picture of individual patient data was not stored. However, we have noted some errors in data recorded for this indicator, including those which reflect the moving position post month end. The Trust is unable to recreate and reconcile the exact files used for the initial return and therefore it cannot evidence performance in retrospect. The accuracy of the reported 6 week diagnostic indicator cannot be assured through the audit process.

Pensions

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure that all employer obligations contained within the scheme regulations are in compliance. 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.

Equality and Diversity

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

Sustainability

The trust's 2007 carbon baseline assessment was 12,747 tonnes per annum, with a target to reduce carbon to 9,559 tonnes by 2014/15.

The following table shows Co2 performance per annum to date

2010/11	11,808 Tonnes
2011/12	11,108 Tonnes
2012/13	11,183 Tonnes
2013/14	10,508 Tonnes
2014/15	9,786 Tonnes

The decrease in carbon from last year will be due in large part to a relatively mild winter with decreased heating requirements and a continuation of the Trust's two medium voltage generators to be able to provide our own electricity generation on occasion without being dependant on the mains network as well as having the ability to export electricity back to the mains network to assist electricity supply in this area of the country. This also produces an income stream to the Trust as part of the government backed Short Term Operating Reserve (STOR) and Falcon energy saving programs that are designed to assist and reduce dependency on the mains local area network. There has been an increase in the use of gas compared to last year as the Trusts new Combined Heat & Power unit is now running at full capacity using more gas than the previous old unit to produce more efficiently electricity and heating in the Phase 1 part of the hospital. This combined with a continuing trust initiative to only buy replacement or additional highly rated energy saving appliances wherever possible and on-going staff awareness initiatives to reduce consumption has continued to produce a substantial fall in carbon over the last financial year.

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

The Trust will be undertaking a study that will provide the information required to plan for energy usage in the long term linked the development of the Estate, and so linked to the Estate Strategy approved by the Trust Board in 2014.

This study will provide the Trust with an Energy Strategy to ensure that we continue to make best use of the Estates as set out in our Trust objectives, linking this to the NHS Carbon Reduction Strategy that was published in 2014 and national guidance and best practice.

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

The Management Board, Finance and Investment Committee and Board of Directors receive and consider reports on the latest financial position of the Trust from the Director of Finance at each of their ordinary meetings. A similar report is circulated to Board members at Board strategy days. This is supported by a Board dashboard (again, produced each month) that allows the Board to monitor a set of key indicators including productivity and efficiency measures. The Board dashboard includes comparative benchmarking data primarily from Healthcare Evaluation Data (HED). The Board also reviews its Standing Financial Instructions and Scheme of Delegation annually.

The Audit Committee is the sub-committee of the Board that supplements the checks of the Board. In particular, it ensures that the work of internal audit is tailored according to the risks and issues facing the organisation; acts as a route by which both internal and external auditors can raise financial and other concerns; and acts as a conduit between the auditors and the non-executive directors. The chair of the Audit Committee meets with the auditors with no officers present at least every year, so that the auditors can informally raise any issues they have. The Audit Committee also receives quarterly reports from counter fraud and approves the annual counter-fraud plan.

Benchmarking data is obtained for comparison in performance and is reported to the trust Board. An example of this is the Hospital Standard Mortality Rate (HMSR), pressure ulcer and incident reporting, where the trust used Healthcare Evaluation Data (HED) information for benchmarking.

Business cases for service development and improvement are robustly challenged during consideration by the Clinical Board Investment Group (CBIG) which makes recommendation to the management board. The clinical prioritisation process undertaken by CBIG uses benchmarking data as part of the consideration.

Ernst and Young (EY) have continued to support the Trust in delivering the transformation programme, by providing an assurance role. EY assisted the trust from 2013/14 in establishing a transformation programme introducing robust processes and providing project and programme management support. The Trust has built its own team to continue the transformation programme work. The Director of Service Development was appointed in December 2014 and has responsibility for the transformation programme.

In 2014/15 the transformation programme savings target was £8.4m which was delivered. The Transformation Board meets on a monthly basis to review progress of the programme and reports to the Trust's Management Board and the finance and investment committee. The Finance Committee have also undertaken deep dives in transformation project areas e.g. procurement and each of the Divisions reports to the committee on the transformation schemes in its area on a quarterly basis.

The planning process for 2015/16 transformation programme began in November 2014. There have been regular challenge meetings to challenge progress in the development of the schemes to ensure that delivery of savings is maximised next year.

Managing Public Money

An explanation of how the trust manages public money is contained in the governance section of the annual report (section 4). It details the governance framework of the organisation, including information about the board's committee structure, attendance at meetings, key areas of work covered at the meetings and an account of corporate governance, including the board's assessment of its compliance with the Monitor's Code of Governance and the departures from it.

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 the NHS foundation trust boards on the form and content of annual quality reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual. The following steps have been put in place to assure the Board that the quality report presents a balanced view and there are appropriate controls in place to ensure that the data produced is accurate.

These steps cover areas such as:

- The Quality and Clinical Risk Committee have overseen the quality priorities in the Quality Account to ensure that they reflect the trust's priorities. The Audit Committee ensures that the Quality Accounts comply with Monitor's guidance.
- The Council of Governors being consulted on the Quality Accounts and having an opportunity to comment on the quality priorities
- Presenting the Quality Account to the management board giving an opportunity to comment on the content
- Reviewing policies to ensure they are in line with national auidance.
- Monitoring key quality metrics at the management board and Board of Directors
- Monitoring its national key performance indicators relevant to data quality through the national data quality dashboard produced by the NHS Information Centre

The Trust Board monitors performance against key quality indicators and there are one national indicator, A&E 4 hour wait, which the Trust was not compliant in 2014/15:

The trust experienced difficulty in achieving the A&E 4 hour wait target of 95% due to capacity issues. There was increased pressure during the winter period due to the acuity of patients and the number of medically fit patients who could not be discharged due to the lack of appropriate community and social care provision.

Elective Waiting time data

The Trust is committed to sustaining a maximum waiting time of 18 weeks from referral to start of treatment or discharge through effective delivery of the Trust's local access policy. To support delivery of 18 week RTT pathways it is essential that the Trust has an accurate record of all patients currently on pathways of care. In order to ensure that the Trust is best positioned to deliver treatment within required deadlines, all care pathways are subject to data validation. Any errors in the data are reported to the appropriate staff within the Clinical Support Unit (CSU) for corrective action and are monitored within the data quality team for assurance.

Data quality is the responsibility of everyone involved with 18 week pathway management and it is essential that correct information is recorded accurately and without delay. A weekly patient tracking list meeting is attended by all operational and patient pathway managers where pathways are reviewed and individual patients are tracked to ensure 18 week compliance throughout the Trust.

Both data quality and validation posts sit within the performance directorate to allow any risks within specialties to be raised and assurance to be provided on the transparency of data and compliance with national guidance.

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 that have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, Quality and Clinical Risk committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

My review of the effectiveness of the system of internal control has been informed by advice from the Board, Audit Committee, external audit, internal audit, local counter fraud specialist, local security management specialist and the independent assurance commissioned in year.

Significant internal control weaknesses or gaps in control

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Issue	Process by which identified	Actions being taken
Risk management systems	Internal audit report concluded that there was partial assurance with improvement required	Report was considered at Risk and Compliance Board in April 2015. Recommendations are being implemented and compliance will be monitored by the Audit Committee.
CQC compliance issues rated trust as requires improvement	External inspection in October 2014	CQC action plan developed and reported to Quality and Clinical Risk Committee to ensure compliance.
Monitor Licence conditions	Monitor	Action taken against Licence conditions for 2014/15 which are being reviewed by Monitor.

Board of Directors

The Board of Directors places reliance upon the Audit Committee for assurance that the system of internal control is sound. The Board continued to monitor and review the Board Assurance Framework (BAF) and in April 2014 adopted a new reporting template.

The Trust Board undertook a workshop in May 2014 on risk management and evaluation of the risk appetite for each strategic risk on the BAF.

At each meeting the Board reviews the performance of the Trust against national and local performance indicators. In tracking the performance of the Trust the Board raised concern during the autumn that both in terms of access targets and finances performance was declining. In particular the Board recognised the correlation between declining performance indicators relating to increased emergency admissions; emergency department four hour maximum wait from arrival to admission/transfer or discharge; length of stay; occupancy rates and cancelled elective procedures. The Trust has also had a high number of patients with delayed transfer of care, which has meant acute beds being used for patients who were medically fit for discharge. This has added pressure on the hospital as beds are not always available when it has been decided to admit a patient from A&E. The Trust received resilience funding from the Department of Health and this assisted in the trust's ability to manage demand throughout the winter period including the utilisation of community beds to reduce pressure on acute beds in the hospital. The governance framework of the Trust is defined in the information on the Trust Board and its sub-committees and the Council of Governors in Section 5 of the annual report. It explains the scope of each committee and the issues reported to it. The attendance of non-executive directors and executive directors at Board and committee meetings is detailed in Appendix 2 of the annual report.

Monitor's Code of Governance

In January 2014, Monitor published the NHS Foundation Trust Code of Governance (replacing September 2006 version). The purpose of the Code of Conduct is to assist NHS foundation trust boards in improving their governance practices by bringing together the best practice of public and private sector corporate governance. The Code is issued as best practice advice, but imposes some disclosure requirements which all foundation

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

The table below explains the two points where the trust does not comply with the code of governance, together with an explanation of why it does not.

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A.5.6 The Council should establish a policy for engagement with the Board of Directors for those circumstances when they have concerns.

B2.4 The chairman or an independent non-executive director should chair the nominations committee

Explanation for non-compliance

The Council of Governors raise concerns at their regular meetings which members of the Board of Directors attend. In addition, the lead governor meets with the chairman and can raise issues on behalf of the Council. The senior independent director also meets informally with governors to discuss issues and governors can raise concerns through these meetings.

B2.4 The chairman or an independent non-executive director should chair the nominations committee

The Audit Committee

The Audit Committee provides assurance to the Board on:

- The effectiveness of the organisation's governance, risk management and internal control systems;
- The integrity of the Trust's financial statements, the trust's annual report and in particular the statement on internal control:
- The work of internal and external audit and any actions arising from their work.

The Audit Committee has oversight of the internal and external audit functions and makes recommendations to the Board and to the nominations committee of the Council of Governors where appropriate on their reappointment.

The Audit Committee reviews the findings of other assurance functions such as external regulators and scrutiny bodies and other committees of the Board.

The executive directors have provided all the information contained in the annual report and accounts. The nonexecutive directors have had an opportunity to comment on the draft document and the audit committee reviews the report and considers it fair, balanced and understandable.

The Finance and Investment Committee

The Finance and Investment Committee focuses on financial and investment issues and takes an overview of operational activity and performance against national and local targets.

Internal Audit

The Audit Committee agrees an annual risk based internal audit plan and receives reports on the outcomes of the reviews of the system of internal control during the course of the financial year.

At the end of 2013/14, the trust gave notice to leave the CEAC consortium, the provider of internal audit service for the trust. Following a procurement process KPMG were appointed as the internal audit provider for the trust from 1 September 2014.

In 2014/15 the Head of Internal Audit's opinion states that significant assurance with minor improvements can be given on the overall adequacy and effectiveness of the Trust's framework of governance, risk management and control. (CEAC reported significant assurance in the interim Head of Internal audit opinion dated 31 August 2014.

KPMG have undertaken three reviews, all of which provided assurance opinions. From the work performed we have issued:

- Two reports with significant assurance with minor improvement opportunities; and
- One with partial assurance with improvement required.

The Data Quality review has been deferred to allow the scope to be determined based on the output of an assurance mapping exercise.

A full summary of the reviews performed since September 2014 is given below.

Review Core operations	Assurance
Key Financial Controls: -Treasury Management -Income and receivables -Expenditure and creditors -Fixed assets -Payroll -Inventory -General ledger -Financial reporting -Charitable funds	Significant assurance with minor improvement opportunities
BAF and Risk Management	Partial assurance with improvement required
Serious Incidents Requiring Investigation	Significant assurance with minor improvement opportunities

External Audit

Deloitte LLP, the external auditor provides assurance to the trust on an ongoing basis by attending all audit committee meetings and by undertaking the annual audit of the accounts and annual report and a limited assurance review of the Quality Account. The external auditor report is outlined in the annual accounts.

Board Committee Structure

The established committee structure has strengthened the accountability framework by ensuring operational accountability is exercised through the management board before the reports are considered by the Board committee's where the executive are held to account. The Workforce and Development Assurance Committee was established in 2013/14 and has overseen the development of the workforce strategy which was approved by trust Board in November 2014. The Workforce and Development Assurance Committee will monitor the implementation of the workforce strategy. The Quality and Clinical Risk Committee monitors and if required takes action on the quality of care being provided. This will be an internal mechanism for the trust to manage performance and ensure national and local targets are achieved and the requirements of the CQC are met in full.

Going Concern

A statement of Going Concern is included in Section 1 Accounting Policies and other information within the Annual Accounts, an excerpt is included below;

IAS 1 requires management to undertake an assessment of the NHS Foundation Trust's ability to continue as a going concern. These accounts have been prepared on a going concern basis as there has been no application to the Secretary of State for the dissolution of the NHS Foundation Trust and the Directors currently believe there is a realistic alternative to doing so. The Directors have therefore prepared these financial statements on a going concern basis.

The current economic environment for all NHS Trusts and NHS Foundation Trusts continues to be challenging with ongoing internal efficiency gains necessary due to annual tariff (price) reductions; cost pressures in respect of national pay structures; non-pay and drug cost inflation; as well as nationally set contract penalties for contract performance deviations, combined with commissioner (CCG) expectations to reduce activity through ensuring care can be better provided within the community, i.e. managed outside the hospital.

The Trust has incurred a deficit of £24.9m for the year ended 31 March 2015 (deficit for 2013-14 was £17m). The Directors consider that the outlook presents significant challenges in terms of cash-flow for the reasons outlined above, including planned reductions in activity commissioned from the Trust and the need to reduce the underlying cost base of the Trust to continuously align capacity and demand.

The Trust has prepared its financial plans and cash flow forecasts on the assumption that adequate funding will be received from Milton Keynes Clinical Commissioning Group ("MKCCG") and other commissioners (contractual income), and through DH funding facilities. These are expected to be sufficient to prevent the Trust from failing to meet its obligations as they fall due, and to continue operating until adequate plans are in place to achieve financial sustainability for the Trust. However, the Directors have identified that there are material uncertainties that casts significant doubt over whether the Trust will continue to exist in its current form, and over its ability to discharge its liabilities in the normal course of business.

During 2014/15 there has been a national policy change as to how Trust's in deficit positions have their cash requirements financed by the DH. Historically this has been through Public Dividend Capital (PDC) but in March 2015, the DH required that all NHS organisations currently in receipt of temporary PDC (as the Trust were during 2014/15), and all organisations who require future funding support (as the Trust financial plan for 2015/16 necessitates), would in future be funded through loans and working capital facilities. Funding for the 2015/16 financial year will be through a combination of a revolving working capital facility and interim revenue/capital support loans. This change to the funding mechanism from equity to loan instruments will change the structure of the balance sheet with the effect of increasing long term liabilities and reducing net assets. The revenue facilities have a maturity of between 4 and 5 years and the capital loan is expected to be repaid over a 15 year period.

The Trust's immediate working capital requirements have been secured for the first quarter of the 2015-16 financial year through the agreement of a revolving working capital facility of £15.2m. The Trust is in the process of securing a £36.2m Interim Revenue Support Loan and a £7.8m Interim Capital Support Loan for the full financial year at which point the revolving working capital facility will be repaid. The interim funding loans will be required for the duration of the financial year whilst the system Healthcare Review is being progressed, which will then allow a Recovery Plan to be developed which enables a return to a financially sustainable position. On the assumption of receipt of the above funds the Trust would continue to remain a going concern.

Positive cash balances will be maintained throughout the period through successfully securing commitments to necessary funding from DH and a contract with the lead commissioner MKCCG that gives assurance of income flows. The significant risks facing the Trust are summarised as follows:

- 1. The Trust has prepared a cash flow forecast which shows a minimum level of headroom of £1m. There is a level of uncertainty over whether the Trust will receive additional interim loans of £36.2m and £7.8m required to meet its financial obligations. The Trust has however developed its financial plan assuming that it will receive this funding and thus continue on a going concern basis.
- 2. There is uncertainty over whether the Trust will achieve its efficiency savings plan of £8.4m which has been assumed in its financial plan. This is a level of savings which is extremely challenging and must be supported with adequate clinical focus and engagement in quality process improvement against agreed and appropriately detailed and delivery plans.
- 3. The future for Milton Keynes Hospital NHS Foundation Trust is likely to be influenced by the outcome of the jointly commissioned system review taking place across Bedfordshire and Milton Keynes CCG geography which was originally commissioned in 2013. The review was set up as a result of concerns about the pressures on the local health system and, in particular, the clinical and financial sustainability of Bedford Hospital and Milton Keynes Hospital. A progress report was published on 29 October 2014 which identified a number of options. These options are currently being validated and further developed with a broad spectrum of stakeholders. This is due to deliver a further options appraisal during 2015/16.

There are thus material uncertainties which may cast significant doubt as to the Trust's ability to continue as a going concern and therefore may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that would result if the going concern basis were not appropriate.

Monitor's Quality Governance Framework

The Trust Board is required to evaluate on a quarterly basis the performance of the Trust against Monitor's Quality Governance Framework. In view that the Trust could not achieve a financial risk rating of 3 for the next 12 months, RTT not met in Q1 with agreement of the CCG to target the waiting list backlog, 62 Day cancer wait not achieved in Q1 and 2 and that the performance of emergency department in treating patients within 4 hours was not achieved except in Q1, therefore the governance statement has been signed as not compliant in all quarters.

The Trust Board undertook a self assessment against Monitor's Quality Governance Assurance Framework and the Well Led Framework in July 2014. Aspirant Foundation Trusts (FT) must score less than 4 against the framework to be able to apply for FT status. The Board self assessment scored the Trust at 3 and requested that the supporting evidence be reviewed and reported to the Board in September. Following internal review and challenge it was agreed that the self assessment score was 5.5, because some of the associated assurance had not been approved e.g. a quality improvement strategy. The quality improvement strategy was approved by the Board in September 2014. The Trust is now moving towards formal assessment under the combined Monitor and CQC Well Led Framework.

Conclusion

Based on my review, I am aware of significant ongoing internal control challenges regarding A&E performance and data quality and these are being addressed with, where necessary, the engagement of external support and expertise to assist.

