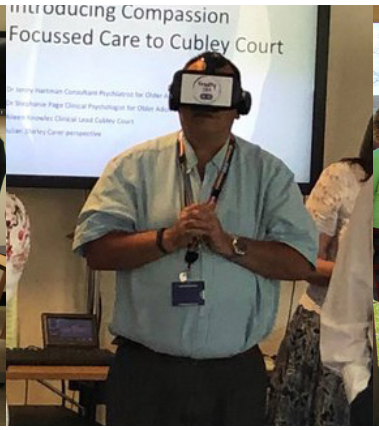
NHS
Derbyshire Healthcare
NHS Foundation Trust

Annual Report & Accounts 2019/20






Making a positive difference

Derbyshire Healthcare NHS Foundation Trust
Annual Report and Accounts 2019/20

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

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Chair's foreword

2019/20 has been a great year of change and improvement and I have been proud to lead the Trust during this significant time. The Trust has sharpened its strategy to focus on providing great care, setting a course of direction to make the Trust a great place to work, and making best use of our money. The Care Quality Commission recognised the improvements made in their visit at the beginning of 2020.

Our work across the local health and care system has grown substantially over the last 12 months and we have an active role in shaping programmes focused on mental health, learning disability and wider services for children across Derbyshire. Of note is our key role in Joined Up Care Derbyshire's Mental Health System Delivery Group. This group is responsible for implementing the NHS long term plan's vision to modernise community mental health services to shift to a whole person, whole population health approach.

I was pleased to welcome Richard Wright as our Deputy Chair during the year and would like to take the opportunity formally to thank Julia Tabreham for her term as Deputy Chair. Julia continues as a Non-Executive Director, alongside Dr Sheila Newport and Ashiedu Joel who have joined our Board of Directors this year. Thank you also to Dr Anne Wright and Suzanne Overton- Edwards, whose terms of office recently came to an end.

Throughout the year I have met with colleagues and service users in all different areas of the Trust and I never cease to be amazed at the compassion, commitment and enthusiasm that exists within our services.

The strength in our organisational values and positive team spirit was never more evident than it was towards the end of the financial year when we first started to experience the impact of the Coronavirus (COVID-19) pandemic. On behalf of the Trust Board I would like formally to thank all Trust colleagues for their commitment, support and dedication to our patients and each other during this unprecedented time.

Our Council of Governors (CoG) goes from strength to strength and this year we have welcomed Lynda Langley as Lead Governor. A number of long-serving governors completed their terms of office this year and we thank our former Lead Governor John Morrissey and Moira Kerr for their work and insight over recent years. It was really heartening to see an increase in the number of contested elections for our governor vacancies and this year 12 new governors have joined us. I look forward to continuing our work alongside our CoG during the year to come.

Thank you to everyone who has supported the Trust over the last year. Without this positive team spirit, I am sure it would not have been possible to make the marked improvements to our services and I am delighted to reflect on the progress we have made over the year.

Caroline Maley
Chair

Chief Executive's introduction

Welcome to the Trust's Annual Report and Accounts for 2019/20.

Overall 2019/20 has been a really positive year and I am pleased to share that we end the financial year in a strong position, which has been confirmed by the Care Quality Commission (CQC) with an overall rating of 'good' for the quality of our services and how well led the Trust is.

This is a notable improvement for the Trust and I am immensely proud of the collective efforts of colleagues in working together to achieve this positive outcome. You can read more about how we have sought to improve our services and some of the tremendous examples of good practice throughout these pages. Our Trust drive to enhance our culture in particular relating to putting our people first received a great boost with a very positive and improved staff survey result with an increase in 9% recommending our Trust as a place to work. We also had the highest ever response rate to the staff survey at 60% with nine areas scoring higher than the previous year.

The end of the year saw the start of the Coronavirus (COVID-19) pandemic across the UK, which will now define 2020 for years to come. In March we commenced Level 4 incident planning, in common with the rest of the NHS. I could not be more proud of all Team Derbyshire Healthcare colleagues and how we collectively rose to the challenges of the pandemic. Most importantly of all I was humbled by the team work, the positive approach and selfless acts of our staff, how we supported our patients and each other. Teams and colleagues supported each other in unprecedented ways and it is clear that during difficult times like this that our organisational values become real.

Sadly we lost two colleagues and two patients during this time. We shall never forget these losses nor the fantastic contribution our colleagues made to local communities in Derbyshire. The tributes we received following their sad loss demonstrated how very well thought of they were by the teams they worked with.

Thinking back before the pandemic, a key point in the year was the refresh of the Trust Strategy, which involved significant engagement from colleagues and wider stakeholders. The update is simpler and relates to all areas of the Trust's service portfolio. It was this process that clarified our 'people first' value and how we commit to focus on our colleagues, in the knowledge that a well-supported, engaged and empowered workforce results in good patient care. The value of this work became evident as we tackled COVID-19 later on in the year.

We have seen positive investment in our services over the last year and are now in the early stages of developing a community based forensic team, which has been a much needed gap in our service provision to date. We have also seen developments including a newly designed North of the County Dementia Rapid Response Team and the introduction of a model in our Child and Adolescent Mental Health Services which aligns staff more closely to clinical pathway.

We started the new financial year in incident mode and it is clear that we will continue to work in new and different ways for many months to come. We have started to restore many of our community based services, in ways that support enhanced infection, prevention and control and

social distancing whilst providing our expertise to the growing mental health needs of our local communities.

Looking forwards the implementation of our new Estate Strategy and ambitious plans to transform our dormitory style accommodation to create single, en-suite rooms for people in our inpatient care remains a key priority. We will also continue to drive the availability of acute inpatient services within Derbyshire, to make sure people no longer need to travel outside of the county to access a mental health bed.

We will continue to invest time in our work focused on inclusion, to champion and embed principles of equality and diversity across our services and within our workforce. We have made considerable progress in this area over 2019/20 and will strengthen this work over the forthcoming year to confirm our commitment for inclusion across all our people and communities.

Given the ongoing increase in demand for our services and the legacy of historical under-investment, we enter the new financial year with significant financial and activity challenges. We commit to working as creatively and flexibly as we can during this period and to look at innovative ways of providing clinical care to the people of Derbyshire, working in partnership with health and care colleagues across the local system, to join up our care in the best ways possible.

Ifti Majid
Chief Executive

Performance report

This overview of performance provides a short summary of the organisation, its purpose, the key risks to achievement of our objectives and performance throughout the year. It is supported by further detail outlined in the performance analysis that follows on pages 21 -43.

Overview of performance

2019/20 was a strong year for the performance of the Trust as we made a number of notable improvements to our clinical services and embedded our enhanced governance processes. The culmination of these improvements was seen in March 2020 when the Trust's overall CQC rating increased to 'good' for both the quality of our services and how well led the Trust is.

Throughout the year the Trust continued to perform well against key performance indicators, with maintenance or improvements across many of the Trust's services. However, there were a number of pressures and challenges experienced throughout the year, as our services continued to experience a marked increase in demand. We anticipate that the number of referrals coming into our services will continue to increase over time in line with population growth. We also expect 2020/21 will see an additional surge in demand, particularly for mental health care, following the COVID-19 pandemic and its acknowledged impact on people's wellbeing.

We also continued to experience issues relating to increased waiting times for particular services, including CAMHS and paediatric outpatient appointments and our health visiting staff continued to work to high caseloads, which we aim to reduce. Throughout the year we also continued to identify acute mental health care for adults outside of Derbyshire, due to a lack of available services within the county. This included Psychiatric Intensive Care Unit (PICU) beds for adults with severe mental health needs, as this service is not commissioned locally.

At the start of the calendar year the Trust was developing plans to enhance our acute care environments through the development of single room facilities, to provide a better patient experience to people on our acute mental health wards. Unfortunately due to the COVID-19 pandemic this programme of work was paused, in line with requirements to reduce visitors into our hospital environments and to support wider social distancing. This was an important development and one we will look to revisit as soon as possible in 2020/21. We will also continue to liaise with local commissioners about the need for a local PICU facility, in order to support people with the greatest mental health needs close to their home environments.

Throughout the year each of our services worked to develop a detailed clinical strategy for future development and improvement. A number of key priorities had been identified for each service which will need to be revisited, to establish how the identified priorities can continue to be delivered post COVID-19. This will be taken forward in line with our work as part of Joined Up Care Derbyshire (JUCD) over the forthcoming year, as we continue to look at new and innovative ways to best support those who use our services

Alongside an incremental increase in activity, the Trust continued to experience difficulties in recruiting clinical staff to a number of service areas. This is a problem we have faced for a number of years and an issue that NHS trusts across the country are experiencing, as there is a growing shortage of mental health nurses, health visitors, consultants and wider specialist staff. These workforce challenges place significant pressures on the Trust and the ways in which we can move at pace to achieve our strategic objectives and performance targets throughout the

year. Whilst these workforce issues remain a challenge, we have started to reap benefits of the innovative recruitment work the Trust has been participating in during recent years, in order to attract clinical staff.

Whilst there continue to be a number of vacant posts across the Trust (in our inpatient areas in particular), overall the number of vacancies has reduced and we have also successfully reduced our use of agency personnel throughout the year which is a significant achievement.

Feedback from Trust colleagues has provided significant assurance in respect of the Trust's performance during the year. This year's staff survey revealed a 9% increase in the number of colleagues recommending our Trust as a place to work. We also had the highest ever response rate to the staff survey at 60%, with nine areas scoring higher than in the previous year.

This performance reflects the importance of staff engagement and communication within the Trust. Throughout the year we have refreshed and revised the Trust Strategy, in line with conversations with colleagues. The updated strategy outlines the three new strategic priorities for the Trust; to provide GREAT care, to be a GREAT place to work and to make BEST use of our money.

A set of building blocks accompanies each of these strategic priorities, providing a clear direction of travel and sense of purpose for the Trust. A significant development included within this plan is the introduction of a new electronic patient record, which is an ongoing priority for the year ahead.

As the financial year came to a close the Trust was at the start of an ongoing Level 4 incident, as a result of the COVID-19 pandemic. Whilst this activity will have a notable impact on our performance at the start of the 2020/21 financial year, the Trust's response to the pandemic has been strong and we have sought new and innovative ways of supporting and engaging with our patients with the greatest level of need.

It is clear that the pandemic will have an impact on Trust patients, colleagues and services for the foreseeable future, yet we will continue to build on the performance and priorities that were in place in March 2020, with an ongoing commitment to make improvements that will benefit our local population.

Ifti Majid
Chief Executive

24 June 2020

About us

Purpose and activities of Derbyshire Healthcare NHS Foundation Trust
Derbyshire Healthcare NHS Foundation Trust (DHCFT) is a provider of mental health, learning disability and children's services across the city of Derby and wider county of Derbyshire. We run a variety of inpatient and community based services throughout the county. We also provide specialist services across the county including substance misuse and eating disorders services.

The Trust provides services to a diverse population, including areas of wealth alongside significant deprivation. The Trust's catchment area includes both city and rural populations, with over 70 different languages being spoken.

Successful partnership working is essential to the delivery of many of our services. The Trust works in close collaboration with our commissioners and fellow providers of local healthcare services, together with local authority colleagues at Derby City Council and Derbyshire County Council, and voluntary and community sector organisations. Derbyshire Healthcare is an active partner in Joined Up Care Derbyshire (JUCD), a partnership of health and care organisations working collectively to address challenges and improve the level of joined up working within the local health and care economy.

Our strapline, **'Making a Positive Difference'** reflects feedback from Trust staff about the reasons they chose to work for the NHS and Derbyshire Healthcare in particular. It brings together a common aim of all services, and summarises the overall intention of the organisation **to make a positive difference to people's lives by improving health and wellbeing**, which is the Trust's vision '

History of Derbyshire Healthcare NHS Foundation Trust
Previously Derbyshire Mental Health Services NHS Trust, the Trust was granted Foundation Trust status on 1 February 2011. Universal children and family services for Derby transferred to the Trust in 2011, following the dissolution of Derby City Primary Care Trust.

Our services

Derbyshire Healthcare has a broad range of services that are structured within the following clinical divisions:

- **Adult Mental Health Services for Adults of a Working Age:** manages our adult inpatient services at both the Radbourne Unit and the Hartington Unit and also provides urgent assessment and home treatment services, including our crisis and liaison teams, alongside mental health triage.

- **Community Mental Health Services for Adults of a Working Age**: provides a community mental health services, locally based across Derbyshire, for people experiencing significant mental health difficulties requiring specialist interventions, including Consultant Psychiatric outpatients services and Early Intervention Services.

- **Forensic and Mental Health Rehabilitation Services**: following commissioner investment this division has been developed for the Trust's emerging forensic service line. It includes a Community Forensic Team, a Criminal Justice and Liaison Team and a Placement Review Team. Low Secure Inpatient services are provided at the Kedleston Unit and rehabilitation inpatient services at Audrey House and Cherry Tree Close.

- **Mental Health Services for Older People**: provides an inpatient service for people suffering with dementia on the Cubley Court wards and an inpatient service for older

people experiencing functional illness, such as severe depression or psychosis on Ward 1, London Road. This division also delivers services locally across Derbyshire within the Community Mental Health Teams (CMHT) and provides an intensive alternative to hospital admission through the Dementia Rapid Response Teams (DRRT) and the In-reach and Home Treatment Team.

- **Specialist Care Services:** includes a number of specialist teams including Perinatal Services (inpatient and community), Autistic Spectrum Disorder (ASD) assessment, Eating Disorders Services for Adults, Learning Disabilities Services including an intense support team preventing hospital admission, Substance Misuse Service, Physiotherapy and Dietetics and Talking Mental Health Services (Improving Access to Psychological Therapies - IAPT).

- **Children's Care Services:** provides Child and Adolescent Mental Health Services (CAMHS) including RISE a team supporting Accident and Emergency (A&E) liaison and acute inpatient services. It also includes services for 0 to 19 Universal Children's Services, public health teams including health visitors and school nurses and specialist children's services providing therapy and complex needs services, and a service for looked after children in care.

Further details on the above services can be found on the Derbyshire Healthcare Foundation NHS website, https://www.derbyshirehealthcareft.nhs.uk/

Vision and values

The Trust vision is:

‘To make a positive difference in people’s lives by improving health and wellbeing’.

Our values

The Trust’s vision is underpinned by four key values, which have been developed in partnership with our patients, carers, staff and wider partners. The ‘people first’ value was refreshed during 2019, in line with the update to the Trust Strategy.

The Trust values are:

People first – We focus on our colleagues, in the knowledge that a well-supported, engaged and empowered workforce results in good patient care

Respect – We respect and value the diversity of our patients, colleagues and partners and support a respectful and inclusive environment

Honesty – We are open and transparent in all we do

Do your best – We work closely with our partners to achieve the best possible outcomes for people.

These values (in orange on the diagram below) enable us to achieve our central vision - of making a positive difference in people's lives by improving health and wellbeing.

Trust Strategy 2018 – 2022 (refreshed in 2019)

The refresh of the Trust Strategy made it simpler and more accessible to staff and also reflective of the latest priorities.

Following significant engagement, the refreshed strategy outlines the three Trust priorities:

- To provide GREAT care
- To be a GREAT place to work
- To make BEST use of our money.

GREAT care

Delivering compassionate, person-centred, innovative and safe care.

Choice, empowerment and shared decision making is the norm.

GREAT place to work

Attracting colleagues to work with us who we develop, retain and support by excellent management and leadership

An empowered, compassionate and inclusive culture that actively embraces diversity.

BEST use of money

Making financially-wise decisions every day and avoid wasting resources

Always striving for best value by finding ways to make our money go further.

These strategic objectives represent the direction of travel, and the things we must do to achieve our vision. They will help the Trust with its ambition to become better across all service areas and to stand out from other providers. Under each strategic objective there are a series of "Building Blocks", detailing the actions and timescales for the Trust to deliver the strategic objectives and how progress can be measured.

The new strategic objectives of the Trust feed directly into the Trust Board Assurance Framework.

Our Strategic priorities

GREAT care

GREAT place to work

BEST use of money

Clinical ambition
In support of the Trust Strategy, colleagues have developed a clinical ambition that establishes clinical aspirations and priorities.

Our clinical priorities are that our services will be:

- Designed in consultation with our colleagues and people who use our services
- Based on best clinical evidence.

Our clinical ambitions are that our services will:

- Be person-centred and prevent ill health
- Provide care at home or in the community where possible, through a partnership approach to promote individual and community resilience
- Ensure any admission to hospital is within Derbyshire and kept to the shortest effective period of time
- Be compassionate and take account of trauma-informed practice
- Involve people who use our services in designing their care and treatment, to meet personal goals throughout their lives.

Strategic plan on a page – the Strategic Stepping Stones
Our strategy plan on a page takes a 1, 2, 3, 4, 5 approach which we call our strategic stepping stones. This comprises:

- One vision
- Two clinical priorities
- Three strategic objectives
- Four values
- Five clinical ambitions.

Clinical improvement strategies
From February to August 2019, the Trust introduced a programme of work to develop our improvement strategies for each of our clinical areas. A series of engagement events brought together frontline clinicians, patients and carers to consider a common purpose for each area and identify ways to improve the services and ensure they can adapt to meet the needs of patients over the coming three to five years. This process fed into the development of Service Improvement Plans (SIP) for each clinical service, each of which was further improved through engagement with a wider group of patients, carers and our system partners. Following agreement of each plan by the Trust Board, these plans have been prioritised and key actions will inform Business Plans for each service area for the year ahead.

Snapshot of activity

Significant governance and regulatory events during the year

Comprehensive CQC inspection
The Trust received a comprehensive inspection from the CQC during the year, which took place between November 2019 – January 2020. The Trust's overall rating was 'good', which is an improvement of the rating issued during out last inspection in 2018. The Trust's report was published by the CQC on 6 March 2020.

This positive news formally marks significant improvements in our services and reflects how they have continued to improve over recent years.

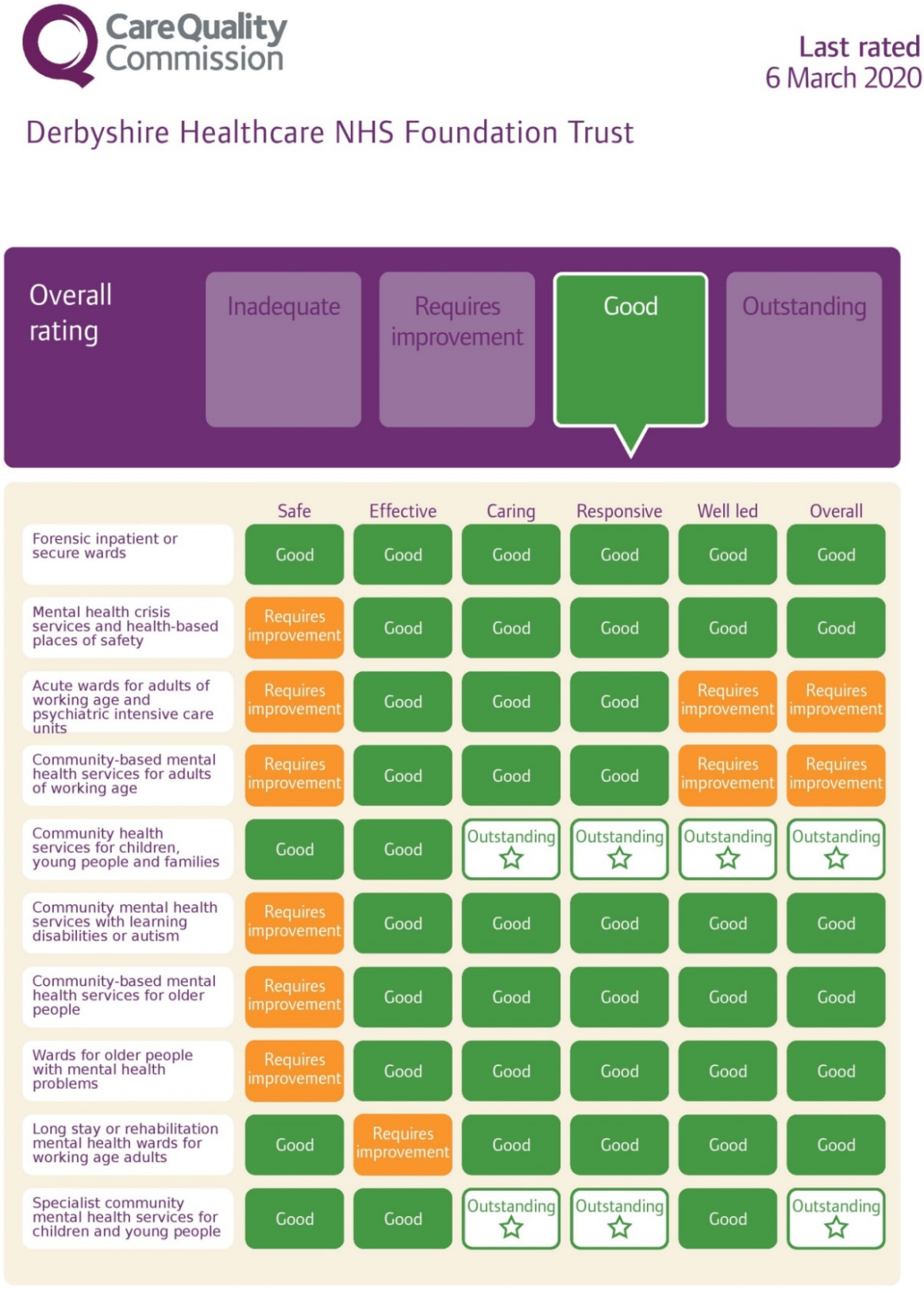
The Trust's ratings have increased in three of the five CQC domains and now includes an overall 'good' rating for how effective, caring, responsive and well led our services are. Our safety domain remains as requires improvement and will be an area of key focus for the coming year.

The 2020 report highlights areas of exceptional practice across the Trust, with an outstanding rating being awarded to the Trust's children's services (which includes the children's universal team for 0-19s and our complex health and paediatric therapies service).

Our acute inpatient wards also increased their rating over the year, which is a positive reflection on the transformation work that has been undertaken by our teams at both the Radbourne and Hartington Units. The teams have worked collectively in making significant changes to our ward environments and addressing some challenging areas such as recruitment and retention.

The report also outlines increased overall ratings across our crisis and learning disability services.

The Trust's service ratings are now:



	Safe	Effective	Caring	Responsive	Well led	Overall
Forensic inpatient or secure wards	Good	Good	Good	Good	Good	Good
Mental health crisis services and health-based places of safety	Requires improvement	Good	Good	Good	Good	Good
Acute wards for adults of working age and psychiatric intensive care units	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
Community-based mental health services for adults of working age	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
Community health services for children, young people and families	Good	Good	Outstanding ☆	Outstanding ☆	Outstanding ☆	Outstanding ☆
Community mental health services with learning disabilities or autism	Requires improvement	Good	Good	Good	Good	Good
Community-based mental health services for older people	Requires improvement	Good	Good	Good	Good	Good
Wards for older people with mental health problems	Requires improvement	Good	Good	Good	Good	Good
Long stay or rehabilitation mental health wards for working age adults	Good	Requires improvement	Good	Good	Good	Good
Specialist community mental health services for children and young people	Good	Good	Outstanding ☆	Outstanding ☆	Good	Outstanding ☆

Changes to the Board of Directors

Executive Directors

Justine Fitzjohn, Trust Secretary, commenced in her substantive post on 1 June 2019, having been seconded on a phased basis in April and May 2019. Amanda Rawlings, Director of People Services and Organisational Development left the Trust on 29 February 2020. In March 2020, Celestine Stafford, Assistant Director People and Culture Transformation, took on additional duties whilst a substantive new Director is appointed. This includes attending Board Meetings.

Non-Executive Directors (NED)

A new sixth NED post was created in 2019/20 and Suzanne Overton-Edwards was initially appointed to this post on a temporary basis from 3 September 2019 - 31 December 2019.

Ashiedu Joel was substantively appointed to this role and she commenced with the Trust on 23 January 2020.

Dr Anne Wright's term of office ended on 10 January 2020 and she was replaced by Dr Sheila Newport on 11 January 2020. Dr Newport served in a shadow role from 1 December 2019 – 10 January 2020.

Richard Wright took over the Deputy Chair role from Dr Julia Tabreham in August 2019.

Details of the Trust's Board of Directors are outlined in full in the Directors' Report.

Going concern disclosure

The Trust accounts, starting at page 137, have been prepared on a going concern basis. This means we expect to continue to operate for the foreseeable future and have the resources to enable us to do so. However, risks and uncertainties change over time so every year our Audit and Risk Committee considers the detailed presentations from management that provide going concern evidence. After taking account of such evidence, we are able to make the following formal statement:

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

Image: CQC Chairman Peter Wyman (centre) visit – June 2019

Performance analysis

Measuring performance
A suite of online dashboards and reports that are updated daily overnight on the Trust's intranet are used by the Trust to measure performance. Every month the Trust Board receives a performance report which enables a holistic understanding of performance and highlights issues impacting on performance concerning workforce, financial, operational delivery and quality. The report provides assurance of actions being taken to mitigate these issues. Data is provided in statistical process control format which enables measurement for improvement, not just assurance. In addition, each operational division is subject to a bi-monthly review of performance, led by the Chief Operating Officer or Deputy Director of Operations.

The Trust is an active member of the NHS Benchmarking Network and participates in regular national projects which enable benchmarking with other similar organisations. The Trust also accesses and analyses national data for benchmarking purposes. This enables comparisons to be made in key areas.

Performance monitoring
The Trust monitors performance in a variety of ways. This section explains how this is done in relation to the Trust's operational performance, alongside quality and workforce performance. Further information on workforce is contained in the Staff Report on pages 92 -112 of this Annual Report.

There is a diverse range of national and local targets and standards against which the Trust's performance is monitored. These measures include:

- Financial plans
- Local commissioning contractual targets
- Locally agreed performance measures
- NHS England Specialised Services contractual targets
- NHS Improvement Oversight Framework standards
- Quality priorities.

The Trust has performance management structures in place in Operational Services to enable performance monitoring at all levels of the organisation, overseen by the Trust Management Team and Senior Assurance Support Meeting.

This financial year has seen a restructuring and there are now six Operational Divisions. Each Division holds a monthly Clinical and Operational Assurance Team meeting attended by senior clinical, operational and management representatives from the Division. The remit of the meeting is to oversee performance and quality in the Division and ensure delivery of quality care, taking the lead on performance and quality improvement.

At the Divisional bi-monthly performance reviews, a detailed overview of operational performance and quality is presented by clinical and operational staff to senior management. This enables positive 'challenge and confirm' by senior management and provides the Division with the opportunity to escalate any issues that require support from the Trust Management Team.

At its Public Board meetings, the Board of Directors is presented with an integrated performance report. The report details performance against key measures of finance, quality and operational delivery, with data presented in statistical process control format to enable measurement for improvement. The report includes actions being taken to maintain

or improve performance.

The Trust Board also receives patient stories, which provide direct feedback of patient experience of services and allows Board members to identify any areas of excellent practice or areas for improvement.

NHS Derby and Derbyshire Clinical Commissioning Group monitor the Trust's performance against contractual targets and standards at regular Contract Management Delivery Groups, one for adult services and one for children's services. In addition there is contract scrutiny at the bi-monthly Contract Management Board and weekly internal review of via the Contract Assurance Delivery Group

Public Health-commissioned contracts are monitored via quarterly performance review meetings with commissioners.

NHS England (NHSE) monitor performance against the specialised services contractual targets and standards which cover perinatal inpatients and low secure inpatients at quarterly Derbyshire contract review meetings.

NHS Improvement (NHSI) and the Care Quality Commission (CQC) also monitor performance.

The Annual Governance Statement, on page 125 of this Annual Report outlines how the Trust manages its key risks.

Key themes in Trust performance 2019/20
This financial year there have been a number of key challenges faced by the Trust. The impact of COVID-19 has been described in the overview section on page 9 and is referenced throughout this document. Other challenges have been:

Out of area placements
The Trust understands the distress that can be caused for patients and families when patients are placed miles from home and aims at all times to place patients as close to home as possible. However, there are times when out of area placements will be sought owing to no beds being available on the acute wards. Placements of all patients who are placed out of area are reviewed daily with the aim of repatriating the patients as quickly as possible back to their local community.

The Acute Services Management Team have clear systems and processes to ensure the flow of patients is planned to reduce the amount of time patients are out of area as much as possible and to optimise beds in the acute units, within the capacity and demand constraints as described below:

- Monday morning clinical meetings with ward based consultants, senior nurses, Local Authority social care workers and Assessment Services
- Daily ward rounds
- Daily senior nurse meetings to discuss patient flow
- Daily Assurance Calls with senior management team to discuss bed availability
- Weekly discussion with case managers, flow coordinators and senior managers.

Out of area – Psychiatric Intensive Care Units (PICU)
There is currently no local PICU provision, however this is being considered as part of the Trust's estate transformation project, as for patients requiring PICU treatment it is important that they can receive care close to their local support network. .

There are occasions when patients may require detention under the Mental Health Act in a PICU. A PICU is designed to offer a higher level of environmental and relational security to keep the patient and others safe. The Trust is not currently commissioned to provide this service so anyone requiring a PICU will be placed out of area.

All patients who are placed out of area receive visits from a member of the Trust's out of area care managers. It is their role to ensure that patients receive high quality, safe care while not directly in our care.

Personality Disorder
On review of people who have been diagnosed as suffering from a Personality Disorder, it has been agreed to establish a specialist personality disorder service in the community. In the near future this should result in a better service for the patient group.

Child and Adolescent Mental Health Service Waiting List (CAMHS)
The Trust has continued to experience challenging waits for CAMHS as a number of changes to Commissioning and service provision have taken place across the county in the past year. Additional funding was received from commissioners in December 2019 to increase capacity in the service.

Context:
The external waiting list continues to provide real challenge to the service. We are still managing the legacy of a doubling of referrals in quarter 1 owing to changes in commissioning. Referrals have now settled to the expected rate. We continue to work proactively to support staff in this challenging area of work and to recruit to vacancy in a timely manner.

Actions taken to date:
The activity and referrals are closely monitored by the CAMHS management team, to allow for planning of workload to be responsive. There are a range of assessment clinics and follow up options in place should they be needed. Investment into the service has allowed for further recruitment and to help with flow through the service where clinically appropriate.

There is ongoing work to review the operational model and resource needed. A waiting well initiative has been successfully introduced to support those waiting for intervention. Recruitment to a waiting list co-ordinator post will help to maximise the clinical time we have available, and help clear a legacy of lengthier waits.

We continue to provide a wide range of therapeutic interventions such as Cognitive Behavioural Therapy (CBT), Specialist Family Interventions and Dialectical Behaviour Therapy (DBT) for those who require specialist therapies.

Our CAMHS Eating Disorders team continue to meet the required activity levels, providing urgent and routine assessment, often leading to longer term treatment and support. We are a member of the East Midlands New Care Models collaborative which aims to look for new ways of providing inpatient care and prevention of admission.

Community children's services
The Trust also continues to experience challenges in respect of waiting times for Paediatric outpatient appointments, with some sustained improvement to waiting times made in the last year. We have made significant progress in the waiting times for Specialist Children's Occupational Therapy and Physiotherapy; areas which receive referrals for Specialist therapy and interventions.