Joe Harrison CHIFF FXFCUTIVE



Section 6



Remuneration Report

Remuneration Report

Annual report on remuneration

For the purposes of this report, the disclosure of the remuneration to senior managers is limited to the executive and non-executive directors of the trust. The trust does not link director pay progression to individual performance or award performance related bonuses.

In accordance with the NHS constitution, the trust has two committees for this purpose:

The remuneration and expenses for the trust chairman and non-executive directors are determined by the Council of Governors, taking account of the guidance issued by organisations such as the NHS Confederation and Monitor. Remuneration of trust's most senior managers (executive directors who are members of the trust Board) is determined by the remuneration committee, which consists of the chairman and all the non executive directors.

The Council of Governors receives a report in advance of any non executive recruitment process and agrees the process and remuneration for the appointment.

The remuneration committee is provided with benchmarking information provided by IDS - Executive Compensation on comparable roles in other NHS Trusts when considering the remuneration of executive director positions. It was on this basis that the salary for the director of patient care and chief nurse was uplifted (see table 1).

The table in Appendix 2 sets out the membership and attendance of the remuneration committee for 2014/15. No other party, who was not a member of the committee advised or assisted the remuneration committee in 2014/15, however, the chief executive and the director of workforce were in attendance.

Senior Managers' Remuneration Policy

The trust will review its remuneration practice relating to executive directors during 2015/16 and agree a remuneration policy and strategy. Until the remuneration strategy and policy is agreed, the current practice of not linking director pay progression to individual performance, and of not having performance related bonuses will continue. Both local and national benchmarking information regarding remuneration will continue to be provided to the remuneration committee.

Other members of staff who are not Board members are employed on agenda for change terms and conditions and any percentage pay increases are applied in accordance with national agreements. The remuneration committee agree senior managers pay and conditions following consideration of benchmarking information on comparable roles. Employees of the trust are not consulted on senior manager remuneration.

The remuneration committee took the decision to freeze pay for executives for the period 2014/15, in line with recommendations on national agreements. All the executive directors are employed on permanent contracts and are required to give six months notice to terminate their contract. Terms of each of the non executive directors are given in the section 5 governance and risk management.

Details of remuneration, including salaries and pension entitlements of the board of directors are published in section 4.6 in the annual accounts. Details on the median/mid-point and highest paid director are included in Section 4.7 of the annual accounts.

The details of other remuneration, travel and assistance for directors and non executive directors are attached in table 1. The only non-cash element of the senior managers' remuneration packages are pension related benefits accrued under the NHS Pensions Scheme. Contributions are made by both the employer and employee in accordance with the rules of the national scheme, which apply to all NHS staff.

The trust's normal disciplinary policies apply to senior managers, including the sanction of instant dismissal for gross misconduct. The trust redundancy policy is consistent with NHS redundancy terms for all staff

The Trust has a policy in place that reviews the employment status of contractors to assess if the contractor is an employee or self-employed as per HMRC's assessment criteria. The trusts policy is not to employ anyone through their own company if they do not meet the self employment status.

Governor Expenses

Governors are permitted to claim an allowance of £10 for any meeting of the Council of Governors they attend or an external meeting that they attend on behalf of the Trust e.g. Healthwatch: MK Executive. Details of the claims made in 2014/15 are attached at table 2. Details of Governors who held office in 2014/15 are given at Appendix 1.

Annual statement from the chair of the remuneration committee

For the period until 31 March 2015 there were two trust board members employed via non payroll engagement: Chris Mellor and Norma French.

The chairman's post became vacant due to the resignation of David Wakefield in August 2013. Following discussions with Monitor, the Council of Governors were advised to appoint an interim chair until the position could be filled substantively. Chris Mellor's contract ended at the end of June 2014 and his replacement, Baroness Margaret Wall, commenced in post on 01 July 2014.

Norma French joined the trust on a contractual basis from 15 April 2013 to 30 March 2014, as the interim director of workforce. The terms of the contract specified that one month's notice by either party and there was no termination payment in the contract. Ogechi Emeadi was appointed as the substantive director of workforce with effect from 31 March 2014 and Norma French was further contracted for a handover period of one month and left the Trust on 30 April 2014 following its completion.

Having become the substantive director of performance and delivery on 1 April 2014, John Blakesley's portfolio was extended in July 2014 to include board level responsibility for security, in the role of deputy chief executive. John Blakesley was previously employed on a contractual basis from 4 April 2013 to 31 March 2014 in the role of director of performance and planning.

Darren Leech, left his role of director of operations on 30 June 2014.

Several other significant changes were made to executive director team to allow effective management of both internal and external demands (both operational and strategic) and large-scale projects, including the health service review and implementation of electronic patient record (EPR). These changes were:

- 1. Kate Burke, director of corporate affairs, resumed boardlevel responsibility for health and safety;
- 2. The director of operations would be a Board level post with a job title change to director of clinical services. This post was advertised within the agreed salary range and Caroline Hutton was appointed to the role.
- 3. The new post of director of service improvement was created and advertised within the agreed salary range; Emma Goddard was appointed to the role.
- 4. Jonathan Dunk was appointed substantively to the role of director of finance on 31 March 2014.

This effectively separated operational delivery from transformation and project management; allowing for greater focus on delivery as well as challenge and a strengthened resource in areas of greatest need. It was recognised that such significant changes to the leadership of the transformation programme were at a crucial time in the financial year. However, my view was that it was right that, given the importance of the transformation programme and EPR, it should be a stand-alone role on the board rather than part of another executive director's portfolio.

The trust has made no provision for compensation for early termination and no payment for loss of office for senior managers.

There have been no payments to past senior managers.

In response to the Treasury recommendation, the trust has incorporated into its standard contractual terms and conditions the requirement to allow the Trust to seek assurance around tax obligations.

Baroness Margaret Wall

M.M. Due.

CHAIRMAN AND CHAIR OF REMUNERATION COMMITTEE

Reasons for off payroll contracts

Board of Directors

Director of Workforce, Norma French

The interim director of workforce was required to fill a vacancy urgently and a successful recruitment campaign has taken place with a substantive appointment made on 31 March 2014.

Chairman, Chris Mellor

The Trust's substantive Chairman left in June 2013 following a period of fulfilling this role in two organisations at Monitor's request. Given this, and the immediacy of the vacancy, Monitor recommended two suitable candidates for the Trust to appoint on a fixed term basis. Chris Mellor was one of these and the Trust thus employed him from September 2013 until June 2014 whilst permanent arrangements could be put in place.

A recruitment campaign for the substantive appointment took place, with the successful candidate taking up post in July 2014.

Senior Officials with Significant financial responsibility

Chief Pharmacist

The interim chief pharmacist was required to fill a vacancy urgently and a successful recruitment campaign has taken place. The appointed chief pharmacist commenced on 22 April 2014.

Transformation Lead

A transformation lead was required for a specific project with a specific skill set. The contract for this post is due to be reviewed in April 2014. Following the appointment of Emma Goddard as director of service improvement, the transformation lead was employed on a trust contract of employment in December 2014.

As part of the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2012, the Trust is required to publish the following:

- a. off payroll engagements at a cost of over £58,200 per annum
- b. Off-payroll engagements between 2014/15 for more than £220 per day and more than six months.

Table 4B: For all off-payroll engagements as of 31 Mar 2015, for more than £220 per day and that last for longer than six months	2014/15 Number of engagements
No. of existing engagements as of 31 March 2014	1
OF WHICH:	
Number that have existed for less than one year at the time of reporting	
Number that have existed for between one and two years at the time of reporting	
Number that have existed for between two and three years at the time of reporting	1
Number that have existed for between three and four years at the time of reporting	
Number that have existed for four or more years at the time of reporting	
CONFIRMATION	
Please confirm that all existing off-payroll engagements, 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.	Yes

Table 4C: For all new off-payroll engagements, or those that reached six months in duration, between 01 Apr 2014 and 31 Mar 2015, for more than £220 per day and that last for longer than six months	2014/15 Number of engagements
Number of new engagements, or those that reached six months in duration between 01 Apr 2014 and 31 Mar 2015	
Number of the above which include contractual clauses giving the trust the right to request assurance in relation to income tax and national insurance obligations	
Number for whom assurance has been requested	0
OF WHICH:	
Number for whom assurance has been received	
Number for whom assurance has not been received *	
Number that have been terminated as a result of assurance not being received	
In any cases where, exceptionally: - the trust has engaged without including contractual clauses	
allowing the trust to seek assurance as to their tax obligations; or - where assurance has been requested and not received, without a contract termination	

please specify the reasons for this.

Table 4D: For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 01 Apr 2014 and 31 Mar 2015	2014/15 Number of engagements
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	3
Number of individuals that have been deemed "board members and/or senior officials with significant financial responsibility". This figure should include both off-payroll and on-payroll engagements.	19
IN ANY CASES WHERE INDIVIDUALS ARE INCLUDED WITHIN THE FIRST ROW OF THIS TABLE, PLEASE SET OUT:	
Details of the exceptional circumstances that led to each of these engagements.	Interim Chairman. Interim Head of Transformation during recruitment process. Specialist Pharmacy review.
Details of the length of time each of these exceptional engagements lasted.	1.Sept 13 to June 14 2. July 14 to Dec 14 3. Dec 12 to Jul 14

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Joe Harrison CHIEF EXECUTIVE

Salaries & Expenses - Directors Remuneration Statement 2014/15

	Year Ended 31 March 2015						
	Salary	Taxable Benefits	Annual Performance Related bonuses	Long term Performance Related bonuses	Pension Benefits	Total	
Name and title	(Bands of £5,000) £	(Bands of £100) £	(Bands of £5,000) £	(Bands of £5,000) £	(Bands of £2,500) £	(Bands of £5,000) £	
Joe Harrison Chief Executive Officer	165-170	0	0	0	65-67.5	235-240	
Jonathan Dunk Director of Finance	125-130	0	0	0	105-107.5	235-240	
Lisa Knight Director of Patient Care / Chief Nurse	110-115	0	0	0	70-72.5	180-185	
John Blakesley from April 2014 Deputy Chief Executive	145-150	0	0	0	0	145-150	
Ogechi Emeadi Director of HR & Workforce Development	95-100	0	0	0	162.5-165	260-265	
Martin Wetherill Medical Director	175-180	0	0	0	167.5-170	345-350	
Emma Goddard from December 2014 Director of Service Improvement	35-40	0	0	0	30-32.5	70-75	
Kate Burke from May 2014 Director of Corporate Services	65-70	0	0	0	25-27.5	90-95	
Caroline Hutton Interim Director of Operations May14 to September 14 Director of Operations – from October 2014	45-50 50-55	0	0	0	0 42.5-45	45-50 95-100	
Darren Leech – left June 2014 Director of Strategy and Estates	25-30	0	0	0	N/A	25-30	
Baroness Margaret Wall – from July 2014 Chairman	30-35	0	0	0	N/A	30-35	
Chris Mellor- left June 2014* Chris Mellor- left June 2014*	50-55	0	0	0	N/A	50-55	
Tony Nolan Non Executive Director	10-15	0	0	0	N/A	10-15	
Dr Jean-Jaques De Gorter Non Executive Director	10-15	0	0	0	N/A	10-15	
Robert Green Non Executive Director	10-15	0	0	0	N/A	10-15	
David Moore Non Executive Director	10-15	0	0	0	N/A	10-15	
Frank Burdett Non Executive Director	10-15	0	0	0	N/A	10-15	
Penny Emerson Non Executive Director	10-15	0	0	0	N/A	10-15	
Kate Robinson – left April 2014 Non Executive Director	0-5	0	0	0	N/A	0-5	

Notes

John Blakesley - opted out the pension scheme from the 1st April 2014, therefore there are no pension benefits for this Director.

^{*}The costs associated with these Directors are the total cost, inclusive of VAT, of the professional service provided and includes other costs associated with providing the service.

Salaries & Expenses- Directors Remuneration Statement 2013/14

	Year Ended 31 March 2014						
	Salary	Taxable Benefits	Annual Performance Related bonuses	Long term Performance Related bonuses	Pension Benefits	Total	
Name and title	(Bands of £5,000) £	(Bands of £100) £	(Bands of £5,000) £	(Bands of £5,000) £	(Bands of £2,500) £	(Bands of £5,000) £	
Joe Harrison- started Feb 2013 Chief Executive Officer	165-170	0	0	0	80-82.5	250-255	
Jonathan Dunk - started July 2013 Director of Finance	80-85	0	0	0	52.5-55	130-135	
Robert Toole (Penna PLC) - started Jan 2013, left June 2013 * Interim Director of Finance	95-100	0	0	0	N/A	95-100	
Duncan Smith- left April 2013 Director of Finance until Dec 2012 Director of Commercial Development from Dec 2012, left April 2013	N/A N/A	0 0	0 0	0 0	N/A 5-7.5	0 5-10	
Lisa Knight - started Oct 2012 Director of Patient Care / Chief Nurse	100-105	0	0	0	92.5-95	190-195	
John Blakesley started April 2013 * Interim Director of Planning & Performance - from April 2013 to March 2014 Interim Director of Performance & Delivery - from March 2014	265-270 5-10	0 0	0 0	0	N/A N/A	235-270 5-10	
Darren Leech - Started Dec 2011 Chief Operating Officer to March 2014 Director of Strategy & Estates from March 2014	100-105 5-10	0 0	0 0	0	15-17.5 0-2.5	120-125 5-10	
Ogechi Emeadi - started 31st March 2014 Director of HR & Workforce Development	0-5	0	0	0	N/A	0-5	
Norma French started April 13, left March 2014 * Interim Director of HR & Workforce Development	130-135	0	0	0	N/A	130-135	
Kathy Renacre - left April 2013 Director of HR & Workforce Development	N/A	0	0	0	5-7.5	5-10	
Martin Wetherill from June 2011 Medical Director	175-180	0	0	0	25-27.5	200-205	
Chris Mellor- started October 2013 * Interim Chairman	115-120	0	0	0	N/A	115-120	
David Wakefield - Started April 2011, left Sept 2013 Chairman	15-20	0	0	0	N/A	15-20	
Kate Robinson Non executive director	10-15	0	0	0	N/A	10-15	
Tony Nolan - Started March 2014 Non executive director	0-5	0	0	0	N/A	0-5	
Dr Jean-Jaques De Gorter- Started March 2014 Non executive director	0-5	0	0	0	N/A	0-5	
Robert Green - Started Jan 2013 Non executive director	10-15	0	0	0	N/A	10-15	
David Moore - Started Feb 2012 Non executive director	10-15	0	0	0	N/A	10-15	
Frank Burdett - Started Feb 2012 Non executive director	10-15	0	0	0	N/A	10-15	
Penny Emerson - Started Feb 2012 Non executive director	10-15	0	0	0	N/A	10-15	
Graham Anderson - left Feb 2014 Non executive director	10-15	0	0	0	N/A	10-15	

Notes*The costs associated with these Directors are the total cost, inclusive of VAT, of the professional service provided and includes other costs associated with providing the service.

Table 2 Governor Expenses 2014/15

Governor	Amount £
Liz Wogan (Govern Well event April 2014)	38.05
Peter Ballantyne (Govern Well event April 2014)	38.05
Lesley Bell (Govern Well event April 2014)	38.05
Michael Moutrie (Govern Well event April 2014)	105.00
Bob Collard (Sep 2013 to May 2014)	223.00
Lesley Bell (to May 2014)	103.30
Arun Nathan (June 2014)	8.40
Arun Nathan (July 2014)	7.70
Hilda Kirkwood (Oct 2014)	20.00
Brian Hobbs (Govern Well core skills Oct 2014)	42.50
Arun Nathan (Nov 2014)	16.55
Arun Nathan (Jan 2015)	8.00
Arun Nathan (Mar 2015)	10.55
Hilda Kirkwood (Mar 2015)	20.00
Total	679.15

Governor Expenses 2013/14

Governor	Amount £
Barbara Senior	60.00
Lesley Bell (To May 2013)	100.00
Arun Nathan (Oct 2013	9.40
Lesley Bell (May to Nov 2013)	100.00
Lesley Bell (Nov – Jan 2013)	100.00
Arun Nathan (Feb 2014)	8.00
Arun Nathan (Dec 2013)	10.40
Total	387.80





Section 7



Membership Report

Membership Report

Milton Keynes NHS Foundation Trust is committed to establishing and growing an effective membership and during 2014/15, a number of steps have been taken to improve engagement and increase membership.

Although public membership figures have remained fairly static, we are confident that our membership is active, that all members are informed about the benefits of membership and are empowered to have an input into the development of the trust.

The trust has continued to providing members with news about the hospital, information, dates for their diaries and 'members only' incentives and discounts negotiated by the trust with local companies.

Number and analysis of members

PUBLIC CONSTITUENCY	2013/14	2013/14
At year start 1 April	6,177	5,953
New members	83	20
Members leaving	307	92
At year end 31 March	5953	5,881
STAFF CONSTITUENCY		
At year start (1 April)	2,948	3,016
At year end (31 March)	3,016	3,140
PUBLIC CONSTITUENCY AGE (YEARS)		
0-16	7 (0.11%)	5 (0.08%)
17-21	165 (2.77%)	119 (2.02%)
22+	1,919 (32.23%)	1,956 (33.26%)
Not declared	3,865 (64.92%)	3,801 (64.63%)
PUBLIC CONSTITUENCY ETHNICITY		
White	4,711	4,652
Mixed	98	99
Asian or Asian British	350	348
Black or Black British	249	251
Other	74	74
Not declared	471	457
PUBLIC CONSTITUENCY GENDER		
Male	2,367	2,343
Female	3,586	3,538

Our governors

Governors have been or are currently involved in various groups and committees, these include:

- Engagement group
- Nominations committee
- PLACE inspection team
- 15 Steps initiative which evaluates the environment of hospital areas from the patient's perspective on the first 15 steps made.

Membership constituencies

The trust has staff and public constituencies, and also has nominated governors representing local stakeholders in partnership constituencies.

PUBLIC CONSTITUENCIES	MEMBERSHIP
Bletchley & Fenny Stratford, Denbigh, Eaton Manor, Whaddon	2
Emerson Valley, Furzton, Loughton Park	2
Linford South, Bradwell, Campbell Park	2
Hanslope Park, Olney, Sherington, Linford North, Newport Pagnell North and NP South	2
Walton Park, Danesborough, Middleton, Woughton	2
Stantonbury, Stony Stratford, Wolverton	2
Outer catchment area (including Parishes in the areas of Buckingham, Winslow, Leighton Buzzard, Linslade, Woburn Sands, Hanslope, Old Stratford, Beachampton, The Horwoods, The Brickhills, Woburn)	2
New Constituency	1

STAFF CONSTITUENCIES	MEMBERSHIP
Doctors and Dentists	1
Nurses and Midwives	2
Scientists, Technicians & Allied Health Professionals	1
Non-clinical staff groups, e.g. Admin & Clerical, Estates, Finance, HR & Management	3

PARTNERSHIP	MEMBERSHIP
MK CCG	1
Milton Keynes Business Leaders	1
MK Council for Voluntary Organisations	1
MK Youth Council Representatives	2
Local Authority	1
Healthwatch MK	1

Staff constituency

Within the terms of the Constitution, all staff are automatically members unless they decide to opt out of membership, providing they have been appointed to a post for a minimum period of twelve months. Staff membership has increased over the last 12 months due to an increase in the number of staff.

Public constituency

Members of the public living within the trust's catchment area who are over the age of 14 and not employed by the trust are entitled to become public members. To be a representative on the Council of Governors, applicants should be aged 16 years or over.

The areas of the public constituency and the number of current members are shown below:

PUBLIC CONSTITUENCIES	MEMBERSHIP
Bletchley and Fenny Stratford, Denbigh, Eaton Manor and Whaddon	1,181
Emerson Valley, Furzton, Loughton Park	837
Linford South, Bradwell, Campbell Park	887
Hanslope Park, Olney, Sherington, Newport Pagnell North, Newport Pagnell South, Linford North	702
Walton Park, Danesborough, Middleton, Woughton	899
Stantonbury, Stony Stratford and Wolverton	830
Outer catchment area: - (Buckingham, Winslow, Leighton Buzzard, Linslade, Woburn Sands, Hanslope, Old Stratford, Beachampton, The Horwoods, The Brickhills, Woburn)	454
Extended catchment area	91
Total	5,881

The trust currently has 5881 public members 3140 staff members on its membership register. The total membership is therefore 9021.

The ethnicity of the membership broadly matches the ethnic composition of the local population. The trust has been reaching out to engage with groups typically perceived as 'hard-to-reach', such as those of diverse ethnic origin and social backgrounds. The gender balance is currently skewed towards women. This may be because women are generally more actively involved in their healthcare, and are more likely to come into contact with health-related organisations as women traditionally - and still today - are more likely to take on the role of care giver for their family.

Membership recruitment and engagement

The trust's membership continues to be developed by the communications team and trust secretary. Additionally, some of the trust's governors have been very active in assisting to recruit new members. Initiatives undertaken during 2014/15 include:

- Membership promotion at local public events e.g. Healthwatch event November 2014
- Procedures in place for dealing with applications for membership - including freepost address, dedicated membership office telephone number, email and web links
- Trust website and local media
- Established two-way feedback systems, so that staff and community members have appropriate channels to feedback their ideas concerns, raise issues and ask questions
- Securing discounts for members on a wide range of goods and services that are offered to NHS staff
- Demonstrating the value of membership through publicising events for members
- Encouraging members to bring their friends and family to events and becoming members too
- Articles about membership and opportunities to engage with the trust have been published in newsletters for stakeholders and in publications sent out to various local organisations
- Membership promoted at designated points throughout the trust, including reception areas (though leaflets and posters), patient experience team and voluntary services.

Membership and Engagement Strategy

The engagement group has developed a revised draft Membership and Engagement Strategy which has three objectives and will be considered by the Council of Governors in 2015-16 for adoption:

Objective 1

Build and maintain membership numbers to meet / exceed annual plan targets ensuring the membership is representative of the population the Trust serves.

Objective 2

Regular and effective communication with members.

Objective 3

Engage with members and encourage their involvement

Engaging young people

Historically the trust has struggled to recruit young members, with 124 members aged 21 or younger. The MK Youth Council has appointed two representatives to sit on the Council of Governors, to give their views on the services provided for young people. One of the representatives is actively involved in paediatric service improvements.

Partner and external organisations

Trust staff and governors continue to talk with partner and external organisations, the trust secretary and governors were also involved in the Healthwatch event in November 2014 and other local events.

The engagement group have also developed a leaflet for the residents in their constituency and the local community council providing information on their role and how they can be contacted. This was distributed in 2014/15.

Seldom heard, minority groups and people with disabilities

It is important that the trust fairly reflects the community it provides services for, because representative membership ensures the trust reaches everyone and provides them with the services they require. The trust is committed to engage with individuals or groups who find joining the membership difficult, unappealing, or who are unaware of hospital membership.

Contacting Council of Governors

Anyone wishing to contact our Council of Governors or directors, or enquire about becoming a member, can do so in writing or by using a dedicated membership email address (foundation.members@mkhospital.nhs.uk). Contact can also be made directly by telephoning the Trust Secretary on 01908 996234.

Anyone wishing to contact a governor can do so via email or writing to the trust secretary (Michelle.evansriches@mkhospital.nhs.uk). Guidance on this is provided on membership application leaflets, in the membership magazine, on the letters that are sent out in the membership packs and on the website.

The following freepost address is specifically for use by members to facilitate communication. Freepost RLXB-TUUR-JCLS, c/o Membership Officer, Oak House, Milton Keynes Hospital NHS Foundation Trust, Standing Way, Eaglestone, Milton Keynes, Buckinghamshire, MK6 5LD.



Section 8



Financial Review

Going Concern Statement Annual Accounts

Financial Review

Regulatory Ratings

Milton Keynes Hospital NHS Foundation Trust is regulated by Monitor, the sector regulator for health services in England. Monitor categorises Foundation Trust's financial risk using the 'Continuity of Services rating' where '4' represents least risk and '1' most risk. Details of how 'Continuity of Services ratings' are calculated can be found on the Monitor website: www.monitor-nhsft.gov.uk

The Trust continues to measure performance on a monthly basis and taking additional actions where required, with quarterly self-declarations submitted to Monitor, which are shown below. These recognise that the Trust remains subject to Enforcement Action whilst improving services and performance.

	2014/15 Actual				
Rating Category	Annual Plan	Q1	Q2	Q3	Q4
Continuity of Services rating	1	1	1	1	1
Governance rating	Red / Amber	Red	Red	Red	Red

Income Disclosures are Included in the Notes to the Accounts

The Trust can confirm that the income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purpose. This is in accordance with Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012).

Principal Financial Risks and Uncertainties

Milton Keynes Hospital NHS Foundation Trust is facing a period of unprecedented change over the coming years. During 2013 Monitor, NHS England, along with both Milton Keynes and Bedfordshire CCGs commissioned the 'Milton Keynes and Bedford Healthcare Review'. The review was set up as a result of concerns about the pressures on the local health system and, in particular, the clinical and financial sustainability of Bedford Hospital and Milton Keynes Hospital.

A progress report was published on 29 October 2014 which identified a number of options and concluded that the best overall balance between strengthening clinical quality and sustainability, better meeting the needs of a changing population and being financially affordable are those which combine a form of major emergency centre and an integrated care hub. However, though the financial evaluation shows considerable benefit in both options, it did not show that neither is wholly sustainable without further, more detailed work being completed. Thus, the options are currently being validated and further developed with a broad spectrum of stakeholders. The Trust is working closely with Milton Keynes CCG and expects the project to move to wider consultation later in the year.

The planning undertaken by the Trust has recognised that without significant change, the Trust will remain in deficit during the foreseeable future. A deficit of £36.2m is anticipated for 2015/16, which recognises sizeable and essential investment in meeting and maintaining quality standards, and the fact that the organisation lacks the economies of scale enjoyed by other larger trusts.

Ongoing deficits of this magnitude come with accompanying cash pressures with the Trust requiring ongoing funding from the Department of Health (DH). During 2014-15, DH established a range of financing options available to NHS Trusts and NHS Foundation Trusts (FTs) for providers requiring Interim Support. Interim Support is defined within Secretary of State's guidance under section 42A of the National Health Service act 2006 (Section 42A Guidance) . It is used to provide transitional financial support to an FT or NHS Trust in financial difficulty where it is necessary to support the continued delivery of services for a period during which an assessment of the underlying problem is carried out and a Recovery Plan is developed which forecasts a return to a financially sustainable position.

Previously, the Trust has financed its cash requirements through injections of Public Dividend Capital (PDC) - this 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 trusts. In March 2015, the DH has required that all NHS organisations currently in receipt of temporary retrospective PDC (as the Trust has been during 2014-15), and then going forward, all organisations who require future funding support, are required to agree loans and working capital facilities through the financing options noted above, as opposed to any further PDC being provided. This is a national agenda, specifically not related to anything unique to the Trust's position. As a consequence, the Trust received funding of £25.3m in March 2015 to fund its revenue requirements for the financial year ended 31 March 2015. Funding for the 2015/16 financial year will be through a combination of revolving working capital, interim revenue support and interim capital support facilities. This change to the funding mechanism from equity to loan instruments will change the structure of the balance sheet with the effect of increasing liabilities and reducing net assets. The interim revenue support loans and revolving working capital facilities have repayment dates of April 2020 with no payment of principal until this date. The interim capital loans will be over a term of 15 years with the loan being paid biannually on a straight-line basis over the 15 year period.

As with all NHS Trusts, Milton Keynes Hospital NHS Foundation Trust is required to achieve c.4% (approx. £8m) savings year-on-year which have historically been delivered from internally focused opportunities. A critical reason for a wider healthcare solution is that individual single-site organisations increasingly find it more difficult to identify this level of savings without external collaboration. Delivery of this year's CIP target remains challenging and is being monitored closely due its inherent delivery risk.

One of the biggest challenges facing the Trust is its ability to recruit and retain staff at levels which are necessary to deliver high quality and effective services - this poses both operational and financial risks. There is a national shortage of suitable nursing and medical candidates which has created an extremely competitive market and in addition many such staff now choose to work flexibly as locums or via agency. This has placed an onerous financial pressure on the Trust with rates for such staff carrying a premium of at least 50%. This has contributed to the increase in agency costs from £9m in 2013-14 to £17m in 2014-15. Whilst the Trust remains focused on addressing this issue in its planning for 2015-16 through sustainable and innovative recruitment and retention solutions, it has recognised the ongoing reliance on agency staff in its financial plan for 2015-16.

The risks for the Trust are included in the Going Concern Statement as detailed below.

Financial Risk management

The Trust's financial instruments, and risk thereof, are described in the Financial Statements (note 24 Financial Instruments). The Trust continued to only use the Government Banking Service account for its deposits.

The key financial risks facing the NHS Foundation Trust are outlined below:

- The Milton Keynes Clinical Commissioning Group has a programme of service pathway changes and other demand management initiatives that, if delivered, would significantly reduce activity in the hospital and the financial sustainability of the Trust, unless costs could be taken out in full. The Trust will continue to work closely with commissioners over the coming year to mitigate these risks. The contract for 2015-16 has been agreed in principle with only minor amendments to be agreed before signature.
- The transformation programme is core to the success of the Trust, while improving the quality of services and the safety of patients paramount. This programme requires a challenging but realistic financial saving to be realised, and performance improvement delivered.
- As noted above, the Department of Health, with support from Monitor, has provided range of financing options to fund the Trust's working capital position while the future strategic solution for the Trust is finalised. This support is integral to the short-term viability of the Trust.

Further information regarding the principal risks facing the organisation are given throughout the report as well as in the Statement of Accounting Officer's Responsibilities (Section 8, Financial Statements) and Annual Governance Statement (Section 5)

Development of the Business During the Year

The Trust has been fully engaged in the Milton Keynes & Bedfordshire Healthcare Review, working closely with MKCCG. This work is continuing with the validation of the previous assumptions and further development of the options identified.

The partnership with the University of Buckingham to create the Medical School on site has seen the first cohort of 65 students join in January 2015. Initially their studies will be limited on-site but are expected to be visible around the Trust from 2017 when the Medical School building will be completed. To reflect this development the Trust name has formally changed to reflect this University partnership and increased focus on education and training.

To support the Trust in managing capacity in A&E, £2.9m has been invested to deliver physical area improvements. This is being managed in a two-phase approach, the first phase has been completed and has included the creation of an additional four majors bays and six minors' bays. Phase 2 will further develop areas adjacent to the current A&E and provide additional floor space to better manage the flow of patients.

Cancer patients have been repatriated from other neighbouring trusts to Milton Keynes during the year and plans are in place to extend this to a broader range of cancers. This enables patients to be treated closer to home and is a priority for the Trust, especially for those patients having regular treatments, thereby supporting both them and their families and carers.

Key Financial Performance Indicators

Area	Metric	Measure	Plan	Internal Target	Actual	Status	Comment
Financial Efficiency	National reference cost index	Comparison of activity costs againstother NHS providers	100.0	idiget	101.9	Not Achieved	The Trust's Reference Cost Index for 2013/14 movedfrom 101.1 seen in 2012/13 to 101.9. This was expected given the current financial position and need for a strategic solution across the healthcare system.
	Cash variance to plan		£0.5m		£1.3m	Achieved	This is in line with the requirements for the interim loan support received in March
Working Capital	Cash variance against plan (accruals basis)		£14.0m		£10.3m	Not Achieved	The Trust agreed with Monitor that £1m of spend on the EPR project and a further £2.7m on A&E phase 2 would now be incurred into 2015/16. The revised year end capital spend was £10.3m
	Debtors	Trade Receivables as a proportion of annualised income		30 days	11 days	Achieved	The majority of the Trusts income is paid on the 15th of every month
	Creditors	Trade Receivables as a proportion of annualised expenditure		30 days	26 days	Achieved	This is slightly better than plan
Continuity of	Liquidity ratio	< -14 days (FRR 1) cover - Cash plus trade debtors less trade creditors expressed as the number of days operating expenses that could be covered	-24		-20.0	Achieved	This ratio is based on net asset position, given that the Trust has a net current liabilities, the ratio is negative
service	Capital Service Ratio	<1.25x (FRR 1), it's the degree to which the Trust's operating surplus, excluding depreciation, covers its financing obligations i.e. PDC, loan interest & Finance lease costs	-2.36 times		-2.51	Not Achieved	This is a negative as the Trust has an operating deficit. This is slightly off plan as EBITDA was marginally worse than planned, offset by reduced non-operating costs.

Impending Developments and Future Development Trends

Milton Keynes continues to grow at levels exceeding the national average. This recognition has seen the local CCG (MKCCG) receive additional funding for 2015/16. Additionally the Marginal Rate Emergency Tariff has been changed as part of the wider national tariff discussions from 30% to 70%. The baseline remains at 2008/09 activity levels which will continue to cause some financial pressure to the Trust.

The Trust is investing £22m over 12 years on a new Electronic Patient Record. The system will replace the current Patient Administration System which will no longer be supported by the national IT programme from October 2015. A switch over will take place to a like-for-like replacement in 2015/16 before further developments take place that will utilise technology to increase patient safety and clinical efficiency. This is all part of the Trust's technology roadmap.

The new university status of the hospital is providing a springboard for increasing research & development activity at the hospital. The Trust has been working closely with the Academic Health Sciences Network, University of Buckingham and the Open University on R&D opportunities. This is an exciting development for the Trust and will enable us to continue to attract high quality staff to the organisation.

Milton Keynes University Hospital NHS Foundation Trust approved the Estates Strategy in 2014/15 and work will continue to develop and deliver on the requirements. These include:

- Buckingham University have partnered with the Trust to create an academic centre on the site. The first cohort of students has begun their studies and is due to arrive on the hospital site during 2017.
- The Trust continues to develop its plans for a common front door, integrating both emergency and urgent care services in one area. This is in recognition of both the increase in population in the area, that we have a growing city and changes in the health requirements of an aging population.
- The Trust continues to repatriate cancer patients so that they can have their care closer to home. Plans for a Cancer Centre on site will be developed during the year and discussions have already taken place with some prospective partners. This will be an excellent addition to the trust's facilities and improve patient experience.
- Given the growth in services and patient numbers, the Trust and the local council recognises that parking has become an issue on the site. Plans are being developed to increase parking provision.

Final financial position

Income and expenditure

The Trust's financial position and end of year accounts are detailed in the Summary Financial Statements on pages 6-9 of the annual accounts. The accounts are prepared under International Financial Reporting Standards and Monitor's Annual Reporting Manual.

Financial headlines for 2014-15 were:

- Total income of £179.3m, an increase of £6.2m (4%) on the previous year;
- Income from clinical activities was up by £6.1m (3.5%) at £166.9m;
- Retained deficit for year increased to £24.9m from £17m the previous year; and
- Against Monitor's Continuity of Services Rating the Trust scored '1', in a scale of '1'-'4', where '4' is the highest performance rating and the lowest level of financial risk.

Statement of Comprehensive Income

The table below summarises the Trust's actual performance for 2014/15 against plan and the previous year. The Trust recorded a retained deficit of £24.9m for the year ending 31 March 2015 which was in line with its annual plan.

	2013/14	2014/15			
£m	Actual	Plan	Actual	Variance	
Income	173.1	170.5	179.3	8.8	
Expenses	(185.5)	(190.4)	(199.6)	(9.2)	
Operating surplus	(12.4)	(19.9)	(20.3)	(0.4)	
Finance costs	(4.6)	(5.0)	(4.6)	0.4	
Retained surplus/(deficit)	(17.0)	(17.0)	(24.9)	0.0	

2014/15 Statement of Comprehensive Income Summary

Total income was £179.3m, an increase of £6.2m (4%) on the prior year and £8.8m above planned levels. Income from clinical activities was £166.9m, a year on year increase of £6m principally driven by:

- Outpatient activity higher by 7% accounting for £3.3m;
- Higher maternity income higher by 6% accounting for further £1.1m
- Higher levels of high costs drugs up 18% accounting for £1.7m of the increase.

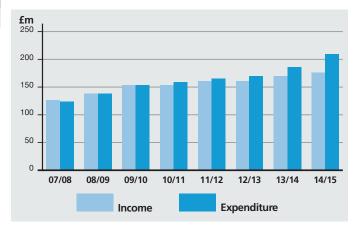
Operating expenses rose by £14.1m (8%) on the previous year at £199.6m which was £9.2m adverse variance against plan. The principal drivers of the year on year increase in staff costs are:

- Higher staffing levels with headcount increased by approximately 250 to enhance clinical staff to patient ratios as well as service the higher levels of activity in the year:
- Higher use of agency nurses driven by national shortages of qualified nursing staff and increasing requirements for 1:1 nursing care for specific patient cohorts.

The chart below shows the income and expenditure over the seven year period from April 2007 to March 2015.

Income & Expenditure £m

The income and expenditure trends for the 8 year period to 2014-15 can be analysed as follows:



Cash flow and net debt

The Trust's cash and cash equivalents at 31 March 2015 was £1.3m which was higher than last year as the new funding mechanism has a higher targeted cash balance of circa. £1m compared to £0.5m last year.