Operational performance summary

Trust performance is measured against a number of national and local indicators and standards. The key performance measures are as follows:

a) NHS Improvement (NHSI) Oversight Framework Targets

The NHSI Oversight Framework (OF) is applicable to NHS trusts, foundation trusts and Clinical Commissioning Groups (CCGs). This financial year the vast majority of NHSI targets have been achieved:

NHSI Oversight Framework Targets	Target	Apr-19		May-19		Jun-19		Jul-19	
CPA 7 Day Follow Up	95%	59	98%	54	98%	59	97%	65	100%
Data Quality Maturity Index (DQMI)	95%	609,708	90%	613,096	90%	603,953	91%	615,916	92%
IAPT Referral to Treatment within 18 weeks	95%	685	100%	695	100%	657	100%	737	100%
IAPT Referral to Treatment within 6 weeks	75%	685	97%	695	96%	657	94%	737	95%
EIP RTT Within 14 Days - Complete	56%	25	80%	31	71%	25	88%	21	86%
EIP RTT Within 14 Days - Incomplete	56%	16	94%	10	70%	15	80%	15	80%
Patients Open to Trust In Employment	N/A	24,030	11%	24,020	11%	23,917	11%	24,109	11%
Patients Open to Trust In Settled Accommodation	N/A	24,030	64%	24,020	64%	23,917	64%	24,109	64%
Under 16 Admissions To Adult Inpatient Facilities	0	0	N/A	0	N/A	0	N/A	0	N/A
IAPT People Completing Treatment Who Move To Recovery	50%	652	54%	664	54%	630	53%	706	53%
Out of Area - Number of Patients Non PICU	N/A	23	N/A	20	N/A	19	N/A	15	N/A
Out of Area - Number of Patients PICU	N/A	31	N/A	27	N/A	29	N/A	32	N/A
Out of Area - Average Per Day Non PICU	N/A	12.27	N/A	10.26	N/A	13.00	N/A	9.35	N/A
Out of Area - Average Per Day PICU	N/A	14.90	N/A	15.26	N/A	18.27	N/A	21.77	N/A

NHSI Oversight Framework Targets	Target	Aug-19		Sep-19		Oct-19		Nov-19	
CPA 7 Day Follow Up	95%	55	100%	63	95%	54	100%	44	95%
Data Quality Maturity Index (DQMI)	95%	586,227	92%	591,224	93%	613,690	94%	587,262	94%
IAPT Referral to Treatment within 18 weeks	95%	637	100%	691	100%	757	100%	658	100%
IAPT Referral to Treatment within 6 weeks	75%	637	92%	691	92%	757	91%	658	93%
EIP RTT Within 14 Days - Complete	56%	20	80%	13	92%	19	100%	24	96%
EIP RTT Within 14 Days - Incomplete	56%	10	90%	9	89%	16	88%	19	84%
Patients Open to Trust In Employment	N/A	24,021	11%	24,201	11%	24,554	11%	24,131	11%
Patients Open to Trust In Settled Accommodation	N/A	24,021	64%	24,201	63%	24,554	63%	24,131	63%
Under 16 Admissions To Adult Inpatient Facilities	0	0	N/A	0	N/A	0	N/A	0	N/A
IAPT People Completing Treatment Who Move To Recovery	50%	609	53%	661	53%	737	55%	627	55%
Out of Area - Number of Patients Non PICU	N/A	9	N/A	10	N/A	21	N/A	27	N/A
Out of Area - Number of Patients PICU	N/A	31	N/A	17	N/A	12	N/A	12	N/A
Out of Area - Average Per Day Non PICU	N/A	6.29	N/A	6.40	N/A	10.84	N/A	11.40	N/A
Out of Area - Average Per Day PICU	N/A	19.65	N/A	9.27	N/A	5.97	N/A	6.37	N/A

NHSI Oversight Framework Targets	Target	Dec-19		Jan-20		Feb-20		Mar-20	
CPA 7 Day Follow Up	95%	54	94%	59	97%	60	97%	98	91%
Data Quality Maturity Index (DQMI)	95%	561,886	94%	588,891	95%	574,819	95%	571,507	96%
IAPT Referral to Treatment within 18 weeks	95%	552	100%	734	100%	587	100%	723	100%
IAPT Referral to Treatment within 6 weeks	75%	552	91%	734	94%	587	93%	723	90%
EIP RTT Within 14 Days - Complete	56%	23	91%	16	69%	26	85%	29	83%
EIP RTT Within 14 Days - Incomplete	56%	13	62%	14	79%	19	95%	12	67%
Patients Open to Trust In Employment	N/A	24,039	11%	24,291	11%	24,256	11%	23,967	11%
Patients Open to Trust In Settled Accommodation	N/A	24,039	63%	24,291	62%	24,256	62%	23,967	61%
Under 16 Admissions To Adult Inpatient Facilities	0	0	N/A	0	N/A	0	N/A	0	N/A
IAPT People Completing Treatment Who Move To Recovery	50%	525	58%	693	50%	565	53%	690	53%
Out of Area - Number of Patients Non PICU	N/A	25	N/A	28	N/A	20	N/A	15	N/A
Out of Area - Number of Patients PICU	N/A	27	N/A	25	N/A	24	N/A	21	N/A
Out of Area - Average Per Day Non PICU	N/A	12.90	N/A	13.77	N/A	10.21	N/A	11.19	N/A
Out of Area - Average Per Day PICU	N/A	12.61	N/A	13.65	N/A	12.31	N/A	11.13	N/A

Regarding the data quality maturity index, the number of items required by NHS England /NHS Improvement has increased incrementally since 2018 and the current number is 36. Each time the focus expands the Trust sees a reduction in compliance. The Trust then works to increase our compliance against the increased criteria. Some items prove difficult to address such as provisional diagnosis. There will always be issues of data quality as certain fields such as ethnicity have always been a challenge for clinicians to record. This may be improved by the planned move to a new electronic patient record, SystmOne and the training associated with the introduction of a new system.

b) Contractual targets

The Trust has a number of targets which form part of our contract with commissioners:

Locally Agreed	Target	Apr-19		May-19		Jun-19		Jul-19	
CPA Settled Accommodation	90%	2,516	96%	2,520	96%	2,516	96%	2,480	96%
CPA Employment Status	90%	2,039	97%	2,031	97%	2,034	97%	2,013	97%
Patients Clustered not Breaching Today	80%	14,237	73%	14,269	72%	14,242	73%	14,338	73%
Patients Clustered Regardless of Review Dates	96%	15,399	92%	15,276	93%	15,278	93%	15,414	93%
7 Day Follow Up – All Inpatients	95%	93	95%	110	97%	99	95%	118	97%
Ethnicity Coding	90%	24,030	95%	24,020	95%	23,917	95%	24,109	94%
NHS Number	99%	5,986	100%	11,563	100%	17,202	100%	23,109	100%
CPA Review in last 12 Months (on CPA > 12 Months)	95%	2,516	94%	2,520	95%	2,516	94%	2,480	96%
Clostridium Difficile Incidents	7	0	N/A	0	N/A	0	N/A	0	N/A
18 Week RTT Greater Than 52 weeks	0	0	N/A	0	N/A	0	N/A	0	N/A

Locally Agreed	Target	Aug-19		Sep-19		Oct-19		Nov-19	
CPA Settled Accommodation	90%	2,443	95%	2,475	95%	2,467	95%	2,425	95%
CPA Employment Status	90%	1,982	96%	1,994	96%	1,988	96%	1,944	96%
Patients Clustered not Breaching Today	80%	14,344	72%	14,494	72%	14,535	73%	14,392	73%
Patients Clustered Regardless of Review Dates	96%	15,381	93%	15,552	93%	15,694	93%	15,595	92%
7 Day Follow Up – All Inpatients	95%	99	96%	117	96%	111	96%	90	93%
Ethnicity Coding	90%	24,021	94%	24,201	94%	24,553	94%	24,131	94%
NHS Number	99%	27,604	100%	33,004	100%	38,611	100%	43,746	100%
CPA Review in last 12 Months (on CPA > 12 Months)	95%	2,443	95%	2,475	95%	2,467	96%	2,425	96%
Clostridium Difficile Incidents	7	0	N/A	0	N/A	0	N/A	0	N/A
18 Week RTT Greater Than 52 weeks	0	0	N/A	0	N/A	0	N/A	0	N/A

Locally Agreed	Target	Dec-19		Jan-20		Feb-20		Mar-20	
CPA Settled Accommodation	90%	2,409	95%	2,424	95%	2,385	95%	2,347	94%
CPA Employment Status	90%	1,932	96%	1,941	96%	1,913	96%	1,891	95%
Patients Clustered not Breaching Today	80%	14,266	72%	14,297	72%	14,201	72%	13,997	70%
Patients Clustered Regardless of Review Dates	96%	15,479	92%	15,570	92%	15,499	92%	15,376	91%
7 Day Follow Up – All Inpatients	95%	119	92%	103	94%	121	94%	169	92%
Ethnicity Coding	90%	24,039	93%	24,291	93%	24,256	92%	23,967	91%
NHS Number	99%	48,492	100%	53,758	100%	58,714	100%	63,972	100%
CPA Review in last 12 Months (on CPA > 12 Months)	95%	2,409	95%	2,424	96%	2,385	96%	2,347	95%
Clostridium Difficile Incidents	7	0	N/A	0	N/A	0	N/A	0	N/A
18 Week RTT Greater Than 52 weeks	0	0	N/A	0	N/A	0	N/A	0	N/A

Schedule 6 Contract	Target	Apr-19		May-19		Jun-19		Jul-19	
Consultant Outpatient Appointments Trust Cancellations	5%	4,452	14%	4,303	12%	4,242	9%	4,445	13%
Consultant Outpatient Appointments DNAs	15%	2,847	15%	2,851	15%	2,931	16%	2,954	15%
Under 18 Admissions To Adult Inpatient Facilities	0	0	N/A	1	N/A	0	N/A	0	N/A
Outpatient Letters Sent in 7 Days	90%	2,501	82%	2,720	83%	2,629	87%	2,640	87%
Inpatient 28 Day Readmissions	10%	106	9%	124	9%	121	5%	138	8%
MRSA - Blood Stream Infection	0	0	N/A	0	N/A	0	N/A	0	N/A
Mixed Sex Accommodation Breaches	0	0	N/A	0	N/A	0	N/A	0	N/A
Discharge Email Sent in 24 Hours	90%	106	83%	124	94%	121	88%	138	86%
Delayed Transfers of Care	3.5%	377	1.6%	401	1.4%	405	1.1%	403	1.0%
18 Week RTT Less Than 18 Weeks - Incomplete	92%	234	95%	237	95%	238	96%	247	94%

Schedule 6 Contract	Target	Aug-19		Sep-19		Oct-19		Nov-19	
Consultant Outpatient Appointments Trust Cancellations	5%	3,216	11%	4,071	12%	4,010	11%	3,750	12%
Consultant Outpatient Appointments DNAs	15%	2,238	15%	2,821	16%	2,827	15%	2,599	17%
Under 18 Admissions To Adult Inpatient Facilities	0	0	N/A	0	N/A	0	N/A	0	N/A
Outpatient Letters Sent in 7 Days	90%	2,011	84%	2,478	88%	2,704	88%	2,380	87%
Inpatient 28 Day Readmissions	10%	112	5%	125	6%	125	8%	96	10%
MRSA - Blood Stream Infection	0	0	N/A	0	N/A	0	N/A	0	N/A
Mixed Sex Accommodation Breaches	0	0	N/A	0	N/A	0	N/A	0	N/A
Discharge Email Sent in 24 Hours	90%	112	93%	125	87%	125	94%	96	84%
Delayed Transfers of Care	3.5%	395	0.8%	396	0.8%	403	0.8%	395	0.8%
18 Week RTT Less Than 18 Weeks - Incomplete	92%	248	92%	235	93%	245	94%	233	92%

Schedule 6 Contract	Target	Dec-19		Jan-20		Feb-20		Mar-20	
Consultant Outpatient Appointments Trust Cancellations	5%	3,180	9%	3,754	13%	3,487	11%	3,867	24%
Consultant Outpatient Appointments DNAs	15%	2,235	17%	2,640	15%	2,422	15%	2,167	15%
Under 18 Admissions To Adult Inpatient Facilities	0	0	N/A	0	N/A	0	N/A	0	N/A
Outpatient Letters Sent in 7 Days	90%	2,071	82%	2,471	89%	2,161	87%	1,776	88%
Inpatient 28 Day Readmissions	10%	133	6%	116	3%	137	4%	198	7%
MRSA - Blood Stream Infection	0	0	N/A	0	N/A	0	N/A	0	N/A
Mixed Sex Accommodation Breaches	0	0	N/A	0	N/A	0	N/A	0	N/A
Discharge Email Sent in 24 Hours	90%	133	84%	116	91%	137	88%	198	84%
Delayed Transfers of Care	3.5%	413	0.8%	402	1.0%	419	1.3%	417	0.5%
18 Week RTT Less Than 18 Weeks - Incomplete	92%	239	93%	260	95%	305	97%	327	96%

Clustering
It is a requirement that adult mental health patients are allocated to a care cluster. There are 21 clusters covering a range of needs and diagnoses. Clusters are broadly grouped into:

- Psychosis, e.g. schizophrenia
- Emotional difficulties, e.g. anxiety
- Memory difficulties, e.g. dementia.

The level of patients clustered and of clusters, which have been reviewed have been maintained throughout the year and the Trust continues to perform favourably when benchmarked against other organisation.

Outpatient cancellations
The level of outpatient appointments cancelled by the Trust has been consistently high throughout the year. The main reasons for cancellations were consultant sickness, needing to see patients more quickly, or consultant vacancy. For the latter, recruitment is in progress and we endeavour to fill vacancies with locums pending recruitment of permanent staff. Sickness absence rates continue to cause concern across all areas of the Trust. The top reason for absence remains to be anxiety/stress/depression and other psychiatric illnesses.

Traditionally the Trust has given six weeks' notice of appointments. However the national standard for reasonable notice is three weeks and as this would give more flexibility and reduce the number of appointments needing to be cancelled, the Trust moved into line with the national standard from February 2020 for adult outpatient appointments.

Outpatient letters sent in seven days
The national standard is that letters requiring GP action must be sent within seven days of the outpatient appointment. The current system for monitoring processing speed is very prone to human error as it relies upon the manual inputting of key information. There is also no way of distinguishing between letters that require GP action and letters which do not. Work is underway to address both of these issues which will eliminate human error and result in an accurate picture of processing speed of letters which meet the national standard.

Inpatient discharge emails
A review of processes on each ward has been commissioned and is currently in progress and reaching resolution. Findings and recommendations will inform actions to resolve this issue.

Health visiting
Health visiting performance is reported separately within the monthly Board Report. Our processes include the monitoring of caseload sizes for Health Visiting and School Nursing.

During the year the Trust has continued to perform highly against the two coverage targets, which relate to babies being seen and their breastfeeding status being reviewed at key intervals. On occasion the 100% target has been exceeded. This is a result of infants being brought into Derby city for the checks from out of area.

10 - 14 Days Activity	Quarter 1, 2019-2020	Quarter 2, 2019-2020	Quarter 3, 2019-2020	Quarter 4, 2019-2020
Number of Infants due for a check	702	760	713	633
Breast fed at 10 days	259	290	244	225
Breast and supplement fed at 10 days	155	200	172	150
Total Breastfed	**414**	**490**	**416**	**375**
Bottle fed at 10 days	288	275	293	253
Not Known	0	-5	4	5
10-14 day - Coverage (%)				
Total Breastfed Plan	98%	98%	98%	98%
Total Breastfed Actual	**100%**	**101%**	**99%**	**99%**
Breastfed at 10 days	37%	38%	34%	36%
Breast and supplement fed at 10 days	22%	26%	24%	24%
Bottle fed at 10 days	41%	36%	41%	40%
Not Known	0%	-1%	1%	1%
10-14 day - Prevalence (%)				
Plan	**65%**	**65%**	**65%**	**65%**
Actual	59%	64%	58%	59%

6 - 8 Weeks Activity	Quarter 1, 2019-2020	Quarter 2, 2019-2020	Quarter 3, 2019-2020	Quarter 4, 2019-2020
Number of Infants due for a check	738	734	730	672
Breast fed at 6 weeks	203	214	193	179
Breast and supplement fed at 6 weeks	125	132	146	132
Total Breastfed	**328**	**346**	**339**	**311**
Bottle fed at 6 weeks	410	383	383	351
Not Known	0	5	8	10
6 - 8 weeks - Coverage (%)				
Total Breastfed Plan	**98%**	**98%**	**98%**	**98%**
Total Breastfed Actual	**100%**	**99%**	**99%**	**99%**
Breastfed at 6 weeks	28%	29%	26%	27%
Breast and supplement fed at 6 weeks	17%	18%	20%	20%
Bottle fed at 6 weeks	56%	52%	52%	52%
Not Known	0%	1%	1%	1%
6 - 8 weeks - Prevalence (%)				
Plan	**43%**	**43%**	**43%**	**43%**
Actual	44%	47%	46%	46%

Older people's care

In 2019 a separate division was formed to focus on the Older Adults Service Strategy, previously all adult services over the age of 18 were structured in the community neighbourhood model and the acute inpatient model. The separation has enabled a strategic focus.

The Trust offers a range of inpatient and community based services for people over the age of 65.

Improving Access to Psychological Therapies (IAPT)

Talking Mental Health Derbyshire, the Trust's Improving Access to Psychological Therapies (IAPT) service, received 13,068 referrals in 2010/20 via telephone, online or by leaflet. The majority of referrals were self-referrals and peaked at 1,294 referrals in January 2020. The service has achieved a recovery rate of 54% against a target of 50% and a reliable improvement rate of 69% against a target of 65%.

The service receives a large number of responses to patient experience questionnaires, the latest results are for quarter 3 (October-December) of 2019/2020. There were 815 responses in quarter 3 with 98.9% of respondents saying they were extremely likely or likely to recommend the service to a family member or friend.

Community Mental Health Services
The Trust has a locality-based, needs-led approach to our community mental health services, with locality team members working closely with each other and other local health and social care professionals, whilst drawing on local community resources to help people rebuild their lives after an episode of mental ill health. Each locality has a team structure of Consultants in Older Adult Psychiatry, Registered and non-qualified nursing, occupational therapy and psychology support.

Living with Dementia Services
The Trust has an established Memory Assessment Service (MAS) that has developed to be nurse led with decreasing amounts of medic time. The MAS services are operated throughout the whole of Derbyshire and provide parity of service and wait times. It provides part of the Trust's dementia pathway.

Day services – the service has engaged in a change process and now provides group programmes for both organic and functional mental health issues on a sessional basis across two sites. The groups focus on optimising wellbeing and recovery and links closely with other statutory and voluntary services to promote engagement and activity.

A Care Home Project was developed as a process to manage referrals from 24 hour care facilities into the Community Mental Health Teams (CMHTs). It provides dedicated nurse and Occupational Therapy time into homes that refer in high numbers. It also provides some low level targeted training into these homes. It has been proven to reduce referrals in the short term. The division is supporting a review for long-term provision including partnership with other health providers and social care.

The Dementia Crisis Service was set up to reduce admissions into the specialist dementia wards, supporting people living with dementia in crisis to stay at home and early supported discharge from the specialist dementia wards. It is a very successful service and an integral part of the dementia pathway.

The Functional Crisis Service was set up to reduce admissions into the specialist functional wards, supporting older people with functional mental health needs in a crisis situation to stay at home and early supported discharge from the acute older peoples functional wards.

The service is currently only available in the South of the county including Derby City. As the model has proved a success, it is being rolled out to the remaining parts of the County in 2020/21.

Inpatient provision
The Trust provides inpatient care for those patients suffering functional illness, with provision from Ward 1 at the London Road Community Hospital and older adult provision at Pleasley Ward in the Hartington Unit at Chesterfield.

There is specialist dementia inpatient provision on the Kingsway site, with single-sex separate ward facilities operating within Cubley Court.

The continued focus is to support people living with dementia and functional illness to remain in their community home setting for as long as possible.

Quality performance

Our clinical and operational standards have shown improvement over 2019/20. This section summarises these improvements and is also evidenced in our most recent feedback from the Care Quality Commission (CQC). Later in 2020 the Trust will publish its Quality Report which will provide more detailed examples of our improvements in 2019/20. This document will be available on the Trust website.

Descriptions of how the NHS foundation trust is using its foundation trust status to develop its services and improve patient care

This year has been a year of achievement and watching our organisation flourish as it sustained and embedded new ideas and developments across our services. We have watched our forensic service grow, seen expansion in a fledgling forensic section of our Learning Disability Team, we have seen a review of our Divisions and we have adjusted how our services are managed. We have also watched our north of the county Dementia Rapid Response Team (DRRT) expand and become a great asset to our community following on the great success of our southern DRRT services.

Child and Adolescent Mental Health services (CAMHS) have implemented their care pathway model, aligned staff more closely to clinical pathways, have grown in the public participation agenda and have strengthened how they design and develop services through this work. The 2019 World Mental Health Awareness Day response designed and led by children and young people fully connected with community and voluntary partners and was a display of this significant growth. Our team received informal visits to the service and their clinical practice was endorsed. Although not formally inspected by the CQC in 2019/20, the team submitted significant evidence of their continued great work and retained their outstanding rating for their clinical practice.

A highlight has been a child health service flourishing and sharing all of its incredible talents and implementing outstanding practice, including their Introduction of Quantitative Behaviour testing to aid in the assessment of the core symptoms of attention deficit hyperactivity disorder (ADHD): hyperactivity, inattention and impulsivity. The test helped healthcare professionals to more accurately identify or rule out ADHD in patients aged 6-60 years old, as well as monitor the long term changes in symptoms over time.

Other examples are how the physiotherapy team created a cerebral palsy integrated pathway and were nominated for a Delivering Excellence Every Day (DEED) award. The pathway more quickly identifies issues with hip dislocation and enables professionals to obtain better measurements and complete screening to identify emerging problems quicker and prevent hip dislocation. The ‘brain boxes’ and ‘breast feeding boxes’ were introduced, containing several tactile objects such as feathers, teddy bears as well as pictures. Each object and picture told a story about the parent baby journey from pregnancy to sleeping to development. An example was an expanding ball which showed the difference in brain development in utero when parents spoke to and rubbed the baby bump. The change in the pathway for premature babies to implement general movement videos is a description of how the team video the baby at specific ages, offering a greater chance of a diagnosis of cerebral palsy or identification of movement difficulties.

A staff member created a handbook called ‘Active Hands are Achieving Hands’, which contained exercises and activities for children with fine motor problems. This has been rolled out across every school in Derby and South Derbyshire, and enabled the schools to be more proactive and intervene earlier. The teachers and students follow through the exercises before referral, with the aim of preventing a referral as the child or young person would be able to move better. The feedback has been very positive from the schools and

the service is in the process of collating results to complete a first audit. The Children in Care Team worked with the police, youth offending service, local authority, education and the Crown Prosecution Service to try and reduce criminalisation within young people in care. This was known as 'Concordat'. In the six months post Concordat being established, the team had seen a reduction in the number of offences involving young people in care.

These exceptional practices and good governance were given regulatory endorsement and resulted in the CQC issuing the Trust with an outstanding rating for this service. We are very grateful to our incredible staff team for what they achieve for our city and county.

Learning Disability services have continued to be redesigned to a new model with a refined focus. The service and clinical improvement this year has seen a dramatic reduction in waiting time for Speech and Language therapy in particular, and also for all professions. The team have implemented the Learning Disability and Autism Standards and continue to improve and ensure we work to these standards. Within this, we have the excellent support of our "experts by experience" employees who have showcased their talents in implementing and maintaining the stopping of the over medication of people with learning disability, autism or both with psychotropic medicines (STOMP). We also revisited our core standards and developed a significantly improved sense of connectivity and morale in the Division, which has in turn seen exceptional in-year improvements.

We won a contract to develop a revised model of substance misuse care for Derby city and the county of Derbyshire, and our organisation is proud to be the main provider of substance misuse and alcohol services in our city and county. This new consortium service has embedded its quality improvement, with excellent work such as community developments in Ilkeston working with the county council to re-invigorate a listed building and its surrounding green space, research into helping people return to employment and incremental improvement in family inclusive practice through the Community Reinforcement Approach and Family Training (CRAFT) model, which continues to flourish. The service has developed and expanded staff skills in clinical risk stratification and has focused their physical health care on physical health care monitoring, and collaborations with and effective electronic record file sharing with primary care. This rounded model of clinical care and public health care interventions is credited with direct improvements in the safety of the people who use our services. Coupled with targeted interventions in reducing alcohol use and admissions, this has improved the outcomes for many in our city and county.

Our approach to improving quality performance has focused on embedding our learning following the 2018 CQC inspection, to develop sustained quality improvements across a range of areas, resulting in embedded improved practices and improved clinical standards. A particular focus of this has been engaging colleagues working at point of care and our People First approach. The Trust implemented all actions and was re-inspected in November 2019 and undertook our well led inspection in January 2020. Our report was published in March 2020 with our attainment of a 'good' rating with two outstanding services, and improvements in all service areas. We retain two 'requires improvement' services that have small focus improvement areas around mandatory training and some residual focused improvements.

Community mental health survey

To ensure that we understand the experiences and satisfaction of people who receive care and treatment in our community mental health services, we take part in the annual national Mental Health Community Service User Survey. The community survey is compulsory for all mental health trusts, and is conducted by external providers on behalf of the CQC. The Trust commissions an organisation called Quality Health, who undertake surveys on behalf

of the majority of trusts in England. In addition, we take part in the Mental Health Inpatient Survey, again supported by Quality Health.

These national surveys are used to find out about the experience of service users receiving care and treatment from all healthcare organisations and mental healthcare providers. Our results were published on 26 November 2019.

Responses were received from 289 people who received community mental health services from our Trust, an increase in sample size of 9% in comparison to last year. Questions are grouped under headings with a score and comparison given for the overall heading and then individually for sub-headings. All of the headings (blue sections) can be found in the following table, together with some of the sub-section scores (white sections); the complete table can be found on the CQC website (www.cqc.org.uk). The code is as follows:

- **Better:** the trust is better for that particular question compared to most other trusts that took part in the survey
- **About the same:** the trust is performing about the same for that particular question as most other trusts that took part in the survey
- **Worse:** the trust did not perform as well for that particular question compared to most other trusts that took part in the survey.

For all sections the Trust is performing about the same as most other trusts that took part in the survey. For one individual score the Trust is scoring worse than most other trusts, and for another the Trust is scoring better than most other Trusts. These are also included below:

2019 Community Mental Health Patient survey	Patient response	Compared with other trusts	Comparator Trust (Nottingham-shire Healthcare
Health and social care workers	7.0 / 10	About the same	7.5 / 10
Organising Care	8.4 / 10	About the same	8.4 / 10
Planning Care	6.8 / 10	About the same	7.0 / 10
Agreeing care - for having agreed with someone from NHS mental health services what care and services they will receive	5.8 / 10	About the same	5.6 / 10
Involvement in planning care - for those who have agreed what care and services they will receive, being involved as much as they would like in agreeing this	7.2 / 10	About the same	7.7 / 10
Personal circumstances - for those who have agreed what care and services they will receive, that this agreement takes into account their personal circumstances	7.5 / 10	About the same	7.8 / 10

2019 Community Mental Health Patient survey	Patient response	Compared with other trusts	Comparator Trust (Nottingham-shire Healthcare
Reviewing care	7.6 / 10	About the same	7.4 / 10
Care review - for having had a formal meeting with someone from NHS mental health services to discuss how their care is working in the last 12 months	7.3 / 10	About the same	6.7 / 10
Shared decisions - for those who had had a formal meeting to discuss how their care is working, feeling that decisions were made together by them and the person seen	7.8 / 10	About the same	8.0 / 10
Crisis Care	7.0 / 10	About the same	7.2 / 10
Contact - for knowing who to contact within the NHS out of office hours if they have a crisis	6.1 / 10	About the same	7.0 / 10
Support during a crisis - for those who had contacted this person or team in the last 12 months, receiving the help they needed	7.9 / 10	Better	7.3 / 10
Medicines	7.1 / 10	About the same	7.6 / 10
NHS Therapies	7.9 / 10	About the same	7.8 / 10
Support and wellbeing	4.3 / 10	About the same	4.3 / 10
Help finding support for physical health needs	4.5 / 10	About the same	4.6 / 10
Help finding support for finding or keeping work	2.4 / 10	Worse	3.7 / 10
Feedback – being asked to give their view on the quality of their care	2.2 / 10	About the same	2.0 / 10
Overall views of care and services	7.2 / 10	About the same	7.6 / 10
Overall Experience	6.8 / 10	About the same	7.2 / 10

The majority of the Trust's scores are in the intermediate 60% of trusts surveyed by Quality Health. There are two scores in the top 20% range and three in the bottom 20% range.

Your Care and Treatment
Some service users still report that they do not feel they are seen often enough for their needs, this score is in the intermediate range.

Your Health and Social Care Workers
There has been a decline for the score around service users saying that they were given enough time to discuss their needs and treatments, and this is now in the lower 20% of trusts that were surveyed. There continues to be a downward trend for service users reporting that the people they see understand how their mental health needs affected other areas of their life, although this does remain in the intermediate range. Service users are more positive that the people they see are aware of their treatment history, this is at the upper end of the middle range.

Organising Your Care
There has been a small improvement for service users reporting that they have been told who is in charge of organising their care and this is now in line with the 'all trusts' average score. The other scores show a downward movement, but remain in the intermediate range.

Planning Your Care
Some service users continue to say they haven't agreed what care they will receive. However, service users are more positive that they are involved in their care and that their personal circumstances are taken into account. All scores are in the intermediate range.

Reviewing Your Care
There has been little change in the score for service users reporting having an official 12 month review meeting. Both scores in this section are in the intermediate range.

Crisis Care
The score for service users saying they know how to make contact with the out-of- hours service shows no change and remains in the bottom 20% range of all Trusts. However, there has been an improvement for service users saying that they get the help they needed when they contacted the out-of-hours team. This score is now in the top 20% range. The Trust's recently established Mental Health Support Line is evaluating well as an additional out-of-hours support and also a bridge to Crisis Services.

Medicines
Some service users still report not being involved as much as they would like in decisions about their medicines. The Trust score for service users reporting they had an annual medicine review has fallen, and is now just outside the top 20%. The Trust also scores in the intermediate range for service users saying they had a discussion about the purpose and possible side effects of their medicines.

NHS Therapies
There has been improvement on both scores within this section. Service users reporting that they feel involved in deciding which therapies to use is now in the upper 20% range.

Support and Wellbeing
Scores in this section show a mixture of improvements and declines. The score for service users being signposted on where to find support with employment remains an issue, it is still in the lower 20%. We continue to work to improve this via the recently established Individual Placement Support Service, and we hope the impact of this will be visible in the next survey results.

Performance against quality priorities

Details of our quality priorities for 2019/20 are outlined below. More information on these priorities and associated performance will be in the Trust's Quality Report when it is published later in 2020.

The quality priorities are as follows:

- **Physical healthcare**
- **Deliver all named specific CQUINs or contractual targets**
- **Relapse reduction and harm reduction**
- **Being effective**
- **Quality improvement (QI) – using your ideas.**

The quality priorities are now embedded within the Trust Strategy, as a way of integrating them more firmly into core business.

Priority 1: Physical healthcare

As part of our improvement approach, we have sought to put in place building blocks to establish a good baseline standard of physical healthcare, to then be able to re-focus our efforts on compliance with the Lester Tool (physical healthcare for people with severe or enduring mental health problems). This is also bringing a clear process that will enable us to identify people who have a level of additional need, so that we can then respond and also liaise with other providers to ensure those needs are being attended to.

We have developed the Initial Physical Health Assessment Tool to give us two aspects of data, one that we are completing the form in a timely fashion, and then an enhanced screen of such as the Lester Tool or other assessment tools e.g. frailty. We are now working to develop a framework so that we can identify the physical healthcare interventions that have been provided, and ultimately what difference these interventions have made. These interventions may be delivered within the Trust or in partnership with other providers in the system. We have integrated the Initial Physical Health Assessment Tool and an updated Lester Tool into the electronic care record and as we now know that we are moving care record systems, this will bring further opportunities for information sharing amongst our clinicians and with primary care colleagues.

We are also developing divisional physical health priorities, examples include:

- Children's – baseline interventions
- Older people's – frailty and falls
- Acute inpatients – rapid tranquilisation
- Community mental health – the enhanced physical health offer
- Substance misuse – improving Hepatitis C monitoring and extending the liver screening pilot.

All of this work has been underpinned by a quality improvement approach.

Priority 2: Deliver all named specific CQUINs or contractual targets

The Trust has a number of agreed initiatives in place to monitor improvements in the quality of the care we provide. These are called Commissioning for Quality and Innovation agreements (CQUINs). They are set either nationally, in agreement with NHS England, or locally in agreement with our CCG commissioners. CQUINs identify a proportion of the Trust's income as being conditional on demonstrating improvements in quality and innovation in specified areas of patient care. A particularly positive approach with our commissioners for 2019/20 was our agreement of a local CQUIN focussed on falls reduction.

Our CQUINs for 2019/20 were as follows:

CQUIN	Topic	Q1	Q2	Q3	Q4
CCG2	Staff flu vaccinations; 80% of front line clinical staff				
CCG3a	Alcohol and tobacco screening				
CCG3b	Alcohol and tobacco; tobacco brief advice				
CCG3c	Alcohol and tobacco; alcohol brief advice				
CCG4	72 hour follow-up post discharge – 80% target				
CCG5a	Mental health data (Maturity Index) – 95% score				
CCG5b	Mental health data (interventions) – 70% of referrals				
CCG7	High Impact Actions to prevent hospital falls				
CCG6	IAPT – use of anxiety disorder specific measures in 65% of referrals				

Key:

Fully achieved		Not achieved	
Partially achieved		Not required	
Data not yet available		Assumed achieved	

There are some clear successes in this table, including our commitment to assess and appropriately intervene when people are admitted onto our wards and are drinking alcohol to harmful levels or smoking. However, there are also challenges with our achievement of the IAPT CQUIN at the current time, with some concerns that this is related to the complexity and time requirement of the assessment tool as an additional measure within therapy. As a result of COVID-19, in quarter 4 our requirement to report was discontinued, with performance assumed as at previous quarters. The data for quarter 4 for the IAPT CQUIN is not available at the time of writing this report.

With regards to the flu CQUIN, we have seen a step change this year in our uptake of staff flu vaccinations. Whilst still not quite to target, of particular note is how current performance is nearly double that in 2016/17.

Year	Vaccination Rate (%)
2016/17	38%
2017/18	50%
2018/19	54%
2019/20	71.1%

Contractual targets are reviewed via the Integrated Performance Report that is submitted to Board.

Priority 3: Relapse reduction and harm reduction

This is a core component of our care planning processes and also integral to the Care Programme Approach (CPA) used in our mental health services. Harm reduction is also a core component of our substance misuse services. The continuing development of our approach to safety planning, and the work of colleagues in each Division to ensure its applicability to their population is also integral to this work. Within the Trust Strategy, this is encompassed under the clinical ambition to prevent ill-health, and within the building blocks of improved patient experience, improved access to services (including at times of any relapse), developing specific pathways to maximise the potential of positive outcomes, and monitoring of suicide rates of people open to our care. It also includes making improvements to the accommodation in our inpatient wards towards a single room model.

A further specific example is the PARADES Bipolar Psychoeducation Group (Psycho-education, Anxiety, Relapse, Advance Directive Evaluation) which has run in the Erewash Neighbourhood Team, is underway in the Bolsover Team, with a plan to roll it out in the north and in the south of the county once a year, with open access to people using all teams. This initiative was seed funded by the East Midlands Academic Health Network, with an explicit focus on reducing the risk of relapse for people with bipolar disorder as their diagnosis.

The Executive Team have supported an additional programme of investment and quality improvement work in the Pharmacy Improvement Plan. This includes the learning from the Chief Pharmacist quality improvement projects, the 'Vertical Observatory'. The investment in the community pharmacy team to specifically target individuals at risk of relapse and to work in partnership with community colleagues to reduce the risk of relapse has had a very positive boost in morale in clinical practice. Emerging clinical data is very positive in reducing clinical relapse rates and in the positive improvement of community patient experience.

Priority 4: Being effective

NICE Guidelines are overseen by the NICE Steering Group, with identification of guidelines that we need to consider a review of our alignment against, and also consultation papers that the Trust can contribute to. A range of NICE Guidelines have been reviewed across the Trust as prioritised by the group, and NICE Guidelines are also being aligned to the action plans from the respective clinically led strategies. NICE is also an integral expectation of the content of a clinical team's Quality Visit as described earlier in this document, as a way of both raising the profile of NICE Guidelines and their content, and capturing the NICE aligned work that is already underway. The 'being effective' priority is in particular within the 'improve clinical outcomes' section of the Trust Strategy.

Priority 5: Quality improvement (QI) – using your ideas

Our approach to this is summarised by the earlier section of this report. There are also plans to replicate the 'Bright Ideas' system for ideas from people using our services with a system to equally capture and share ideas from colleagues. Discussions are underway as to how this might be integrated into the new intranet, clearly linked with evidence, guidelines, quality improvement methodology, resources and policy expectations. This priority aligns with improving clinical outcomes, retaining our colleagues and developing our colleagues sections of the Trust Strategy.

Workforce performance

In support of our People First value and Best Place to Work strategic objective we have maintained a strong focus on reducing sickness absence and improving staff wellbeing. We have also delivered an enhanced development programme for our leaders and managers.

At year end the Trust employed 2,673 contracted staff and 424 bank staff.

Recruitment and Retention

- **Turnove**r - our annual staff turnover rate for 2019/2020 was 10.53%. This is slightly higher than last year but remains within the target of 10%, bearing mind the tolerance of 2 %. This compares well with national and regional averages
- **Vacancies -** reflecting the picture nationally, we have had some challenges in recruitment of Band 5 and 6 mental health nurses and some consultant posts. During 2019/20 we recruited 339 new starters and by the year end we had an overall increase of 89 staff. Our vacancy rate at the end of March was 9.01%.

Staff attendance and wellbeing
Our annual sickness rate for 2019/20 was 6.33% which is 0.43% higher than the previous year. In line with experiences across other NHS trusts nationally, anxiety, stress, depression and/or other psychiatric illnesses remains the Trust's highest reason for sickness absence and accounted for 21.66% of all sickness absence during March 2020, followed by suspected COVID-19 at 17.65% and cold, cough, flu at 8.48%.

Our enhanced wellbeing offers had good take up during the year; however we have not yet seen an associated downturn in sickness absence rates. We expect a timing difference between the receipt of the wellbeing support and the return to work or the avoidance of absence; however this expectation will be explored at the People and Culture Committee.

Appraisals
The Trust appraisal target rate is 90% and at March 2020 the completion rate was **83.62**%. Appraisals rates improved during the year and beyond COVID-19 we will pick them back up as a priority.

Compulsory training
The Trust has a compliance target rate of 90% and at March 2020 the compliance rate was at **87.25**%. We will continue to support areas with increased resources and review our training offers.

Staff development
Following delivery of leadership sessions to over 700 colleagues by the Chief and Deputy Chief Executives we have developed a broad staff development offer for leaders and managers as shown in the next diagram:

Management and Leadership Development 2019/2020

...at a glance

NHS
Derbyshire Healthcare
NHS Foundation Trust

Mandatory Events – Attendance is essential

All Leaders Masterclass

Led by Ifti Majid and the executive team

- Leadership **expectations**
- Leadership **challenges**
- **Support and development** for leaders

Team Derbyshire Healthcare Leaders Events (bi-annually May & Nov)

Wednesday 13th May

Thursday 5th November

Leadership Induction

For all new leaders and leaders new to the Trust

- Expectation that all new leaders complete masterclass series in the first 6 months – **key things** you need to know
- **Half day Masterclass** to cover expectations of leaders within the Trust, leadership behaviours, and the opportunity to network with other new leaders
- Coaching **support**

Personal Development – Access as and when

People management masterclass series

- Performance Management – **supporting** performance
- Health & Attendance – supporting & **maintaining** attendance
- Dealing with Bullying, Harassment & Grievances
- Disciplinary Training & Policy Overview
- Managing & Reading A Budget
- Delivering **Effective** Appraisals
- Leading Through Engagement

Team Derbyshire Coaching Network

- Review of existing networks
- **Strengthen and revitalise** network
- Expectation that leaders utilise a coach following a development programme or 360 completion
- Quarterly internal CPD **support for coaches**

360 degree appraisal

- **Trial completed**
- **Support** and **grow** through feedback from team, peers and managers
- Bespoke to Derbyshire Healthcare

Reverse Mentoring

- Opportunity for a diverse range of staff to **mentor senior leaders and share their experiences**
- With support from **staff network groups**

Programmes – Targeted development

Aspiring to Be (A2B) programme

- For colleagues aspiring to be new leaders
- Will link to appraisal and talent management
- 12 months programme to equip aspiring leaders with key skills development

Senior Leaders Development Programme

- **Personal** Leadership
- **Team** Leadership
- Change and system leadership

Supporting Transformation Programme

- 5 day programme for middle managers
- **Developing** self-awareness & personal effectiveness
- Thinking differently about change
- **Managing** relationships

NHS Leadership Academy

East Midlands Leadership Academy

- New model from April 2019
- **Access to facilitators and in house training**
- Targeted **promotion** of courses to leaders
- **Regional** Coaching Network
- Regional Events
- Follow up attendance and so what learning

PEOPLE SERVICES

TEAM Derbyshire Healthcare LEADERS

For more information on any of the management and leadership development offers please contact the Leading for Improvement Assistants on – dhcft.teamderbyshireleaders@nhs.net

For more details about the Trust's focus on its employee, please see the Staff Report on starting on page 92 of this Annual Report.

Financial performance

Summarised Financial Performance
The Trust (and the whole NHS) ended the financial year in unusual circumstances but prior to the COVID-19 outbreak the Trust financial performance was on plan despite continuing pressures both locally and nationally. 2019/20 COVID-19 related costs have been recorded and reimbursed.

An additional £50m for all mental health trusts was allocated near the end of the year in order to provide a cash benefit. Our share of that was £679k so this value increased our reported surplus (as required).

The Trust received no additional allocation at year end of Provider Sustainability Fund (PSF) income from NHS Improvement (NHSI).

Financial performance is reported regularly to the Trust Board as part of an integrated performance report and describes both the current and forecast financial position and includes delivery of most of the required cost improvements for the year albeit some were non-recurrent.

The Trust also spent approximately £5m of capital in the year. Roughly half was spent on our buildings requirements and half on our Information Management and Technology requirements.

For 2019/20 the Trust set a financial plan in line with NHSI requirements. Two key figures within the plan were a 'control total' to deliver a surplus of £1.4m and an adjusted plan to deliver £1.8m surplus. Those two figures were inclusive of our core provider sustainability funding of £1.185m and were exclusive of impairments. Our final reported surplus was increased by the £0.679m mental health provider cash allocation.

The overall final surplus, excluding impairments, is £2.515m surplus as summarised in the table below

	Plan	Actual	Variance
	£000	***£000***	***£000***
Plan Surplus / (Deficit)	**1,800**	**1,836**	**36**
Mental Health Trust cash benefit		679	
Surplus / (Deficit)	**1,800**	**2,515**	**715**

+ Favourable Variance / - Adverse variance

Apart from COVID-19 which is covered throughout this report, there were no important events since the end of the financial year affecting the Trust.

The Trust has not undertaken any work overseas during 2019/20.

Environmental performance

Sustainability
Derbyshire Healthcare NHS Foundation Trust is committed to managing its environmental performance and endeavouring towards continuous development in line with current legislation. To achieve this, the Trust considers its environmental performance and sustainability in numerous forms, but is driven by two key Board approved documents; the Estates Strategy and the Sustainable Development Management Plan (SDMP). These documents outline how the Trust continues to use its resources effectively and efficiently in line with the NHS Sustainability Development Unit, investing in the future through appropriate technology and estate to enhance long term sustainability and viability.

Key areas of development throughout the year have included:

- Consideration of Carbon emission and managing in line with national targets
- Use of renewable energy, e.g. solar and photovoltaic (PV)
- Investment in IT solutions, to support agile working
- Responsible waste management
- Corporate embedding of agile working to optimise the estate and reduce the Trust's footprint.

The Trust has continued to reduce its use of floor space, in line with these ambitions:

Context info	2015/16	2016/17	2017/18	2018/19	2019/20
Floor space-m^2	49,314	48,142	46,017	45,464	45,464
Per member of staff	21.03	21.00	18.43	17.58	17.00
Number of staff	2,344	2,292	2,496	2,586	2,673

The Trust has also committed further resources to manage its sustainability commitments stated in the SDMP. The Trust furthermore committed to undertake significant works to evidence compliance against the 17 elements described with the Trust's Sustainable Development Management Plan 2019-2025, utilising the NHS Sustainability Development Unit's 'Sustainable Development Assessment Tool (SDAT)'.

The SDMP follows criteria set by the NHS Sustainable Development Unit and the excerpt below portrays the philosophy being followed by the Trust:

What do we want to achieve	How will we measure it	How can we achieve it
• To ensure that sustainability is embedded within organisational strategy and processes, and that we deliver, monitor and report on progress supported by a nominated board level sustainability leads • Realisation of environmental gain • Enhance health and wellbeing • Being future ready.	• Assess sustainability using the Sustainability Assessment Tool (SDAT) score in line with targets. • Carry out annual sustainability surveys to measure staff awareness levels.	• Maintain an ambitious and up–to-date strategy and report performance six monthly to the Trust Management Team (TMT) and annually to the Board • Enable staff, patients and visitors to provide regular feedback and suggestions to improve sustainability performance • Establish a healthy estate with a greater focus on improving the environmental determinants of health such as food, active travel, green space, air quality and biodiversity.

Improvements continue to develop in key areas.

Key areas of focus include:

- Working with the NHS Sustainable Development Unit in line with the SDU's assessment tool.
- Dedicated resource to energy management
- Procurement of energy assessments to determine and develop new energy consumption reduction strategies
- Nomination of a sustainability champion
- Investigate further waste reduction strategies
- Review of Health Outcomes Travel Too (HOTT) for viability
- Continue to review UK climate projections to ensure Trust awareness.

Data security and protection

Over the past 12 months the Data Security & Protection team (DS&P) has maintained the standards of excellence on behalf of the Trust.

For looking after staff and patient data, the Trust continues to be the best performing Trust in the UK when compared to other trusts providing similar services, and one of the very best Trusts in the UK overall. The Trust is required to gather information about its data security performance and management into a “Toolkit”, which is run by NHS Digital. The more a Trust completes, the more a Trust looks after its data. The Trust did complete 98% of its Toolkit, against an average of 80% for other Trusts meaning it was the best performing Mental Health Trust in the UK. In 2018/19 and again in 2019/20, the Trust completed 100% of the requirements in the Toolkit within the specified timeframe. An additional benefit of having a completed Toolkit has been the ability to support the Trust, its staff and service users during the current COVID-19 pandemic. The DS&P team continues to work with colleagues in these challenging times, helping to ensure the quality of care and security of patient and staff data is not compromised.

The Trust does not rest on its data security laurels and continues to work towards reducing data security incidents. A big step was made in 2019 with the complete removal of fax machines throughout the Trust, and the adoption of increasingly more secure electronic methods of communication. The Trust has also benefitted from two “phishing” exercises, where staff members received a phishing e-mail and their responses were captured and analysed to enable us to better understand where our data protection priorities should focus.

The Trust has also worked hard to improve the training it gives its staff. Staff can continue to benefit from both e-learning and virtual training using video conferencing facilities which will recreate the success of classroom-based learning. The DS&P team also visit teams around the Trust to better understand how they use personal data, and provide useful, team-specific advice and guidance. The team itself continues to improve, and were finalists for the ICO’s Practitioner Award for Excellence in Data Protection and have been nominated by Health Education England for a HEAT (Healthcare Education and Training) Award.

Staff also benefit from six data security bulletins every year, and recognise that the team are always willing and able to help with queries. The team have pushed the staff to recognise the importance of data security and the staff have responded brilliantly: during 2019/20 the Trust have had more staff doing more training and maintaining their competency than ever before. The toolkit requires the Trust to have a high percentage of staff in-date with their training and to demonstrate this once a year. Our expectation was that we would reach this target once a quarter. In fact, the Trust has exceeded this target for 240 days continuously, and for over 300 **days** in total!

Looking forward, the Trust will continue to review all areas where the security of data might be at risk.

It will be reactive, continuing to ensure risks are reduced and lessons learnt when mistakes do occur.

It will be proactive, working to improve its cyber security by implementing improvement projects throughout the Trust and follow the guidance of the UK Government's National Cyber Security Strategy and aim to achieve “Cyber Essentials Plus”.

It will be vigilant, guarding against threats and striving to keep the data as secure and protected as possible.

It will be dynamic, prepared and able to respond quickly, efficiently and accurately to the future data security and protection needs of the Trust, its staff and service users.

Freedom of Information

The Trust's DS&P is responsible for awareness and overseeing the Trust's compliance with the Freedom of Information Act 2000 and the implementation of an open culture to improve transparency.

During the financial year, the Trust received 346 requests for information and responded to 301 within the 20 working day time limit. This represents a compliance rate of 87% over the year. The Trust received one request for an internal review of the way it handled requests for information. The Trust has not been referred to the ICO for the way it handles or processes requests.

Virtual reality offers innovative therapy for service users

An innovative idea became a reality that is offering support and therapy to service users, thanks to Martyn Revis and Clare Farnsworth from the Hartington Unit in Chesterfield. The unit is offering virtual reality therapy, with a range of different programmes to help to the recovery process. Patients can experience a range of different simulations, from calming and relaxing underwater landscapes to a full-on ninja battle to get the heart racing.

Martyn, who works on the Hartington Unit's reception area, had the idea when he bought his own headset. He said: "I thought it could really benefit patients. I also saw a number of medical articles which said that it could work. Together with Clare I applied for funding from the Trust Innovation Network and pitched the idea to the network. They loved the idea and gave us the support and funding to be able to purchase a virtual reality set for the unit – and make all of this possible!"
Clare added: "We've found it's been particularly good for young male patients, whom we have traditionally found very difficult to engage. They end up forgetting they're in hospital as it's so realistic and it's even become part of patient care plans.

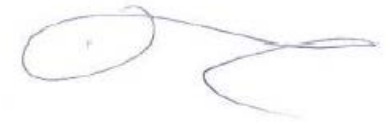
"One of the great things about virtual reality is that it offers exposure therapy which allows a patient to feel that they are going outside and get used to being outside, while still being in the safe environment of the hospital."

Clare and Martyn have shared their experience with staff at the Radbourne Unit. And colleagues and carers at Cubley Court experienced what life is like for someone with dementia, using a virtual reality mask and headphones. Liz Morrison, Service Manager for the Dementia Rapid Response Team, said: "It's quite scary to experience our patients' feeling of confusion and uncertainty."

Accountability report

The Trust's directors take responsibility for preparing the Annual Report and Accounts. We consider this information is fair, balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

This accountability report is signed in my capacity as accounting officer.



Ifti Majid
Chief Executive
24 June 2020

Directors' report

During 2019/20 the Trust Board comprised the following members:

Caroline Maley, Chair
Term of office: 14 September 2017 – 13 September 2020
A qualified chartered accountant by background, Caroline brings to her role over 30 years of experience across the NHS, private sector and education. Her most recent executive role was as Chief Operating Officer for the National College for School Leadership, where she oversaw all corporate services and was a member of the strategic leadership team. Caroline was previously Chief Executive of Derbyshire Health United, the out-of-hours medical services provider in Derbyshire, and has held non-executive roles within higher education and the private sector. Upon her initial commencement as a Trust Non-Executive Director in January 2014, Caroline was the Senior Independent Director (SID) and chaired the Audit and Risk Committee. In January 2017, she was appointed Acting Chair and chaired the Remuneration and Appointments Committee. Caroline was appointed as the substantive Chair on 14 September 2017.

Richard Wright MBE, Deputy Chair
Term of office: 18 November 2019 – 17 November 2022
Richard was appointed Non-Executive Director on 18 November 2016 and was re-appointed to his second three year term in 2019. He was appointed to the Deputy Chair role in August 2019, taking over the role from Julia Tabreham. Richard brings significant business experience to his role as Non-Executive Director. He is chair of the Sheffield UTC Multi Academy Trust and chair of the Joined Up Care Derbyshire (JUCD) Finance Oversight Group. Richard is committed to working with organisations that can have a significant impact on the local population and he is particularly interested in exploring the opportunities and challenges the Trust has to tackle. Richard is chair of the Trust's Finance and Performance Committee.

Ifti Majid, Chief Executive
Ifti qualified as a Registered Mental Health Nurse in 1988, training at St George's Hospital in London. He has held a range of clinical posts in adult mental health services, both in acute inpatient and community settings, and has held operational management posts in Nottinghamshire and Derbyshire. Ifti joined the Trust in 1997 and was appointed the Trust's Chief Operating Officer/Deputy Chief Executive in January 2013. He became the Trust's Acting Chief Executive on 26 June 2015 and was formally appointed to the position of Chief Executive on 6 October 2017. Ifti is also the Board's BME champion. In 2019/20 Ifti was also appointed as co-chair of the National NHS BME Leaders Network, hosted by NHS Confederation.

Other Non-Executive Directors

Margaret Gildea
Term of office: 7 September 2019 - 6 September 2022
Margaret was appointed Non-Executive Director on 7 September 2016 and was re-appointed to her second three year term in 2019. Margaret is a practised HR professional with 30 years' experience in increasingly senior roles at Rolls-Royce plc, culminating in being the company director of learning and development and divisional executive vice-president of HR. For the last 10 years Margaret has run a company specialising in Change Management, Organisation Development and improvement across a range of public and private sector clients. Margaret is the Trust's Senior Independent Director (SID), serving as an alternative point of contact for governors and directors when they have concerns or when it would be inappropriate to contact the Chair or Chief Executive. Margaret has chaired the Trust's People and Culture Committee and is now the chair of the Trust's Quality and Safeguarding Committee.

Ashiedu Joel
Term of office: 23 January 2020 - 22 January 2023
Ashiedu Joel is an engineering graduate who runs her own business consultancy and training firm across the East Midlands. She has recently been participating in the NExT Director Programme with Leicestershire Partnership Trust and is also a Justice of the Peace.

Ashiedu is an elected member of Leicester City Council and has experience of supporting organisations, groups and individuals to engage constructively across racial, cultural and socio-environmental boundaries, while promoting opportunities for shared learning and collaboration.

Ashiedu has also held a number of Non-Executive posts and continues to be an Executive of Clarion Voice, a charity working with young disadvantaged African heritage children through education, and a Trustee of The Bridge, which provides sustainable housing support, advice and solutions for homeless and vulnerable people in Loughborough and Leicester. Ashiedu is the Non-Executive Director lead for equality, diversity and inclusion.

Geoff Lewins
Term of office: 1 December 2017 - 30 November 2020
A qualified accountant by background, Geoff has more than 30 years' experience in finance, IT and governance, having recently worked as Director of Financial Strategy for Rolls-Royce plc. He is also a Trustee of The Arkwright Society, an educational charity devoted to the rescue of industrial heritage buildings in Derbyshire. Geoff is the chair of the Trust's Audit and Risk Committee.

Dr Sheila Newport
Term of office: 11 January2020 - 10 January 2023
Sheila is a former chair and clinical lead of NHS Southern Derbyshire Clinical Commissioning Group (SDCCG) and has the role of clinical lead of the Trust's Non-Executive Directors. She has 18 years' commissioning experience, including her work with Southern Derbyshire CCG from 2011 – 2016, as well as work with organisations that led to the formation of SDCCG. Sheila was an experienced GP for 29 years, serving as principal of her practice, and is also experienced as a Board member. She has chaired multi-agency boards through Derby

City Health and Wellbeing Board and Southern Derbyshire Integrated Care Board as well as gaining further board experience as Associate Non-Executive Director on the board of Nottingham University Hospitals Trust from 2017- 2019. Sheila is chair of the Trust's Mental Health Act Committee and is also the Non-Executive Director lead for mortality and learning from deaths.

Dr Julia Tabreham

Term of office: 7 September 2019 - 6 September 2022

Julia was appointed Non-Executive Director on 7 September 2016 and was re-appointed to her second three year term in 2019. Julia began her career in banking and then moved into the voluntary sector in 1992 to establish the Carers Federation, where she was Chief Executive until her retirement in 2016. As part of this role Julia delivered NHS advocacy services in the patient and public involvement agenda. In addition to her role with the Carers Federation, Julia has been a Non-Executive Director in the NHS since 2000 and has a PhD in offender health. Julia was Deputy Chair from 1 November 2016 but stood down from this role in July 2019. Julia has previously chaired the Trust's Quality Committee and now chairs the Trust's People and Culture Committee. In September 2019 she took over the Non-Executive Director 'Freedom to Speak Up' lead from Margaret Gildea.

Non-Executive Directors whose terms of office came to an end during the year include:

Suzanne Overton-Edwards

Term of office: 3 September 2019 - 31 December 2019

In 2019/20, following a review of Non-Executive Directors (NEDs) workloads and the increasing requirement for them to support Joined Up Care Derbyshire (JUCD) and major projects and initiatives, the Council of Governors approved a new sixth Non-Executive Director post. The Board identified the skills and experience needed to be specifically around diversity and inclusion and culture transformation. The Council of Governors approved the temporary appointment of Suzanne Overton-Edwards to the new NED post from 3 September 2019 to 31 December 2019. Suzanne has a background in further education across London and Leicester and participated in the NExT Directors' Scheme at the Trust and also at Nottinghamshire Healthcare NHS Trust. Her experience includes being Board member of the Leicester Lesbian Gay Bisexual and Transgender Centre and a Trustee at Phoenix, a charity in Leicester for independent cinema, art and digital culture. Ashiedu Joel was appointed to the substantive Non-Executive Director post on 22 January 2020.

Dr Anne Wright

Anne was the clinical lead of the Trust's Non-Executive Directors before retiring from the post in January 2020. She has a public health and GP practice background and experience at director and consultant level in Public Health medicine in the NHS as well as in local government. She has developed public health strategy and led strategically in large organisations. Anne has also worked in general practice in the UK and overseas. Anne's most recent substantive post was as Consultant of Public Health with Derby City Primary Care Trust, where she worked on reducing emergency admissions. In 2011 Anne became a magistrate and in 2013 she began to serve on social security tribunals as a medical panel member. Anne was chair of the Trust's Mental Health Act and Safeguarding Committees. She was the Non-Executive Director safeguarding lead and also led on mortality and learning from deaths.

Other Executive Directors:

Carolyn Green, Executive Director of Nursing and Patient Experience
Carolyn has worked as a qualified mental health nurse since 1995. Working in the west and south of London, she spent the majority of her nursing career working in inpatient care. Throughout her career, Carolyn has taken a family orientated approach to service design in her early intervention in psychosis, adult mental health and CAMHS roles. She has a Masters in Health Service Management and has been a Senior Lecturer and a Visiting Fellow. Carolyn is committed to personalised care recovery principles and seeks to involve people with lived experiences of mental health services in service evaluation, education and quality improvement programmes. Carolyn has always embraced technology and innovation and has designed many technical solutions to clinical practice challenges over her NHS career. Carolyn relocated to Derbyshire to become the Trust's Director of Nursing and Patient Experience in 2014.

Mark Powell, Chief Operating Officer
Mark has a breadth of NHS experience, developed across a number of senior roles. He joined the Trust after serving as Executive Director of Operations at Burton Hospitals NHS Foundation Trust. Upon his appointment at Derbyshire Healthcare in March 2015, Mark led the Trust's business and transformation functions and wider partnership work across the city and county, and was responsible for procurement and contracting. On 1 October 2016, Mark was appointed as Acting Chief Operating Officer and on 20 November 2017, Mark was appointed as substantive Chief Operating Officer. He is responsible for leading the delivery of Trust services and operational performance alongside wider services including estates and facilities and Information Management and Technology (IM&T) and records.

Dr John Sykes, Executive Medical Director
Dr John Sykes qualified at Sheffield University Medical School in 1981 and became a Member of the Royal College of Psychiatrists in 1985. He was previously a Lecturer in Psychiatry at Sheffield University and was appointed as consultant in old age psychiatry in 1989. John was Chair of the Medical Staff Committee of North Derbyshire's Community Health Care Services NHS Trust before being appointed to his first Medical Director post in 1999. He became the Trust's Executive Medical Director in June 2006 and is the executive lead for safety.

Claire Wright, Executive Director of Finance and Deputy Chief Executive
Claire has been a fully qualified management accountant since 1999 and worked in the private sector before joining the NHS Graduate Training Scheme in 1995. During her time in the NHS, Claire has performed roles in both acute and mental health provider organisations, in finance and wider management roles. Claire was appointed as the Trust's Executive Director of Finance in October 2012 and became Deputy Chief Executive from 6 March 2017. Claire is also the Board's LGBT+ champion.

Other Directors who attend the Trust Board:

Gareth Harry, Director of Business Improvement and Transformation
Gareth joined the Trust on 1 June 2018 from his role as Interim Director of Contracting and Performance for the Derbyshire Clinical Commissioning Groups (CCGs) and Executive Lead for Hardwick CCG. A resident of Derbyshire, Gareth has also previously held posts within NHS England and NHS East Midlands.

A**manda Rawlings**, Director of People Services and Organisational Effectiveness. Amanda joined Derbyshire Healthcare on 5 September 2016 and, from 1 April 2018, led an integrated People Services and Organisational Effectiveness Team (People Services) between Derbyshire Healthcare and Derbyshire Community Health Services (DCHS). Amanda joined the NHS in April 2007, having previously spent her career in the private sector; she worked for companies including Caterpillar – Perkins Engines Co Limited and British Sugar. Amanda has an MSc in Management, and is a fellow of the Chartered Institute of Personnel and Development. Amanda left the Trust on 29 February 2020 to join our Derbyshire system partner, University Hospitals of Derby and Burton NHS Foundation Trust, as its Director of People and Organisational Development.

Justine Fitzjohn, Trust Secretary
Justine Fitzjohn joined us as Trust Secretary on 3 June 2019. Justine joined the Trust from University Hospitals of Derby and Burton (UHDB) NHS Foundation Trust, where she was the Deputy Director of Governance. She brings a broad range of experience in regulation, statutory and legal compliance. Justine's responsibilities include arrangements for the Trust Board, Board Committees and Council of Governors, alongside membership, legal affairs and Freedom of Information.

Supporting Board diversity
In August 2019, the Trust welcomed Perminder Heer, who is participating in a placement with the Trust through the NExT Directors' Scheme, which aims to increase the diversity of Board members across the NHS. Although NExT Directors are not members of the Board, they participate fully in Board and Committee meetings and other activities such as quality visits. Perminder is a dynamic and commercially focused HR professional with a proven track record of providing strategic input and executing high-quality HR services in fast-paced demanding and cross-cultural environments. She possesses a wealth of international experience, managing change and delivering engagement initiatives to drive the desired organisational culture. Perminder is also a Non-Executive Director with The Futures Trust, a Multi-Academy Trust located in Coventry which has six schools.

Perminder is the Trust's third placement under the scheme, which the Trust has been participating in since 2018.

Appointments by the Council of Governors
The Council of Governors re-appointed three Non-Executive Directors during 2019/20 confirming that these three individuals continue to make significant contributions to the Board. Governors also made two new appointments, one to the clinical Non-Executive Director and the other a new sixth Non-Executive Director role.

The balance of skills and expertise required by the Board is reviewed for each vacancy and this is then reflected in the recruitment and selection criteria. Non-Executive Directors are members of the Board and Board Committees and therefore retain significant independence from the operational management of the Trust. There are no links or directorships that could materially interfere with the exercise of independent judgement. No individual or group of individuals dominates the Board's decision-making. Taking into account the criteria set out in the Foundation Trust Code of Governance, the Trust Board has determined that all of the Trust's Non-Executive Directors are considered to be independent and provide an independent view on strategic issues, performance, key appointments and hold the Executive Directors to account. The Trust's Senior Independent Director is Margaret Gildea, who was appointed to the Trust and the role in line with the Trust's Constitution.

Details of the skills, expertise and experience of the individual Executive Directors can be found in the biography section above. Throughout the year the Remuneration and Appointments Committee has sought to ensure the Board has a wide range of skills in order to fulfil its duties effectively.

Register of interests
It is a requirement that the Chair, Board members and Board level directors who have regularly attended the Board during 2019/20, and current members, should declare any conflict of interest that arises in the course of conducting NHS business.

The Chair and Board members declare any business interests, positions of authority in a charity or voluntary bodies in the field of health and social care, and any connections with a voluntary or other body contracting for NHS services. These are formally recorded in the minutes of the Board, and entered into a register, which is available to the public. Directorships and other significant interests held by NHS Board members are declared on appointment, kept up-to-date and included in the Annual Report.