- The in-year deficit of £24.9m was offset by
- £25.3m of DH loan funding to fund revenue; and
- £4.1m of Public Dividend Capital to fund capital expenditure above depreciation levels.

Total assets employed

Total assets employed decreased by £20.7m (16%) to £107.5m. This is predominately due to the new mechanism of funding through loan instruments rather than Public Dividend Capital. The effect of this was partially offset by higher Non-current Assets due to capital investment.

£m	2013/14	2014/15
Non-Current Assets	146.2	149.3
Current Assets	11.7	11.3
Current Liabilities	(20.4)	(19.2)
Non-Current Liabilities	(9.3)	(34.0)
Total Net Assets Employed	128.2	107.5

Capital Expenditure

The Trust invested £10.3m in capital schemes during 2014/15. Further details of significant schemes are included above in 'development of the business during the year' above. A further expansion of the capital programme is planned for 2015-16 with total spend of £17.3m.

Asset Valuations

In accordance with International Accounting Standards, a full valuation is carried out on the Trust's land and buildings every five years, with an interim valuation after three years. A full revaluation has been completed by the district valuer as at 31st March 2014 and no revaluation is due until March 2017. The Trust has completed a review of a number of valuation indices and market factors and there is no evidence that there has been a material changes the value of its land and buildings in the current year.

Accounts Preparation

The financial statements have been prepared in accordance with the 2014/15 FT 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 (FREM) 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.

Going Concern

A statement of Going Concern is included in Section 1 Accounting Policies and other information within the Annual Accounts, an excerpt is included below;

IAS 1 requires management to undertake an assessment of the NHS Foundation Trust's ability to continue as a going concern. These accounts have been prepared on a going concern basis as there has been no application to the Secretary of State for the dissolution of the NHS Foundation Trust and the Directors currently believe there is a realistic alternative to doing so. The Directors have therefore prepared these financial statements on a going concern basis.

The current economic environment for all NHS Trusts and NHS Foundation Trusts continues to be challenging with on-going internal efficiency gains necessary due to annual tariff (price) reductions; cost pressures in respect of national pay structures; non-pay and drug cost inflation; as well as nationally set contract penalties for contract performance deviations, combined with commissioner (CCG) expectations to reduce activity through ensuring care can be better provided within the community, i.e. managed outside the hospital.

The Trust has incurred a deficit of £24.9m for the year ended 31 March 2015 (deficit for 2013-14 was £17m). The Directors consider that the outlook presents significant challenges in terms of cash-flow for the reasons outlined above, including planned reductions in activity commissioned from the Trust and the need to reduce the underlying cost base of the Trust to continuously align capacity and demand.

The Trust has prepared its financial plans and cash flow forecasts on the assumption that adequate funding will be received from Milton Keynes Clinical Commissioning Group ("MKCCG") (contractual income), and through DH funding facilities. These are expected to be sufficient to prevent the Trust from failing to meet its obligations as they fall due, and to continue operating until adequate plans are in place to achieve financial sustainability for the Trust. However, the Directors have identified that there are material uncertainties that casts significant doubt over whether the Trust will continue to exist in its current form, and over its ability to discharge its liabilities in the normal course of business.

During 2014/15 there has been a national policy change as to how Trust's in deficit positions have their cash requirements financed by the DH. Historically this has been through Public Dividend Capital (PDC) but in March 2015, the DH required that all NHS organisations currently in receipt of temporary PDC (as the Trust were during 2014-15), and all organisations who require future funding support (as the Trust financial plan for 2015/16 necessitates), would in future be funded through loans and working capital facilities. Funding for the 2015-16 financial year will be through a combination of a revolving working capital facility and interim revenue/capital support loans. This change to the funding mechanism from equity to loan instruments will change the structure of the balance sheet with the effect of increasing long term liabilities and reducing net assets. The revenue facilities have a maturity of between 4 and 5 years and the capital loan is expected to be repaid over a 15 year period.

The Trust's immediate working capital requirements have been secured for the first quarter of the 2015-16 financial year through the agreement of a revolving working capital facility of £15.2m. The Trust is in the process of securing a £36.2m Interim Revenue Support Loan and a £7.8m Interim Capital Support Loan for the full financial year at which point the revolving working capital facility will be repaid. The interim funding loans will be required for the duration of the financial year whilst the system Healthcare Review is being progressed, which will then allow a Recovery Plan to be developed which enables a return to a financially sustainable position. On the assumption of receipt of the above funds the Trust would continue to remain a going concern.

Positive cash balances will be maintained throughout the period through successfully securing commitments to necessary funding from DH and a contract with the lead commissioner MKCCG that gives assurance of income flows.

The significant risks facing the Trust are summarised as follows:

- 4. The Trust has prepared a cash flow forecast which shows a minimum level of headroom of £1m. There is a level of uncertainty over whether the Trust will receive additional interim loans of £36.2m and £7.8m required to meet its financial obligations. The Trust has however developed its financial plan assuming that it will receive this funding and thus continue on a going concern basis.
- 5. There is uncertainty over whether the Trust will achieve its efficiency savings plan of £8.4m which has been assumed in its financial plan. This is a level of savings which is extremely challenging and must be supported with adequate clinical focus and engagement in quality process improvement against agreed and appropriately detailed and delivery plans.
- 6. The future for Milton Keynes Hospital NHS Foundation Trust is likely to be influenced by the outcome of the jointly commissioned system review taking place across Bedfordshire and Milton Keynes CCG geography which was originally commissioned in 2013. The review was set up as a result of concerns about the pressures on the local health system and, in particular, the clinical and financial sustainability of Bedford Hospital and Milton Keynes Hospital. A progress report was published on 29 October 2014 which identified a number of options. These options are currently being validated and further developed with a broad spectrum of stakeholders. This is due to deliver a further options appraisal during 2015/16.

There are thus material uncertainties which may cast significant doubt as to the Trust's ability to continue as a going concern and therefore may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that would result if the going concern basis were not appropriate.

External Auditors remuneration

Deloitte LLP has been the Trust's financial auditors for 2014/15. Their audit responsibilities include the statutory services as well as the Quality accounts and value for money exercise. The total cost recognised in the accounts for this work is £96,000 (including VAT).

The Trust has also used Deloitte for additional assurance work in respect of business cases, Electronic Patient Record and VAT and tax advice. This was at a cost of £50,000 (including VAT where non-recoverable).

In order to ensure that independence is maintained, in instances where the external auditors are used for work other than the external audit, the Council of Governors approves this and the audit committee is also informed.

Other

Political and Charitable Donations

There have been no political donations made from the NHS foundation Trust or charitable donations of the nature specified in the regulations made during the financial year. The Trust continues to benefit from charitable donations, and is grateful for the efforts of fundraisers and members of the public for their continued support.

Audit Information

As far as the Directors are aware, there is no relevant audit information that the auditors are unaware of. The Directors have taken all the steps necessary in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Significant Events Since the Balance Sheet Date

There are no significant events since the balance sheet date that are likely to have a material impact on either the Trust or the financial statements for the year ending 31 March, 2015.

Better Payments Practice Code

The Trust uses the Better Payments Practice Code with regards to paying creditors and has improved its year-on-year position from a rate of 37% of invoices in the year ending 31 March 2014 to 66% in the year ending 31 March 2015, which represented 75% in value terms. The Trust also paid £nil in interest charges in respect of late payment of invoices.

Accounting Policies and other retirement benefits

The accounting policies for pensions and other retirement benefits are set out on page 222 of the Financial Statements (note 1.5 Pension costs) and the arrangements for senior employees' remuneration can be found in Section 6 Remuneration report.

Statement on fairness, Balance and Understandable

The Board of Directors are responsible for preparing and agreeing the financial statements contained in the annual report and accounts. The Board confirms that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

Milton Keynes Hospital NHS Foundation Trust Accounts Year Ended 31 March 2015

Statement of the chief executive's responsibilities as the Accounting Officer of Milton Keynes Hospital NHS Foundation Trust

The National Health Service Act 2006 states that the Chief Executive is the Accounting Officer of the NHS Foundation Trust. The relevant responsibilities of 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 the Monitor.

Under the National Health Service Act 2006, Monitor has directed Milton Keynes Hospital 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 Milton Keynes Hospital 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.

Joe Harrison chief executive

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Date: 27 May 2015

Independent Auditor's Report to the Council of Governors and Board of Directors of Milton Keynes Hospital NHS Foundation Trust

Independent Auditor's Report to The Board Of Governors and Board Of Directors of Milton Keynes Hospital NHS Foundation Trust

Opinion on financial statements of Milton Keynes Hospital NHS Foundation Trust

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2015 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the accounting policies directed by Monitor -Independent Regulator of NHS Foundation Trusts; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

The financial statements comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and the related notes 1 to 26 The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by Monitor - Independent Regulator of NHS Foundation Trusts.

Emphasis of matter – going concern

We have reviewed the directors' statement in Note 1 Section 1.1 of the financial statements in respect of the Trust's ability to continue as a going concern.

As described in the financial statements there is uncertainty over:

- Whether the Trust will receive the loan funding required to meet its financial obligations;
- Whether the Trust will achieve its efficiency savings plan; and
- The future form of the Trust following the outcome of a review of healthcare services in Bedford and Milton Keynes which has been jointly commissioned by Monitor and the Trust's commissioners

Whilst we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate, these conditions indicate the existence of a material uncertainty which may give rise to significant doubt over the Trust's ability to continue as a going concern. We describe below how the scope of our audit has responded to this risk. Our opinion is not modified in respect of this matter.

Qualified certificate

We certify that we have completed the audit of the accounts in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts, except that:

we have qualified our conclusion on the quality report in respect of the 18 weeks referral to treatment (incomplete pathways) indicator; and

as noted below in the section 'matters on which we are required to report by exception', we have been unable to determine whether Milton Keynes Hospital NHS Foundation Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Our assessment of risks of material misstatement

The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

How the scope of our audit responded to the risk Risk

Going concern

Given the uncertainties in respect of the Trust's funding and future form, which are explained above in the Emphasis of matter - Going concern, we considered going concern to be a significant risk

The going concern assessment was considered to be an area of audit focus due to the deficit for the year ended 31 March 2015, the continued deficit forecast for 2015/16, and the uncertainties detailed in the Directors' statement.

We reviewed the Trust's financial performance in 2014/15 including its achievement of planned cost

improvements in the year.

We reviewed the Trust's available cash flow forecasts to the end of 2015/16 and performed a review of the Trust's financial plan for 2016/17.

We held discussions with management to understand the current status of contract negotiations with its commissioners.

We reviewed the annual report and financial statement disclosures made by the Trust in respect of the material uncertainties in respect of going concern.

We have included an emphasis of matter paragraph above in respect of this matter.

NHS revenue and provisions

There are significant judgments in recognition of revenue from care of NHS patients of £165.8m and in provisioning for disputes with commissioners due to:

- the complexity of the Payment by Results regime, in particular in determining the level of overperformance and Commissioning for Quality and Innovation revenue to recognise; and
- the judgemental nature of provisions for disputes with commissioners and other counterparties.

NHS debt at 31 March 2015 totalled £6.5m of which a provision of £1.4m has been recognised against this.

The settlement of income with CCGs continues to present challenges, leading to disputes and delays in the agreement of year end positions.

We evaluated the design and implementation of controls ove recognition of Payment by Results income and over the Trust's process of assessment of level of provision for NHS

receivables.

We performed detailed substantive testing of the recoverability of overperformance income through the year, and evaluated the results of the agreement of balances exercise. We have agreed contracted income to activity plans received from lead commissioners.

We challenged key judgements around specific areas of dispute and actual or potential challenge from commissioners and the rationale for the accounting treatments adopted. We tested the historical accuracy of provisions made for disputes with commissioners, and considered this in evaluating bad debt provisions and other provisions in respect of NHS income at 31 March 2015.

Accounting for capital expenditure The Trust has significantly increased its

capital spend in the period, incurring costs of £10.0m in the year.

The Trust accounting policies in respect of Intangibles and PPE are set out in the financial statements (notes 1.6 to 1.8) along with relevant notes to the accounts (Note 8 and 9).

Determining whether expenditure should be capitalised can involve significant judgement as to whether costs should be capitalised under International Accounting Standards, and when to commence depreciation. Depreciation on assets commences on the day the asset is considered to be in a useable state and therefore the date this takes place is considered to be judgemental

Other significant judgements include whether expenditure is incurred in relation to enhancing the use of an asset or bringing it in to a "fit for purpose" state.

In addition, previously capitalised works that are being replaced or refurbished need to be appropriately written down.

Where existing properties are being modernised, the "modern equivalent use" valuation rules can lead to a "day one" impairment where the accumulated cost of the asset exceeds the cost of a newly built facility.

How the scope of our audit responded to the risk

We have tested the design and implementation of controls around the capitalisation of costs.

We performed detailed substantive testing of additions in the year, scrutinising these costs to test whether they represent enhancing an asset or bringing it into a "fit for purpose state" and have been appropriately capitalised.

Through our detailed substantive testing of additions, we challenged management's assessment of when to commence depreciation, whether an asset is replacing any previously capitalised works and whether any impairment arose in respect of newly capitalised expenditure in the year. We have performed this testing by agreeing to invoices and physically verifying assets.

The description of risks above should be read in conjunction with the significant issues considered by the Audit Committee discussed on pages 141 - 142.

Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for the Trust to be £1.9m, which is approximately 1% of revenue.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £92.500. as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control. Audit work was performed at the Trust's head offices in Milton Keynes directly by the audit engagement team, led by the audit engagement lead.

The audit team included integrated Deloitte specialists bringing specific skills and experience in property valuations and Information Technology systems.

Opinion on other matters prescribed by the National Health Service Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the National Health Service Act 2006; and
- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Use of resources

The Trust has described the following matters in its Annual Governance Statement which we consider to be relevant to the Trust's arrangements to secure economy, efficiency and effectiveness:

the risks to the Trust in respect of its financial performance in 2014/15 and plan for 2015/16 and the Monitor financial risk rating as at 31 March 2015; and weaknesses in the Trust's arrangements to ensure the quality of reported data included in 18 week referral to treatment (incomplete pathway) indicator.

As a result of these matters, we have been unable to determine whether Milton Keynes Hospital NHS Foundation Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Annual Governance Statement and compilation of financial statements

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

the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading or inconsistent with information of which we are aware from our audit: or

proper practices have not been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

Our duty to read other information in the Annual Report

Under International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements;
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Trust acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we have considered whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed. We confirm that we have not identified any such inconsistencies or misleading statements.

Respective responsibilities of the accounting officer and auditor

As explained more fully in the Accounting Officer's Responsibilities Statement, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Audit Code for NHS Foundation Trusts and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. We also comply with International Standard on Quality Control 1 (UK and Ireland). Our audit methodology and tools aim to ensure that our quality control procedures are effective, understood and applied. Our quality controls and systems include our dedicated professional standards review team.

This report is made solely to the Board of Governors and Board of Directors ("the Boards") of Milton Keynes Hospital NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards 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 trust and the Boards as a body, for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accounting Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Jonathan Gooding FCA

SENIOR STATUTORY AUDITOR

FOR AND ON BEHALF OF DELOITTE LLP

CHARTERED ACCOUNTANTS AND STATUTORY AUDITOR ST ALBANS, UNITED KINGDOM

Date: 27 May 2015

Statement of Comprehensive Income For The Year Ended 31 March 2015

	Note	2014 / 15 £000	2013 / 14 £000
Operating Income from patient care activites	2.1-2.5	166,901	160,786
Other operating income	2.2	12,407	12,349
Total operating income from continuing operations		179,308	173,135
Operating expenses	3-6	(199,596)	(185,502)
OPERATING DEFECIT FROM CONTINUING OPERATIONS		(20,288)	(12,367)
FINANCE COSTS			
Finance income	7.1	16	18
Finance expense	7.2	(455)	(494)
PDC Dividends payable		(4,158)	(4,113)
NET FINANCE COSTS		(4,597)	(4,589)
(DEFICIT) FOR THE YEAR		(24,885)	(16,956)
Other comprehensive income			
Impairment		0	(2,645)
Revaluations		0	4,639
Other reserve movements		0	45
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR		(24,885)	(14,917)
Allocation of Losses for the period			
Defecit for the period attributable to:			
Government		(24,885)	(16,956)

The notes to the accounts are on page 212

Statement of Financial Position As At 31 March 2015

	Note	31 March 2015 £000	31 March 2014 £000
NON-CURRENT ASSETS			
Intangible assets	8	4,669	3,589
Property, plant and equipment	9	144,171	142,172
Trade and other receivables	12	492	476
TOTAL NON-CURRENT ASSETS		149,332	146,237
CURRENT ASSETS			
Inventories	11	3,049	2,382
Trade and other receivables	12	6,996	8,790
Cash and cash equivalents	13	1,264	504
TOTAL CURRENT ASSETS		11,309	11,676
CURRENT LIABILITIES			
Trade and other payables	14.1	(16,969)	(19,100)
Other liabilities	14.2	(65)	(159)
Borrowings	15	(774)	(810)
Provisions	18	(1,360)	(354)
TOTAL CURRENT LIABILITIES		(19,168)	(20,432)
TOTAL ASSETS LESS CURRENT LIABILITIES		141,473	137,481
NON-CURRENT LIABILITIES			
Borrowings	15	(33,227)	(8,567)
Provisions	18	(796)	(725)
TOTAL NON-CURRENT LIABILITIES		(34,023)	(9,292)
TOTAL ASSETS EMPLOYED		107,450	128,189
FINANCED BY (TAXPAYERS' EQUITY)			
Public Dividend Capital		96,127	91,981
Revaluation reserve	19	57,253	57,253
Income and expenditure reserve		(45,930)	(21,045)
TOTAL (TAXPAYERS' EQUITY)		107,450	128,189

The financial Statements and notes on pages 219 to 263 were approved by the Board and authorised for issue on 22nd May 2015 and signed on its behalf by:

Baroness Wall of New Barnett CHAIRMAN

M.M. Due.