A register of interests is also maintained in relation to all governor members on the Council of Governors. This is available by application to the Trust's Membership office by emailing dhcft.membership@nhs.net.

The disclosure and statements referenced within this report are subject to the NHS Codes of Conduct and Accountability which is binding upon Board Directors. Interests are disclosed as set out in the following register:

Declarations of interests register 2019/20 (as at 31 March 2020)

NAME	INTEREST DISCLOSED	TYPE
Margaret Gildea Non-Executive Director	• Director, Organisation Change Solutions Limited (mentoring client from First Steps (Eating Disorders) as part of Organisation Change Solutions)	(a, b) (a)
Gareth Harry Director of Director of Business Improvement and Transformation	• Chair, Marehay Cricket Club • Member of the Labour Party • Mother is a member of Amber Valley Borough Council	(d) (e) (c, e)
Ashiedu Joel Non-Executive Director	• Trustee at The Bridge (East Midlands) in Loughborough • Director/Owner Ashioma Consults Ltd • Director/Co-owner Peter Joel & Associates Ltd	(a)
Geoff Lewins Non-Executive Director	• Director, Arkwright Society Ltd	(a)
Ifti Majid Chief Executive	• Board Member NHS Confederation Mental Health Network • Kate Majid (spouse) is Operations Director (North), Priory Group	(e) (a, e)
Mark Powell Chief Operating Officer	• Chair of Governors, Brookfield Primary School, Mickleover, Derby	(e)
Amanda Rawlings Director of People and Organisational Effectiveness	• Director of People and Organisational Effectiveness, Derbyshire Community Healthcare Services (DCHS) • Co-optee Cross Keys Homes, Peterborough	(e) (e)
Dr Julia Tabreham Non-Executive Director	• Non-Executive Director, Parliamentary and Health Service Ombudsman • Director of Research and Ambassador Carers Federation	(a) (d)
Dr John Sykes Medical Director	• Undertakes paid assessments of patients at the request of the local authorities under the Mental Health Act and Mental Capacity Act and acts likewise for solicitors representing patients	(e)
Richard Wright Deputy Trust Chair and Non-Executive Director	• Chair Sheffield UTC Multi Academy Trust • Board Member, National Centre of Sport and Exercise Medicine Sheffield • Member of the Advisory Panel, Sheffield Hallam Business School • Chair, System Finance Oversight Group, Joined Up Care Derbyshire (JUCD)	(a) (a) (d)

All other members of the Trust Board have nil interests to declare.

(a) Directorships, including non-executive directorships held in private companies or PLCs (with the exception of those dormant companies).
(b) Ownership or part ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS.
(c) Majority or controlling shareholdings in organisations likely or possibly seeking to do business with the NHS.
(d) A position of authority in a charity or voluntary organisation in the field of health and social care.
(e) Any connection with a voluntary or other organisation contracting for National Health Services, or hold a position of authority in another NHS organisation or commercial, charity, voluntary, professional, statutory or any other body which could be seen to influence decisions you take in your NHS role (see conflict of interest policy -loyalty interests).

Details of any political donations
Derbyshire Healthcare NHS Foundation Trust has made no political donations during 2019/20.

Better Payment Practice Code:
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.

	31 March 2020		31 March 2019	
	Number	**£000**	Number	£000
Total Non-NHS trade invoices paid in the year	**14,519**	**35,265**	13,790	30,420
Total Non-NHS trade invoices paid within target	**13,919**	**34,746**	13,281	28,717
Percentage of Non-NHS trade invoices paid within target	**96 %**	**99 %**	96 %	94 %
Total NHS invoices paid in the year	**689**	**12,734**	976	12,469
Total NHS trade invoices within target	**610**	**10,960**	896	11,578
Percentage of NHS trade invoices paid within target	**89 %**	**86 %**	92 %	93 %

Income disclosures
As an organisation we are required by the NHS Act 2006 (as amended by the Health and Social Care Act 2012) to state whether our income from the provision of goods and services for the purposes of healthcare in England is greater than our income from the provision of goods and services for any other purpose. We can confirm that this was the case, as evidenced by our accounts.

In addition we are required by the same Act to provide information on the impact that other income has had on our provision of healthcare. We can confirm that our other operating income has had no adverse impact on our provision of goods and services for the purposes of the health service in England.

Disclosures relating to NHS Improvement's well led framework
Please see the Annual Governance Statement for further disclosures relating to NHS Improvement's well led framework.

Disclosure to auditors
On the 24 June 2020 the Directors of Derbyshire Healthcare NHS Foundation Trust declare that, to their knowledge, there is no relevant information of which the Trust's auditor is unaware and the Directors have taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

How we are organised

Derbyshire Healthcare NHS Foundation Trust Board
The Trust Board of Directors has a responsibility to make the best use of financial resources and deliver the services people need, to standards of safety and quality which are agreed nationally.

The role of the Board of Directors is to manage the Trust by:

- Setting the overall strategic direction of the Trust within the context of NHS priorities
- Regularly monitoring performance against objectives
- Providing effective financial stewardship through value for money, financial control and financial planning
- Ensuring that the Trust provides high quality, effective and patient-focused services through clinical governance
- Ensuring high standards of corporate governance and personal conduct
- Promoting effective dialogue between the Trust and the local communities we serve.

In 2019/20 the Board of Directors met 10 times to discuss the business of the organisation. These meetings are held in public and anyone is welcome to attend and hear about our latest developments and performance.

Responsibilities of the Board of Directors
The Board of Directors ensures that good business practice is followed and that the organisation is stable and able to respond to unexpected events, without jeopardising services, and confident enough to introduce changes where services need to be improved. Therefore the Board of Directors carries the final overall corporate accountability for its strategies, policies and actions as set out in the codes of conduct and accountability issued by the Secretary of State. In order to discharge its responsibilities for the governance of the Trust, the Board has established a number of Committees of the Board as described on page 55-58.

The Board of Directors ensures compliance with the principles, systems and standards of good corporate governance and has regard to guidance issued by NHS Improvement (NHSI) and appropriate codes of conduct, accountability and openness applicable to foundation trusts. It is responsible for maintaining committees of the Trust Board with delegated powers as prescribed by the Trust's standing orders, scheme of delegation and/or by the Trust Board from time to time.

Performance of the Board of Directors
The Trust recognises that the evaluation of the performance of the Board, Committees and individual Directors in the discharge of their responsibilities is essential to ensuring the Trust is effectively governed.

The individual Directors undertake a process of objective setting, personal support and development, and annual 360 degree appraisals; for Executive Directors, this is overseen by the Remuneration and Appointments Committee, and the Nominations and Remuneration Committee of the Council of Governors for the Non-Executive Directors. Objectives are set within the context of the Trust's strategic plans and objectives, and include measurable indicators to evaluate progress.

The Senior Independent Director leads the performance evaluation of the Chair using a process which is agreed by the Nominations and Remuneration Committee and in which the full Council of Governors are encouraged to participate. This feedback, for the period September 2018 – August 2019 was discussed with the Lead Governor, shared with the

Chair and was taken to the governors' Nominations and Remuneration Committee in November 2019 and reported on to the Council of Governors in January 2020.

Progress against the Chair's objectives for 2019/20 was reviewed and the objectives for 2020/21 were set and agreed, which will form part of her next evaluation and appraisal scheduled for September 2020.

The Board is held to account, and its performance is evaluated on an on-going basis, by the Council of Governors discharging its statutory responsibilities, and regularly feeds back to the Board through the Chair. The Board regularly reviews the performance of Committees, and is assisted by the Audit and Risk Committee which reviews the work of the other Board Committees to ensure that they have appropriate control systems for supporting the Board's work and have appropriate mechanisms for managing and mitigating risks within their areas of responsibility.

Members of the Board of Directors are outlined in the Directors' report on pages 45-49.

Meetings of the Board of Directors
The Board of Directors held ten regular meetings during 2019/20:

	Actual attendance	Possible attendance
Non-Executive Directors:		
Caroline Maley	10	10
Dr Julia Tabreham	9	10
Margaret Gildea	9	10
Geoff Lewins	9	10
Dr Anne Wright	7	8
Richard Wright	9	10
Dr Sheila Newport	2	2
Ashiedu Joel	2	2
Suzanne Overton-Edwards	4	4
Executive Directors:		
Ifti Majid	10	10
Claire Wright	10	10
Dr John Sykes	9	10
Carolyn Green	10	10
Mark Powell	10	10
Amanda Rawlings	9	9
Gareth Harry	9	10
Justine Fitzjohn	7	8

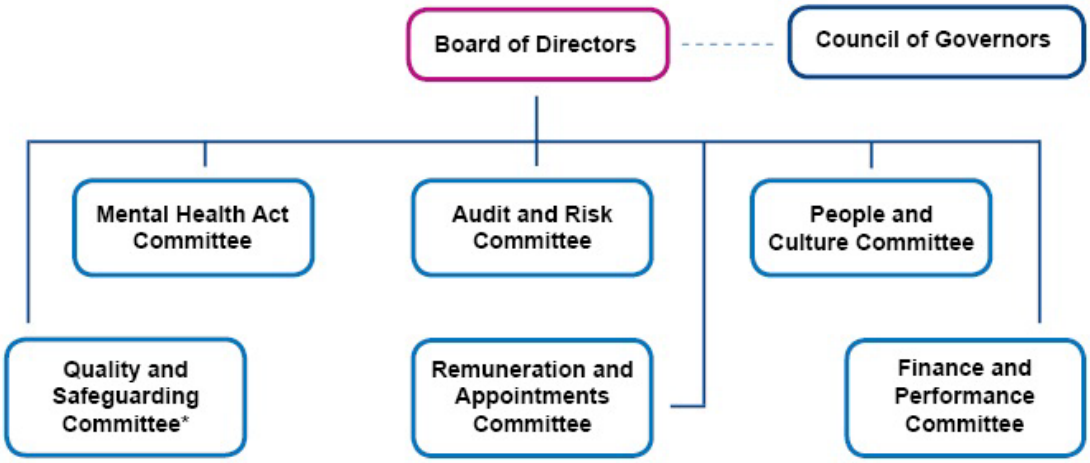
Directors' expenses

	2019/20	2018/19
Number of Directors	17	16
Number of Directors receiving expenses for the year	10	13
Aggregate sum of expenses paid to Directors in the year (£00)	£128	£ 127

- Values shown in £00 – actual amount paid £12,792 (2018/19: £12,694).

Committees of the Board of Directors

Trust governance structure



* Note - prior to February 2020 there was a separate Safeguarding Committee. Assurance and escalation reporting on safeguarding is now via the Quality and Safeguarding Committee.

Non-Executive Directors are represented on all Board Committees.

Audit and Risk Committee
This is the principal Committee for seeking independent assurance on the general effectiveness of the Trust's internal control and risk management systems and for reviewing the structures and processes for identifying and managing key risks.

The Audit and Risk Committee is responsible for ensuring the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation's activities in support of the organisation's objectives. It achieves this by:

- Ensuring that there is an effective internal audit function providing appropriate independent assurance to the Audit and Risk Committee, Chief Executive and Board
- Reviewing the work and findings of the external auditor
- Reviewing the findings of other significant assurance functions, both internal and external to the organisation
- Reviewing the work of other committees within the organisation, whose work can provide relevant assurance to the Audit and Risk Committee's own scope of work
- Requesting and reviewing reports and positive assurances from Directors and managers on the overall arrangements for governance, risk management and internal control
- Reviewing and approving the Annual Report and financial statements (as a delegated responsibility of the Board) and ensuring that the systems for financial reporting to the Board, including those of budgetary control, are subject to review as to the completeness and accuracy of the information provided.

The Audit and Risk Committee reports to the Board of Directors on an annual basis on its work in support of the Annual Governance Statement, specifically commenting on whether the Board Assurance Framework (BAF) is fit for purpose and governance arrangements are fully integrated. The Audit and Risk Committee throughout the year considers external audit reports, internal audit reports and counter fraud progress reports. All audit outcomes are overseen by monitoring the delivery of internal and external audit report recommendations. The Trust has an internal audit function which is referenced in the terms of reference of the Audit and Risk Committee. A review of the effectiveness of internal and external audit took place during the year, alongside assurance on counter fraud.

The Committee considers the BAF, Annual Report and Accounts, Quality Report, Annual Governance Statement and progress with internal and external audit plans. It also receives reports on data security and protection, data quality, implementation of Speaking Up processes, impact of clinical audit and updates on losses and compensation payments, exit payments, conflicts of interest, tenders and waivers, debtors and clinical audit.

The Audit and Risk Committee reports to the public Trust Board after each meeting and covers significant issues, including assurance received and any gaps in assurance.

The Committee assesses the effectiveness of the external audit process as part of the self-assessment undertaken each year and by meeting with auditors in private. Auditors attend every meeting of the Audit and Risk Committee, and the Trust's compliance with the audit plan approved by the Committee is monitored.

The Committee discussed, but did not consider there to be any significant issues in relation to the financial statements that needed to be addressed.

In 2019/20 the Audit and Risk Committee comprised the following Non-Executive Director members:

- Geoff Lewins (Chair)
- Dr Julia Tabreham
- Dr Anne Wright *
- Dr Sheila Newport **
- Ashiedu Joel **
- Suzanne Overton Edwards ***

** up until January 2020, ** from January 2020, *** from October – December 2019*

Non-Executive Directors' attendance at the Audit and Risk Committee during the year was as follows:

	Actual attendance	Possible attendance
Geoff Lewins	7	7
Dr Julia Tabreham	5	7
Anne Wright	4	5
Dr Sheila Newport	2	2
Ashiedu Joel	1	2
Suzanne Overton Edwards	1	2

Finance and Performance Committee
This Committee oversees and gains assurance on all aspects of financial management and operational performance, including contract compliance, commercial decisions and cost improvement reporting. The Committee also oversees the Trust's business development, commercial strategies, estate strategy and workforce resource planning (prior to review by the People and Culture Committee). It is responsible for agreeing terms of reference and annual work programmes for its supporting sub-committees. It also receives agreed assurance and escalation reports as defined in the forward plan for the Committee. From August 2019 it took over the portfolio for Emergency Planning and Health and Safety from the Quality Committee.

Mental Health Act Committee
This Committee monitors and obtains assurance on behalf of the hospital managers and the Trust, as the detaining authority, that the safeguards of the Mental Health Act and Mental Capacity Act are upheld. This specifically includes the proactive and active management of the prevention of deprivation of liberty and ensuring Deprivation of Liberty Safeguards (DoLS) applications as a managing authority are appropriately applied. It also monitors related statute and guidance and reviews the reports following Mental Health Act inspections by the CQC.

Quality Committee*
This Committee seeks assurance that high standards of care are provided and that adequate and appropriate governance structures, processes and controls are in place to promote safety and quality in patient care. The Committee monitors risks arising from clinical care and ensures the effective and efficient use of resources through evidence-based clinical practice. The Quality Committee is responsible for agreeing terms of reference and annual work programmes for its supporting sub-committees. It also receives agreed assurance and escalation reports as defined in the forward plan for the Committee.

Safeguarding Committee*
This Committee sets the Safeguarding Quality Strategy providing quality governance to all aspects of the safeguarding agenda. It provides assurance to the Board that the organisation is effectively discharging and fulfilling its statutory responsibility for safeguarding to ensure better outcomes for children and vulnerable adults. The Committee leads the assurance process on behalf of the Trust for the following areas: Children Act, Care Act (2014), counter-terrorism legislation; it provides a formal link to the Local Authority Safeguarding Children and Safeguarding Adults Boards and promotes a proactive and preventative approach to safeguarding.

* From February 2020 there is a combined Quality and Safeguarding Committee.

People and Culture Committee
This Committee supports the organisation to achieve a well led, values driven positive culture. The Committee provides assurance to the Board that the appropriate structures, processes and systems are in place to ensure an effective, capable workforce to meet the Trust's current and future needs. This is achieved through ensuring the development and implementation of an effective People Plan; implementing a systematic approach to change management; ensuring workforce plans are fit for purpose and driving a positive culture with a high degree of staff engagement.

Remuneration and Appointments Committee
This Committee decides and reviews the terms and conditions of office of the Trust's Executive Directors and senior managers on locally-determined pay, in accordance with all relevant Trust policies. It is also responsible for the appointment of the Chief Executive, with ratification from the Council of Governors. The Committee is responsible for identifying

and appointing candidates to fill all the Executive Director positions on the Board. Further details on the Remuneration and Appointments Committee can be found in the Annual Report on Remuneration on page 83.

Executive Leadership Team (ELT)
As the most senior executive decision-making body in the Trust, ELT is responsible for ensuring that strategies and performance targets, approved by the Board of Directors, are implemented effectively to timescale. The group shares a responsibility to provide strategic leadership to the organisation, consistent with its values and principles. It also ensures that a culture of empowerment, inclusivity and devolution of responsibility with accountability is strongly promoted.

Dual honour as two national health bosses visit the Trust on one day

The Trust had the honour of showcasing its work to two of the most senior figures in the country's health sector in one day, including the head of the NHS in England.

Simon Stevens, Chief Executive Officer of NHS England, and Saffron Cordery, Deputy Chief Executive of NHS Providers, visited the Trust's Kingsway Hospital site in Derby on the same day in May 2019.

As CEO of NHS England, Simon Stevens leads the NHS's work nationally to improve health and ensure high-quality care for all, as reflected in the current NHS Long Term Plan. As the NHS Accounting Officer he is accountable to Parliament for more than £100 billion of annual Health Service funding. Simon, along with Dale Bywater, NHS England and NHS Improvement's Regional Director for the Midlands, met members of the Learning Disabilities Strategic Health Facilitation Team, which works with Derbyshire GPs, nurses and healthcare providers to ensure that people with learning disabilities are able to access NHS services in a timely and effective way. The team employs people with learning disabilities to advise GPs and other health professionals on the simple adjustments they can make to help people with learning disabilities – and two of these experts by experience met Simon Stevens to share their knowledge. Simon also met Trust colleagues working in Derbyshire Healthcare's psychiatric liaison team at Royal Derby Hospital.

Saffron Cordery, Deputy Chief Executive of NHS Providers, spent the day at Kingsway Hospital meeting Derbyshire Healthcare's Board of Directors and visiting the Trust's inpatient unit for people with acute needs due to dementia. NHS Providers is the membership organisation and trade association for NHS foundation trusts, and helps these NHS trusts to deliver high-quality, patient-focused care by learning from each other and helping to shape the system in which they operate.

Saffron said: "The most important thing, working in a national membership organisation, is being in touch with what's going on, on the front line. I have been inspired and educated by what I have seen, and I will take back my learning to my team and use it to help them do their jobs better."

Council of Governors

The Council of Governors performs an important role and is responsible for representing the interests of Trust members, the public and partner organisations of the Trust.

The governors, the majority of whom must be elected from the Trust's membership, have a number of statutory responsibilities including Non-Executive Director (NED) appointments. They are consulted on the Trust's forward planning and ensure that the Trust operates in a way that fits with its purpose and authorisation; this is done through the full Council of Governors meetings where they hold the Non-Executive Directors to account for the performance of the Board and receive Directors reports on Trust performance.

Governors are invited to attend Trust Board meetings in an observer capacity in order to witness the work of the NEDs and enable governors to hold them effectively to account.

Governors participate in the Trust's quality visits where they join a group of wider professionals to visit the Trust's services and provide vital feedback about services whilst learning about our services and engaging with staff.

Derbyshire Healthcare's Council of Governors is made up of governors across three constituencies:

- Public governors, elected by members of the public constituency
- Staff governors, elected from the staff body
- Appointed governors representing our partner organisations.

Members of the Council of Governors during 2019/20 are outlined on pages 62-63 of this report, alongside their attendance at the Council of Governors meetings. The Council of Governors meetings continue to be well attended by governors.

Key developments during 2019/20
During 2019/20 governors contributed to and approved the following:

- Provided feedback on and agreed the updated Trust Strategy
- Approved the proposal to create a sixth NED post on the Board of Directors
- Approved the re-appointment of three NEDs and the appointment of a further two NEDs
- Approved the appointment of Richard Wright as Deputy Chair of the Trust
- Established a Governor Task and Finish Group focusing on the Annual Members' Meeting – which was described by attendees as 'the best one ever'
- Reviewed the structure of the Governor Engagement Log
- Establishing links with Joined Up Care Derbyshire
- Approved annual elections and changes to the scheduling of elections
- Approved changes to the Trust's Constitution and revised terms of reference of its sub committee
- Received the report from the External Auditors on the Annual Report and Accounts
- Participated in the Care Quality Commission (CQC) well led inspection by attending a focus group with the CQC.

Building on effective relationships with the Board has continued to be a priority for the year. The Council of Governors has met jointly with the full Board of Directors during the year. A joint development session between the Council of Governors and Trust Board took place in October 2019 to review the Clinical Strategy development work, Estates Strategy,

Patient Record Strategy and preparation for the Care Quality Commission inspection. Two further joint sessions have been planned for 2020/21.

Image: Trust Governors

The Chief Executive attends Council meetings with the Chair (who is also the Chair of the Council of Governors) and NEDs to share the Board's current agenda and performance and challenges. Executive Directors attend as required. The Lead Governor also receives the agenda for the Trust's confidential Board meetings.

Governors participated in an annual effectiveness survey and overall the results were very positive with 100% of respondents agreeing that the Council of Governors carries out its work in an open, transparent manner; the relationship between the Governors and Trust Chair works well; the role of the Council of Governors is clearly defined; governors' views are taken into account as members of the Council of Governors; and the Council has agreed a process of dialogue with the Non-Executive Directors and the Trust to enable it to carry out its general duty to hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors. In line with best practice the survey was will be undertaken again in August 2020.

The Trust produces a regular e-bulletin, 'Governor Connect' that provides governors with regular information about the Trust; opportunities for governors to engage with members of the public; and governor actions.

The interests of patients and the local community are represented by the Council of Governors. Governors are encouraged to interface with local consultative forums, voluntary organisations, Patient Participation Groups and their members and the public to achieve this, and to feedback to the Board of Directors. Membership and public engagement continues to be a priority for governors and will continue to be so in 2020/21. There is an established Governor Engagement Log which lists various events and meetings attended by governors throughout the County.

In 2019/20 governors were encouraged to engage with the consultation activities of Joined up Care Derbyshire, so they could explore their role within the context of system working.

Lead and Deputy Lead Governor arrangements
The Lead Governor, John Morrissey resigned in September 2019, and the Council of Governors ratified the appointment of Lynda Langley as the new Lead Governor. The Council of Governors recently elected a Deputy Lead Governor, Carole Riley.

Electing new governors to the Council
Elections for governors have taken place during the year and the Trust has successfully elected governors to seats that have previously been vacant, were due for re-election as a result of a completed term of office, or where there was a vacancy due to a governor standing down. This year the Trust held elections in September 2019 and January 2020. The majority of seats were contested with one seat remaining vacant – this will be included in the elections for next year.

Training and development
An induction for newly appointed governors is held on appointment giving governors an opportunity to understand their role. They also receive information about the Trust, the services it provides, wider developments within the local health and care economy and the wider NHS. Newly appointed governors are also given the opportunity to 'buddy up' with a more experienced governor to help them to familiarise themselves with the role.

The governor induction process is supported by a comprehensive programme of training and development with sessions taking place on a regular basis. Governors have been actively involved in the development of training and development programmes, taking into account the statutory roles of governors and with the aim of ensuring governors are supported in effectively delivering their duties. All governors are encouraged to attend the training and development sessions; areas for development have included Finance and Contracting, Public Engagement Workshop; and the Mental Health Act.

In April 2019 governors had the opportunity to discuss the process for the Annual Plan for 2020/21 and beyond and received assurance that the Board had fulfilled its duties in respect of the planning process and related income assumptions from our contract negotiations. In February 2020 a session was arranged to inform governors of the process for the Annual Plan; this will be followed in April 2020 by a facilitated session on the Annual Plan where governors will have the opportunity to discuss planning allowing the Trust to take the views of governors into account for next year's plan.

Meetings of the Council of Governors 2019/20
The Council of Governors met seven times during 2019/20 which included an extraordinary meeting. Individual attendance by governors is shown in the table on the next page. The Council of Governors has the right (under the NHS Act 2006) to request Directors to attend a Council meeting to discuss specific concerns regarding the Trust's performance. This power has not been exercised during 2019/20.

The Council of Governors and the Board of Directors are committed to maintaining their constructive and positive relationship. The aim at all times is to resolve any potential or actual differences of opinion quickly, through discussion and negotiation. If the Chair cannot achieve resolution of a disagreement through informal efforts the Chair will follow the dispute resolution as laid out in the Trust's Constitution and as outlined in the policy regarding engagement between the Council of Governors and the Board of Directors.

Register of interests
The Register of Interests of the Council of Governors is available through the Membership Team. Please telephone: 01332 623723 or email: dhcft.membership@nhs.net.

The Trust would like to thank all individuals who have volunteered their time as members of the Council of Governors during 2019/20.

Summary attendance by governors at meetings of the Council of Governors 2019/20

	Title	First name	Surname	Number of CoG meetings attended (out of possible number of meetings) *	Term of office
Constituency – Public (elected)					
Amber Valley	Mr	John	Morrissey	6/6	1/2/14 – 31/1/17 1/2/17 – 31/1/20
	Mrs	Susan	Ryan	1/1	1/2/2020 – 31/1/23
Amber Valley	Mrs	Karen	Smith	1/2	2/6/18 – 17/7/19
	Ms	Valerie	Broom	1/1	1/2/2020 – 20/3/22
Bolsover and North East Derbyshire	Mr	Martin VACANT**	Rose	1/2	8/11/17 – 24/7/19
Bolsover and North East Derbyshire	Mr	Rob	Poole	6/7	1/11/18 – 1/6/21
Chesterfield	Mrs	Lynda	Langley	6/7	21/3/16 – 20/3/19 21/3/19 – 20/3/22
Chesterfield	Mr	Adrian	Rimington	2/7	3/4/18 – 25/9/20
Derby City East	Mrs	Julie	Lowe	6/7	21/3/19 – 20/3/22
Derby City East	Mr	Bob	MacDonald	2/4	21/3/19 – 24/9/19
	Mrs	Carole	Riley ***	3/3	1/10/19 – 20/3/22
Derby City West	Mrs	Christine	Williamson	4/4	1/2/18 – 30/9/19
	Dr	Stuart	Mourton	1/3	1/10/19 – 20/3/22
Derby City West	Rev	Moira	Kerr	6/6	1/2/11 – 31/1/14 1/2/14 – 31/1/17 1/2/17 – 31/1/20
	Mrs	Orla	Smith	1/1	1/2/20 – 31/1/23
Erewash	Mr	VACANT*** Christopher	Williams	6/7	21/3/19 – 2/5/19 3/5/19 – 20/3/22
Erewash	Mr	Shirish	Patel	2/4	1/9/17 – 30/9/19
	Mr	Andrew	Beaumont	3/3	1/10/19 – 20/3/22
South Derbyshire	Mr	Kevin	Richards	1/1	1/2/17 – 31/1/20 1/2/20 – 31/1/23
High Peak and Derbyshire Dales	Ms	Carol	Sherriff	3/7	5/3/19 – 1/6/21

High Peak and Derbyshire Dales	Ms Mrs	Marie VACANT Julie	Varney Boardman	1/2 1/1	2/6/18 – 15/7/19 16/7/19 – 31/1/20 1/2/2020 – 31/1/23
Surrounding Areas	Mrs	Rosemary	Farkas	4/7	21/3/16 – 20/3/19 21/3/19 – 20/3/22
Constituency – Staff (elected)					
Administration and Allied Support Staff	Miss	Kelly	Sims	6/7	15/3/16 – 1/6/18 2/6/18 – 1/6/21
Administration and Allied Support Staff	Mr Mrs	Tony VACANT Marie	Longbone Hickman	1/4 1/1	4/7/18 – 4/9/19 5/9/19 – 31/1/20 1/2/2020 – 31/1/23
Allied Professions	Mrs	April	Saunders	5/7	26/9/14 – 25/9/17 26/9/17 – 25/9/20
Medical and Dental	Dr	Farina	Tahira	3/7	21/3/19 – 20/3/22
Nursing	Mrs	Joanne	Foster	6/7	2/6/18 – 1/6/21
Nursing	Mr	Al	Munnien	5/7	2/6/18 – 1/6/21
Constituency – Appointed					
Derby City Council	Cllr	Roy	Webb	5/7	19/6/18 – 18/6/21
Derbyshire County Council	Cllr	Jim	Perkins	3/7	12/9/17 – 11/9/20
Derbyshire Voluntary Action	Mr	Roger	Kerry	4/7	28/11/17–7 /11/20
Derbyshire Mental Health Forum	Mrs	Angela	Kerry	6/7	28/11/17 – 7/11/20
University of Derby	Dr	Wendy	Wesson	2/7	1/8/18 – 31/7/21
University of Nottingham	Dr Dr	Gemma David	Stacey Charnock	3/5 1/2	14/11/16 – 3/11/19 14/11/19 – 3/11/22

* Includes one extra-ordinary meeting.
** Unsuccessful in filling the seat in January 2020 elections. The vacancy will be included in the September 2020 elections.
*** Successful elected candidate resigned from the post. Candidate next in line accepted the governor role.

Governor expenses

	2019/20	2018/19
Number of governors	37	41
Number of governors receiving expenses for the year	19	18
Aggregate sum of expenses paid to governors in the year (£00)	£49	£39

Values shown in £00 – actual amount paid £4,708 (2018/19: £3,924).

Public governors

Governors stall at the Annual Members' Meeting 2019

Staff governors

Membership review

Foundation Trusts have freedom to develop services that meet the needs of local communities. Local people are invited to become a member of Derbyshire Healthcare NHS Foundation Trust, to work with the Trust to provide the most suitable services for the local population.

Membership strengthens the links between healthcare services and the local community. It is voluntary and free of charge and obligation. Members are able to give their views on relevant issues for governors to act upon, as well as helping to reduce stigma and discrimination regarding the services offered by the Trust.

Members' views are represented at the Council of Governors, by governors who are elected for specific groups of members known as constituencies. Constituencies cover service users, staff, partner organisations and public members.

Public governors are elected to represent their particular geographical area and have a duty to engage with local members. Appointed governors sit on the Council of Governors to represent the views of their particular organisation and staff governors represent the different staff groups that work for the Trust.

Governors canvass the opinion of the Trust's members and the public and communicate their views to the Board of Directors. Appointed governors also canvass the opinion of the body they represent. The Trust takes steps to ensure that members of the Board of Directors develop an understanding of the views of members and governors though regular attendance at the Council of Governors and wider face-to-face contact.

Anyone over 16 years of age who is resident in Derbyshire or surrounding areas is eligible to become a public member of the Trust (subject to certain exclusions, which are contained in the Trust's Constitution).

Member engagement
This year governors have prioritised membership engagement. Governors continue to review the Governor Engagement Action Plan which is aligned to the aims and objectives of the Trust's Membership Strategy (2018-2021). The Membership Strategy outlines an intention to know more about the membership of the Trust and target communication and engagement appropriately.

This is supported by the use of a membership database. During the year the Trust has updated information on the database, encouraging members to share their email addresses in order for more members to receive the Members' News e-bulletin providing news about the Trust and wider developments. In 2019 the Trust sought to increase its knowledge of its membership further and included additional categories regarding sexual orientation, gender, faith and ethnicity for new members.

The data we have available indicates that our membership is broadly representative; however we intend to further target our activities over the forthcoming year to increase the diversity of our membership. Governors have been equipped with details about their own constituency's membership in order to directly shape these activities within their local area.

The Trust engages with its members on a regular basis through a monthly e-bulletin called 'Members' News' and through a magazine, 'Connections', which is distributed twice a year. Members are invited to attend Council of Governors meetings and have the opportunity to submit questions in advance of each Council of Governors meeting. They are also invited to the Annual Members' Meeting.

Membership recruitment

During 2019/20 the Trust was supported by a volunteer Membership Champion, who has supported the Involvement Team in recruiting new members across the county. Governors are encouraged to be very active in their local community acting as ambassadors and signposting people to contact the right person about Trust services. The new insight into our members, achieved through the use of demographic data outlined above, will focus our membership recruitment over the forthcoming year, in order to attract a greater diversity of members. The demographics for each public constituency have been shared with governors, in particular with public governors.

Membership figures at 31 March 2020

Constituency	Number of members as at 31 March 2020	Number of members as at 31 March 2019
Public	6,094	6,140
Staff	2,673	2,591
Total	8,767	8,731

Members can contact governors via the Derbyshire Healthcare website, www.derbyshirehealthcareft.nhs.uk or email dhcft.governors@nhs.net.

Members of the Council of Governors

Membership highlights from our volunteers

"As a staff governor I feel very privileged to be more actively involved in the Trust, I firmly believe the direction in which the Trust is moving and am proud to be part of that drive. I am always available for colleagues to bring issues to me and I feel confident that they are sign posted to the right help and support." **Jo Foster, Staff governor**

"As a newly elected public governor for Amber Valley I have been warmly welcomed to the Trust and have attended an informative and supportive induction programme. I look forward to providing an important link to trust members and communities in Amber Valley and representing views and experiences that support improved access and continuous improvement for the communities the trust serves." **Susan Ryan, newly elected public governor, Amber Valley**

"I was elected as a public governor for Amber Valley in January 2020 and am very much looking forward to working with the Trust. I was very impressed by the work of the Trust which was showcased at the Annual General Meeting towards the end of 2019 which inspired me to stand as a Public Governor. I'm looking forward to talking to members of the Trust in my area to find out about their experiences of the services provide by the Trust and particularly talking to people about their particular needs." **Valerie Broom, newly elected public governor, Amber Valley**

"Whilst being a governor I have experienced a rollercoaster of emotions. From being reduced to tears listening to patients' stories to the elation of pride when it is clear that the staff are constantly going the extra mile for the Trust and service users. It is an honour and privilege to be a part of the Trust." **Lynda Langley, Public Governor, Chesterfield and Lead Governor**

"While the treatment and experience of mental health remains an uncertain Pandora's Box of possibilities – the challenging, always varied, at times rewarding, deeply thought provoking, role of a governor will alas, remain necessary." **Andrew Beaumont, Public Governor, Erewash**

"In my role as appointed governor for the voluntary sector, I continuously see the improvement in the way the Trust and the voluntary sector work together to deliver services that complement each other for people with mental health problems and their carers. My aim is to enable us to find solutions that work for people in local communities, and as I visit various services delivered by the Trust, I am very impressed with the care and compassion of our staff in doing just that." **Angela Kerry, Appointed Governor**

"I am really proud to serve as a staff governor for my constituency (which includes all non-clinical staff). I attend and actively contribute to the Council of Governors and last year I was also elected as Chair of the Governance Committee. In doing so, and by observing Trust Public Board meetings, I gain a greater understanding of how the Trust works and how we can all work together to improve quality of services, patient experience and staff wellbeing. Aside from fulfilling my statutory duties with the Council of

Governors, such as holding the Non-Executive Directors to account and selecting the annual quality indicators for the Trust, I have also had the pleasure of chairing stakeholder groups that were part of the recruitment process for the appointment of two Non-Executive Directors." **Kel Sims, Staff Governor**

"Having been an appointed governor now for just over two years, I am still learning so much about the Trust, and I have a much deeper appreciation for all those who work in this area." **Jim Perkins, Appointed Governor**

Parents use their experience to help support others

Three parents whose children have had issues with mental health can now offer advice and support for other families on a similar journey. The Trust has appointed the three mums as Experts by Experience in the service. The three, Alison Moores, Lisa Cooke and Gail Asher, have been chosen as much for the warmth and empathy that they can bring to the role as for their experience, though that is considerable. They hope their main role will be to represent service users – children and young people – their families and carers.

Gail said: "People don't know what to expect and what the service will offer. We have been there, so we can help them with that. We want to give feedback and hopefully use our learned experience to help to improve the service offered."

Lisa added: "It's often the little things you can do that are most helpful."

Gail, like all three of the new Experts by Experience, joined the Trust in her new role after several years volunteering with CAMHS. She added: "We have all said that we want to make a difference. And we all have different experience to bring."

The trio are planning to put together a range of leaflets on issues that may affect young people, such as eating disorders, autism or ADHD, to be available in CAMHS waiting rooms, and also to develop a welcome pack for parents and carers new to the service.

And they hope to establish closer links with parents and carers, perhaps through parent groups where they could have a presence, through a text messaging service to keep them informed, or by setting up a drama group or other activities for service users.

Well Led requirements on Quality

Overview of arrangements in place to govern service quality
The Quality Committee has continued to be the principal committee for quality for the Trust, and during 2019 a decision was made to merge the Safeguarding Committee and the Quality Committee, as a way of ensuring a holistic approach to quality and minimising opportunity for duplicate conversations. At the end of each meeting issues to be escalated to Board continue to be summarised and recorded by the Chair.

Quality Visits programme
One way we monitor the quality of the service that the Trust is providing, share good practice and maintain links between board members and the front line is through a series of Quality Visits. Wherever possible these visits involve every team within the Trust, clinical and non-clinical, and include contributions from service users and carers or family members wherever possible. A Quality Visit panel made up of two to four representatives visits each team. Each panel is chaired by a Trust Executive Director, who is accompanied by colleagues from roles of, commissioners, clinicians, senior managers, governors, Non-Executive Directors, Heads of Nursing and Lead Professionals.

The current Season 10 of Quality Visits has been running over a two year period, to give clinical teams adequate time to prepare and present all their work, and to accommodate the practical need to arrange the large volumes of visits to all teams in the Trust. So far in this season 31 Quality Visits have taken place. Unfortunately, the remainder of the Quality Visits are currently on hold due to COVID-19. In response to the success of the voting system of last year, we plan for this model to be replicated.

Quality Visits have also been discussed at the Staff Forum, as a way of beginning to review their sense of purpose and helpfulness moving forward. The current approach will be reviewed when we are able to complete Season 10 and prepare for Season 11.

Quality compliance and governance
Over 2019/20, the Trust has continued to focus on quality compliance and quality governance, but also with a new focus on clinically led quality improvement. The latter was particularly evidenced in the feedback from our CQC inspection visit.

One of the most significant patient safety improvements a Trust can make is to have a full electronic patient record system. We have been using this to full effect, with additional clinical dashboards and tools to improve patient care, including the patient observation boards within in-patient areas, these being new technological solutions to ensure safe care through supportive observations in our mental health services. All of these innovations have been embedded over this year and have become standard practice.

The pathways have been redesigned to alert our clinical staff to the clinical standards that are required and when, and we also have new clinical standards in our new Section 136 / Mental Health Act places of safety in our acute services. All these developments are changing our ability to ensure effective care and bring the opportunity for real-time data on compliance and quality. The remaining improvement areas are focused on the lived experience of seclusion and making final reductions in this practice so that its use becomes rare.

Our own internal reviews, Quality Visits and regulator inspection reports have enabled our services to learn lessons as to where necessary improvements are required, where there is a strong performance, and where we have excelled in areas. This learning has been shared across the Trust through award events, showcasing, and through our systems and structures. We have visited other trusts, benchmarked ourselves and frequently reviewed

and compared our practices to other organisations, to adopt their best practice and build upon it, with our community of Derbyshire in mind. We have shared our practices across National networks and connected with a much wider set of organisations to compare and contrast our clinical standards.

We have strengthened our performance management structures through the Trust Management Team (TMT) performance meeting and we will further refine our accountability framework to ensure we are driving integrated clinical and operational performance, and therefore can identify early signs of services requiring additional support. The TMT meeting has been a key piece of our architecture in integrating our clinical and operational performance management. We have seen improvements in performance and we will continue to ensure quality and operational delivery is developing as one. We have residual performance improvement areas in some of our educational operational standards, namely reducing wasted course capacity and ensuring our improvements in performance are sustained.

Our in-patient bed stock is out-dated. It requires significant capital investment to upgrade its double rooms, and also dormitory accommodation that we have in some working age adult mental health wards. In addition to local Derbyshire capital funds, we may require national capital funding to fully achieve our vision of single gender, single room with en-suite and significant space for our people and families to have solace and calm in an environment that increases tranquillity and recovery. We have developed plans and are implementing in 2019/20 and throughout the next five years as we improve this accommodation.

The commissioning gaps that impact upon patient safety and effectiveness
These gaps include how children's services have capacity in their ability to meet the paediatric 18 week waiting time. The significant improvement in Special Educational Needs and Disabilities (SEND) health plans is uncovering a large set of clinical needs. This is creating pressure on our physiotherapy and occupational therapy service, and following activity reviews and benchmarking these services have been found to have a confirmed structural deficit. There has been some improved performance in these areas with our staff undertaking improvement work to meet this demand. However, this will only partly mitigate the increase in SEND, the increases in child population and this current capacity deficit.

The impact of our county having no Child and Adolescent Mental Health Service (CAMHS) Tier 4 inpatient provision continues to impact upon us, with Derbyshire children being admitted to CAMHS units across the country. CAMHS has a number of primary care initiatives which are excellent approaches to ensuring our children and young people have early help, and this is increasing the number of children and young people who need to access our secondary care provision. This is a positive outcome and we need to work in partnership with our commissioners to manage this increased population need.

Our Adult Eating Disorders service is the smallest in the region per head of population. This is a significant risk against the Management of Really Sick Patients (MARSIPAN) guidance requirements and the reality of the commissioned service. Therefore, there remains a gap in the needs of the population and the commissioned service. Both local reviews of the service and the Long Term Plan have clear recommendations for wider investment. This is now awaiting funding release in line with the national plan. Until this investment is allocated the county retains this risk.

Our learning disability service has a very small Transforming Care Service. The key principles of the learning disabilities and autism standards, particularly for individuals with high risk needs and a need for community stabilisation, is to ensure these individuals do not spend time in medium or low secure accommodation or in a locked door rehabilitation service. A modest investment has been made but this will not be fully aligned to the

national aspirations, as outlined in the Long Term Plan, and challenges will remain for those who are accommodated outside of Derbyshire.

Our autism assessment service is generally meeting all required standards. However, there is a significant volume of referrals of individuals seeking an assessment of a potential autism diagnosis as an adult. Some autistic people grow up without their condition being recognised. Although the reality is that our services adapt psychological support needs to individuals with autism, some of the primary need is an autism specialist service. This remains a well-established gap in the Derbyshire clinical commissioning group's service provision. National policy recommendations and the NICE guidelines are clear on assessment and specialist treatment services with focused interventions. This remains a programme of investment without specific national investment plans until 2021/22.

There is an increase in violent crime in the UK and our local communities reflect this social change. The increasing levels of both co-existing substance misuse and violence in the public are well documented, and this is also being experienced in our acute wards. Whilst our staff are valiantly responding to the challenges, there is a substantial increase in clinical need for psychiatric in-patient care. A key factor is the lack of a local accessible Psychiatric Intensive Care Unit (PICU). It is accepted in Derbyshire that there is a need for local investment and an outline business case and capital estates investments plans to the system and to our Trust Board have been received and are accepted as a requirement.

Disclosures relating to quality governance
There is clear consistency between the Annual Governance Statement, the Board Statement, the outcomes of our regulatory inspections and the Trust's current overall rating of 'good'. The Trust continues to have a number of services with significant capacity and demand pressures as a result of our population and community needs. This is particularly evident in children's and mental health services. These pressures are additionally influenced by the Trust continuing to have some extensive historical key commissioning gaps.

Arrangements for monitoring improvements in quality
The CQUINs for 2019/20 are defined in the previous paragraphs, and these stood as examples of focused work to improve the quality of the care we provide. These are in addition to key indicators of quality on the Trust's performance dashboard (see pages 24-25).

Our CQUINs for 2019/20 were as follows:

Staff flu vaccinations; 80% of front line clinical staff
Alcohol and tobacco screening
Alcohol and tobacco; tobacco brief advice
Alcohol and tobacco; alcohol brief advice
72 hour follow-up post discharge – 80% target
Mental health data (Maturity Index) – 95% score
Mental health data (interventions) – 70% of referrals
High Impact Actions to prevent hospital falls

IAPT – use of anxiety disorder specific measures in 65% of referrals
Managing a Healthy Weight in Adult Medium and Low Secure Services

Trust registration and engagement with the CQC
The Trust registered with the CQC in 2010 to provide the following regulated activities:

- The treatment of disease, disorder or injury
- Assessment or medical treatment for persons detained under the Mental Health Act
- Diagnostic and screening procedures.

The Trust provides services from four registered locations; Kingsway Hospital, the Radbourne Unit and London Road Hospital in Derby, and the Hartington Unit in Chesterfield.

Patient care activities
The Quality Report (to be published later in 2020) details specific patient care activities. This year the Trust has continued to provide its core services and also supported community public health initiatives which include:

- We held dementia awareness raising sessions across Derbyshire. These were well received and were noted in a Healthwatch report on Derbyshire services and have continued with positive feedback
- Our Eastern European focused health clinics in substance misuse services, addressing the needs of this population
- Our CAMHS Mental Health awareness work, with the community including Derby County Football club, walking and orienteering groups specifically for young people.
- Our mental health awareness training in schools
- Our adult mental health and forensic service – Walk, Talk and Run events connecting individuals using our services with community action and resilience groups, therefore promoting direct activity and promoting a positive approach to mental wellness.

Monitoring improvements in the quality of healthcare
The Five Year Forward View for Mental Health and the subsequent Long Term Plan, it is clear that there must be a move to payment approaches which have transparency around quality and outcomes.

We have continued to work to identify measures to be used to evidence the quality of patient care and patient experience, and continue to use the Short Warwick-Edinburgh Mental Well-being Scale (SWEMWBS), and Recovering Quality of Life (ReQoL) which is available in our electronic patient record. There has been evidence of its use in quality visit presentations and in our older adults and working age adult services in their focused wellbeing groups.

The Trust uses its Foundation Trust status to develop services to improve patient care in the following ways:

- Foundation Trusts have greater financial freedom than standard NHS Trusts, and can use this to improve services. The Trust's Executive Leadership Team (ELT) enable services to develop 'investment to save' schemes. This has included authorising some services to over recruit against establishment, to ensure continual growth and a positive impact on service waiting times. This over-recruitment continues to be in place for community mental health teams and acute care services. Over-recruitment has also occurred in children services to undertake successful waiting time reduction initiatives.
- ELT have authorised significant investment in the estate and in a backlog maintenance programme. This has paid dividends in the experience of some services and outcomes demonstrated in our above average Patient Led Assessments of the Care Environment (PLACE) scores. This is for both patient and staff areas.
- A key investment in car parking has also been made in multiple sites.
- ELT have authorised significant investment in People First initiatives such as staff retention schemes, long service awards, thank yous for your service – vouchers and investment in psychological support services (Resolve) to support our staff with their wellbeing and resilience.

For further information about the Trust's commitment and approach to quality, please see the Performance Report and the Annual Governance Statement, included in this Annual Report. The Trust's Quality Report will be published later in 2020.

New and/or revised services

There have been a number of changes to the services provided by the Trust during 2019/20:

- The Trust has been holding conversations with commissioners for a number of years about the service model currently in operation at The Light House, which provides support for children with complex health needs. As a result, the Trust took the difficult decision to withdraw its services from The Light House and our nursing provision into the service ceased on 31 May 2019.

The Trust has received funding to develop the following new services:

- NHS England transformation funding was awarded to the Trust to extend and develop our Liaison and Crisis and Home Treatment services across the City and County. Over two years, this investment, topped up from local investment from the CCG, will enable Liaison services to operate to the “Core-24” national service requirement and will enable our Crisis and Home Treatment Services to operate in fidelity to the national model. This will mean direct access for patients via a phone line, regardless of whether they are already known to our services.

The Trust also received NHS England transformation monies to develop a new Employment Support Service, “Work Your Way”, launched in January 2020. The service is embedded within a number of our Community Mental Health Teams to identify individual patients who would benefit from 1:1 support and coaching to enter the workplace and sustain meaningful employment.

These initiatives have been fully supported by the local system and local CCG allocations have been committed to continue the services beyond the NHS England funding as part of the NHS Long Term Plan for Mental Health.

Compliments and complaints 2019/20

The Trust's Patient Experience team is the central point of contact for people to provide feedback and raise concerns about the services provided by the Trust. The team sits within the Nursing and Patient Experience directorate.

The team's aim is to provide a swift response to concerns or queries raised and to ensure a thorough investigation takes place when required, with complainants receiving comprehensive written responses including being informed of any actions taken.

We are aware that there have been intermittent issues providing timely responses to some of our complaints during the year and we are working closely with operational staff to reduce the time taken for investigations. We introduced an explanation template within the formal investigation process; this has shown some improvement in the time taken to respond to the less complex complaints. Progress is being monitored and reported on in quarterly reports to the Patient Experience Group and the Quality and Safeguarding Committee.

Comparison of contacts through the year:

	2019/20*	2018/19
Compliments	1,654	1,684
Concerns	581	475
Complaints	140	197
Total	2,375	2,356

Complaints are issues that need investigating and require a formal response from the Trust. Investigations are coordinated through the Patient Experience team. Concerns can be resolved locally and require a less formal response; this can be through the Patient Experience team or directly by staff at ward or team level within our services. At the time of writing, of the 140 formally investigated complaints six were upheld in full, 45 upheld in part, 57 not upheld, 14 complaints closed without a complaint investigation (of those four were investigated as a Serious Incident) and 18 complaints are still being investigated.

Themes from compliments received reflect general gratitude and appreciation for support provided. A high number comment on the care, kindness and compassion of Trust staff.

During 2019/20, the Patient Experience team experienced a period of six months of staffing issues but this has now been resolved. Robust processes are now in place to support staff to provide timely responses to complaints and concerns.

Parliamentary and Health Service Ombudsman

During the year, the Trust discussed eight cases with the Parliamentary and Health Service Ombudsman. Four investigations were undertaken and four cases have been assessed. Of the four investigations two cases were upheld in part and closed. One case was upheld, the Trust lodged an appeal and we are awaiting the outcome. One investigation is still ongoing. Of the four assessments two are ongoing and two cases closed with no further action.

Comparison of concerns, complaints and compliments by top issues raised

The most common form of concern raised in 2018/19 was in regard to appointment delays/cancellations. However in 2019/20 the biggest issue related to the availability of services.

Concerns 2019/20
Availability of services/activities/therapies
Care planning
Appointments (e.g. delays and cancellations)
Concerns 2018/19
Appointments (e.g. delays and cancellations)
Availability of services/activities/therapies
Staff attitude

The most common reason for making a complaint in 2019/20 was in relation to care planning.

Complaints 2019/20
Care planning
Information provided
Staff attitude
Complaints 2018/19
Staff Attitude
Appointments (e.g. delays and cancellations)
Assessments by staff

The top themes from the compliments received in 2018/19 and 2019/20 identify general gratitude for staff and an appreciation for the support/help provided. A high number also comment on the care and kindness shown by our staff.

Stakeholder relations

The Trust has a strong history of working well with partners across the health and social care economy and provides a number of clinical services in partnership with other providers across the NHS and voluntary sector. We believe that being creative and collaborative in our approach to providing services brings benefits to patients. Wider learning, the sharing of information and expertise helps us to provide the best possible care. During 2019/20 the Trust was involved in a number of partnerships with colleagues across the health and care system to deliver improved services to our communities:

- The Trust continues to be the lead provider for the Integrated Children's Public Health service for children and young people aged 0-19, called Derby Integrated Family Health Service. The service, which commenced on 1 April 2016 brings the Trust together with partners at University Hospitals of Derby and Burton NHS Foundation Trust has been extended into 2021.
- We continue to provide drug and alcohol services in partnership with the charities Phoenix Futures and Aquarius across the city of Derby. A new recovery-focused service model for substance misuse care in the city commenced on 1 April 2018
- For the wider county the Trust is the lead provider of drug and alcohol services with partners at Phoenix Futures, Derbyshire Alcohol Advice Service and Intuitive Thinking Skills.
- The Trust leads a partnership of Improving Access to Psychological Therapies (IAPT) providers working alongside the Trust's Talking Mental Health Derbyshire service as part of the Any Qualified Provider market within Derbyshire. The partnership responded to the re-procurement of the IAPT service by Derby and Derbyshire Clinical Commissioning Group (CCG) during 2019/20 and was successful in being approved as a provider for the next three years.
- Following the decommissioning of Children's Continence services across Derbyshire in 2018/19, the Trust came together with the other NHS providers across the county to create a new partnership for delivery of the service in response to the procurement exercise carried out by the CCG. This service, under the lead provision of the Chesterfield Royal Hospital (CRH), became operational from May 2019.

In 2019/20, the Trust entered a regional partnership agreement for the delivery of inpatient forensic services, with eight other NHS, private and voluntary sector providers across the East Midlands. This partnership aims to improve inpatient forensic services through a collaborative approach and includes the delegation of planning and contracting functions from NHS England to a lead provider, working within the collaborative framework (Nottinghamshire Healthcare). In 2020/21, we expect to enter into similar arrangements for the delivery of Child and Adolescent Mental Health Services (CAMHS) Tier 4 services and inpatient Eating Disorder Services.

The Trust, alongside the other four NHS providers in the East Midlands and St. Andrews Healthcare, created the East Midlands Mental Health, Learning Disabilities and Autism Alliance, a partnership arrangement with the aim of providing strategic oversight to the creation of the regional lead provider arrangements (see above), to provide a vehicle to work together across the region to improve services, coordinate approaches to challenges and seek out opportunities to deliver the objectives of the NHS Long Term Plan.

The Trust has a close working relationship with our neighbouring trust Derbyshire Community Health Services NHS Foundation Trust (DCHS) through the provision of People Services (human resources) through a Joint Venture Arrangement, which commenced on 1 April 2018 and continued successfully throughout 2019/20.

Sustainability and Transformation Partnership – Joined Up Care Derbyshire

In order to deliver the aims of the NHS Long Term Plan, the Joined Up Care Derbyshire Sustainability and Transformation Partnership (STP) has continued to work together to deliver the things we want to achieve as a system to improve the three gaps as set out in the NHS Five Year Forward View and refreshed in the NHS Long Term Plan:

- Health and wellbeing gap
- Care quality gap
- Finance and efficiency gap.

The Trust continued to host the employment of the STP Programme Director, Vikki Taylor and her team. These staff numbers are reflected within the workforce figures included in this report.

The financial challenge faced by the Derbyshire health and care system continued through the course of 2019/20. Through the course of the year individual organisation's savings plans came together to form a single, system-wide savings plan. Partners worked together to monitor, manage risk and agree mitigating actions to ensure a coordinated and coherent plan to deliver services within the system's financial allocations.

The development of Primary Care Networks (PCNs) of GP practices continued through the year, with the establishment of 15 PCNs in Derbyshire. These groups of practices will be the basis for integrated multi-disciplinary working and bringing professionals together from across health and care services. The Trust has supported their development and in the year ahead, will be looking for opportunities to develop new models of community services, in line with the Long Term Plan for Mental Health, that provide opportunities for joint working and decision making with PCNs, social care and the voluntary sector.

Ifti Majid, the Trust's Chief Executive, continues to lead the Mental Health Programme within Joined Up Care Derbyshire (JUCD) and also took on responsibility for the Learning Disability and Autism Programme. The programme has delivered most of the requirements of the Five Year Forward View for Mental Health (2016) and, in 2019/20 developed a local plan for the implementation of the NHS Long Term Plan for Mental Health as part of the system-side planning for the next five years.

Across the Mental Health, Learning Disability and Autism and Children and Young People programmes within JUCD, the highlights of planning and progress in 2019/20 included:

- Transformation monies secured from NHS England and recruitment commenced to develop Crisis and Home Treatment services to deliver a service for Derbyshire in fidelity to the national model
- Transformation monies secured to further develop mental health liaison services in line with the "Core-24" model
- The launch of a new Individual Placement and Support Service *Work Your Way* in January 2020, using NHS England and CCG funding to provide employment related support for people with Severe Mental Illness to access meaningful employment.
- Development and roll out of an online Living with Dementia programme to extend accessibility of the evidence based learning in the programme to a wider group of people and carers
- Development of a new model of care for the future people with Learning Disabilities and Autism as alternatives to admissions to hospital

- Establishment of new services, provided by the third sector, to support the mental health and wellbeing of children and young people in schools and in care.

Trust marks Time to Talk Day 2020

Colleagues, service users, carers and partner groups got together to help the Trust mark Time to Talk Day on 6 February 2020. Time to Talk Day is an annual event staged by charity Time to Change, as part of its campaign to end the stigma over mental health issues.

A marketplace of stalls was set up in the Ashbourne Centre at Kingsway Hospital in Derby, where staff could find out more about support available to them at the Trust, ranging from help to quit smoking to information about the Trust LGBT+ network.

There was also a pledge wall where colleagues could write promises of how they would make an effort to listen more, ask others how they were or simply try to start the conversation around mental health.

And in Markeaton Park, Derby, the Trust's fourth #RunWalkTalk event saw as many as 100 Trust staff, service users, carers and participants from partner groups completing a 3.5-mile run or a shorter walk/run or walk round the park on a bright frosty morning.

While they ran or walked, led and accompanied by jog or walk leaders, participants were encouraged to have a chat with others, and many reported some useful and interesting conversations. Partner groups involved in the event were Jog Derbyshire, Move More Derbyshire, Derbyshire Mind, LiveWell Derbyshire and Active Derbyshire.

The #RunWalkTalk series of free events was launched on Time to Talk Day 2019 with a similar run/walk at Markeaton Park, and in 2019 there were also two events at Darley Park.

Thank-you .....

The Trust would like to thank partners for their support and involvement during the year:

- Roger Kerry from North Derbyshire Voluntary Action for his support in the development and undertaking the role as independent chair of EQUAL, the Patients and Carers Forum.
- The experts by experience from the Trust's Psychiatry Teaching Unit who kindly give their time to train our future workforce and for their commitment to raise the voice of service user experience and support in Derbyshire.
- All EQUAL members for their amazing contributions to our Trust and to our community. Without their work our developments would not be as informed or considered. For Maxx Hawkins for her personal contributions in ward visits and championing the voice of individuals with autism and her work in ensuring autism boxes are used well in our services.
- North Derbyshire Carers Community and South Derbyshire Carers' Forums, which have continued to make a long-term and outstanding contribution to the Trust's groups and committees, for example the Patient Experience Committee, where they have made a significant contribution to the work of the Trust including the development of strategy, feedback on ward improvements including dormitories, interviewing for our most senior positions and in our 2020 CQC inspection as well as our national presentation in our work for Triangle of Care, we would like to offer thanks to Sandra Austin and José Rodgers for supporting our Trust.
- Healthwatch Derby and Healthwatch Derbyshire for their 'enter and view' and service reviews during the year, their extended reviews and for their direct feedback on the voice of our community on how our care is experienced and their ideas on how we can continually improve.
- Derbyshire LGBT+ for their support and guidance on a wide range of LGBT+ inclusivity objectives including training programmes, LGBT+ events and developing a staff network. Thank you to all our partners and volunteers for their support and contribution during this year of partnership and collaboration.
- We are very grateful to the Radbourne Unit former service user Emily's marvellously successful Reverse Advent appeal. Since 2015 Emily has organised a similar appeal each December, after spending time at the Radbourne Unit in Derby and realising that some of her fellow service users were missing out on nice toiletries and extra treats. The Radbourne Unit is an inpatient service for those with acute mental health needs run by Derbyshire Healthcare NHS Foundation Trust. This year Emily expanded the focus of Reverse Advent, publicising her efforts through Twitter, Facebook and the local media, including the Derby Telegraph. We are very grateful for your support.
- The League of Friends have an exceptionally long term commitment to our organisation and their compassionate contributions and support for our Run Walk, talk events, their amazing Summer Fairs, donations to wards to undertake events such as tours to Alton Towers or trips to Skegness, their charitable endeavours which enable every person in hospital to receive a present each year, which are delivered by members of the League of Friends singing carols. We are eternally grateful for your kindness.

Please accept our great thanks to you all.

Engaging with our communities

There have been a number of events throughout the year to engage with members of the public and stakeholders regarding the Trust services, recruit new Trust members and to hold conversations to reduce the stigma associated with mental health.

This year our events have included:

- World Mental Health Day – the theme for 2019 was suicide prevention. In recognition of the theme, the Trust's Health, Awareness, Resilience and Trust (HART) group, which comprises of representatives from four services from across the Trust, took up this theme and continued their support of nine Derby City schools. The services that teamed up to work together on this project included: Early Intervention in Psychosis service, CAMHS, Breakout+ (young people's drug and alcohol service) and the Healthy Schools service, which includes school nurses. Their focus for this year was Adverse Childhood Experiences. They raised awareness with vital information and advice for parents, students and teachers. The visits will continue to take place until the end of July 2020. The information stall has been extremely popular with students and parents alike, with practitioners able to signpost young people to where to find help and who to contact for immediate assistance. Over the last eighteen months, there have been over 2000 conversations logged. The feedback received has also encouraged schools to invite the HART group to continue the visits into the next school year.

- The CAMHS team held their second World Mental Health Day event. Once again it was a huge success with record numbers of people going along to visit all the information stalls and share a cake and a cuppa.

- The theme for Mental Health Awareness week 2019 was "Body Image – how we see ourselves and how that makes us feel". We used social media and the visits by the HART group to young people in schools to raise awareness of body image and the pressure put onto young people to follow current trends and their peers.

- In recognition of the "Time to Talk Day" in February 2020, we invited our staff to have a conversation and a cuppa and to get talking about mental health. A pledge wall was on display in the Trust's headquarters at the Ashbourne Centre, as well as several information stalls, showcasing the networks and services that are available to support staff. Several people wrote down and displayed their pledges to reduce the stigma of mental health, as well as pledging to have at least one conversation about mental health with friends and family on Time to Talk Day.

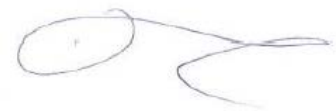
- The first ever Values Week took place on the 15 July 2019. Staff from around the Trust wrote pledges on how they were living the Trust values in their day to day work. They then submitted photographs of them holding their pledge; the photographs were then displayed in the Ashbourne Centre. Staff truly embraced demonstrating the values that they truly believe in.

Wider Patient and Public Involvement (PPI) activities

- The Trust participated in several anti-stigma events throughout the year. This included a day at Derby College, where we participated in the College's health and wellbeing day, promoting mental health and wellbeing and engaging with the students. We promoted mental health in a positive light, encouraging students to be open and accepting of mental health and the stigma attached to it. We also did some wider promotion on social media of Blue Monday in January 2020, giving readers the inspiration to take part in activities that they enjoyed so as to lift their own spirits.
- In line with the Trust's commitment to LGBT+ communities, colleagues attended Derby, Belper and Chesterfield Pride events, discussing any barrier to accessing our services, encouraging membership and promoting employment opportunities within the Trust.
- The Trust also participated in a number of other events across the county, engaging with our members and communities. These events included Chaddesden Big One, the League of Friends summer fayre, Derby West Indian Carnival, the Festival of Leisure, the Tapton Lock Festival and Derby City Council's wellbeing event.

Remuneration report

This remuneration report is signed in my capacity as accounting officer.



Ifti Majid, Chief Executive, 24 June 2020

Annual statement on remuneration

Major decisions/substantial changes to senior managers' remuneration
On 4 February 2020 the Remuneration and Appointments Committee approved the NHS Improvement (NHSI) recommended 2019/20 pay award for Very Senior Managers – Executive Directors.

This provided for a consolidated increase of 1.32% plus a one-off non-consolidated cash lump sum of 0.77%, payable from 1 April 2019 Where Executive Directors were in receipt of salaries that equated to, or exceeded the upper quartile value of their relevant pay range (as defined within NHSI published pay ranges) no part of the percentage increase was consolidated.

In line with the NHS People Plan, which identifies the need to sustainably attract, recruit and retain exceptional talent into Very Senior Managers (VSM) positions across the NHS, the Committee noted that work was underway by NHS England (NHSE) and NHSI on pay guidance which will take the form of a VSM pay framework. This framework is expected to provide a more consistent and aligned approach to VSM remuneration across different parts of the NHS, while at the same time not seeking to limit the various freedoms that NHS organisations have in this regard.