Joe Harrison **CHIEF EXECUTIVE**

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Jonathan Dunk DIRECTOR OF FINANCE

Statement of Changes in Taxpayers' Equity For The Year Ended 31 March 2015

	Public Dividend Capital	Revaluation Reserve	Income & Expenditure Reserve	Total
	£000	£000	£000	£000
TAXPAYERS' EQUITY AT 1 APRIL 2014	91,981	57,253	(21,045)	128,189
Impairments	0	0	(24,885)	(24,885)
Public Dividend Capital received	24,582	0	0	24,582
Public Dividend Capital repaid	(20,436)	0	0	(20,436)
Other reserve movements	0	0	0	0
TAXPAYERS' EQUITY AT 31 MARCH 2015	96,127	57,253	(45,930)	107,450
TAXPAYERS' EQUITY AT 1 APRIL 2013	75,821	55,214	(4,089)	126,946
Defecit for the year	0	0	(16,956)	(16,956)
Impairments	0	(2,645)	0	(2,645)
Revaluations	0	4,639	0	4,639
Public Dividend Capital received	16,160	0	0	16,160
Other reserve movements	0	45	0	45
TAXPAYERS' EQUITY AT 31 MARCH 2014	91,981	57,253	(21,045)	128,189

Statement of Cash Flows For The Year Ended 31 March 2015

	2014 / 2015 £000	2013 / 2014 £000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating (deficit) from continuing operations	(20,288)	(12,366)
OPERATING (DEFICIT)	(20,288)	(12,366)
NON-CASH INCOME AND EXPENSE		
Depreciation and amortisation	6,640	6,205
Impairments and reversals of impairments	0	197
Loss on disposal	242	0
Decrease / (Increase) in receivables and other assets	1,935	(956)
(Increase) / Decrease in Inventories	(667)	(153)
(Increase) / Decrease in Payables	(2,401)	5,663
(Increase) / Decrease in Other Liabilities	(94)	(460)
(Increase) / Decrease in Provisions	1,067	167
NET CASH (USED IN) OPERATING ACTIVITES	(13,566)	(1,703)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	16	18
Purchase of intangible assets	(1,864)	(1,501)
Sales of intangible assets	0	461
Purchase of Property, Plant and Equipment	(7,688)	(8,276)
NET CASH (USED IN) INVESTING ACTIVITIES	(9,536)	(9,298)
CASH FLOWS FROM FINANCING ACTIVITIES		
Public dividend capital received	24,582	16,160
Public dividend capital repaid	(20,436)	0
Movement on loans from the Independent Trust Financing Facility	(445)	(445)
Other capital receipts	25,300	0
Capital element of finance lease rental payments	(365)	(290)
Interest paid on finance lease liabilities	(369)	(396)
Other interest paid	(75)	(89)
PDC Dividend paid	(4,330)	(4,072)
Cash flows (used in) other financing activities	0	(3)
NET CASH GENERATED FROM (USED IN) FINANCING ACTIVITIES	23,862	10,865
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	760	(136)
CASH AND CASH EQUIVALENTS AT 1 APRIL	504	640
CASH AND CASH EQUIVALENTS AT 31 MARCH	1,264	504

Notes to the Accounts

1. Accounting policies and other information

These accounts for the year ended 31 March 2015 have been prepared by the Trust in accordance with the National Health Service Act 2006.

Monitor has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the NHS Foundation Trust Annual Financial Reporting Manual (FT ARM) which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2014/15 FT ARM issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual (FREM) to the extent that they are meaningful and appropriate to NHS Foundation Trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

Operating Segments

The Board of Directors are of the opinion that the Trust's operating activities fall under the single heading of "Healthcare" for the purposes of segmental reporting in accordance with International Financial Reporting Standard 8.

Consolidation

From 1 April 2014, the NHS has had to apply IFRS10, 'Consolidated Financial Statements' in respect of consolidating Charitable Funds. The Trust has reviewed the criteria under IFRS10 and it meets the criteria in respect of having an interest and control of MK Hospital NHS charity and it directly benefits from the activities of the charitable funds. However, it has not consolidated the charitable funds into these accounts because the trust does not consider it to be material. The Charitable fund's income and expenditure represents only 0.2% of the Trusts position so they are not material to the accounts of the Trust.

From the 1 April 2014, the NHS has applied IFRS 11, 'Joint Arrangements' and IFRS12, 'Disclosure of Interests in Other Entities,' however the Trust has decided not to consolidate the Milton Keynes Urgent Care Services into these accounts due to this position not being material to the Trusts accounts. See Note 10.

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 estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from the estimates, but the underlying assumptions are regularly updated. Revisions to accounting estimates, which only affect that period are recognised in the period in which the estimate is revised. If the revision affects both current and future periods it is recognised in the period of the revision and future periods.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below) that management has made in the process of applying the Trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Valuations of Land and Buildings

The most significant estimate within the accounts is the value of land and buildings. The land and buildings have been valued by the district valuer on a modern equivalent asset basis as at 31st March 2014. Professional valuations are carried out every five years and interim/ desk top valuations every three years. The next interim valuation is not expected to take place until March 2017, with a full valuation March 2019. The district valuer is independent of the Trust and is certified by the Royal Institute of Chartered Surveyors. The valuer has extensive knowledge of the physical estate and market factors. The value does not take into account future potential changes in market value which cannot be predicted with any certainty.

Between valuations management reviews the valuations for any material changes and make judgements about market changes and assesses whether the carrying amount does not differ materially from that which would be expected using fair value at the end of the reporting period.

Leases

Leases have been reviewed to determine whether they should be classified as finance leases or operating leases. Leases of a similar nature and composition have been grouped together for this purpose. A number of factors are considered in determining the split between finance and operating leases.

Critical judgements include whether ownership transfers at the end of the lease term, whether the lease term is for the major part of the economic life of the asset and whether the present value of the minimum lease payments is substantially all of the fair value of the asset. This classification is made at the inception of the lease. The effect of this judgement is not material to the Accounts.

Key sources of estimation uncertainty

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

Receivables

Estimations as to the recoverability of receivables has been made in determining the carrying amounts of these assets, no significant variations are expected.

Clinical Income

Clinical Income from activities includes an estimate in respect of income relating to patient care spells that are part-completed at the year end. The number of part completed spells have been apportioned across the financial years on the basis of the number of occupied beds with the actual cost per spell if it is available or an average cost per spell per speciality where the spell cost is not directly available. In order to report within government guidelines, the value of patient care activity for the year ended 31st March 2015 has been estimated based on data available as at 1st April 2015.

Provisions

Assumptions around the timing of cash flows relating to provisions are based on information from the NHS Pensions Agency, external legal advisors regarding when the legal issues may be settled.

1.1 Basis of accounting – going concern

IAS 1 requires management to undertake an assessment of the NHS Foundation Trust's ability to continue as a going concern. These accounts have been prepared on a going concern basis as there has been no application to the Secretary of State for the dissolution of the NHS Foundation Trust and the Directors currently believe there is a realistic alternative to doing so. The Directors have therefore prepared these financial statements on a going concern basis.

The current economic environment for all NHS Trusts and NHS Foundation Trusts continues to be challenging with on-going internal efficiency gains necessary due to annual tariff (price) reductions; cost pressures in respect of national pay structures; non-pay and drug cost inflation; as well as nationally set contract penalties for contract performance deviations, combined with commissioner (CCG) expectations to reduce activity through ensuring care can be better provided within the community, i.e. managed outside the hospital.

The Trust has incurred a deficit of £24.9m for the year ended 31 March 2015 (deficit for 2013-14 was £17m). The Directors consider that the outlook presents significant challenges in terms of cash-flow for the reasons outlined above, including planned reductions in activity commissioned from the Trust and the need to reduce the underlying cost base of the Trust to continuously align capacity and demand.

The Trust has prepared its financial plans and cash flow forecasts on the assumption that adequate funding will be received from Milton Keynes Clinical Commissioning Group ("MKCCG") (contractual income), and through DH funding facilities. These are expected to be sufficient to prevent the Trust from failing to meet its obligations as they fall due, and to continue operating until adequate plans are in place to achieve financial sustainability for the Trust. However, the Directors have identified that there are material uncertainties that casts significant doubt over whether the Trust will continue to exist in its current form, and over its ability to discharge its liabilities in the normal course of business.

During 2014/15 there has been a national policy change as to how Trust's in deficit positions have their cash requirements financed by the DH. Historically this has been through Public Dividend Capital (PDC) but in March 2015, the DH required that all NHS organisations currently in receipt of temporary PDC (as the Trust were during 2014-15), and all organisations who require future funding support (as the Trust financial plan for 2015/16 necessitates), would in future be funded through loans and working capital facilities. Funding for the 2015-16 financial year will be through a combination of a revolving working capital facility and interim revenue/capital support loans. This change to the funding mechanism from equity to loan instruments will change the structure of the balance sheet with the effect of increasing long term liabilities and reducing net assets. The revenue facilities have a maturity of between 4 and 5 years and the capital loan is expected to be repaid over a 15 year period.

The Trust's immediate working capital requirements have been secured for the first quarter of the 2015-16 financial year through the agreement of a revolving working capital facility of £15.2m. The Trust is in the process of securing a £36.2m Interim Revenue Support Loan and a £7.8m Interim Capital Support Loan for the full financial year at which point the revolving working capital facility will be repaid. The interim funding loans will be required for the duration of the financial year whilst the system Healthcare Review is being progressed, which will then allow a Recovery Plan to be developed which enables a return to a financially sustainable position. On the assumption of receipt of the above funds the Trust would continue to remain a going concern.

Positive cash balances will be maintained throughout the period through successfully securing commitments to necessary funding from DH and a contract with the lead commissioner MKCCG that gives assurance of income flows.

The significant risks facing the Trust are summarised as follows:

- The Trust has prepared a cash flow forecast which shows a
 minimum level of headroom of £1m. There is a level of uncertainty
 over whether the Trust will receive additional interim loans of
 £36.2m and £7.8m required to meet its financial obligations. The
 Trust has however developed its financial plan assuming that it will
 receive this funding and thus continue on a going concern basis;
- 2. There is uncertainty over whether the Trust will achieve its efficiency savings plan of £8.4m which has been assumed in its financial plan. This is a level of savings which is extremely challenging and must be supported with adequate clinical focus and engagement in quality process improvement against agreed and appropriately detailed and delivery plans.
- 3. The future for Milton Keynes Hospital NHS Foundation Trust is likely to be influenced by the outcome of the jointly commissioned system review taking place across Bedfordshire and Milton Keynes CCG geography which was originally commissioned in 2013. The review was set up as a result of concerns about the pressures on the local health system and, in particular, the clinical and financial sustainability of Bedford Hospital and Milton Keynes Hospital. A progress report was published on 29 October 2014 which identified a number of options. These options are currently being validated and further developed with a broad spectrum of stakeholders. This is due to deliver a further options appraisal during 2015/16.

There are thus material uncertainties which may cast significant doubt as to the Trust's ability to continue as a going concern and therefore may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that would result if the going concern basis were not appropriate.

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 Income

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

Income relating to patient care spells that are part-completed at the year end is apportioned across the financial years on the basis of the number of occupied beds, applied to the cost per spell or average cost per spell per speciality where the spell cost was not directly available.

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

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

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met and is measured as the sums due under the sale contract.

1.4 Expenditure on goods and services

Expenditure on goods and services is recognised when, and to the extent that, the goods or services have been received. It 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 non-current assets such as property, plant and equipment.

1.5 Expenditure on employee benefits

Short -term employee benefits

Salaries, wages and employment-related payments, including termination benefits, are recognised in the period in which the service is received from employees. Annual leave entitlement is actively encouraged to be taken in the year that it is earned, however there are exceptional circumstances when the annual leave entitlement may be carried forward into the following year. Untaken leave is accrued on an average five days carry forward for medical staff, excluding junior doctors and registrars in training. All other staff are accrued based on annual data collection of untaken hours applied to their hourly rate of pay. The cost of this annual leave entitlement earned but not taken at the end of the financial year is recognised in the financial statements.

Pension costs-NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www. nhsba.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme (which prepares its own scheme statements) that covers NHS employers, general practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying assets and liabilities. As a consequence it is not possible for the Trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme with employers pension cost contributions are charged to operating expenses as and when they become due.

Accounting Valuation

In order that the defined benefit obligations do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that the "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

Actuary Valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting year. This utilised an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability, as at 31 March 2015, is based on valuation data as 31 March 2014, updated to 31 March 2015 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, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

Employer Contributions

The last published actuarial valuation for the NHS Pension Scheme was completed for the year ending 31 March 2012 to set the employer contribution rates payable from April 2015. The Scheme Regulations were changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next actuarial formal valuation will be carried out at as at March 2016 and will be used to inform the employer contribution rates to be used from 1 April 2019.

Scheme Liabilities

The liabilities of the pension scheme as at 31st March 2014 were £337.2 billion. The national deficit of the scheme was £10.3 billion as per the last scheme valuation by the Government Actuary as at 31st March 2012. The conclusion of the valuation was that the scheme continues to operate on a sound financial basis. Employer contribution rates are reviewed every four years following the scheme valuation, on advice from the actuary. Tiered employer contribution rates were recommended and those applicable from the 1st April 2014 were: a lower limit of 5% and an upper limit of 14.5% of pensionable pay. Employers' pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

Pension costs-NEST Pension Scheme

From the 1st October 2013 the Trust has participated in the Government's Auto Enrolment Pension scheme. It has auto-enrolled those employees who are not eligible for the NHS Pensions scheme into an alternative pension scheme run by National Employers

Savings Trust (NEST)

The employer's contributions for all eligible staff eligible are 1% in the first year, rising to 3% by 2018. For employees who are eligible for the NHS Pensions scheme the Trust has a transitional date of 2017 which has been agreed with the Pensions Regulator. The Trust currently has, at the 31st March 2015,15 employees enrolled into NEST and the employers contributions for the current financial year have been £1.4k.

1.6 Property, Plant and Equipment

Recognition

Property, Plant and Equipment (PPE) is capitalised where:

- it is held for use in delivering services or for administrative
- it is probable that future economic benefits will flow to, or service potential will be supplied to the Trust:
- it is expected to be used for more than one financial year; and
- the cost of the item can be measured reliably.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Measurement

The Trust capitalises assets that individually have a cost of at least £5,000 or form a group of assets which individually have a cost of more than £250 and collectively have a cost of at least £5,000, where the assets are: functionally interdependent; have broadly simultaneous purchase dates; are anticipated to have simultaneous disposal dates and are under single managerial control.

Assets will also be capitalised if they form part of the initial setup cost of a new building or refurbishment of a ward or unit, irrespective of their individual or collective cost. In accordance with IAS23, borrowing costs directly attributable to the financing of PPE are also capitalised up until all the activities necessary to prepare the asset for its intended use are complete.

Where a large asset, for example a building, includes a number of components with significantly different lives such as plant and equipment, these components are treated as separate assets and are depreciated over their individual useful economic lives.

Valuation

All property, plant and equipment assets are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are measured subsequently at fair value.

The carrying value of fixtures and equipment are written off over the remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

Land and buildings are re-valued where a movement in fair values is considered to be material. Fair values are determined as follows:

- Land and no specialised buildings modern equivalent asset basis.
- Specialised buildings depreciated replacement cost.

HM Treasury adopted a standard approach to depreciated replacement cost valuations on a modern equivalent asset where it would meet the location requirements of the service being provided, an alternative site can be valued.

In any event, professional valuations are carried out every five years, together with a three year interim/desk top valuation. Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Standards Manual.

The Trust undertook a full asset valuation as at 31st March 2014 which was carried out by a RICS qualified valuer from District Valuer Services (DVS), South East Valuation Office Agency. There have not been any significant changes to the Trusts property since this date. The DVS is the commercial arm of the Valuation Office Agency, which is an executive agency of HM Revenue & Customs (HMRC). It provides professional property advice across the public sector in England, Wales and Scotland.

DVS valued the underlying land as at 31st March 2014, with regard to prevailing land values in the vicinity of the existing site and in a manner consistent with the Trust's occupational requirements and current land ownership. This increased the value of the land by 11% on previous valuations. Buildings were valued at depreciated replacement cost on a modern equivalent asset basis (no alternative site) for buildings which qualify as a specialised operational property asset which is consistent with IAS16. The DVS gave regard to the RICS Build Cost Indices in consulting with their own surveyor.

Non specialised operational property, including land, is assessed at existing use value whilst non-operational property, including surplus land is valued on the basis of market value. 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. Until 31 March 2008, plant, machinery, vehicles, furniture and fittings were carried at replacement cost, based on indexation and depreciation of historic cost. New assets are carried at depreciated historic cost, unless this is considered to be materially different from fair value due to significant volatility in asset values.

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 replace is de-recognised. Other expenditure that does not generated 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 economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, Plant and Equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

Buildings, dwellings, installations and fittings are depreciated on their current value over the estimated remaining life of the asset based on assessments by the Trust's professional valuers. Leasehold buildings are depreciated over the primary lease term.

Equipment is depreciated on current cost evenly over the following estimated lives:

Asset Category	Estimated life (in years)
Purchased computer software	2 to 8 years
Purchased Licenses & Trademarks	2 to 8 years
Internally Generated IT	2 to 8 years

1.8 Donated, government grant and other grant funded assets

Government grants are grants from Government bodies other than income from CCG's or NHS Trusts for the provision of services. 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 Inventories

Inventories comprise mainly of drugs and consumable medical products which are held at the lower of cost or net realisable value. The cost formula is determined by using the latest cost price from suppliers. Due to the high turnover of inventories and the low value held, the Trust considers this method to be an appropriate basis of measurement. Net realisable value is the estimated selling price less estimated costs to achieve a sale.

1.10 Financial instruments and financial liabilities

Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods of services is made.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described in note 1.13.

Regular way purchases or sales are recognised and de-recognised, as applicable, using the settlement date.

All other financial assets and liabilities are recognised when the trust becomes a party to the contractual provisions of the instrument.

Financial assets are recognised on the Statement of Financial Position when the Trust becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered.

Financial liabilities are recognised on the Statement of Financial Position when the Trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received

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 obligations are discharged, cancelled or expire.

Classification and measurement

Financial assets are categorised as "fair value through income and expenditure", loans and receivables or "available-for-sale financial assets"

Financial liabilities are classified as "fair value through income and expenditure" or as "other financial liabilities"

Financial assets and financial liabilities at "fair value through income and expenditure"

Financial assets and financial liabilities at "fair value through income and expenditure are financial assets or financial liabilities held for trading. A financial asset or liability is classified in this category of acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges.

Derivatives which are embedded in other contracts but which are not "closely-related" to those contracts are separated-out from those contracts and measured in this category. Assets and liabilities in this category are classified as current assets and current liabilities. These financial assets and financial liabilities are recognised initially at fair value, with transaction costs expensed in the income and expenditure account. Subsequent movements in the fair value are recognised as gains or losses in the Statement of Comprehensive Income

The Trust has the following categories of financial assets:

Loans and receivables

Loans and receivables

The classification depends on the nature and purpose of the financial asset which is determined at the time of initial recognition. Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market and are included in current assets. The Trust's loans and receivables comprise of cash and cash equivalents, trade and other receivables, accrued income and prepayments.