The Trust took part in the NHS Providers annual remuneration survey in January 2019 and the full results from this survey were published in April 2019. In March 2019, the Remuneration and Appointments Committee received the benchmarking report based on the interim results from the remuneration survey and reviewed the current remuneration of members of the Executive Leadership Team (ELT) in relation to comparable NHS trusts. No action was considered necessary.

The Committee is following the guidance provided by NHSI for managing Executive Director Remuneration. The Committee also approved a Pension Contribution Alternative Award Policy in November 2019 which set out that any applications under the policy made by members of the ELT will be considered for approval the Committee.

The Governors' Nominations and Remuneration Committee reviewed the remuneration for the Chair and Non-Executive Directors and, based on benchmarking data, did not award any increase in 2019/20.

Caroline Maley, Trust Chair and Chair of Remuneration and Appointments Committee and Chair of Nominations and Remuneration Committee.

Senior managers' remuneration policy future policy table:

Executive Directors

Component	The Remuneration and Appointments Committee oversees the remuneration and terms and conditions of Executive Directors and Senior Managers. The Committee's approach to remuneration is guided by the Executive Director Remuneration Policy which outlines the approach the Trust takes to oversee the salaries and the provisions for other benefits as outlined in remuneration tables on pages 88-91.
How this operates	The Terms of Reference of the Remuneration and Appointments Committee outline their responsibility to decide on the level of remuneration for each appointment.
How this supports the short and long term strategic objectives of the Trust	The policy is against a key set of principles, including Board portfolios and composition, which together contribute to the short term and long term delivery of the Trust strategy.
Maximum that can be paid	Pay is outlined in the remuneration tables outlined on pages 88-91. This remains constant unless there is specific reason for review, as agreed with the Remuneration and Appointments Committee, for example to reflect wider benchmarking, a change of portfolio or acting-up arrangements.
Framework used to assess performance measures that apply	Performance is measured using appraisal processes. Remuneration is not normally linked to the appraisal process.
Provisions for recovery or withholding of payments	Not applicable as we do not provide for the recovery of sums paid to a Director or for withholding the payments of sums to senior managers.

Non-Executive Directors

Component	The Governors' Nominations and Remuneration Committee oversees the remuneration and expenses for Non-Executive Directors, recommending any amendments to the Council of Governors. There is an annual flat rate non-pensionable fee, with a higher rate payable for the Chair of the Trust, the Senior Independent Director, Audit and Risk Committee Chair and Deputy Chair. The Committee's approach to remuneration in 2019/20 was guided by the Chair and Non-Executive Director remuneration benchmarking data produced by NHS Providers. In November 2019 NHS England/ NHS published a new remuneration structure for NHS provider Chairs and Non-Executive Directors.

	The revised structure acknowledges that within Foundation Trusts it is for the Council of Governors to determine the remuneration of the Chair and Non-Executive Directors and they retain the prerogative to operate outside of the framework on a 'comply or explain' basis.
Additional fees	Not applicable
Other remuneration	Not applicable

In terms of diversity and inclusion, the Remuneration and Appointments Committee regularly reviews the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board, making use of the output of the board evaluation process as appropriate, and make recommendations to the board, and nomination committee of the Council of Governors, as applicable, with regard to any changes.

In line with all Board Committees, the Remuneration and Appointments Committee actively considers the equality impact and evidence relating to all items of Committee business as part of the Committee's contribution to equality, diversity and inclusion.

Service contract obligations
Executive Directors are employed on contracts of service and are substantive employees of the Trust. Executive Directors may participate in the Trust lease car scheme for which there is a Trust contribution. If appropriate, Directors may receive relocation payments or other such recompense in line with Trust policy.

The Remuneration and Appointments Committee's approach to setting periods of notice is to ensure that the Trust has sufficient flexibility to make changes required to promote the interests of the Trust, whilst giving both the Director and the Trust sufficient stability to promote their work. The Committee also has regard to recognised good practice across the NHS, and the demands of the market.

Payments for loss of office are determined by reference to the contractual arrangements in place with the relevant Executive Director, as discussed above. The various components would be calculated as follows:

Salary for period of notice
The Committee will usually require Executive Directors to serve their contractual notice period, in which case they will be paid base salary in the usual way. In the event that the Committee agreed to pay in lieu of notice, this would be calculated on the relevant base salary. If exercised, this would mean that the Executive Director received payment without providing service in return. All Executive Directors are contracted to serve six months' notice, with the exception of the Deputy Chief Executive and Director of Finance, who is contracted to serve three months' notice, as a result of arrangements in place at the time of appointment.

The Trust's Constitution sets out the grounds on which a Non-Executive Director appointment may be terminated by the Council of Governors. A Non-Executive Director may resign before completion of their term, by giving written notice to the Trust Secretary.

Policy on payment for loss of office
Any redundancy payment would be calculated in accordance with the relevant parts of Agenda for Change, which apply through the relevant contracts and would be subject to any statutory limits that may be imposed by the government or regulator.

Statement on consideration of employment conditions elsewhere in the Trust
The pay and consideration of employees was not taken into account when setting the remuneration policy for senior managers and the Trust did not consult with its employees on this issue.

NHS Improvement have provided a Very Senior Managers Pay Framework with salary ranges dependent on an NHS trust's size and sector which are the guiding principles that the Remuneration and Appointments Committee follows to determine Senior Managers Pay. The Trust participates annually in the NHS Providers Board remuneration survey and the Remuneration and Appointments Committee reviews the findings.

Annual Report on Remuneration

Directors' appointments and contracts
Executive Directors of the Trust Board have permanent contracts of employment, and are not subject to fixed term arrangements, except where indicated in the Directors' Report.

Non-Executive Directors including the Trust Chair are subject to fixed term appointments. Details of Non-Executive terms of office are outlined in the Directors' Report on pages 46-47.

Remuneration and Appointments Committee
The role of the Committee is to ensure there is a formal and transparent procedure for developing policy on Executive Director remuneration and for agreeing the remuneration packages of individual Directors. The Committee is also responsible for identifying and appointing candidates to fill all the Executive Director positions on the Trust Board. The Committee has met five times throughout the year.

Attendance at the Remuneration and Appointments Committee by Non-Executive Directors is outlined below:

	Actual attendance	Possible attendance
Caroline Maley (Chair)	5	5
Dr Julia Tabreham	5	5
Margaret Gildea	5	5
Geoff Lewins	2	5
Richard Wright	5	5
Dr Anne Wright	2	4
Suzanne Overton-Edwards	2	3
Dr Sheila Newport	1	1
Ashiedu Joel	1	1

Nominations and Remuneration Committee
The role of the Committee is to recommend to the Council of Governors remuneration and terms of service policy for Non-Executive Directors, taking into account the views of the Chair (except in respect of their own remuneration and terms of service) and the Chief Executive and any external advisers. The Committee has met seven times throughout the year.

Attendance at the Nominations and Remuneration Committee is outlined below:

	Actual attendance	Possible attendance
Caroline Maley (Chair)	6	7
Julia Tabreham (Deputy Chair of the Trust) chaired the meeting	1	1
Moira Kerr	4	6
John Morrissey]	4	6
Bob McDonald	1	2
Lynda Langley	4	6
Carole Riley	2	2
Kevin Richards	4	7
April Saunders	7	7
Kelly Sims	2	2
Gemma Stacey	1	4
David Charnock	0	2
Stand-in members (individual meetings)		
Julie Lowe	1	1
Susan Ryan	1	1
Andrew Beaumont	1	1

Note: the Chair or any Non-Executive Director declares an interest and withdraws from any discussions at the committee in relation to their own pay and conditions.

The details included in the Remuneration report (salary and allowances of Executive and Non-Executive Directors for the year 2019/20 and pension benefits) plus the fair pay multiple, payment for loss of office and payments to past senior managers are subject to audit.

Salary and allowances of Executive and Non-Executive Directors for the year 2019/20

Title	Name	2019/20						2018/19					
		Salary and Fees (in bands of £5,000)	All taxable benefits (to the nearest £100)	Annual performance-related bonuses (in bands of £5,000)	Long-term performance-related bonuses (in bands of £5,000)	All pension-related benefits (in bands of £2,500)	Total (in bands of £5,000)	Salary and Fees (in bands of £5,000)	All taxable benefits (to the nearest £100)	Annual performance-related bonuses (in bands of £5,000)	Long-term performance-related bonuses (in bands of £5,000)	All pension-related benefits (in bands of £2,500)	Total (in bands of £5,000)
Chief Executive	Ifti Majid *[1]	155-160				0-2.5	155-160	145-150				65-67.5	215-220
Deputy Chief Executive & Executive Director of Finance	Claire Wright	125-130				25-27.5	150-155	120-125				7.5-10	130-135
Executive Medical Director	John Sykes *[2]	200-205	2,000				205-210	190-195	2,000				195-200
Executive Director of Nursing & Patient Experience	Carolyn Green	115-120				25-27.5	140-145	110-115				10-12.5	125-130
Chief Operating Officer	Mark Powell	110-115				15-17.5	130-135	110-115				10-12.5	125-130
Director of People & Organisational Effectiveness	Amanda Rawlings *[3]	55-60	1,000				55-60	60-65	1,900				60-65
Director of Business Improvement and Transformation	David (Gareth) Harry *[4]	100-105				35-37.5	135-140	85-90				65-67.5	150-155
Trust Secretary	Justine Fitzjohn *[5]	60-65				25-27.5	85-90						
Director of Corporate Affairs/Trust Secretary	Samantha Harrison *[6]							90-95				7.5-10	100-105
Interim Director of Strategic Development	Lynn Wilmott-Shepherd *[7]							10-15					10-15
Chair	Caroline Maley	50-55					50-55	50-55					50-55
Non-Executive Director	Julia Tabreham *[8]	10-15					10-15	10-15					10-15
Non-Executive Director	Richard Wright *[9]	10-15					10-15	10-15					10-15

Non-Executive Director	Margaret (Barbara) Gildea	10-15					10-15	10-15					10-15
Non-Executive Director	Geoff Lewins	15-20					15-20	15-20					15-20
Non-Executive Director	Anne Wright *10	5-10					5-10	10-15					10-15
Non-Executive Director	Ashiedu Joel *11	0-5					0-5						
Non-Executive Director	Sheila Newport *12	0-5					0-5						
Non-Executive Director	Suzanne Overton-Edwards *13	0-5					0-5						
Band of Highest Paid Director's Total Remuneration (£000)		205-210						190-195					
Median Total Remuneration		30,615						28,050					
Ratio		6.8						6.9					

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in Derbyshire Healthcare NHS Foundation Trust in the financial year 2019/20 was £205,000 - £210,000 (2018/19: £190,000 - £195,000). This was 6.8 times (2018/19 : 6.9) the median remuneration of the workforce, which was £30,615 (2018/19 : £28,050).

In 2019/20, one employee received remuneration in excess of the highest-paid director (2018/19: one). Remuneration ranged from £17,253 to £203,761 (2018/19: £11,536 to £195,849).

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.

In accordance with NHSI's Annual Reporting Manual, the calculation for the Fair Pay Multiple disclosure is based on full-time equivalent staff of the Trust at the reporting period end date on an annualised basis.

It is therefore derived from staff costs of Derbyshire Healthcare NHS Foundation Trust as at 31/03/20. It is calculated using costs for employed staff in post at that date (with any part time salaries grossed up to full time equivalent).

The resulting combined list of salary figures was sorted into ascending order of value to identify the middle (median) value in the range. The most highly paid director during 2019/20 was the Executive Medical Director (of which £128,000 related to their clinical role). This is consistent with 2018/9.

In 2019/20 there were two senior managers paid more than the £150,000 threshold used in the Civil Service for approval by the Chief Secretary to the Treasury, as set out in guidance issued by the Cabinet Office (2018/19 : one). The Trust Remuneration and Appointments Committee have reviewed this and considers it reasonable as it relates to the Medical Director whose payments cover both clinical and Board duties, plus the Chief Executive.

(This disclosure is subject to audit)

*[1] Ifti Majid - pension benefit shows as zero due to reduction in pension entitlement

*[2] John Sykes - pension frozen 31/5/12
*[3] Amanda Rawlings - left post 29/2/20. During year recharged from host employer (Derbyshire Community Health Services). Amount equates to 50% of total salary. Pension benefits disclosed by employing Trust

*[4] David (Gareth) Harry - started in post 1/6/18

*[5] Justine Fitzjohn - started in post 3/6/19

*[6] Samantha Harrison - left post 31/3/19

*[7] Lynn Wilmott-Shepherd - left post 1/6/18. Recharge from host employer (Erewash CCG). Amount included equates to 100% of total salary. Pension benefits disclosed by employing Trust if applicable

*[8] Julia Tabreham - Deputy Chair until 31/7/19 but remains as a Non-Executive Director

*[9] Richard Wright - became Deputy Chair from 1/8/19

*[10] Anne Wright - left post 10/1/20

*[11] Ashiedu Joel - started in post 23/1/20

*[12] Sheila Newport - started in post 11/1/20

*[13] Suzanne Overton-Edwards - started in post 3/9/19 and left 31/12/19

The total taxable benefits reported in the table above of £3.0k all relate to lease car benefits.

Pension benefits 1 April 2019 – 31 March 2020

Title	Name	Real increase in pension at pension age (bands of £2,500)	Real increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2020 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2020 (bands of £5,000)	Cash Equivalent Transfer Value at 01 April 2019	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2020	Employers Contribution to Stakeholder pension (to nearest £00)
		£000	£000	£000	£000	£000	£000	£000	£000
Chief Executive	Ifti Majid	0-2.5	0-2.5	60-65	140-145	1349	0	1234	22
Deputy Chief Executive & Executive Director of Finance	Claire Wright	42.5-45	0-2.5	40-45	90-95	709	28	758	18
Executive Medical Director	John Sykes	0	0	65-70	205-210	0	0	0	0
Executive Director of Nursing & Patient Experience	Carolyn Green	42.5-45	0-2.5	30-35	60-65	455	24	493	16
Chief Operating Officer	Mark Powell	30-32.5	0-2.5	30-35	65-70	461	22	497	16
Director of Business Improvement and Transformation	David (Gareth) Harry	47.5-50	0-2.5	25-30	55-60	338	75	423	15
Trust Secretary	Justine Fitzjohn	32.5-35	0-2.5	10-15	15-20	180	25	211	9

Payments for loss of office

None in 2019/20

Payments to past senior managers

None in 2019/20

Staff report

Workforce profile: staff numbers*

The table below outlines the professional categories of staff employed by the Trust and the changes in WTE (whole time equivalent) from 2018/19 – 2019/20

Average number of employees (WTE basis)	**2019/20 Total Number**	**2019/20 Permanent Number**	**2019/20 Other Number**	**2018/19 Total Number**	**2018/19 Permanent Number**	**2018/19 Other Number**
Medical and dental	**173**	161	11	**161**	148	14
Ambulance staff	**0**	0		**0**	0	
Administration and estates	**620**	617	3	**597**	595	2
Healthcare assistants and other support staff	**466**	465	1	**442**	442	
Nursing, midwifery and health visiting staff	**899**	889	10	**884**	876	8
Nursing, midwifery and health visiting learners	**3**	3		**2**	2	
Scientific, therapeutic and technical staff	**291**	290	1	**281**	279	2
Healthcare science staff	**0**	0		**0**	0	
Social care staff	**5**	5		**3**	3	
Other	**0**			**0**		
Total average numbers	**2,456**	**2,431**	**25**	**2,372**	**2,346**	**26**
Of which:						
Number of employees (WTE) engaged on capital projects	**3**	3		**3**	3	

*** subject to audit**

The workforce numbers outlined above are based on headcount numbers recorded between th start and end of the financial years. The numbers included in the accounts are based on average Whole Time Equivalents (WTE) across the financial year.

Workforce profile: Staff costs*

	31 March 2020			31 March 2019		
	Total	Permanently employed	Other	Total	Permanently employed	Other
	£0	£0	£0	£0	£0	£0
Salaries and wages	**86,707**	**84,491**	**2,216**	81,638	79,167	2,471
Social security costs	**7,786**	**7,786**	**-**	7,377	7,377	-
Apprenticeship levy	**408**	**408**	**-**	381	381	-
Employer contributions to NHS Pension Scheme	**10,776**	**10,776**	**-**	10,287	10,287	-
Employer contributions paid by NHSE on providers' behalf	**4,706**	**4,706**	**-**	-	-	-
Other pension costs	**-**	**-**	**-**	-	-	-
Other post-employment benefits	**-**	**-**	**-**	-	-	-
Temporary staffing (External Bank)	**-**	**-**	**-**	-	-	-
Temporary staffing (Agency/Contract)	**2,819**		**2,819**	2,900	-	2,900
Termination benefits	**5**	**5**	**-**	-	-	-
Total Gross Staff Costs	**113,208**	**108,173**	**5,035**	102,583	97,212	5,371
Of the total above:						
Charged to Capital	**160**			141		
Employee benefits charged to revenue	**113,048**			102,442		
	113,208			102,583		

*** subject to audit**

Breakdown of employees by age, disability, gender and other characteristics

	Headcount	FTE	Workforce %
Trust			
Employees	2,673	2,317.82	
Staff Group			
Add Prof Scientific and Technic	218	188.43	8.16%
Additional Clinical Services	470	411.78	17.58%
Administrative and Clerical	526	454.20	19.68%
Allied Health Professionals	187	151.12	7.00%
Estates and Ancillary	160	123.79	5.99%
Medical and Dental	131	115.02	4.90%
Nursing and Midwifery Registered	978	870.48	36.59%
Students	3	3.00	0.11%
Age			
16-20	4	3.24	0.15%
21-30	354	332.60	13.24%
31-40	607	515.36	22.71%
41-50	750	664.22	28.06%
51-60	741	638.29	27.72%
61-70	204	154.72	7.63%
71 & above	13	9.40	0.49%
Disability			
Declared Disability	117	101.60	4.38%
No Declared Disability	2,556	2,216.22	95.62%
Ethnicity			
White - British	2,094	1,805.32	78.34%
White - Irish	28	21.99	1.05%
White - Any other White background	44	37.30	1.65%
White Northern Irish	2	1.67	0.07%
White Unspecified	27	24.58	1.01%
White English	3	2.48	0.11%
White Greek	1	1.00	0.04%
White Other European	3	3.00	0.11%
Mixed - White & Black Caribbean	19	17.53	0.71%
Mixed - White & Black African	1	1.00	0.04%
Mixed - White & Asian	16	13.69	0.60%
Mixed - Any other mixed background	12	11.20	0.45%
Asian or Asian British - Indian	130	117.82	4.86%
Asian or Asian British - Pakistani	39	34.20	1.46%
Asian or Asian British - Bangladeshi	4	3.60	0.15%
Asian or Asian British - Any other Asian background	10	9.57	0.37%
Asian Punjabi	3	2.24	0.11%
Asian Tami	1	1.00	0.04%
Black or Black British - Caribbean	50	43.86	1.87%
Black or Black British - African	65	60.05	2.43%
Black or Black British - Any other Black background	9	8.48	0.34%
Black Nigerian	2	2.07	0.07%
Black British	2	1.40	0.07%
Chinese	3	2.80	0.11%
Any Other Ethnic Group	11	9.21	0.41%
Vietnamese	1	1.00	0.04%

Malaysian	1	1.00	0.11%
Not Stated	92	78.78	3.44%
Gender			
Female	2,144	1,828.74	80.21%
Male	529	489.09	19.79%
Gender breakdown			
Female Director/CEO	3	3.00	42.86%
Male Director/CEO	4	4.00	57.14%
Female Senior Manager Band 8c & above	18	16.24	56.25%
Male Senior Manager Band 8c & above	14	15.00	43.75%
Female Employee other	2123	1,809.50	80.60%
Male Employee other	511	470.09	19.40%
Religious Belief			
Atheism	371	338.13	13.88%
Buddhism	15	13.92	0.56%
Christianity	1,044	901.84	39.06%
Hinduism	29	26.76	1.08%
Not stated	850	714.10	31.80%
Islam	46	40.21	1.72%
Jainism	1	1.00	0.04%
Judaism	4	3.64	0.15%
Other	257	228.81	9.61%
Sikhism	56	49.41	2.10%
Sexual Orientation			
Bisexual	21	18.44	0.79%
Gay or Lesbian	50	45.11	1.87%
Heterosexual or Straight	1,867	1,633.30	69.85%
Undecided	3	2.60	0.11%
Not Stated	732	618.38	27.38%

Sickness absence data

Sickness absence data for 2019/20 information is published by NHS Digital at this location:

https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

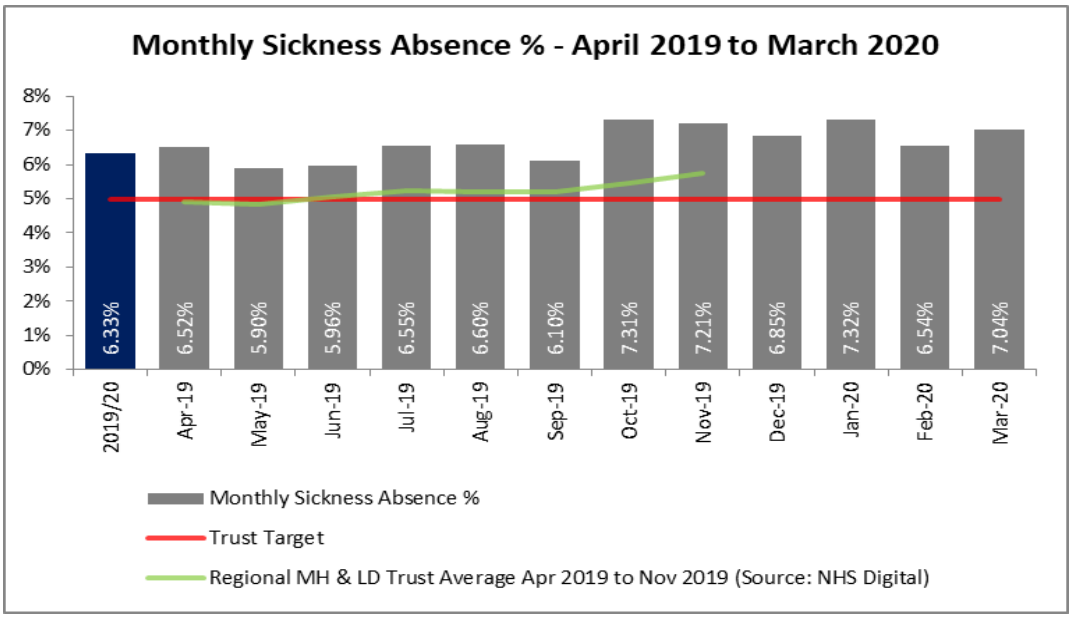
Staff attendance continues to be a challenge, particularly across inpatient areas. The annual sickness rate for 2019/20 was 6.33% which is 0.43% higher than the previous year.

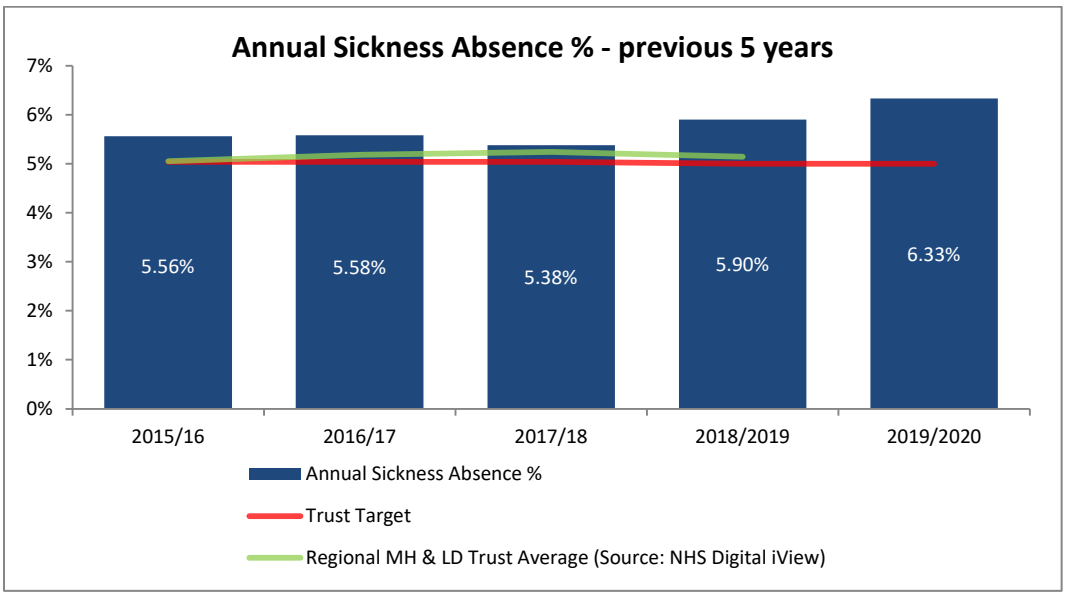
In line with experiences across other NHS trusts nationally, anxiety, stress, depression and/or other psychiatric illnesses remains the Trust's highest reason for sickness absence and accounted for 31.34% of all sickness absence during 2019/2020, followed by surgery at 9.11% and cold, cough, flu at 8.07%.

Actions taken to reduce sickness absence are as follows:

- The Trust has set up a contract with Resolve to provide support to staff
- All line managers are mandated to attend an Absence Management training module, which is being delivered by the Employee Relations Team. Further classes for 2020 have been planned to ensure that all line managers are trained.

Full-time equivalent (FTE) days available	Average number of FTE staff 2019.20	FTE days lost to sickness absence	Average sick days per FTE
832,896.69	2268.05	52,745.89	23.26





Art group for carers donates paintings to Trust base

A Chesterfield art group for carers of people with mental health issues donated paintings to brighten up one of the Trust's bases in the town. Reception and office areas at Bayheath House now look more appealing thanks to the work of the town's Mental Health Carers' Art Group.

Karen Wheeler, OT Lead and Professional Lead for Chesterfield Neighbourhood and Central, said: "At a service user and carer engagement meeting, members of the art group suggested that they would love to contribute to enhancing the environment of the waiting room. The local staff worked closely with the carers and our estates team to make this possible."

Malcolm Grieve runs the art group, which he started about four years ago with the aim of encouraging any carers who enjoy, or might enjoy, creative work which would also give them some relief from their caring responsibilities.

He said: "The group offers two hours of respite and everyone is really encouraging. When we were asked if we would like to contribute some pictures to Bayheath House, of course we said yes. Staff have supported us so well. All the evidence is that when patients and carers engage in this sort of activity, people's mental health and wellbeing improves, so that's the message we want to get across."

Staff policies and actions applied during the financial year

Staff Wellbeing Update

Through 2019/20 there has been significant focus and investment on staff wellbeing across The Trust. This has led to a significant increase in the staff survey wellbeing scores, taking the Trust above the average for equivalent trusts for the first time. The highlights of this work include:

- Launching a Staff Wellbeing Strategy based around the three key areas of prevention, resilience and support. This aims to help staff see what is available for them when they need it and to help structure decision making around wellbeing initiatives.
- Achieving the Trusts highest ever staff flu vaccination rate. 71.1% of frontline staff have been vaccinated which has greatly exceeded the previous best of 54.5%. This has also seen the Trust sponsor 5,000 life-saving vaccines across the third world through our 'jab for a jab' Unicef partnership.
- Launching a new mental health pathway to provide support for staff at various points in their mental health journey and through a variety of formats to increase staff engagement with support services. These include Wellness Action Plans, the Thrive mental health app, the Vivup Employee Assistance Phone line and the Resolve on-site face –to-face counselling service. These have all achieved high engagement rates and provided staff rapid access to support when they need it most.

Furthermore in 2020 there are a number of additional focuses which include:

- Launching the wellbeing champions' network to develop a group of staff throughout the organisation that can inform and motivate their teams about all thing staff wellbeing.
- The launch of a Derbyshire wide system wellbeing group, led by Amanda Rawlings, Director of People Services and Organisational Development, aiming at developing the Derbyshire system staff wellbeing offer, increasing best practice and reducing inequity.
- Launching the 2020 wellbeing planner, including quarterly themes, 12 months of training bookable in advance, a staff wellbeing conference and quarterly themes and awareness days.
- Designing and implementing a rapid access musculoskeletal (MSK) pathway to make physiotherapy support available for staff when they need it.
- Launching the new staff wellbeing hub on the new Trust intranet pages, providing signposting, resources and self-care tips and tricks.

The aim of this work will be to establish the Trust as a best practice provider for staff wellbeing and to positively impact key workforce metrics such as absence, retention and engagement.

Policies and actions related to staff with disabilities and/or long term conditions:
Alongside a range of policies and processes, the Trust carries out additional reporting through the national Workforce Disability Equality Standard (WDES), which came into effect for the first time in 2019. The WDES is a set of ten specific measures that enable NHS organisations to compare the workplace experience of disabled and non-disabled staff, looking at themes such as rates of bullying and harassment, recruitment, career progression and promotion. Based on the data from these measures, an action plan is produced in partnership with the Trust's Disability and Wellness Staff Network to target the inequalities. We have completed and submitted our WDES submission to NHS England and shared our plans with our Clinical Commissioning Group. We also publish the data and

action plan on our website, which can be found on the Trust's website.
https://www.derbyshirehealthcareft.nhs.uk/about-us/equality-and-diversity

We also have a Chronic Health Condition(s)/Disability Policy and Procedure, to which the Reasonable Adjustments Passport is appended. The Policy provides a framework for supporting employees who have a chronic condition or disability and the purpose of the Reasonable Adjustments passport is to:

- Ensure that the individual and the employer have an accurate record of what is agreed
- Minimise the need to re-negotiate reasonable adjustments every time the individual changes jobs, is re-located or assigned a new manager within the organisation
- Provide the individual and their line manager with the basis for discussions about reasonable adjustments at future meetings.

The Trust has a Dignity at Work Policy to support the provision of a working environment that is free from harassment and bullying. Harassment and bullying is contrary to the Trust's commitment to Equal Opportunities in Employment. This policy protects people with a protected characteristic under the Equality Act 2010, including age, disability, gender reassignment, marriage and civil partnership, pregnancy, race, religion or belief, sex and sexual orientation.

The Health and Attendance Policy provides support to staff where reasonable adjustments may be required when sickness absence is due to a disability as defined by the Equality Act 2010.

The Trust operates a Guaranteed Interview Scheme, which allows anyone with a disability to have a guaranteed invitation to interview if they meet the essential eligibility criteria as listed in the person specification. The Trust has achieved Disability Confident Employer Level 2 status as part of the Disability Confident Scheme which focuses on the key themes of getting the right people for our business, keeping and developing our people and offering at least one activity that will make a difference.

Colleagues brighten up wards with Christmas decorations competition

Trust colleagues again got into the Christmas spirit and decorated offices and public-facing areas for the festive season in December 2019. Judges from the Executive Team had a difficult task to decide on the winners and awarded prizes for colleagues who worked together with service users to create spectacular displays, or those who used resources creatively.

- Best overall inpatient display – Pleasley Ward, Hartington Unit
- Best overall non-patient display – Pharmacy Team
- Most creative use of resources – The Library, Ashbourne Centre
- Best patient participation – Audrey House
- Best diversity and inclusion – MHA Office, Kingsway House
- Best working together – Jackie's Pantry, Radbourne Unit
- Best theme (for 'The Night before Christmas') – ECT, Radbourne Unit
- Overall winner – Bayheath House (pictured).

Union facility time

The Trust supports and values the work of its Trade Union (TU) and professional organisation representatives, promoting a climate of active co-operation between representatives, leadership teams and staff at all levels to achieve real service improvement, best patient care and our desire to be an employer of choice. As an organisation we recognise that outstanding practice requires an engaged and valued workforce, and we seek to enhance and maintain these excellent employee relations through early involvement, engagement and intelligence-sharing with our TU partners.