Loans and receivables are recognised initially recognised at fair value, net of transaction costs and are measured subsequently at amortised costs using the effective interest method. The effective interest rate is the rate that discounts exactly the estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets which are either designated in this category or not classified in any of the other categories. They are included in long-term assets unless the trust intends to dispose of them within the 12months of the Statement of Financial Position date.

Available-for-sale financial assets are recognised initially at fair value, including transaction costs, and measured subsequently at fair value, with gains or losses recognised in reserves and reported in the Statement of Comprehensive Income as an item of "other comprehensive income". When items classified as "available-forsale" are sold or impaired, the accumulated fair value adjustments are transferred from reserves and recognised in "finance costs" in the Statement of Comprehensive Income.

Other Finance Liabilities

All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised costs 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 positon date, which are classified as non-current 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 on finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

The Trust's other financial liabilities comprise of Interim DoH revenue Loan, FTFF Loan, trade and other payables, accruals and provisions

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from quoted market prices.

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 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 amortisation cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value if 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.

If in a subsequent period, the amount of the impairment loss decreased and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Comprehensive Income. This is to the extent that the carrying amount of the receivable, at the date of the impairment, is reversed does not exceed the amortised cost had the impairment not been recognised.

1.12 Financial Risks

Liquidity Risk

The Trust's net operating costs are mainly incurred under legally binding contracts with local CCG's, which are financed from resources voted annually by Parliament. Under Payment by Results the Trust is paid for activity on the basis on nationally set tariffs. For contracted activity the Trust is paid in 12 monthly instalments through the year which has in the latter part of the year included monthly payments for activity over contracted levels. This has reduced the liquidity risk. However the fact that the Trust does not have a working capital facility due to its current risk rating increases the Trusts liquidity risk. In addition the Trust recognises the issues around Going Concern which are outlined in note 1.1.

Interest -rate risk

All of the Trusts financial liabilities carry nil or fixed rates of interest, the Trust is not therefore exposed to significant interest rate risk.

Foreign currency risk

The Trust has no foreign currency income and negligible foreign currency expenditure.

Credit risk

The Trust operates primarily within the NHS Market and receives the majority of its income from other NHS organisations. There is therefore little risk that one party will fail to discharge its obligation with the other. Disputes can arise, however, around how the amounts owed are calculated, particularly due to the complex nature of the Payment by Results regime. The Trust does not hold any collateral as security.

1.13 Leases

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 fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the commencement of the lease, thereafter the asset is accounted for as an item of property, plant and equipment and the lease liability is de-recognised when the liability is discharged, cancelled or expires. The annual rental is split between the repayment of the liability and a finance cost. The annual finance cost is calculated by applying the implicit interest rate to the outstanding liability and is charged to Finance Costs in the Statement of Comprehensive Income. Leases are assessed using IAS17 as a basis for qualitative and quantitative assessment.

Operating Leases

Other leases are regarded as operating leases and the rentals are charged to the operating expenses on a straight-line basis over the term of the lease. Operating lease incentives are added to the lease rentals and charged to the operating expenses over the life of the lease.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component if it is considered to be material and the classification for each is assessed separately.

1.14 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount at the statement of financial position date, for which it is probable that there will be a future outflow of cash or other resources and a reliable estimate of the expenditure can be made. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk adjusted cash flows are discounted using HM Treasury's discount rate. The rate for salary related provisions ie injury benefit provisions is 1.3% and long term provisions is 2.2% in real terms is applied.

Clinical Negligence

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. 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 17 but is not recognised in the Trust's accounts.

Non-Clinical Negligence

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 NHSLA and in return receives assistance with the costs of claims arising. The annual membership contributions and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

1.15 Contingencies

Recognition

Contingent assets are assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control. They are not recognised as assets but are disclosed in note 21 unless the probability of a transfer of economic benefit is remote.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.16 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 original NHS Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the forecast cost of capital utilised by the Trust, is paid over as Public Dividend Capital dividend. The charge is calculated at the real rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets, (ii) average daily cash held with Government Banking Service excluding cash balances held in GBS account that relate to a short-term working capital facility and any (iii) PDC dividend balance receivable or payable.

The relevant net assets are adjusted for any liabilities or assets which the trust has as at the end of the accounting year, but may only have held for a short period close to the end of the accounting year.

In accordance with the requirements laid down by the Department of Health (DoH) as issuer of PDC, the dividend for the year is calculated on the actual average relevant net assets as set out in the pre-audit version of the 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.

1.17 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 fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.18 Corporation Tax

The Trust does not foresee that it will have any material commercial activities on which a corporation tax liability will arise under the guidance issued by HM Revenue and Customs.

1.19 Foreign Exchange

The functional and presentational currencies of the Trust are sterling. A transaction which is denominated in a foreign currency is translated into sterling at the exchange rate ruling on the dates of the transaction. Resulting exchange gains and losses are taken to the Statement of Comprehensive Income.

1.20 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 does not have any beneficial interest in them. However they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's Finance Reporting Manual (FReM).

1.21 Losses and Special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way 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 foundation trusts not been bearing their own risks, with insurance premiums then being included as normal revenue expenditure.

However the information for losses and special payments is compiled directly from the losses and special payments register which reports on an accruals basis with the exception of provisions for future losses.

1.22 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 9 Financial Instruments is a replacement of IAS 39 Financial Instruments: Recognition and Measurement. The impact of this is to provide a clearer definition for the recognition of financial assets and liabilities. The standard is allowing financial assets to be recognised at amortised cost if it meets both the business model test and the cash flow characteristics test: otherwise the assets are to be measured at fair. It is expected that the Trust's Financial Assets will remain to be valued at fair value. The effective date is uncertain as it is not likely to be adopted by the EU until the IASB has finished the rest of its financial instrument project.

IFRS 13 Fair Value Measurement. This standard defines fair value. provides guidance on its determination and introduces consistent requirements for its disclosures on fair value measurements. The standard does not include requirements on when fair value measurement is required; it prescribes how fair value is to be measured if another standard requires it. The impact of the standard is to increase consistency and comparability in fair value measurements and related disclosures through a 'fair value hierarchy'. The Trust will review its valuation of assets and liabilities to ensure that they comply with this standard. The effective date is 2013/14 but this has not been adopted by HM Treasury until 2015/16

IFBS 15 Revenue from contracts and Customers. The main principle of this standard is that the entity recognises revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard is expected to be applied on an individual contract by contract basis but a portfolio approach is permitted where the impact on the financial statements will not be materially different from applying the Standard on an individual contract basis. The effective date is 2018/19 but it has not yet been adopted by the EU.

IAS 19 (amendment) - employer contributions to defined benefit pension schemes. This standard has clarified paragraph 93 of IAS 19 Employee Benefits which refers to the accounting for employee contributions set out in the formal terms of a defined benefit plan. Employee contributions can be a reduction in cost to the entity of the short term benefit (e.g. salary) or a reduction in the post-employment benefit cost. If the contributions are a fixed percentage of salary throughout the entire period of employment these may be considered to reduce the cost of short term employee benefits. The existing wording in paragraph 93 of IAS 19 did not make this clear and hence the amendment is be make a narrow scope amendment to IAS 19. The effective date is 2015/16 but it has not yet been adopted by the EU.

IAS 36 (amendment - recoverable amount disclosures for non financial assets) This amendment requires disclosure of the recoverable amount of any cash-generating unit (group of units) for which the carrying amount of goodwill or intangible assets with indefinite useful lives allocated to that unit (group of units) is significant in comparison with the entity's total carrying amount of goodwill or intangible assets with indefinite useful lives. The Trust will review its disclosure requirements to ensure that they comply with this standard. The effective date is 2013/14, the same time as IFRS13 but this will not be adopted by HM Treasury until 2015/16.

IFRIC 21 Levies. This interpretation provides guidance on when to recognise a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and those where the timing and amount of the levy is certain. The Interpretation covers the accounting for outflows imposed on entities by governments (including government agencies and similar bodies) in accordance with laws and/or regulations. However, it does not include income taxes, which is covered by IAS 12 Income Taxes), fines and other penalties, liabilities arising from emissions trading schemes and outflows within the scope of other Standards. The effective date is June 2014, but this has not been adopted by HM Treasury.

There are other new standards which are deemed not to be relevant to the NHS. The directors do not expect that the adoption of these standards and interpretations will have a material impact on the financial statements in future years. All other revised and new standards have not been listed here as they are not considered to have an impact on the Trust.

2.0 Operating Income

IFRS 8 requires the disclosure of results of significant operating segments; the Trust considers that it has only one operating segment, Healthcare.

2.1 Operating 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 services and non-commissioner requested services. Commissioner requested services are defined in the provider license and are services that the commissioners believe would need to be protected in the event of provider failure.

The Trust's Commissioner Requested Services is the total income from activities excluding private patients income and non-protected clinical income. Non protected income relates to overseas patients, the NHS Injury Scheme and other Non NHS bodies.

	2014/15 £000	2013/14 £000
Income from services designated as commissioner requested services	165,038	158,424
Income from services not designated as commissioner requested services	1,863	2,362
TOTAL	166,901	160,786

2.2 Operating Income from Activities (by nature)

2.2 Operating meanie from retivities (by nature)			
	2014/15 £000	2013/14 £000	
INCOME FROM ACTIVITIES			
Elective income	27,477	27,081	
Non elective income	54,221	54,731	
Outpatient income	31,888	28,555	
A&E income	8,900	8,731	
Other NHS clinical income	42,552	39,326	
Private patient income	568	438	
Other non-protected clinical income	1,295	1,924	
TOTAL INCOME FROM ACTIVITIES	166,901	160,786	
OTHER OPERATING INCOME			
Research and development	568	464	
Education and training	4,999	4,915	
Charitable and other contributions to expenditure	102	124	
Non-patient care services to other bodies	1,601	2,220	
Car Parking	1,379	1,250	
Staff accommodation	988	1,022	
Catering	791	672	
Property rentals	0	67	
Salary income	841	826	
Other	1,138	789	
TOTAL OTHER OPERATING INCOME	12,407	12,349	
TOTAL OPERATING INCOME	179,308	173,135	

2.3 Private patient income

The Health and Social Care Act from the 1st October 2012 repealed the statutory limitation on private patient income in section 44 of the National Health Services Act 2006. The Trust earned 0.3% of total patient care income from private patients.

2.4. Other operating income from Activities (by source)

	2014/15 £000	2013/14 £000
OOOIs and MILIO Facilities	404407	457.707
CCG's and NHS England	164,197	157,767
Local Authorities	196	217
Department of Health	0	0
NHS Foundation Trusts	68	111
NHS Trusts	662	654
NHS other	82	20
Non NHS : Private patients	568	438
Non NHS: Overseas patients (chareable to patient)	248	237
NHS Injury Scheme (was RTA)	813	795
Non NHS : Other	67	547
TOTAL INCOME FROM ACTIVITIES	166,901	160,786
Related to continuing operations	166,901	160,786
Related to discontinued operations	0	0

The responsibility for the commissioning of Healthcare services is from two main NHS Bodies, Clinical Commissioning Groups (CCG's) and NHS England. The major CCG's for the Trust is Milton Keynes CCG and this accounts for 72% of the Trust's CCG income.

NHS England commissions nationally for a number of specialist services which includes HIV, Neonatology and Specialist Cancers and screening. The Trust received £17.5m in respect of these services in 2014/15. The Trust also received an additional £1.1m from the Cancer Drugs Fund.

2.5 Analysis of overseas visitors income

	2014/15 £000	2013/14 £000
Income recognised this year	248	237
Cash payments received in-year	225	123
Amounts added to provision for impairment of receivables	175	195
Amounts written off in-year	113	39

3.0 Operating expenses

3.1 Operating expenses (by Type)

	2014/15 £000	2013/14 £000
OPERATING EXPENSES		
Services from NHS Foundation Trusts	662	1,261
Services from NHS Trusts	1,888	1,554
Services from CCG's and NHS England	21	6
Services from other NHS Bodies	61	124
Purchase of healthcare from non NHS Bodies	2,203	1,834
Employee Expenses - Executive directors	1,313	851
Employee Expenses - Non-executive directors	171	221
Employee Expenses - Staff	133,405	119,999
Supplies and services - clinical (excl drug costs)	14,401	14,375
Supplies and services - general	3,196	3,117
Establishment	1,945	1,660
Transport (Business travel only)	258	319
Transport (other)	153	306
Premises	8,120	7,623
Increase / (decrease) in provision for impairment of receivables	34	1,495
Change in the provisions discount rate	104	0
Drugs	14,760	12,445
Rentals under operating leases-minimum lease receipts	530	511
Depreciation on property, plant and equipment	5,857	5,360
Amortisation on intangible assets	783	845
Impairments of property, plant and equipment (6.3)	0	197
Audit fees Statutory	96	64
Other auditors remuneration (external auditor only)	50	50
Clinical negligence insurance	3,899	4,019
Loss on disposal of Assets	242	0
Legal fees	1,090	887
Consultancy costs	2,072	3,223
Training, courses and conferences	772	906
Patient travel	7	9
Car parking & Security	103	89
Redundancy	0	217
Hospitality	28	21
Insurance	144	151
Other services, eg external payroll	805	984
Losses, ex gratia & special payments not included in employee expenses	167	110
Other	256	769
TOTAL	199,596	185,502
OF WHICH		
Relates to continuing operations	199,596	185,502

3.2 Arrangements containing an operating lease

	2014/15 £000	2013/14 £000
Minimum Lease payments in year	530	511
TOTAL	530	511

Operating lease includes rentals for a variety of medical equipment as well as photocopiers and lease cars.

	2014/15 £000	2013/14 £000
- not later than one year	567	559
- later than one year and not later than five years	419	928
- later than five years	0	0
TOTAL	986	1,487

4.0 Staff costs and numbers

	Permanent £000	Other £000	2014/15 Total £000	2013/14 Total £000
Salaries and wages	97,634	818	98,452	93,418
Social security costs	8,063	0	8,063	7,781
Employer's contributions to NHS pensions	10,870	0	10,870	10,387
Agency / contract staff	0	17,333	17,333	9,264
TOTAL GROSS STAFF COSTS	116,567	18,151	134,718	120,850

These costs exclude those for Non-Executive Directors' remuneration and benefits in kind.

4.1 Average number of persons employed on whole time equivalent basis (WTE)

			2014/15	2013/14
	Permanent Number	Other Number	Total Number	Total Number
Medical and dental	339	0	339	321
Administration and estates	807	0	807	743
Healthcase assistants and other support staff	311	0	311	283
Nursing, midwifery and health visiting staff	805	0	805	774
Scientific, therapeutic and technical staff	400	0	400	363
Agency and contract staff	0	234	234	79
Bank	0	181	181	172
TOTAL GROSS STAFF COSTS	2,662	415	3,077	2,735

All numbers are based on average WTE for the twelve months.

4.2 Retirements due to ill-health

During 2014/15 there were 2 early retirements from the Trust agreed on the grounds of ill-health (4 in the year ended 31 March 2014). The estimated additional pension liability of these ill-health retirements is £103k (£303k in 2013/14).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

4.3 Employee Benefits

There were no employee benefits paid in the year or in the previous financial year.

4.4 Termination Benefits

There were no termination benefits during the year. The previous year the Trust ran a MARS redundancy scheme where there were a total of eleven departures agreed at a cost of £427k during the year. The table below provides a summary of the departures.

	2013 / 14 Number of compulsory redundancies	2013 / 14 Number of other departures agreed	2013 / 14 Total number of exit packages
	Number	Number	Number
< £10,000	0	3	3
£25,001 - £50,000	0	6	6
£50,001 - £100,000	0	1	1
£150,000 - £200,000	1	0	1
TOTAL NUMBER OF EXIT PACKAGES BY TYPE	1	10	11
Total resource cost (£)	£166,000	£261,000	£427,000

There were no non-compulsory departures agreed in 2014/15, however for 2013/14 there were ten at a cost of £261k and the split of these are detailed below.

	2013 / 14 Payments agreed Number	2013 / 14 Total value of agreements £000
Mutually agreed resignations (MARS) contractual costs	8	210
Contractual payments in lieu of notice	2	51
TOTAL NUMBER OF EXIT PACKAGES BY TYPE	10	261

4.5 Staff Sickness

2014/15 Number	2013/14 Number
Total days lost 44,656	46,624
Total staff years 3,077	2,735
Average working days lost (per WTE) 15	17

4.6 Salary and pension entitlements of Directors

4.0 Salary and pension entitle	illellis of L	il ectors
Name and title	Year Ended 31 March 2015 Salary (Bands of £5,000) £	Year Ended 31 March 2014 Salary (Bands of £5,000) £
Joe Harrison Chief Executive Officer	165-170	165-170
Jonathan Dunk - from July 2013 Director of Finance	125 - 130	80-85
Robert Toole (Penna PLC) - Started Jan 2013, left June 2013 * Interim Director of Finance	N/A	95-100
Duncan Smith- left April 2013 Director of Finance until Dec 2012 Director of Commercial Development from Dec 2012, left April 2013	N/A N/A	N/A N/A
Lisa Knight Director of Patient Care / Chief Nurse	110-115	100-105
John Blakesley from April 2014 Deputy Chief Executive Interim Director of Planning & Performance - from Apri 2013 to March 2014 Interim Director of Performance & Delivery - from	145 - 150 I N/A N/A	N/A 265 - 270 5-10
March 2014 Ogechi Emeadi - from 31st March 2014		
Director of HR & Workforce Development	95-100	0-5
Kathy Renacre - left April 2013 Director of HR & Workforce Development	N/A	N/A
Martin Wetherill from June 2011 Medical Director	170 - 175	175-180
Emma Goddard from December 2014 Director of Service Improvement	35 - 40	N/A
Kate Burke from May 2014 Director of Corporate Services	65 - 70	N/A
Caroline Hutton Interim Director of Operations May14 - August 14 Director of Operations from October 2014	45 - 50 50 - 55	N/A N/A
Darren Leech - Started Dec 2011 Chief Operating Officer to March 2014 Director of Strategy & Estates from March 2014	N/A 25-30	100-105 5-10
Baroness Margaret Wall from July 2014 Chairman	30 - 35	N/A
Chris Mellor from Sept 2013 left June 2014* Interim Chairman	50 - 55	115-120
David Wakefield - Started April 2011, left Sept 2013 Chairman	N/A	15-20
Tony Nolan - Started March 2014 Non executive director	10-15	0-5
Dr Jean-Jaques De Gorter fromMarch 2014 Non executive director	10-15	0-5
Robert Green Non executive director	10-15	10-15
David Moore Non executive director	10-15	10-15
Frank Burdett Non executive director	10-15	10-15
Penny Emerson Non executive director	10-15	10-15
Kate Robinson left April 2014 Non executive director	0 - 5	10-15

Notes*The costs associated with these Directors are the total cost, inclusive of VAT, of the professional service provided and includes other costs associated with providing the service.

4.7 Highest paid Director Analysis

Reporting Bodies are required to disclose the relationship between the remuneration of the highest paid director and the median remuneration of the organisations workforce.

The banded remuneration of the highest paid director in Milton Keynes Hospital NHS Foundation Trust in the financial year 2014/15 was 175-180 £'000s (2013/14 £275-280 £'000s). This was 5.65 times (2013/14 9.4 times) the median remuneration of the workforce which was £28.5k (2013/14 £29.3k).

In 2014/15 and 2013/14 there were no employees that received remuneration in excess of the highest-paid director. Remuneration ranged from £10.3k to £175k (2013/14 from £10.1k to £278k).

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 median remuneration has been calculated using the full time equivalent annualised salary costs taken from the March payroll data, excluding the highest paid director but including agency and bank costs.

The Trust's highest paid Director was the Medical Director and the remuneration costs that have used in the calculation are the banded, full time equivalent annualised total remuneration costs. The previous year's director was the Interim Director of Planning and Performance whose costs included a premium relating to Tax/NI and pensions as well as costs associated with providing the professional services of the role.

The ratio has reduced because from October 2014 there have been no Interim Directors, however there were a number of Interim Directors during the majority of 2013/14.

4.8 Pension Benefits

Non executive directors do not receive pensionable remuneration and therefore there are no pension details included. The pension information has been provided by NHS Pensions Agency.

	Real increase in pension at aged 60	Lump sum at aged 60 related to real increase in pension	Total accrued pension aged 60 at 31st March 2015	Lump sum at aged 60 accrued pension at 31st March 2015	Cash equivalent transfer value at 31st March 2014	Real increase in Cash equivalent transfer value	Cash equivalent transfer value at 31st March 2015
Name and Title	(Bands of £2.5k) £000	(Bands of £2.5k) £000	(Bands of £5k) £000	(Bands of £5k) £000	(Bands of £1k) £000	(Bands of £1k) £000	(Bands of £1k) £000
Joe Harrison Chief Executive Officer	2.5-5	12.5-15.0	45-50	135-140	626	83	709
Jonathan Dunk Director of Finance	5-7.5	15-17.5	15-20	55-60	175	72	247
Lisa Knight Director of Patient Care / Chief Nurse	2.5-5	10-12.5	35-40	105-110	527	76	603
John Blakesley * Deputy Chief Executive	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ogechi Emeadi Director of HR & Workforce Development	5-7.5	27.5-30	25-30	80-85	309	127	436
Caroline Hutton Director of Operations from October 2014	0-2.5	5-7.5	25-30	85-90	436	52	488
Kate Burke Director of Corporate Services for May 2014	0-2.5	2.5-5	5-10	15-20	55	19	74
Emma Goddard * Director of Service Improvement from Jan 2015	0-2.5	N/A	5-10	N/A	46	17	63
Martin Wetherill * Medical Director	10-12.5	5-7.5	65-70	125-130	N/A	N/A	N/A

Notes: John Blakesley has opted out of the pension scheme on 1st April 2014 therefore there is no pension information available. Emma Goddard is a member of the 2008 scheme for which there is no lump sum information available and Martin Wetherill has left the pension scheme so there is no cash equivalent transfer value (CETV).

The CETV is the actuarially assisted capitalised value of the pension scheme benefits accumulated by a member at a particular point in time. The benefits valued are the members' accumulated benefits and contingent spouses' pension payable from the scheme.

5.0 Better Payment Practice Code

5.1 Better Payment Practice Codemeasure of compliance

	2014/15 Number	2014/15 £000	2013/14 Number	2013/14 £000
Total trade invoices paid in the year	81,878	103,353	59,443	64,729
Total trade invoices paid within target	54,102	77,388	21,982	35,131
Percentage of Total trade invoices paid within target	66%	75%	37%	54%

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. The Trust's improvement is due to the agreed cash support the Trust received in year from the DoH which enabled the Trust to plan the payment of its creditors in a more timely manner. As a result there were no payments made in year in respect of late payment of invoices under the Late Payment of Commercial Interest Act 1998 (2014/13 £0k)

6.0 Audit Fees

The Trust incurred statutory audit fees totalling £96,000 14/15 (£64,000 in 13/14) and other auditor remuneration of £50,000 14/15 (£50,000 in 13/14). Other auditor remuneration is detailed below.

	2014/15 £000	2013/14 £000
OTHER AUDITOR REMUNERATION PAID TO THE EXTERNAL AUDITOR:		
Audit of accounts of any associate of the trust	0	0
2. Audi-related assurance services	0	50
3. Taxation compliance services	8	0
All taxation advisory services not falling within item 3 above	0	0
5. Internal audit services	0	0
6. All assuranc services not falling within items 1 to 5	30	0
7. Corporate finance transaction services not falling within items 1 to 6 above	0	0
8. Other non-audit services not falling within items 2 to 7 above	12	0
TOTAL INCOME FROM ACTIVITIES	50	50

7.0 Finance income and expense

7.1 Finance Income

	2014/15 £000	2013/14 £000
Interest on bank accounts	16	18
TOTAL	16	18

7.2 Finance Expenses

2014/15 £000	2013/14 £000
INTEREST EXPENSE	
Loan from the Independent Trust Financing 75 Facility	89
Finance leases 369	396
TOTAL INTEREST EXPENSE 444	485
OTHER FINANCE EXPENSES	
Unwinding of discounts on provisions 11	9
TOTAL FINANCE EXPENSES 455	494

7.3 Impairment of Assets (PPE)

	2014/15 £000	2013/14 £000
NET IMPAIRMENTS CHARGED TO OPERATING SURPLUS / DEFICIT RESULTING FROM		
Changes in market price	0	197
TOTAL NET IMPAIRMENTS CHARGED TO OPERATING SURPLUS / DEFICIT	0	197
Impairments charged to the revaluation reserve	0	2,645
TOTAL NET IMPAIRMENTS	0	2,842

The Trust had a valuation as at 31st March 2014 and as a result there was a £2.8m impairment of assets which related to Plant Property and Equipment. Of this, £2.6m related to Buildings and was charged to the revaluation reserve and the balance which related to donated assets was charged to operating expenses.

8.0 Intangible Assets

	Software licences (Purchased) £000	Information technology (internally generated) £000	Development expenditure (internally generated) £000	Intangible assets under construction £000	Total £000
VALUATION / GROSS COST AT 1 APRIL 2014 BROUGHT FORWARD	3,033	3,536	359	244	7,172
Additions	610	575	592	87	1,864
Disposals / derecognitions	(177)	(5)	0	0	(182)
GROSS COST AT 31 MARCH 2015	3,466	4,106	951	331	8,854
AMORTISATION AT 1 APRIL 2014 - BROUGHT FORWARD	2,257	1,247	79	0	3,583
Provided during the year	190	506	87	0	783
Disposals / derecognitions	(177)	(4)	0	0	(181)
AMORTISATION AT 31 MARCH 2015	2,270	1,749	166	0	4,185
NBV TOTAL AT 31 MARCH 2015	1,196	2,357	785	331	4,669
NBV TOTAL AT 1 APRIL 2014	776	2,289	280	244	3,589
VALUATION / GROSS COST AT 1 APRIL 2013 - AS PREVIOUSLY STATED	3,043	3,237	0	676	6,956
Additions - purchased	176	73	359	69	677
Reclassification	14	226	0	(240)	0
Disposals / derecognitions	(200)	0	0	(261)	(461)
VALUATION / GROSS COST AT 31 MARCH 2014	3,033	3,536	359	244	7,172
AMORTISATION AT 1 APRIL 2013 - AS PREVIOUSLY STATED	1,979	759	0	0	2,738
Provided during the year	278	488	79	0	845
Impairments	0	0	0	0	0
AMORTISATION AT 31 MARCH 2014	2,257	1,247	79	0	3,583
NBV TOTAL AT 31 MARCH 2014	776	2,289	280	244	3,589
NBV TOTAL AT 1 APRIL 2013	1,064	2,478	0	676	4,218

9.0 Property, Plant and Equipment

Property, plant and equipment as at 31ST March 2015 is broken down in the following elements:

	Land	Buildings excluding dwellings	Dwellings	Assets under construction & POA	Plant & machinery	Transport equipment	7	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
VALUATION / GROSS AT 1 APRIL 2014 - BROUGHT FORWARD	20,205	109,492	872	280	16,402	26	5,924	1,044	154,245
Additions	0	4,315	0	307	2,259	0	1,143	72	8,096
Reclassification	0	3	0	(3)	819	0	0	(819)	0
Disposals / derecognition *	0	(160)	0	37	(68)	0	0	0	(265)
VALUATION / GROSS AT 31 MARCH 2015	20,205	113,650	872	547	19,412	26	7,067	297	162,076
ACCUMULATED DEPRECIATION AT 1 APRIL 2014 - BROUGHT FORWARD	0	0	0	4	8,630	23	2,893	523	12,073
Provided during the year	0	3,394	24	0	1,625	3	740	71	5,857
Reclassification	0	0	0	0	408	0	0	(408)	0
Disposals*	0	(11)	0	0	(13)	0	0	0	(24)
ACCUMULATED DEPRECIATION AT 31 MARCH 2015	0	3,383	24	4	10,650	26	3,633	186	17,906
NET BOOK VALUE AT 31 MARCH 2015 NET BOOK VALUE AT 1 APRIL 2014	20,205 20,205	110,270 109,492	847 872	543 276	8,761 7,772	0	3,433 3,031	111 521	144,171 142,172

The disposals all relate to non relevant assets ie they are not used in the delivery of Commissioner Requested Services.

COST OR VALUATION / GROSS AT 1 APRIL 2013 - AS PREVIOUSLY STATED	18,896	126,160	870	286	24,988	44	10,095	1,768	183,107
Additions - purchased / leased / grants / donations	0	2,229	0	0	3,394	0	2,580	17	8,220
Impairments	0	(10,236)	(25)	0	0	0	0	0	(10,261)
Reclassification	0	2	0	(2)	235	0	(235)	0	0
Revaluations	1,309	(8,663)	27	0	0	0	0	0	(7,327)
Disposals / derecognition *	0	0	0	(4)	(12,215)	(18)	(6,355)	(741)	(19,333)
VALUATION / GROSS AT 31 MARCH 2014	20,205	109,492	872	280	16,402	26	6,085	1,044	154,407
ACCUMULATED DEPRECIATION AT 1 APRIL 2013 - AS PREVIOUSLY STATED	0	16,019	58	4	19,289	38	9,001	1,183	45,592
Provided during the year	0	3,292	16	0	1,560	3	408	81	5,360
Impairments	0	(7,407)	(12)	0	0	0	0	0	(7,419)
Revaluations	0	(11,904)	(62)	0	0	0	0	0	(11,966)
Disposals / derecognition *	0	0	0	0	(12,219)	(18)	(6,355)	(741)	(19,333)
ACCUMULATED DEPRECIATION AT 31 MARCH 2014	0	0	0	4	8,630	23	3,054	523	12,234
NET BOOK VALUE AT 31 MARCH 2014	20,205	109,492	872	276	7,772	3	3,031	521	142,172
NET BOOK VALUE AT 1 APRIL 2015	18,896	110,141	812	282	5,699	6	1.094	585	137,515

Notes: Disposals * in Cost and Depreciation relates to assets that were fully written down and no longer in use but had not been removed from the Trust Asset registers.

NET BOOK VALUE AT 31 MARCH 2015									
Owned	20,205	92,362	202	543	7,787	0	3,294	111	124,504
Finance leased	0	4,432	645	0	666	0	139	0	5,882
Government Granted	0	11,082	0	0	93	0	0	0	11,175
Donated	0	2,394	0	0	216	0	0	0	2,610
NBV TOTAL AT 31 MARCH 2015	20,205	110,270	847	543	8,761	0	3,433	111	144,171
					-				
NET BOOK VALUE AT 31 MARCH 2014									
NET BOOK VALUE AT 31 MARCH 2014 Owned	20,205	91,005	207	276	6,931	3	2,905	52	121,584
	20,205 0	91,005 4,566	207 665	276 0	6,931 539	3	2,905 126	52 469	121,584 6,365
Owned	-,				-		•		
Owned Finance leased	0	4,566	665	0	539	0	126	469	6,365
Owned Finance leased Government Granted	0	4,566 11,292	665 0	0	539 162	0	126 0	469 0	6,365 11,454

10.0 Investments Carrying Amount

Associate entities are those over which the Trust has the power to exercise a significant influence, but not control over the operating and financial management policy decisions. This is generally demonstrated by the Trust holding in excess of 20% but no more than 50% of the voting rights.

With effect from August 2009 the Trust has an associate investment in Milton Keynes Urgent Care Services, a community interest company (CIC) and holds an equity investment of 40% voting rights. The sum of the investment was £40.

The Trust has chosen not to reflect any surplus or deficit from the associate in the Trust accounts as the Trust deems the impact of its share to not be material. In the event of any impact becoming material, the Trust will review the position and reflect this as appropriate.

11.0 Inventories

	Consumables of Drugs			
	£000	£000	£000	£000
AS AT 1 APRIL 2014	697	1,604	81	2,382
Additions	190	487	(10)	667
AS AT 31 MARCH 2015	887	2,091	71	3,049
AS AT 1 APRIL 2013	590	1,577	62	2,229
Additions	107	27	19	153
AS AT 31 MARCH 2014	697	1,604	81	2,382

The movement in inventories is due to large stock holding as Easter occurred at the year end, however the Trust continued to maintain stock balances to minimal levels and operates robust stock control measures from the previous year.

12.0 Trade and Other Receivables

	31 March 2015	31 March 2014
	£000	£000
CURRENT		
NHS receivables due from NHS bodies	4,972	7,192
Provision for impaired receivables	(2,131)	(2,084)
Prepayments (non PFI)	669	904
Accrued income	1,545	1,423
PDC Dividend receivable	157	0
VAT receivable	1,046	530
Other receivables	738	825
TOTAL CURRENT TRADE AND OTHER RECEIVABLES	6,996	8,790
NON-CURRENT		
Provision for impaired receivables	(90)	(103)
Other receivables (revenue)	582	579
TOTAL NON-CURRENT TRADE AND OTHER RECEIVABLES	492	476

NHS receivables are mainly considered recoverable because the majority of trade is with CCG's, as commissioners for NHS patient care services. CCG's are funded by the Government to purchase NHS patient care services, therefore no credit scoring of them is considered to be necessary. However, the Trust has recognised an impairment for receivables which relates to CCG income. Similarly other receivables with related parties are with other Government bodies, so no credit scoring is considered necessary.

Trade and Other Receivables includes £1.4m for the value of partially completed patient episodes as at 31st March 2015 (31st March 2014 £1.8m).

At the Statement of Financial Position date there were no material concentrations of risk, the maximum exposure to credit risk being the carrying values of trade receivables.

12.1 Provision For Impairment of receivables

	2014 / 2015
	£000
AT 1 APRIL	2,187
Increase in provision	853
Amounts Utilised	(598)
Unused amounts reversed	(221)
AT 31 MARCH	2,221

12.2 Analysis For Impairment of receivables

	31 Mar	ch 2015	31 March 2014		
	Trade Receivables £000	Other Receivables £000	Trade Receivables £000	Other Receivables £000	
AGEING OF IMPAIRED RECEIVABLES					
0 - 30 days	0	0	0	0	
30 - 60 days	0	0	0	0	
60 - 90 days	0	0	0	0	
90-180 days	23	1,436	60	1,402	
over 180 days	265	498	216	509	
TOTAL	288	1,934	276	1,911	
AGEING OF NON - IMPAIRED RECEIVABLES					
0 - 30 days	2,179	0	1,322	0	
30 - 60 days	295	0	180	0	
60 - 90 days	239	0	225	0	
90-180 days	68	0	123	0	
over 180 days	298	0	216	0	
TOTAL	3,079	0	2,066	0	

Impaired receivables, aged 90 to 180 days in the main relates to payments from CCG's, those aged over 180 days cover payments from the Compensation Recovery Unit in relation to recovering costs arising through road traffic accidents. The irrecoverable debt provision has increased to 18.9% from 15.8% as notified by the Department of Health.

13.0 Cash and cash Equivalents

	2014 / 2015	2013 / 2014
	£000	£000
AT 1 APRIL	504	640
Net change in year	760	(136)
AT 31 MARCH	1,264	504
BROKEN DOWN INTO		
Cash at commercial banks and in hand	56	134
Cash with the Government Banking service	1,208	370
TOTAL CASH AND CASH EQUIVALENTS AS IN SOFP	1,264	504
TOTAL CASH AND CASH EQUIVALENTS AS IN SOCF	1,264	504

14.0 Liabilities

14.1 Trade and other payables

	31 March 2015	31 March 2014
	£000	£000
CURRENT		
NHS trade payables	1,765	1,785
Amounts due to other related parties	1,566	1,438
Other trade payables	5,804	4,458
Capital payables	400	126
Social security costs	1,204	1,141
Other taxes payable	1,249	1,207
Other payables	1,988	6,209
Accruals	2,993	2,731
PDC payable	0	15
TOTAL CURRENT TRADE AND OTHER PAYABLES	16,969	19,110

14.2 Other Liabilities

	31 March 2015 £000	31 March 2014 £000
Deferred income	65	159
TOTAL OTHER LIABILITIES	65	159

15.0 Borrowings

	31 March 2015 £000	31 March 2014 £000
CURRENT		
Loan from the Independent Trust Financing Facility	445	445
Obligations under finance leases	329	365
TOTAL CURRENT BORROWINGS	774	810
NON-CURRENT		
Loan from the Independent Trust Financing Facility	1,776	2,221
Loans from the Department fo Health	25,300	0
Obligations under finance leases	6,151	6,346
TOTAL NON-CURRENT BORROWINGS	33,227	8,567

In year the Trust took out a new loan for £25.3m. It was an unsecured working capital loan from the Department of Health which related to Interim Revenue Support required for the Trust during 2014/15. The loan is a five year loan, with principal only being repaid in March 2020 and has an annual interest rate of 1.5% per year. The Trust's existing ITFF Loan from the Foundation Trust Financing Facility is an unsecured loan which was fully drawn down during 2010/11. The loan is being repaid over a 10 year period at an interest rate of 3%. Principal and interest repayments occur in August and February, with the final payment being due in February 2020.