Number of employees who were relevant union officials during 2019/20	Full-time equivalent employee number
14	**12.51**

Percentage of time spent (of their working hours) by relevant union officials on facility time during 2019/20	Number of employees
0%	**2**
1-50%	**10**
51%-99%	**-**
100%	**2**

Percentage of pay bill spent on facility time during 2019/20

	Figures
Total cost of facility time	**£64,343**
Total pay bill	**£108,337,306**
Percentage of the total pay bill spent on facility time, calculated as:	**0.06%**
(total cost of facility time ÷ total pay bill) x 100	

Paid Trade Union activities

Time spent on paid Trade Union activities as a percentage of total paid facility time hours during 2019/20 calculated as:	
(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	**7%**

Engaging staff

The Trust is committed to creating an open and honest culture, encouraging staff engagement through a wide range of mechanisms and opportunities. Staff engagement and internal communication has been a priority for the Trust throughout 2019/20.

We are pleased to see that staff engagement figures remain the same as last year in the recent annual staff survey results. See more details on pages 109-110.

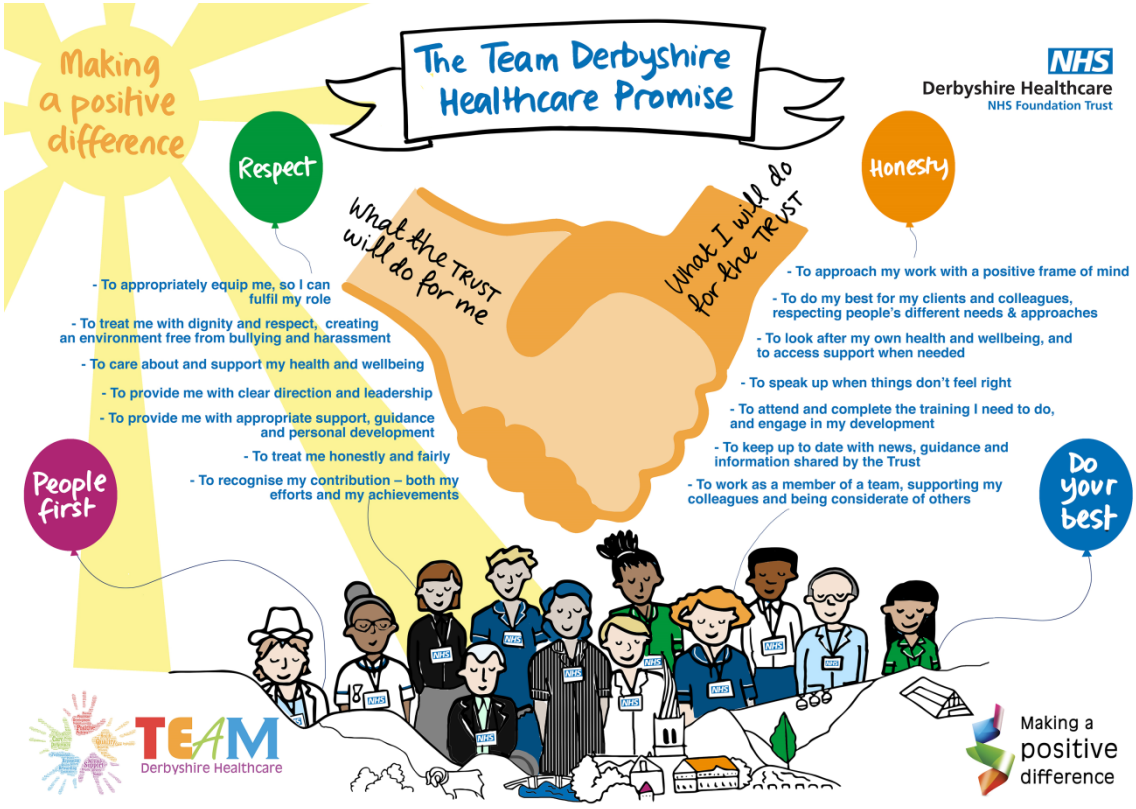
This year we have continued with the engagement approaches we began in 2018 as part of the Team Derbyshire Healthcare Programme.

Over the next year, focus on our workforce and wider staff engagement will continue to be a priority, underpinned by the direct link that effective staff engagement has upon good patient care.

At the start of 2018 the Trust launched a new staff engagement programme called 'Team Derbyshire Healthcare', aimed at improving internal communications and encouraging two-way conversations for staff across the Trust.

The Team Derbyshire Healthcare programme has a number of different elements with the aim to:

- Ensure we understand how teams engage and receive information
- Provide information that is designed specifically for colleagues, with a focus on showcasing and celebrating the work of our teams
- Promote two-way communication and opportunities to receive feedback from staff
- Recognise and reward staff in a meaningful way
- Provide clarity about the expectations of colleagues and the importance of staff accessing corporate information sent out by the Trust
- Provide specific briefings to leaders, to support their role and their own cascade processes.



Over the last year, staff have had the opportunity to feed back their ideas and questions through a monthly Team Brief and an 'on the road' engagement programme by the Chief Executive to visit colleagues across all Trust sites. This year we began an Executive Director engagement programme, with each service team being visited by a member of the Executive Leadership Team. Between them the Chief Executive and the Executive Team met over 700 colleagues in 2019/20. This programme will continue into 2020/21.

Non-Executive Directors also visit teams and the Trust Chair has visited over 30 Teams in 2019/20.

We have continued our quarterly staff magazine, Team Talk, with more and more staff getting involved in established features such as 'meet the team', 'let's talk about' and 'getting to know'. Copies of the magazines are distributed to all Trust buildings and are also available on the Trust's intranet.

In June 2019, we held our second annual staff conference on the theme 'moving with the times'. More than 100 colleagues attended and shared examples of best practice, with two guest speakers. Discussion focused on behaviours that colleague's felt held them back, ways to address these challenges, and thoughts on allowing spontaneity, when for example rewarding staff. Throughout the event, we were joined by an artist, who visually captured the day, to share with colleagues who were unable to attend. The artwork has been displayed in the Ashbourne Centre.

Alongside the speakers we shared the Trust Strategy with colleagues who were able to give their thoughts on the new project. This was used as part of the strategy development phase. From discussions at the conference, we developed a pictorial version of the clinical ambition to sit alongside the Team Derbyshire Healthcare Promise (which was the outcome of the first staff conference in 2018).

We also created a Derbyshire Healthcare 'plan on a page' through a 12345 approach, showing we have 1 vision, 2 clinical priorities, 3 strategic objectives, 4 values and 5 clinical ambitions. We included some of the mottos from the day including 'teamwork makes the dream work' and 'together we can'. The feedback received from colleagues was overwhelmingly positive and we are working on a third staff conference which will be planned in line with any COVID-19 restrictions.

Another outcome, jointly from the staff conference and a result of colleague feedback, was the refreshed 'people first' value in July 2019, which now focuses on our staff. 'People first' was changed to: we focus on our colleagues, in the knowledge that a well-supported, engaged and empowered workforce results in good patient care.

The Trust's Staff Forum celebrated its second birthday in November 2019. The forum continues to meet on a bi-monthly basis, giving staff the opportunity to work with the Executive Leadership Team to discuss decisions affecting the Trust and put forward better ways of working and ideas to improve our services. The forum comprises nominated staff representatives, staff governors, employee network chairs, staffside representative and the Executive Leadership Team. In 2019, each team at the Trust has a representative attending on their behalf.

Issues that have been raised by the forum over the last year include e-learning, mileage, recognition – for colleagues with long service, exploring alternative ways to travel and recruitment. Forum members also discussed the refreshed Trust Strategy.

Achievements over the last year were the introduction of an amendment to the mileage scheme – giving better rates of pay to certain staff groups who travel a lot more miles, enhanced our reward and recognition offer including the introduction of Long Service Award badges for 10-50 years' service, and influenced the change of the 'retire and return policy' – to lose the wording which excluded some staff groups to help with staff retention.

Staff bulletins, the 'Radbourne Round Up' and 'Hartington Matters' were introduced in 2019 to improve local communication channels for colleagues based at the Radbourne Unit and Hartington Unit respectively. Both bulletins were regularly sent out weekly with information and news for staff, sometimes with CQC as the main topic. After the Trust's CQC visit, the newsletters are sent out as an 'as-and-when' basis.

The Trust's Delivering Excellence awards took place in September 2019, with a record number of nominations being received across all categories. The work of Trust staff and volunteers was recognised at a special 'winter wonderland' afternoon tea awards ceremony. Plans are in place for the Delivering Excellence Awards to be revamped with a new title to suit our vision and values in 2020, moving away from the afternoon tea ceremony and potentially housed in a new venue. Colleagues with 20, 30, 40 and 50 years' service will also be celebrated at an afternoon tea event at the Kingsway Hospital site throughout the year.

We continue to celebrate staff achievements through our recognition scheme DEED and this year we have split the nominations we receive into teams and individuals, to better highlight their successes. We also launched new thank you cards for staff to give instant feedback and recognition to other colleagues.

In 2019, following feedback from our colleagues, work commenced on developing a new intranet site named Focus. A staff working group was set up for colleagues to help shape the look and functionality of the site. The Focus site will go live in March 2020.

This year we are looking to undertake an internal communications review to evaluate the internal communications we produce for staff, and look to streamline our processes if need be.

Involving staff in the performance of the Trust

All Trust employees have access to information regarding the performance of the Trust. The public Trust Board papers are available on the Trust's website and staff are encouraged to engage in the live tweets that are posted during the meeting.

The integrated performance report is discussed during meetings of the Trust Management Team. Discussions and decisions taken by the Trust Board are disseminated to all staff through the Team Brief process. This enables staff to understand the Trust's priorities and challenges, and be better involved in shaping the Trust's performance.

Freedom to Speak Up 2019/20

The Trust employs a Freedom to Speak Up Guardian (FTSUG) who works as a confidential and impartial source of support to help staff to speak up safely and without fear of reprisal. In addition, the Guardian is supported by a cohort of champions who have received training relevant to the role.

Staff are encouraged to speak up about any work-related concerns they have with their line manager or with anyone else in their management line. They can also speak to the Freedom to Speak Up Guardian (FTSUG). Staff are also able to contact the Chief Executive, Executive Directors, or lead Non-Executive Director (NED) for Speaking Up. Outside of the Trust, there are a range of external bodies staff can approach and contact details are outlined in the Trust's Freedom to Speak Up Policy.

The role of the Freedom to Speak Up Guardian has been promoted widely through internal communication routes including regular communications bulletins, on the staff intranet, through screensavers, and using posters across Trust sites, as well as face–to-face meetings and team presentations. The Trust's commitment to Speaking Up and the role is also highlighted at Trust corporate induction which all new staff attend. The FTSUG has a network of Speaking Up Champions who are positioned across the Trust and can support staff to speak up.

For those finding it difficult to speak up, or who may want to raise concerns anonymously, a PO Box address is promoted and individuals can write to the FTSUG.

The Trust's Freedom to Speak Up Policy was updated in January 2020 to reflect NHSIE Speaking Up policy content, an updated and simplified speaking up flowchart was included, as well as details on absence arrangements for the FTSUG role.

How feedback is given to those who speak up

The Trust aims to deal with any concern promptly and without unreasonable delay and keep those who speak up informed and supported throughout the process. The Trust recognises that in exceptional circumstances timescales may need to be extended by either party, and these are mutually agreed.

The FTSUG aims to:

- Respond to the staff member who is speaking up and their concerns within five working days
- Ensure that those staff members who speak up receive feedback on the concerns they have raised.

How we ensure staff who do speak up do not suffer detriment

- If a concern is raised, the FTSU Policy is clear that staff must not suffer any form of reprisal as a result.
- If any detriment is evident the Trust will ensure allegations are promptly and fairly investigated and acted on
- The Trust will not tolerate any attempt to coerce or bully an employee into not speaking up. Any such behaviour would be a breach of our Trust values and, if upheld following investigation, could result in disciplinary action.

The Trust works to ensure there is a positive culture in relation to speaking up and to ensure our staff feel supported and comfortable to raise a concern openly; however we do understand that there may be occasions where a staff member may wish to remain anonymous. We can keep their identity confidential, if they choose to, unless required to disclose it by law.

Protecting Staff

Health and safety performance

Work continues on providing evidence of key standards being met in accordance with the Health and Safety at Work Act 1974, the Regulatory Reform (Fire Safety) Order 2005, and Security Management Standards.

Three incidents occurred during 2019/20 which were reported to the Health and Safety Executive under RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) 2013. Of the three incidents, one was a specified injury (fractured bone) and two resulted in over seven days' absence from work.

The Trust's Health and Safety Training Framework (detailing compliance with training that supports the achievement of the strategic objectives) continues to be delivered to a high standard, ensuring that training as a control measure is effective and adequately reduces risk.

Compliance is reported to the Trust's Health and Safety Committee on a quarterly basis. This Committee has continued to meet quarterly throughout the year and includes robust representation from recognised Trade Union bodies. The Committee demonstrates effectively the requirement to consult and communicate on all health and safety-related matters. The Committee has a detailed documented work plan to ensure effective business is undertaken and completed.

Our staff carried out a range of health and safety-related training during the year. Details of this, and compliance levels, can be found in the table below:

Competency	Does Not Meet Requirement	Meets Requirement	Grand Total	Compliance %
Fire Warden (three yearly)|	42	114	156	73.08%
Fire Safety (two yearly)	221	2,226	2,447	90.97%
Health and Safety awareness (three yearly)	257	2,190	2,447	89.50%

The Trust will continue to promote this important training to ensure that as many staff as possible are compliant and can perform their role safely. The Trust has a robust monitoring process in place through health and safety audits, fire risk assessments and security crime reduction surveys, the results of which are shared with the Health and Safety Committee and the Trust's Quality Committee every six months.

Occupational Health

The Trust provides occupational health support to staff through a wider health wellbeing offer, as outlined in the Staff Report.

Countering fraud and corruption

The Trust's counter fraud service is provided by 360 Assurance who work with us to devise an operational counter fraud work plan for the year, which is agreed by the Trust's Audit and Risk Committee. The plan is designed to provide counter fraud, bribery and corruption work across generic areas of activity in compliance with NHS Counter Fraud Authority standards and our Local Counter Fraud Specialist provided 46 days of service for us. At its March 2020 meeting the Audit and Risk Committee received the draft NHS Counter Fraud

Authority Self Review Tool for 2019/20, which was rated by 360 Assurance as being "green" i.e. compliant.

Expenditure on consultancy

As shown in note seven to the accounts, consultancy fees incurred in 2019/20 were £82,710 (2018/19 £0)

Off-payroll arrangements

Derbyshire Healthcare NHS Foundation Trust's policy on the use of off-payroll arrangements is to use by exception. Having conducted an internal audit review of our high-cost off-payroll arrangements in 2015/16 and introduced additional oversight and reporting to Executive Directors and the Finance and Performance Committee on such engagements, the Trust did not have any off-payroll engagements in 2019/20.

Table 1: All off-payroll engagements as of 31 March 2020, for more than £245 per day and which last for longer than six months

Number of existing engagements as of 31 March 2020	0
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	
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	

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020, for more than £245 per day and that last for longer than six months

Number of new engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020	0
Of which:	
Number assessed as within the scope of IR35	
Number assessed as not within the scope of IR35	
Number engaged directly (via Personal Service Company (PCS) contracted to trust) and are on the Trust's payroll	
Number of engagements reassessed for consistency/assurance purposes during the year	
Number of engagements that saw a change to IR35 status following the consistency review	

Table 3: For any off-payroll engagements of Board members, and/ or senior officials with significant financial responsibility between 1 April 2019 and 31 March 2020

Number of off-payroll engagements of board members and/or senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure includes both off-payroll and on-payroll engagements.	17

Exit packages *

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	1	16	17
£10,001 - £25,000		1	1
£25,001 - £50,000			
£50,001 - £100,000			
£100,001 - £150,000			
£150,001 - £200,000			
>£200,000			
Total number of exit packages by type	1	17	18
Total resource cost (£000)	5	87	93

* subject to audit

NHS Staff Survey

The 2019 NHS England Staff Survey was conducted between 23 September 2019 and 29 November 2019. 1,515 Derbyshire Healthcare employees completed the survey giving a 60% response rate, compared to our response rate of 54% in 2018.

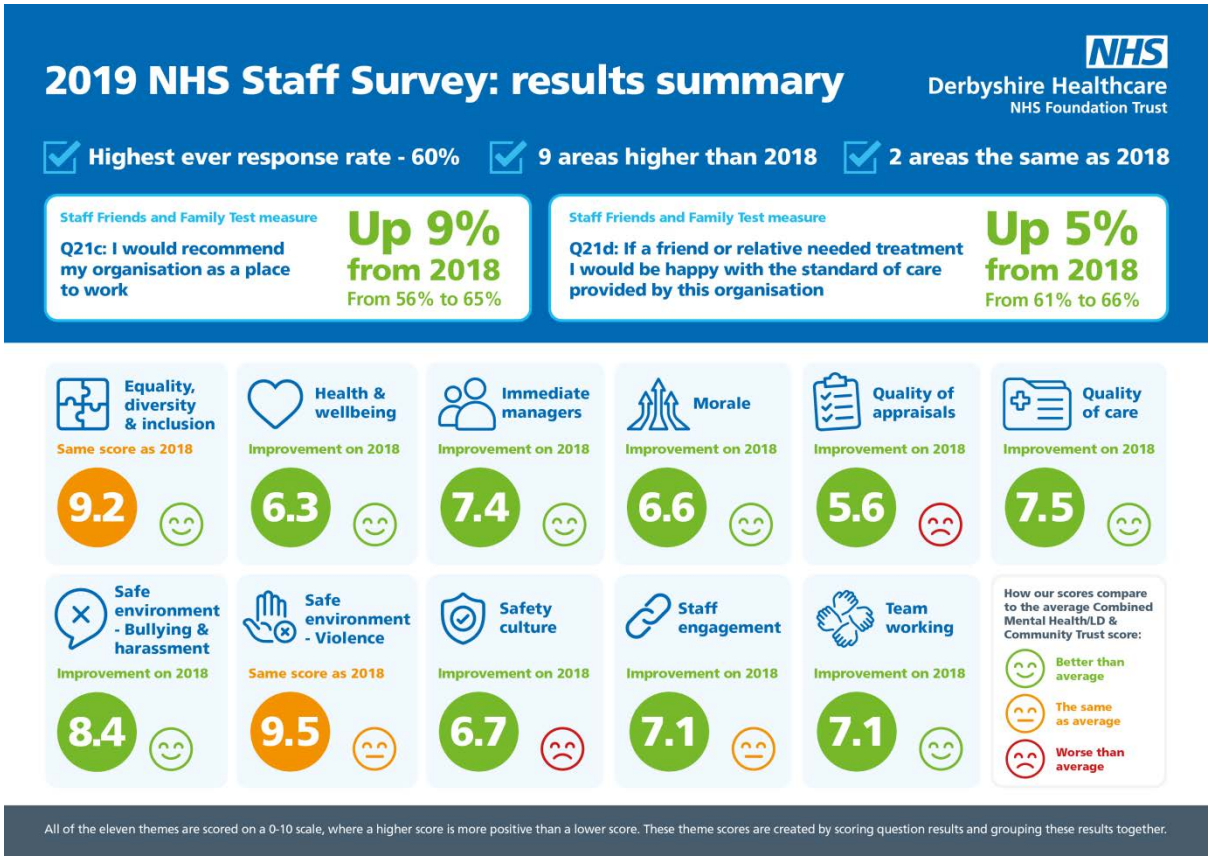
The annual NHS Staff Survey provides us with valuable feedback on how individuals feel about the NHS and our organisation in particular as a place to work. The results are widely shared and discussed through all our established staff engagement channels, including Weekly Connect, Team Brief, Ifti on the Road, Leadership Forums and Staff Forum, to ensure staff at all levels have the opportunity to feed into the conversation about what the results tell us.

From 2018 onwards, the results from questions are grouped to give scores in 11 indicators. The indicator scores are based on a score out of 10 for certain questions with the indicator score being the average of those.

Scores for each indicator together with that of the survey benchmarking group 'Mental Health/Learning Disability Trust' are presented below.

	2019/20		2018/19		2017/18	
	Trust	Bench marking Group	Trust	Bench marking Group	Trust	Bench marking Group
Equality, diversity and inclusion	9.2	9.1	9.2	9.2	9.0	9.2
Health and wellbeing	6.3	6.1	6.2	6.1	6.0	6.1
Immediate managers	7.4	7.2	7.2	7.2	7.1	7.1
Morale	6.6	6.3	6.3	6.2	N/A	N/A
Quality of appraisals	5.6	5.7	5.4	5.5	5.1	5.4
Quality of care	7.5	7.4	7.2	7.4	7.2	7.4
Safe environment – bullying and harassment	8.4	8.2	8.3	8.2	8.2	8.3
Safe environment – violence	9.5	9.5	9.5	9.5	9.5	9.5
Safety culture	6.7	6.8	6.6	6.8	6.3	6.7
Staff Engagement	7.1	7.1	6.9	7.0	6.8	7.0
Team Working	7.1	6.9	6.9	6.9	6.8	6.9

Full survey results are also shared on our intranet site, Connect and via our all staff weekly email, Weekly Connect. All these channels help to feed into the detailed action plan to address areas where the survey shows we need to improve.



Based on the analysis of results the suggested themes to be the main focus of improvement in 2020 is continuing to reduce any incidents of bullying and harassment, improving the quality of our appraisals and clearly defining work objectives following appraisals or performance reviews.

Smaller focus area work streams will be developed to consider the questions where scores were both below average and worse than 2018 and wider comments.

It has been discussed that, similar to last year, rather than having an additional action plan with new initiatives; the Trust is triangulating against the staff engagement programme, People Strategy and clinical development plans etc. This will ensure that we are able to link the key focus areas into current work programmes, in order to guarantee the issues highlighted in the 2019 NHS Staff Survey are captured and swiftly addressed.

Progress on our future priorities and targets to improve staff satisfaction in each of these key areas will be reported to our People and Culture Committee. We conduct Pulse Checks three times a year. These results give us added opportunities to monitor and improve staff feedback, details of which are included further on in this chapter.

You said we have.....tackling bullying and harassment in the workplace

Following the results of the 2018 NHS Staff Survey (and subsequent Pulse Check surveys); we listened to what colleagues told us and sadly our results showed colleagues reporting a theme of bullying and harassment in pockets across the Trust. At the end of 2018, a working group was set up with colleagues, our Staffside and Union representatives and managers to look at what we needed to do differently to address these issues.

Following this in early 2019, a further set of workshops invited colleagues from across

the organisation to help further shape and develop a robust response to bullying and harassment. It was agreed that the Trust would focus on the following four themes:

- Communication
- Independent Support
- Training and Development
- Processes, Policies and Trust Procedures

One year on – here is an update on the progress of those themes:

Communication

- You said: It would be great to see bullying and harassment linked to The Promise, so that the right behaviours are embedded throughout the organisation
- We have: Created a brand new booklet around bullying and harassment, which is linked to one of our values 'Respect'. It clearly defines bullying and harassment, gives examples and scenarios, as well as detailing suggestions for guidance and support.

Independent Support

- You said: It would be great to introduce another informal route to offer support, act as a second opinion and help colleagues who are experiencing bullying and harassment
- We have: Worked with the Freedom to Speak Up Guardian (FTSU) to create a number of champions across the Trust. The FTSU Champions have been given full training in bullying and harassment, coaching conversations and listening skills, as well as being aware of the Trust policies to support in a confidential way.

Training and Development

- You said: Are we able to weave our approach to bullying and harassment throughout our current training offering, from Induction to Leadership Masterclasses?
- We have: Added this as a golden thread throughout our People Strategy and have now introduced bullying and harassment as a key element within our wider People Masterclass programme.

Processes, Policies and Trust Procedures

- You said: We need to revise our current policies 'Dignity at Work' and 'Grievance' to ensure they are fit for purpose and clearly link to our Freedom to Speak Up agenda
- We are: Currently revising all of our policies in line with a Person Centred Leadership approach. This has included developing a decision making tool to support leaders to ensure colleagues are treated fairly when something has gone wrong.

Pulse Check

Pulse Checks, incorporating the Staff Friends and Family Test (FFT) were launched in 2015 to give quick anonymous feedback on how well staff feel they are being managed, engaged and supported. The positive impact high staff engagement can have on other key performance indicators – such as attendance, patient safety and productivity – is recognised and well researched. It also shows leaders how well they are engaging with their teams to deliver the results we need, primarily around quality care for our patients.

We run the Pulse Checks three times a year. We encourage all our staff to complete the 10-question Pulse Check (that shouldn't take any longer than five minutes to complete) to test the mood and wellbeing of employees and teams. This helps us pinpoint where and how we need to give extra support and intervention on a rolling basis to maintain staff morale.

Response rates

	Apr – Jun 2018	Jul – Sep 2018	Jan – Mar 2019	Apr – Jun 2019
Response rate	34%	36%	34%	34%

Staff Friends and Family Test questions

Question	% likely to recommend the Trust (extremely likely / likely)			
	Apr – Jun 2018	Jul – Sep 2018	Jan – Mar 2019	Apr – Jun 2019
Recommend the organisation for care or treatment?	74%	74%	76%	72%
Recommend the organisation as a place to work?	61%	61%	65%	68%

Additional questions

Question	Apr – Jun 2018	Jul – Sep 2018	Jan – Mar 2019	Apr – Jun 2019
Care of patients/service users is the Trust's top priority	77%	76%	80%	79%
I am able to make suggestions to improve the work of my team/department	79%	77%	79%	79%
There are frequent opportunities for me to show initiative in my role	73%	72%	74%	74%
I am able to make improvements happen in my area of work	67%	65%	68%	69%
I think that it is safe to speak up and challenge how things are done	61%	63%	65%	66%
I look forward to going to work	61%	58%	62%	63%
I am enthusiastic about my job	75%	72%	75%	76%
Time passes quickly when I am working	80%	78%	77%	79%

Equality Report

This year the Trust has continued to strive towards the creation of an inclusive and compassionate environment for receiving care and as a place to work. The Staff Networks have grown in confidence and impact across the Trust, with the development of a new Armed Forces Network joining our BME, LGBT+ and Disability & Wellness Staff Networks.

Introduction from our Deputy Chief Executive and Executive Lead for Equality, Diversity and Inclusion, Claire Wright:

"Inclusion is at the heart of Derbyshire Healthcare; it is fundamental in why we are here and how we go about doing what we do. We are keen to build further on the successes of the excellent initiatives and EDI work that we are doing.

I look back proudly on what we have achieved during 2019/20 and look forward to us achieving our ambitions and aims for 2020/21, and beyond, to ensure that we continue to create the work and care environment where everybody is confident to be themselves."

During 2019/20, the Trust experienced the following highlights:

Reverse Mentoring for Equality, Diversity and Inclusion
The Trust is proud to have pioneered the Reverse Mentoring for Equality, Diversity and Inclusion programme, and completed a Case Study on the first cohort for Future Focused Finance (FFF).

Reverse Mentoring is when an employee in a senior position is mentored by somebody in a more junior position than themselves in order to promote awareness of equality, influence meaningful understanding and lived experience of our staff from different groups and improve the workplace experience of our staff and the services provided to our Trust's patients.

Following the success of the first cohort of the programme, the Trust launched the second cohort on 9 December 2019 with three times as many participants. The scheme sees senior leaders in the Trust paired up with BME (Black and Minority Ethnic) mentors from within the Trust, with whom they have regular meetings over a six month period.

Inclusion is a fundamental part of the Trust's strategic objectives: to deliver great care, to be a great place to work and to make best use of money. By implementing the Reverse Mentoring programme, the Trust is committing to improving the workplace experience for our staff, therefore allowing them to better care for the Trust's patients.

The third cohort of the Reverse Mentoring programme will be launched in 2020, to include mentors from the BME community as well as from wider equality strands, such as disability and sexual orientation.

Working collaboratively as a system – Joined Up Care Derbyshire
The Trust welcomed the Equality Lead of NHS England and Improvement to a meeting at Kingsway Hospital on the 27 November 2019 to discuss how we work collaboratively as a system to improve the health and wellbeing of our local population.

Inclusive leadership
The Deputy Chief Executive and Director of Finance, Claire Wright, has shared the Trust's equality activity with the Healthcare Financial Management Association (HFMA), including leading a workshop with two members of our BME Staff Network and Reverse Mentors at the HFMA Conference on the 4 July 2019 on the Reverse Mentoring programme at the Trust.

HFMA's video interview with Claire about Derbyshire Healthcare's LGBT+ inclusion was also posted online by HFMA in July across their social media platforms.

The Chief Executive, Ifti Majid, also shared his experience of the Reverse Mentoring programme at a national Health Education England event on 3 October 2019. In 2019/20 Ifti was also appointed as Co-Chair of the National NHS BME Leaders Network, hosted by NHS Confederation. Claire and Ifti also provided a best practice market stall at Future Focussed Finance's Diversity event in Chinatown in November 2019 showcasing all the inclusion networks and activities at the Trust

Race at Work Charter
The Trust signed up to the Race at Work Charter in July 2019. The Charter supports employers to ensure that ethnic minority employees are represented at all levels and champions progression for people from a BME background.

Improving Services for BME People through Reverse Commissioning
The Reverse Commissioning Project is an initiative designed to better engage with our local BME community. Through collaborative working with BME stakeholders and the local Clinical Commissioning groups, the project endeavours to understand the experience of BME people in our services and influence the commissioning of services to make a difference to the lives and outcomes of BME people. It uses existing data and evidence to identify the needs of the community, and empowers them to engage with the Trust.

Equality Delivery System 2
The Equality Delivery System (EDS2) is a national equality improvement toolkit designed to help local NHS organisations, in discussion with local stakeholders, to review and improve their performance for patients, communities and staff in respect to all nine characteristics protected by the Equality Act 2010.

The Trust has carried out its annual EDS2 rating for the Trust's workforce in June 2019 and is also focusing on the Kedleston Unit, the low secure male mental health service, to fulfil all four Goals, as well as engaging with the EQUAL Forum (the Patients and Carers Forum) over January 2020 to fulfil Goal 4.2 with regards to demonstrating inclusive leadership via an independent audit of Board Papers for equality related risks.

To meet our requirements under the Public Sector Equality Duties (PSED) Equality Act 2010, we have shared with our commissioners and published the following on our website:

- Annual Workforce Race Equality Standard (WRES) to NHS England
- Annual Workforce Disability Equality Standard (WDES) to NHS England
- Gender Pay Gap Report – published in March 2019

Developing our Staff Networks
The Trust has continued to support the Staff Networks to flourish and be a voice and champion for its members. Each of the Networks is supported by an Executive Director as lead sponsor.

- **BME Staff Network**
  The BME Network has continued to grow over the course of the year. New members are welcomed at every meeting, alongside guest speakers to inform members on organisational progress related to issues raised in the Network. These presentations are aligned to the results from the WRES regarding recruitment and progression, disciplinary and grievance policies and how changes can be made across the Trust. The second cohort of the Reverse Mentoring programme has also supported BME colleagues to become Reverse Mentors and has been a highlight in the Network's programme.

- **BME Network Annual Conference**
  The BME Network organises and carries out an annual BME Conference each year, open to all staff in the Trust. The 2019 BME Network Annual Conference took place on the 25 September 2019 in the Conference Room at Kingsway Hospital, attended by approximately 130 members of the Trust.

  The theme for the Conference was 'Unconscious Bias in Everyday Decision-Making' with an interactive session led by an external facilitator, David Shosanya, which was well received by attendees. A series of workshops to examine the data from the WRES were facilitated in the afternoon by the Deputy Chief Executive, the Head of People Resourcing, the Head of People Development, and the Head of Employee Relations to gain insight and input from attendees around the best ways to close the gaps exposed by the data.

- **Disability & Wellness Staff Network**
  The Disability & Wellness Staff Network is also growing at pace, welcoming new members to each meeting since its launch in November 2018.

  Part of the Network's role is to work in partnership with the Trust to hold the Board to account for progress made on the Workforce Disability Equality Standard (WDES), rolled out to all NHS Trusts for the first time this year. The Action Plan was developed in partnership with the Network.

  The Network is looking at ways to support a person-centred culture at the Trust, including adapting the Trust's policies related to people living with disabilities and long term conditions to make them more compassionate, as well as conducting interviews with staff at all levels in the Trust to highlight the strengths and challenges encountered by people living with a disability or long term condition.