16.0 Prudential Borrowing Limit

With effect from 1st April 2013, the Prudential Borrowing Code and Limit is no longer required as they were repealed by the Health and Social Care Act 2012. Therefore these disclosures are no longer contained in the Annual Accounts.

17.0 Finance Lease obligations
The Finance leases cover a number of different items of equipment, but the main items include the Trusts Accommodation Block, Beds, Pharmacy Robot and a Haematology Analyser.

	Minimum lea	ase payments	Present v minimum lea	ralue of se payments
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
GROSS LEASE LIABILITIES	11,953	12,553	11,953	6,711
of which liabilities are due:				
- not later than one year;	680	734	329	365
- later than one year and not later than five years;	1,679	1,838	438	536
- later than five years.	9,594	9,981	5,713	5,810
TOTAL	11,953	12,553	6,480	6,711
Finance charges allocated to future periods	(5,473)	(5,842)	(5,473)	(6,242)
NET LEASE LIABILITIES	6,480	6,711	1,007	869
of which payable :				
- not later than one year;	329	365	(22)	(5)
- later than one year and not later than five years;	438	536	(803)	(766)
- later than five years.	5,713	5,810	1,833	1,640
TOTAL	6,480	6,711	1,008	869

18.0 Provisions

	Pensions (other staff)	Other legal claims	Other	Total
	£000	£000	£000	£000
AT 1 APRIL 2014	38	308	732	1,078
Change in the discount rate	14	0	90	104
Arising during the year	0	1,037	0	1,037
Utilised during the year	(6)	(27)	(39)	(72)
Reversed unused	0	(2)	0	(2)
Unwinding of discount	(0)	0	11	11
AT 31 MARCH 2015	46	1,316	794	2,156
EXPECTED TIMING OF CASHFLOWS:				
Not later than one year	6	1,316	38	1,360
Later than one year and not later than five years	25	0	131	156
Later than five years	15	0	625	640
TOTAL	46	1,316	794	2,156
AT 1 APRIL 2013	43	96	763	902
Change in the discount rate	0	0	0	0
Arising during the year	0	308	0	308
Utilised during the year	(6)	(40)	(39)	(85)
Reversed unused	0	(56)	0	(56)
Unwinding of discount	1	0	8	9
AT 31 MARCH 2014	38	308	732	1,078
EXPECTED TIMING OF CASHFLOWS:				
Not later than one year	6	308	39	353
Later than one year and not later than five years	25	0	155	180
Later than five years	7	0	538	545
TOTAL	38	308	732	1,078

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event and it is probable that the Trust will be required to settle the obligation and a reliable estimate can be made of the obligation.

The above provision for pension costs relates to additional pension liabilities arising from early retirements. Unless due to ill-heath, these are not funded by the NHS Pension Scheme. As noted within note 1.15 the full amount of such liabilities is charged to the income and expenditure account at the time the Trust commits itself to the retirement.

Other includes three injury benefit cases, one of which amounts to £0.5m.

The Trust provides for legal or constructive obligations that are of uncertain timing or amount at the Statement of Financial Position date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the Treasury's discount rate of 1.3% in real terms.

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. Although the NHSLA is administratively responsible for all clinical negligence cases, and all clinical negligence claims are recognised in the accounts of the NHSLA, the legal liability remains with the NHS Foundation Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is £35.9m (year ended 31 March 2014 £27.5m). No contingencies or provisions are in the accounts at 31 March 2014 in relation to these cases, even though the legal liability for them remains with the Trust.

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 NHSLA and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

19.0 Revaluation Reserve

	Property, Plant & Equipment £000	Total £000
REVALUATION RESERVE AT 1 APRIL 2014	57,253	57,253
Other reserve movements	0	0
REVALUATION RESERVE AT 31 March 2015	57,253	57,253
REVALUATION RESERVE AT 1 APRIL 2013	55,214	55,214
Impairment losses property, plant and equipment	(2,645)	(2,645)
Impairment gains property, plant and equipment	4,639	4,639
Other reserve movements	45	45
REVALUATION RESERVE AT 31 March 2014	57,253	57,253

20.0 Post Balance Sheet events

There are no post balance sheet events having a material effect of the accounts.

21.0 Contingent Liabilities

The Trust has reviewed its liabilities and it does not consider that it has any material contingent liabilities for the forthcoming financial year. The provisions that the Trust has made for liabilities and charges are disclosed in note 17 including provisions held by the NHSLA as at 31 March 2015 in respect of clinical negligence liabilities of the NHS Foundation Trust.

22.0 Related Party Transactions

The Trust is a body corporate established by the Secretary of State for Health. Government departments and their agencies are considered by HM Treasury as being related parties. During the year, the Trust has had a significant number of material transactions with other NHS bodies and in the ordinary course of its business with other Government departments and other central and local Government bodies. Most of these transactions have been with HMRC in respect of deductions and payment of PAYE, NHS Pensions Agency, Milton Keynes Council in respect of payment of rates and Milton Keynes CCG which is the Trusts local commissioner of NHS services. There are additional related parties of Monitor, Milton Keynes NHS Foundation Trust Charitable Funds and the Milton Keynes Urgent Care Service, with which there have been no significant transactions in year.

		2014	/ 15			2013	3 / 14	
	Payments to related party	Receipts from related party	Amounts owed to related party	Amounts due to related party	Payments to related party	Receipts from related party	Amounts owed to related party	Amounts due to related party
	£000	£000	£000	£000	£000	£000	£000	£000
Department of Health	0	0	0	157	0	0	15	0
NHS Bodies	2,535	9,095	938	1,565	2,912	9,617	1,438	1,500
Milton Keynes CCG	0	117,726	0	1,486	9	115,523	4	4,132
Bedfordshire CCG	0	11,275	0	387	0	10,824	0	691
NHS England	12	23,237	400	605	8	20,287	0	345
NHS Aylesbury Vale CCG	0	6,934	105	357	0	6,628	0	175
NHS Nene CCG	0	2,877	0	171	0	2,665	0	169
Bedford Hospital NHS Trust	222	189	68	33	163	231	34	69
Northampton Hospital NHS Trust	206	72	42	15	472	146	58	5
Oxford University Hospital NHS Trust	762	1,561	208	304	340	1,367	230	100
NHS Litigation Authority	4,022	0	0	0	4,019	0	0	0
OTHER								
Other WGA Bodies	37	48	4	50	304	5	9	5
NHS Blood and Transplant (outside DH Group)	1,062	0	0	0	0	0	0	0
Local Authorities	303	204	0	0	220	244	0	0
HMRC	8,063	0	2,453	1,046	7,781	0	1,141	530
NHS Pensions	10,870	0	1,566	0	10,387	0	1,207	0
TOTAL	28,094	173,218	5,784	6,176	26,615	167,537	4,136	7,721

During the year none of the Board members or members of key management staff or parties related to them have undertaken any material transactions with the Trust.

23.0 Financial Instruments

	31 March 2015	31 March 2014
	£000	£000
Cash	1,264	504
Capital	1,264	504
Total Equity	1,264	504
Borrowings	34,001	9,377
OVERALL FINANCING	35,265	9,881
CAPITAL TO OVERALL FINANCING RATIO	4%	5%

Capital Risk Management

The Trust's capital management objectives are:

- to ensure the Trust's ability to continue as a going concern; and
- to provide an adequate return to reinvest in healthcare services by providing healthcare services commensurately with the level of risk of receiving income for those services provided.

The Trust monitors capital on the basis of the carrying amount of Public Dividend Capital less cash presented on the face of the balance sheet.

The Trust sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Trust manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

Interest Rate Risk

The trust is not exposed to significant interest rate risk as the Borrowings are all at a fixed rate of interest.

Liquidity Risk

The Trust's net operating income is mainly incurred under legally binding contracts with the local CCG's, which are financed from resources voted annually by Parliament. Under Payment by Results, the Trust is paid for the activity on the basis of nationally set tariffs. For contracted activity, the Trust is paid in 12 monthly instalments throughout the year, which significantly reduces the liquidity risk. Performance in excess of contracted levels up to the end of December 2014 has been agreed and paid for by Milton Keynes CCG at PbR rates. However the Trust is looking for further support to its working capital during 2015/16.

23.1 Financial assets by category

	31 March 2015 Loans & Receivables £000	31 March 2014 Loans & Receivables £000
Trade and other receivables excluding non financial assets	7,331	9,254
Cash and cash equivalents (at bank and in hand)	1,264	504
TOTAL AT 31 MARCH	8,595	9,758

23.2 Financial liabilities by category

Borrowings excluding finance leases	27,521	2,666
Obligations under finance leases	6,480	6,711
Trade and other payables excluding non financial assets	16,969	19,110
Provisions	2,156	1,078
TOTAL AT 31 MARCH 2015	53,126	29,565

23.3 Fair values of financial assets

Non current trade and other receivables excluding non financial assets	492	476
TOTAL	492	476

Current Financial Assets Book and Fair values are assumed to be the same values.

24.4 Fair values of financial liabilities

TOTAL	34,023	9,292
Non-current obligations under finance lease	6,151	6,346
Non-current loans	27,076	2,221
Non-current provisions under contract	796	725

Current Financial Liabilities Book and Fair values are assumed to be the same values.

23.5 Maturity of Financial Liabilities

In one year or less	19,102	20,273
In more than one year but not more than two years	600	624
In more than two years but not more than five years	27,071	2,402
In more than five years	6,352	6,266
TOTAL	53,126	29,565

24.0 Third Party assets

The Trust held £85 cash at bank and in hand at 31 March 2015 (£0 at 31 March 2014) which relates to monies held by the Trust on behalf of patients. This has been excluded from the cash at bank and in hand figures reported in the accounts.

25.0 Losses and special payments

There were 241 cases at 31 March 2015 of losses and special payments totalling £167k approved during the year (156 cases to 31 March 2014 totalling £110k) These payments are the cash payments made in the year and are calculated on an accruals basis. There were no compensation payments recovered during the year. Details of the payments are shown in the table on the following page.

	31 Marc	h 2015	31 Marc	h 2014
	Number	Value £000	Number	Value £000
1. LOSSES OF CASH DUE TO:				
a. theft, fraud etc	1	0	0	0
b. overpayment of saleries etc	4	0	1	0
c. other causes	0	0	1	0
2. FRUITLESS PAYMENTS	0	0	0	0
3. BAD DEBTS AND CLAIMS ABANDONED IN RELATION TO:				
a. private patients	3	0	5	0
b. overseas visitors	49	113	16	39
c. other	120	7	79	2
4. DAMAGE TO BUILDINGS, PROPERTY ETC. DUE TO:				
a. theft, fraud etc	0	0	0	0
b. stores losses	4	16	16	41
TOTAL LOSSES	181	136	118	82
SPECIAL PAYMENTS				
5. COMPENSATION UNDER LEGAL OBLIGATION	0	0	0	0
6. EXTRA CONTRACTUAL TO CONTRACTORS	0	0	0	0
7. EX GRATIA PAYMENTS IN RESPECT OF:				
a. loss of personal effects	30	10	25	6
b. clinical negligence with advice	2	6	0	0
c. personal injury with advice	0	0	0	0
d. other negligence and injury	0	0	0	0
e. other employment payments	2	10	1	18
f. patient referrals outside the UK and EEA Guidelines	0	0	0	0
g. other	26	5	12	4
8. SPECIAL SEVERANCE PAYMENTS	0	0	0	0
9. EXTRA STATUTORY	0	0	0	0
AND REGULATORY TOTAL SPECIAL PAYMENTS	60	31	38	28
			50	20
TOTAL LOSSES AND SPECIAL PAYMENTS	241	167	156	110

26.0 Subsequent Events

There are no subsequent events after the end of the reporting period.

Appendix 1

Constituencies and Governors 2014-15

			Term of Office					
		Constituency	No	Governors	From	То		
				Dr Arun Nathan	14 May 2012	14 May 2015		
	A B	Bletchley & Fenny Stratford, Denbigh, Eaton Manor & Whaddon	2	Vacancy	1 Apr 2015	Present		
				Peter Ballantyne	6 Jun 2013	5 Jun 2016		
				Brian Hobbs	17 Aug 2010	25 Jul 2016		
				Vacant	10 April 2013	Oct 2014		
	В	Emerson Valley, Furzton, Loughton Park	2	RobinThornton	27 Oct 2014	Nov 2014		
				Vacant	Nov 2014	19 Mar 2015		
				Douglas Campbell OBE	19 Mar 2015	18 Mar 2018		
				Robert Collard	1 Oct 2007	Aug 2014		
	C Linford South, Bradwell, Campbell Park	2	Vacancy	Aug 2014	26 Oct 2014			
	U	Lindid South, Dradwell, Sampbell Lark	_	Arthur Georgestone	27 Oct 2014	26 Oct 2017		
				Chris Phillips	18 Mar 2011	13 Mar 2017		
	D	Hanslope Park, Olney, Sherington, Newport Pagnell	2	Liz Wogan	12 May 2009	11 May 2015		
	U	Translope Fair, Onley, Orlenington, Newport Fagricii	_	Roger Hornblow	13 May 2010	5 Jun 2016		
	Е	Walton Park, Danesborough, Middleton, Woughton	2	Lesley Bell	1 Oct 2007	25 Jul 2016		
	_	anorri ari, Danesborough, Middleton, Woughton		Vincent Lieu	6 Jun 2013	5 Jun 2016		
	F	Stantonbury, Stony Stratford, Wolverton		Ann Thomas	11 Oct 2012	10 Oct 2015		
			2	Liz Bartlett	19 Mar 2015	18 Mar 2018		
				Michael Moutrie	10 Feb2012	9 Feb 2015		
	G Out			Vacant	6 Apr 2013	10 July 2013		
		Outer catchment area	1	Adrienne Rutter	10 July 2013	9 July 2016		
				Jean Button	21 Mar 2012	19 Mar 2015		
	Н	Extended area	1	Vacant	25 Nov 2011			
	ı	Doctors and Dentists	1	Dawar Abbas	17 Aug 2010	25 Jul 2016		
	J	Nurses and Midwives	2	Kim Weston	1 Oct 2007	30 Sep 2016		
	Ū			Vacant	16 Aug 2013			
	K	Scientists, technicians and allied health professionals	1	Keith Marfleet	11 Oct 2012	10 Oct 2015		
٧ (7)				Lesley Sutton	11 Oct 2012	10 Oct 2015		
JENCY (7)	L	Non-clinical staff groups e.g. admin & clerical, estates, finance, HR, management	3	Eszther Pritchard	10 Oct 2013	9 Oct 2016		
ПП				Martyn Rollins	12 Feb 2015	11 Feb 2013		
CON	N	Milton Keynes Business Leaders	1	Vacant	1 Oct 2010	Not applicable		
STAFF CONSTIT		Youth participation representative		Anita Dzre	13 Aug 2013			
S	-			Jack Robinson	13 Aug 2013			
	0	Healthwatch MK	1	Hilda Kirkwood	April 2014	Not applicable		
	Р	Milton Keynes Council for Voluntary Organisations	1	Clare Hill	1 Oct 2007	Not applicable		
		Local Authority – Milton Keynes Council		Cllr Nigel Long	May 2014	Not applicable		
		Clinical Commissioning Group		Matt Webb	July 2014	Not applicable		

Appendix 2

Board and Governor Attendance

	Board of Directors 9	Audit Committee 5	Charitable funds 4	Finance & Investment 13	Quality Committee 11	Remuneration 3	Workforce Development 6 Assurance Committee
Frank Burdett	9	1	4	12		3	6
John Blakesley	7	2	2	4			
Kate Burke (from May 2014)	7	3	2		7		
Jean-Jacques DeGorter	6				11	3	3
Jonathan Dunk	6	3	1	10			
Ogechi Emeadi	8	1				2	6
Penny Emerson (until Feb 2015)	5	2			3		5
Emma Goddard (from Dec 2014)	2			5			
Robert Green	7	5	3	9		2	
Joe Harrison	9			8	3	2	
Caroline Hutton (from Oct 2014)	4						
Lisa Knight	8	1			7		
Darren Leech (until June 2014)	3			1			
Chris Mellor (until June 2014)	3			3	2	1	1
David Moore	9		2	13	9	3	1
Tony Nolan	8	4		12		2	
Kate Robinson (until 30 April 2014)	1					1	
Margaret Wall (from July 2014)	6			8	4	2	3
Martin Wetherill	6				8		3

^{*} Attended Finance and Investment Committee as Chair of **Audit Committee**

Members of the Committee attendance is given above

Attendance at Council of Governors

	24 April 2014	10 June 2014	18 Nov 2 014	13 Jan 2015	10 Mar 2015	All meetings	Nominations Committee
							И
Ablett, Jeannie	✓	✓				2	
Abbas, Dr Dawar	✓	X	X	✓	X	2	
Ballantyne, Peter	✓	✓	✓	\checkmark	✓	5	
Bell, Lesley	✓	✓	✓	✓	X	4	5
Debbie Brock	✓					1	
Button, Jean	✓	✓	✓	✓	✓	5	
Collard, Robert	✓	✓				2	3
Dzre, Anita	X	X	X	X	X	0	
Georgestone, Arthur			✓	\checkmark	X	2	
Hill, Clare	✓	✓	✓	✓	X	4	
Hobbs, Brian	X	✓	✓	X	✓	3	
Hornblow, Roger	✓	✓	X	✓	X	3	
Kirkwood, Hilda	✓	X	✓	✓	✓	4	
Leiu, Vincent	✓	X	✓	✓	✓	4	
Long, Nigel	X	X	X	X	X	0	
Marfleet, Keith	✓	X	✓	✓	✓	3	
Mellor, Chris	✓	✓				2	3
Moutrie, Michael	✓	✓	X	X	✓	3	2
Phillips, Chris	X	✓	✓	\checkmark	✓	4	1
Pritchard, Eszther	✓	✓	✓	✓	✓	5	
Robinson, Jack	X	✓	X	X	X	1	
Rollins, Martyn	X	✓	✓	✓	X	3	
Rutter, Adrienne	X	✓	✓	✓	✓	4	
Amber Saunders			✓	X	X	1	
Sutton, Lesley	✓	✓	X	X	X	2	
Thomas, Ann	✓	✓	✓	X	X	3	
Vaidyanathan, Dr Arun	✓	✓	✓	✓	✓	5	
Baroness Wall (from 1/7/14)			✓	✓	✓	3	2
Matthew Webb	X	X	✓	x	x	1	
Weston, Kim	✓	✓	✓	X	✓	4	
Wilkinson, Jill	x	X	X	x	✓	1	
Wogan, Liz	✓	✓	✓	✓	✓	5	5