- **LGBT+ Staff Network**
  The LGBT+ (Lesbian, Gay, Bisexual and Transgender +) Network has had a prominent role in supporting members of the LGBT+ community this year. The Chairs of the Network attended and ran workshops at the LGBT 'Reaching Out' Conference at Derby University on the 12 June 2019, running a workshop on 'Mental Health and Wellbeing'. At the Annual Members' Meeting on the 11 September 2019, Leanne Walker, an Expert by Experience for CAMHS (Child and Adolescent Mental Health Services), delivered a spoken word piece about her journey: 'Boyfriend, Engagement, House and a Wedding Dress'.

  The Network has provided support and signposting for colleagues, including developing Trans frequently asked questions (FAQs). They have implemented rainbow lanyards to show the Trust is supportive of LGBT+ staff and service users, and provided training for Board members, opening discussions on the needs of LGBT+ staff and service users. The LGBT+ Network has also represented the Trust in Pride events at Belper, Chesterfield and Derby in 2019, promoting the Trust as an inclusive place to work.

- **Armed Forces Network**
  The Armed Forces Network was launched in July 2019, and can already count a number of successes to mark its introduction to the Trust, including the Bronze award from the Armed Forces Covenant; it is working on achieving Gold accreditation over the coming years.

  The Network has established a purpose and aim for itself and delivered a successful publicity campaign from the 11 - 15 November 2019 to share and promote the Trust's responsibilities for the Armed Forces Covenant. The Trust was awarded the Defence Employer Recognition Scheme Bronze Award in April 2019 in recognition of our commitment and support to the Armed Forces community.

  The Network has already managed to deliver improvements, as the Trust now offers three weeks' paid leave for reservists to attend military duties, in addition to their usual annual leave entitlement. NHS Jobs and TRAC now identify any job applications received from members of the Armed Forces community; this allows the Trust to support the armed forces by guaranteeing an interview for any applicants who meet the essential criteria for the role.

  Image - Co-Chairs of Armed Forces network: Thomas Shine (a service-user who previously served in the Forces) and Alex Wright (Psychological Wellbeing Practitioner in IAPT)

Further information on Equality and Diversity is available on the Trust's website https://www.derbyshirehealthcareft.nhs.uk/about-us/equality-and-diversity

The Modern Slavery and Human Trafficking Act 2015

This year has seen the launch of the Trust's first Joint Child, Adult and Family Safeguarding Strategy 2019 - 2022.

This is founded on the six key principles of:

- **Empowerment** - Presumption of persons/family inclusive led decisions and informed consent.
- **Protection** - Support and representation for those in greatest need.
- **Prevention** - It is better to take action before harm occurs.
- **Proportionality** – Proportionate and least intrusive response appropriate to the risk presented.
- **Partnership -** Local solutions through services working with their communities. Communities have a part to play in preventing, detecting and reporting neglect and abuse.
- **Accountability -** Accountability and transparency in delivering safeguarding.

Modern slavery is a crime and a gross violation of fundamental human rights. It takes various forms, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.

The Trust has a zero-tolerance approach to modern slavery and is fully committed to preventing slavery and human trafficking in our corporate activities. We are committed to ensuring there is transparency in our own business and in our approach to tackling modern

slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015. We all have a responsibility to be alert to the risks, however small, in our organisation and in the wider supply chain.

Learning and Development provided by Derbyshire (City and County) Safeguarding Children Board (DSCB) and the Trust's internal training cover these issues. Guidance on reporting Modern Slavery is also available on Children and Adult Safeguarding Board websites, the Trust's intranet and staff are able to seek advice and supervision as necessary.

In 2019/20 we have continued to work collaboratively with partners in the Multi-Agency Safeguarding Hub (MASH) to ensure initial reports of modern slavery and trafficking are processed to provide a co-ordinated and consistent response to the individual/s at risk.

At the start of 2020, as a result of learning from National Referral Mechanism cases, the local multi-agency policy has been amended to ensure more robust safeguarding arrangements where a family presents or concerns are raised regarding children at risk of Trafficking and Modern Day Slavery. This improved response includes tighter multi-agency and humanitarian arrangements and is agreed by all local partners.

We continue to support criminal investigations into modern slavery, supplying staff in and out-of- hours to support adults and children who are allegedly involved or connected to criminal activity associated with modern slavery and trafficking. Our staff will continue to support partners with their endeavours and the issues remain high on the safeguarding agenda for both adults and children. The Trust's Modern Slavery statement is published on the Trust web-site https://www.derbyshirehealthcareft.nhs.uk/about-us/guide-information-publication-scheme/modern-slavery-and-human-trafficking

Rams legends help CAMHS open day raise more than £600

Derby County legends Roy McFarland and Roger Davies supported an open day at the Trust CAMHS in October 2019 to mark World Mental Health Day. The event at Temple House in Derby was attended by about 150 people and raised more than £670 – more than double the total raised by a similar event the previous year.

It was opened by former Rams stars Roy and Roger, along with Trust Director of Nursing and Patient Experience Carolyn Green. It featured a cake stall, information stalls about the work of the Trust and partner organisations, craft sessions and a raffle.

The focus of World Mental Health Day was suicide prevention, and many of the CAMHS team wore purple to support the charity Papyrus, which works to prevent suicide in the young, or yellow in support of the Young Minds #HelloYellow campaign. The logo on the T-shirts worn by the CAMHS team was designed by a Trust service user. The total raised on the day was £551.46, with a further £120 raised for Papyrus outside the day itself. £40 of the money was donated specifically to CAMHS; £255.75 went to Why Talking Fixes: The Will Garvey Trust Foundation, which aims to raise awareness of suicide and mental health difficulties, and £255.75 to CAMHS participation.

Disclosures set out in the NHS Foundation Trust Code of Governance

Derbyshire Healthcare 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 information in this report about our compliance or explanations for non-compliance with the Code of Governance is subject to review by the Trust's external auditors.

Requirements under the code for disclosure
The Trust discloses compliance with the Code of Governance where annual disclosure in the Annual Report is required. Those marked 'additional' are not in the Code, but are added by the Annual Reporting Manual to supplement the requirements. The table below outlines reasons for the areas where the Trust does not fully comply. Additional information has also been included as appropriate, to provide further detail on the Trust's compliance with the Code.

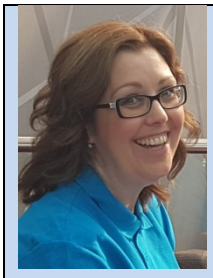
Reference	Requirement	Disclosure/additional information
A.1.1	How Board and Council operate, and which decisions they take; and what decisions are delegated to management	The Trust's Constitution, standing orders, standing financial instructions and a scheme of delegation outline how the Board and Council of Governors operate and make decisions. The Board and Council of Governors have a Policy for Engagement between the Trust Board and the Council of Governors which outlines the approach for joint working between the two bodies. This has been effectively implemented and is regularly reviewed by the Trust Board and Council of Governors.
A.1.2	Details of the Board of Directors and their attendance at Board and committee meetings	Details of the Trust's Board of Directors and their attendance at meetings during the year are included in the Directors' Report.
A.5.3	Details of the Council of Governors, constituencies and nominated Lead Governor	This information is held in the section titled Council of Governors.
Additional	Attendance at Council of Governors meetings	Attendance by individual governors is outlined in the section titled Council of Governors.
B.1.1	Independence of Non-Executive Directors	This is outlined in the Directors' Report.

Reference	Requirement	Disclosure/additional information
B.1.4	Description of each Director's skills, expertise and experience. Statement as to Board's balance, completeness and appropriateness for the FT	This detail is outlined in the Directors' Report. The Remuneration and Appointments Committee reviewed the structure, size and composition of the Board during the year to ensure that there is a broad mix of skills, knowledge, experience and diversity.
Additional	Brief description of length of NED appointments, and how they may be terminated	Non-Executive Director (NED) appointments are made for a period of three years. The terms of office of the Trust's current NEDs are outlined in the Directors' Report. It is outlined in the Trust's Constitution that NEDs (including the Chair) may be appointed or removed with the agreement of three quarters of the Council of Governors.
B.2.10	Separate section to describe work of Nominations Committee	Please see the section on the work of the Remuneration and Appointments Committee and Nominations and Remuneration Committee (governors).
Additional	Explanation if either external search consultancy nor open advert is used to appoint Chair or NED	Open adverts were used for all Board appointments during 2019/20. An external search consultancy is being was used for the Director of People and Inclusion recruitment.
B.3.1	Other significant commitments of the Chairman	This is outlined in the Board's declarations of interest.
B.5.6	Council of Governors involvement in the Trust's Forward Plan and Strategy	Governors were involved in the Trust's Strategy refresh. They were also updated on the Forward Plan process in February 2020.
Additional	Council of Governors and whether they have formally requested attendance of directors at governor meeting in relation to Trust performance	Governors have not exercised this power during the year.
B.6.1	Evaluation of the Board	This is outlined in the Directors' Report.
B.6.2	External evaluation of the Board and/or governance of the Trust	The Care Quality Commission (CQC undertook a well led inspection of the Trust in January 2020 and we received a 'good' rating.

Reference	Requirement	Disclosure/additional information
C.1.1	Directors' responsibility for preparing the Annual Report and approach to quality governance	This is included in the Accountability Report and the Annual Governance Statement.
C.2.1	Review of the effectiveness of internal controls	This is outlined in the Annual Governance Statement.
C.2.2	Details of internal audit function	This is outlined in the Annual Governance Statement.
C.3.5	Council of Governors' position on appointment, reappointment or removal of external auditor	Governors are actively involved in the appointment of the Trust's external auditors.
C.3.9	Detail on the work of the Audit Committee	Please see section on the Audit and Risk Committee.
D.1.3	Statement on whether Executive Directors released to other positions retain the fees/ earnings	Not applicable in year.
E.1.5	Board of Directors' understanding of the views of governors and members	Please see Council of Governors section of this report.
E.1.6	Representativeness of the Trust's membership and the level of effective member engagement in place	This is outlined in the Membership section of the Annual Report.
E.1.4	Contact procedures for governors	These are outlined on the Trust's website and in the Council of Governors section of this Annual Report.
Additional	Membership eligibility and details of members and membership strategy	This is outlined in the Membership section of the Annual Report.
Additional	Register of interests for governors and directors	A register of interests for Board members is included in the Directors' Report. A register of interests for the Council of Governors is available on request, as outlined in the Council of Governors section of this report.

Reference	Requirement	Disclosure/additional information
B.2.2	Directors on the Board of Directors and governors on the Council should meet the fit and proper persons test described in the provider licence.	Each Director has signed a Fit and Proper Persons self-declaration and has undergone a Fit and Proper Persons Test, as outlined in the Trust's policy. This process has not been undertaken for governors following guidance issued by CQC in January 2018, although DBS checks are undertaken.

The Board of Directors confirms that in relation to those provisions within the Code of Governance for which the Trust is required to 'comply or explain', the Trust was compliant throughout the year to 31 March 2020 in respect of those provisions of the code which had effect during that time, save exceptions and explanations outlined in the table above.



Trust rising star nominated for national award

Rising star of the Trust Kelly-Hellen Hitchcock won through to the finals of a top national award in July. Trust colleague Kelly, a Community Mental Health Nurse based at Dale Bank View in Swadlincote, was shortlisted as a finalist in the 2019 Nursing Times awards in the category of Rising Star. Kelly qualified as a Community Psychiatric Nurse in 2018, and soon took action to make a difference to patients' lives, including setting up a Clozaril clinic in Swadlincote, to make the prescription process much easier for service users.

She also worked with the Royal College of Nursing, as vice-chair of the Derby branch and the East Midlands rep on the standards committee, and was active in campaigning for a change in the system for funding student nurses, via the Fund Our Future and Safer Staffing campaigns.

Kelly was encouraged to enter for the award by Bill Whitehead, Deputy Dean of Health and Social Care at the University of Derby, where she was a student nurse.

She said: "I couldn't have achieved what I have done so far without the support of my amazing team in Swadlincote. I want to thank everyone on my team for their time and their generosity."

The Nursing Times awards aim to recognise and reward those making nursing an innovative and inclusive profession. Kelly later attended the awards ceremony in October 2019 at the Grosvenor House Hotel on Park Lane in London. She didn't win the final award, but was delighted to have experienced the day.

NHS Improvement's Single Oversight Framework

NHS England (NHSE) and NHS Improvement's (NHSI) NHS Oversight Framework provides the framework for overseeing providers and identifying potential support needs. The framework looks at five themes:

- Quality of care
- Finance and use of resources
- Operational performance
- Strategic change
- Leadership and improvement capability (well led)

Based on information from these themes, providers are segmented from 1 to 4, where '4' reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. A Foundation Trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its licence.

Segmentation
Derbyshire Healthcare NHS Foundation Trust has been placed in segment 2.

Providers in this segment are offered support in one or more of the five themes but they are not in breach of licence and NHSI considers that formal action is not needed. The support is targeted in order to help move the provider to segment 1. Providers need to be rated as 'good' with CQC in order to be eligible to be classed in segment 1. We are now rated as 'good' by CQC but no segment update has yet been notified to us. This segmentation information is the Trust's position at 31 March 2020. Current segmentation information for NHS Trusts and foundation trusts is published on the NHS website.

Finance and use of resources
The finance and use of resources theme is based on the scoring of five measures from '1' to '4', where '1' reflects the strongest performance. These scores are then weighted to give an overall score. Given that finance and use of resources is only one of the five themes feeding into the NHS Oversight Framework, the segmentation of the Trust disclosed above might not be the same as the overall finance score here.

Area	Metric	2019/20 scores				2018/19 scores			
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Financial Sustainability	Capital Service capacity	2	2	2	2	2	2	2	2
	Liquidity	1	1	1	1	1	1	1	1
Financial Efficiency	Income and expenditure margin	1	1	1	1	1	1	1	1
Financial Controls	Distance from financial plan	1	1	1	1	1	1	1	1
	Agency spend	1	1	1	1	1	1	2	1
Overall Scoring		**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**

The Trust has maintained the improvement in its agency spend against the agency ceiling set by NHSI and again in 2019/20 the total agency expenditure in the Trust was within the overall ceiling set by NHSI.

Statement of Chief Executive's responsibilities as the Accounting Officer of Derbyshire Healthcare NHS Foundation Trust

The NHS Act 2006 states that the Chief Executive is the Accounting Officer of the NHS Foundation Trust. The relevant responsibilities of the Accounting Officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS Improvement (NHSI).

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Derbyshire Healthcare NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Derbyshire Healthcare 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 Department of Health Group Accounting Manual and in particular to:

- Observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements
- Ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance and
- Confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy
- 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 preventions and detection of fraud and other irregularities.

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

Ifti Majid
Chief Executive
24 June 2020

Annual Governance Statement

1 April 2019 – 31 March 2020

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 Derbyshire Healthcare 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 Derbyshire Healthcare NHS Foundation Trust for the year ended 31 March 2020 and up to the date of approval of the Annual Report and Accounts.

Capacity to handle risk

Leadership of risk management process

Management of risk underpins the achievement of the Trust's Strategy and related objectives. The Trust believes that effective risk management is imperative not only to provide a safe environment and improved quality of care for service users and staff, it is also significant in the business planning process where public accountability in delivering health services is required. Risk management is the responsibility of all staff and managers.

Strong leadership is provided to the risk management process though the Trust Board which has overall responsibility for managing risk in the Trust and ensuring implementation of the Risk Management Strategy. The Board monitors strategic risks through regular review of the Board Assurance Framework and receipt of reports from the Audit and Risk Committee which provides assurance to the Board with regard to the continued effectiveness of the Trust's system of integrated governance, risk management and internal control.

All Board Committees have responsibilities to monitor and review risks relevant to their remit including the extent to which they are assured by the evidence presented with respect to the management of the risks. Each Committee is responsible for escalating concerns regarding the management of significant risks to the Board.

There are key roles on the Board of Directors in relation to risk:

- The Chief Executive has overall responsibility for maintaining a sound system of internal control that supports the achievement of the Board's policies, aims and objectives, whilst safeguarding funds and assets.

- The Trust Secretary supports the Chief Executive in their role as the Accounting Officer of the organisation and has responsibility for risk in relation to the corporate governance framework, compliance and assurance including the Board Assurance Framework. Day-to-day responsibility for risk management is discharged through the designated accountability of other Executive Directors.

- The Director of Nursing and Patient Experience is the joint executive lead for quality and patient safety, responsible for patient involvement, safeguarding, infection control and professional standards for nursing and Allied Health Professional staff. They have delegated responsibility for the risk management and assurance function.

- The Medical Director is also the joint executive lead for quality and patient safety, and is responsible for the professional standards of medical staff within the Trust, serious incidents and data security and protection.

- The Deputy Chief Executive and Director of Finance has delegated responsibility for risks associated with the management, development and implementation of systems of financial risk management.

- The Chief Operating Officer has delegated responsibility for risks associated with operational management including overall emergency planning and resilience and business continuity.

- The Director of Business Improvement and Transformation has delegated responsibility for risks relating to the external environment and local commissioning and partnership working, strategy and business development, and organisational transformation.

- The Director of People and Organisational Effectiveness has delegated responsibility for risk associated with the delivery of an effective People Services function including workforce planning, staff welfare, recruitment and retention.

- The Trust Chair and Non-Executive Directors exercise non-executive responsibility for the promotion of risk management through participation in the Trust Board and its Committees. They are responsible for scrutinising systems of governance and have a particular role in this Trust for chairing Board Committees.

The Board has set out a clear strategic approach to ensure that risks are managed and controlled within the Risk Management Strategy.

The Risk Management Strategy formalises risk management responsibilities for the Trust within a broad corporate framework and sets out how the public may be assured that risks are identified and managed effectively. It details the Trust's framework within which it leads, directs and controls the risks to its key functions and guides staff in the application of that framework through the identification, evaluation and treatment of risk as part of a continuous process. The Risk Management Strategy aims to help the Trust to enable individuals to reduce the incidence and impact of the risks they face in order to deliver the Trust's strategic objectives and to enable the development of a positive learning environment and risk aware culture.

<u>Risk management training</u>
Staff are trained to manage risks through undertaking a training needs analysis which considers training requirements for the Trust and results in the publication of the Trust's training directory.

The Trust has a well embedded tiered risk management training programme for all staff comprising of the following elements:

- Board – Board Assurance Framework development
- Managing Safely (Health and Safety) risk training
- Investigating Incidents, Complaints, Claims and Report Writing training
- Datix training for teams (Datix is the Trust's risk recording system)
- New Datix handlers/ one-to-one training

Uptake is monitored and reported to the Health and Safety Committee and Trust Management Team, and monitored through operational lines.

In addition, many of the courses in the training directory support effective risk management and delivery of the Risk Management Strategy. Examples include:

- Major incident response
- Safeguarding – children and adult
- Safety planning and suicide awareness
- Data security and protection
- Infection control and prevention
- Medicines management courses
- Fire – awareness and fire warden
- First aid at work
- Falls prevention
- Manual handling
- 'Positive and safe' and 'promoting safer therapeutic services'

Where relevant, training includes examples of learning from risks and incidents and how teams/wards can develop local learning. In February 2020 the Board undertook a facilitated session with internal auditors 360 Assurance on risk benchmarking and developing the 2020/21 Board Assurance Framework.

Trust-wide guidance is provided to staff to encourage learning from good practice. Examples include: a 'blue light' system of alert notifications to rapidly communicate information on significant risks that require immediate action to be taken; a monthly policy bulletin informing staff of key themes within new or updated policies and procedures; a data security and protection bulletin containing information on information governance risk awareness and learning the lessons from incidents; and a 'Practice Matters' publication which focuses on learning and sharing best practice.

The risk and control framework

Identification, evaluation and control of risks

The Risk Management Strategy details the identification of risk to the Trust and its evaluation and control and is supported by a range of policies and procedures. These include the Risk Assessment Procedure; Untoward Incident Reporting and Investigation Policy and Procedures; Being Open and Duty of Candour Policy and Procedures; Safety Needs Assessment and Management of Safety Needs Policy and Procedure; Learning from Deaths Procedure; and Freedom to Speak Up Policy and Procedures. In addition the Risk Management Strategy supports the implementation of the Corporate Governance Framework and Health and Safety Policy.

The Risk Management Strategy was formally reviewed and reissued in October 2019. The review reported on achievements against previous objectives and an outline of objectives to be achieved over the coming three years.

Risk identification is undertaken both proactively via risk assessments and reactively via incident reporting, complaints, claims analysis, internal and external inspection and audit reports. Risk evaluation is completed using a single risk matrix to determine impact and likelihood of risk realisation with grading of risk resulting from the overall matrix score. Risk control and treatment plans identify responsibility and authority for determining effectiveness of controls and development of risk treatment plans and actions.

All risks, including those related to the Board Assurance Framework, are detailed on a single electronic Trust-wide risk register (Datix). The exception is for risk assessments relating to individual service users which are recorded on patient record systems, and those relating to individual staff arising from workplace assessments which are retained alongside the staff

record. The Datix risk register has inbuilt ward/team, divisional and corporate level risk registers reporting from this central hub and notification through automated escalation of risks (depending on the rating of the risk identified). The notification for reviews of risk assessments is also automated, resulting in significant compliance with the regular review of risks.

The risk appetite for the Trust is clearly articulated in the Risk Management Strategy in the form of a risk appetite statement. The risk tolerance levels linked to the risk appetite are shown as 'acceptable', 'tolerable in certain circumstances' and 'unacceptable', and the grading for each level is mapped against the Risk Assessment Matrix. The risk appetite for risks on the Board Assurance Framework is articulated within the document.

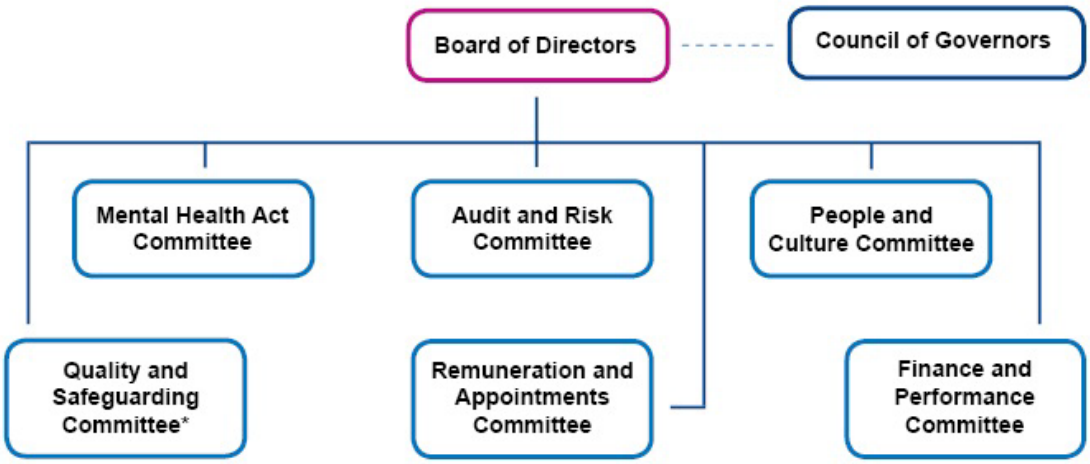
Incident reporting is openly encouraged and supported by an online incident reporting form, accessible to all staff, which includes a link to 'frequently asked questions'. The Patient Safety stand at the Trust's monthly staff corporate induction focuses on reporting and learning from incidents. Incident investigation involves robust systems for reporting and investigating incidents to identify areas for organisational learning and good practice. All serious incidents are overseen by the Executive Director led Serious Incident Group to ensure learning is disseminated throughout the organisation, and summary reports are provided to the Quality Committee including assurance of action plans being completed.

Quality governance arrangements

Overall responsibility for quality governance lies with the Board, as part of its responsibility for the direction and operation of the Trust. The Board is supported in its role regarding quality governance by the Quality Committee which is constituted as a Committee of the Board, led by a Non-Executive Chair and with both Executive and Non-Executive Director members.

Day-to-day oversight of quality governance is the responsibility of the Executive Leadership Team, with the leadership role in this area taken by the Medical Director and the Executive Director of Nursing and Patient Experience. They are supported by the Deputy Medical Director, Clinical Directors, Deputy Director of Nursing and Quality Governance and the professional heads from within the senior nursing and patient experience teams. The Trust has a Nursing and Patient Experience directorate to support quality governance in the Trust.

The Trust's governance structure is shown in the diagram below:



* *Note: From 1 February 2020 the Quality Committee subsumed the Safeguarding Committee's portfolio, resulting in a combined Quality and Safeguarding Committee. For consistency the Quality Committee is referred to throughout this Statement*

A summary of the key responsibilities of the Board Committees in relation to risk management is detailed below:

The Audit and Risk Committee is responsible for providing assurance to the Board with regard to the continued effectiveness of the Trust's system of integrated governance, risk management and internal control. In particular the Committee will review the adequacy of:

- All risks and control-related disclosure statements e.g. Annual Governance Statement
- The Board Assurance Framework as a robust process for monitoring, assurance, and mitigation of significant risks to the attainment of the Trust's strategic objectives.

Overall, the Audit and Risk Committee provides assurances to the Board that the organisation has sufficient controls in place to manage the significant risks to achieving its strategic objectives and that these controls are operating effectively.

All Board Committees – that is, Finance and Performance Committee, Mental Health Act Committee, People and Culture Committee, Remuneration and Appointments Committee, Quality Committee and Safeguarding Committee – have responsibilities to monitor and review risks relevant to their remit including the extent to which they are assured by the evidence presented with respect to the management of these risks. Each Committee is responsible for escalating concerns regarding the management of significant risks to the Board and for determining areas and topics for organisational learning.

Assessment of quality performance information

The Board receives the Integrated Performance Report (IPR) which incorporates quality indicators for specific service lines and quality metrics, as well as metrics around finance, workforce and performance. A 'quality dashboard' providing further detail and comment on a range of quality-related indicators is reviewed by the Quality Committee.

The Quality Committee and associated groups are active and their outputs are clearly evidenced in the Trust's Annual Report. The report's accuracy is subject to review by internal and external auditors as well as extensive consultation and feedback internally and externally on its content.

The Trust has a comprehensive annual quality visit programme, involving Board members, governors and stakeholders, which includes planned visits to every ward and team that provides a service. 34 quality visits were undertaken during 2019/20, involving 44 teams as some visits were carried out jointly. At each visit Board members are able to understand how teams function, gather local intelligence, see local innovations through showcases and seek 'soft intelligence' to supplement the Board's regular data and feedback face-to-face about compliance with key performance indicators and staff opinion on the services they lead. The Quality Visit schedule for 2018/19 has been extended and will be completed by July 2020.

The Trust has in place a number of routine audit and compliance processes to ensure clinical standards of practice. In addition there is a bi-monthly meeting with the Trust's local CQC inspectors where a provider report is submitted and reviewed, together with reporting on progress against Mental Health Act inspections, targeted inspections and informal visits over the year.

Data security risks

The Trust recognises that it is trusted by service users with sensitive personal information; and the Trust's obligation is to handle that information as carefully as the service user would

themselves, together with the legal obligations put in place by current legislation including the Data Protection Act 2018.
The Board has put in place procedures to ensure that information is handled with appropriate regard to its sensitivity and confidentiality, which are available to all staff and which all staff are required to follow.

The Trust has in place the following arrangements to manage data security and protection risks:

- A Senior Information Risk Owner (SIRO) who is the Trust's Deputy Chief Executive and Executive Director of Finance and a Caldicott Guardian (the Medical Director) at Board level. The Trust attitude to information risk has been strengthened by the appointment of a Deputy SIRO during 2019/20, who is the Trust Secretary, to work alongside the SIRO.
- Annually completed Data Security and Protection Toolkit, with reported outcomes to the Audit and Risk Committee and Board of Directors
- Clear identification of information asset owners who have undergone training for their role and undertaken risk assessment for their respective assets
- High uptake of Data Security and Protection compulsory training
- Data security incidents reviewed by the Data Security and Protection Committee at each meeting
- Ongoing compliance with the implementation of the General Data Protection Regulations (GDPR)

The Trust has strived to increase its compliance with the Data Security and Protection Toolkit. In 2019/20 the Trust has again achieved 100% compliance with the Toolkit.

The 2019/20 Data Security and Protection Toolkit Review completed by internal auditors 360 Assurance resulted in an audit opinion of significant assurance, indicating activities and controls are suitably designed and that there is reasonable assurance that the control environment is effectively managed. One low and one medium action were identified; these will be completed during 2020/21.

Major risks
Major risks to delivery of the strategic objectives are identified in year through the Board Assurance Framework processes. As at 31 March 2020 these risks are as follows:

Major risks to achievement of Trust's strategic objectives for 2019/20, as at 31 March 2020	
Risk description	Residual risk rating
There is a risk that the Trust will fail to provide standards for safety and effectiveness required by our Board	Moderate
There is a risk that the Trust estate does not comply with regulatory and legislative requirements	Moderate
There is a risk that the Trust will not be able to retain, develop and attract enough staff and protect their wellbeing to deliver high quality care	High
There is a risk that the Trust fails to deliver its financial plans	Extreme
There is a risk that the Trust fails to influence external drivers (such as national policy and BREXIT) which could impact on its ability to effectively implement its Strategy	Moderate

The full details of these risks, including the controls and assurances in place and the actions identified and progress made in mitigating the risk, are shown in the Board Assurance

Framework. The Board Assurance Framework has been reported to the Audit and Risk Committee and Board five times during 2019/20.

The major risks proposed for the Board Assurance Framework for 2010/21 are identified as follows. These have been articulated in a COVID-19 specific Board Assurance Framework developed during the emergency response phase to the pandemic.

Major risks to achievement of Trust's strategic objectives for 2020/21, as at 31 March 2020	
Risk description	Current risk rating
There is a risk that the Trust will fail to provide essential standards for patient safety and effectiveness during the COVID-19 pandemic	High
There is a risk that the Trust will fail to maintain enough staff to deliver essential services during the COVID-19 pandemic, and that staff wellbeing and resilience is directly affected by the crisis response required	Extreme
There is a risk that the Trust fails to deliver its financial obligations during the COVID- 19 pandemic	Moderate

A summary of the themes from significant operational risks on the Trust's Risk Register, as at 31 March 2020, is as follows:

Themes of major operational risks identified through risk register review and escalation processes as at 31 March 2020	
Risk description	Current risk rating
Staffing levels: CAMHS; Adult community services (in north east of county)	High
Compliance with training: specifically in relation to positive and safe training and resuscitation training;	High
Violence and aggression in adult mental health and universal children's community settings	High
Commissioning risks associated with access to: autism disorder spectrum assessment services; and eating disorder services	High
Waiting times for access to psychological assessment and intervention services	High
IT issues in relation to: Access to Electronic Patient Records between systems; Interface between pharmacy and supplier systems	High
Estate issues in relation to: capacity of rooms for staff based there; points of ligature reduction in rehabilitation wards	High

All operational risks with a residual risk of 'high' or 'extreme' are cross-referenced to the associated strategic risk in the Board Assurance Framework.

The full details of individual risks associated with these themes are shown in the operational risk registers, and are reviewed and updated by the senior operational managers, and overseen by the Trust Management Team meeting quarterly.

Assessment against NHS Improvement Well Led Framework

The last external assessment under the above framework was undertaken in 2018 by Deloitte LLP. All actions from the review have been completed and embedded. The next review will be undertaken in 2021. A self-assessment will be carried out in 2020, supported by 360 Assurance and taking into account any actions arising from the 2020 CQC well led inspection.

Corporate Governance Statement

NHS foundation trusts are required to self-certify whether or not they have complied with the conditions of the NHS provider licence (which itself includes requirements to comply with the National Health Service Act 2006, the Health and Social Care Act 2008, the Health Act 2009, and the Health and Social Care Act 2012, and have regard to the NHS Constitution), have the required resources available if providing commissioner requested services, and have complied with governance requirements.

The Trust Board confirmed on-going compliance with licence conditions G6 (3) and CoS7 (3) and G6 (4) and FT4 (8) at its meeting in May 2019 and has published the declarations on the Trust web-site.

The Trust has during the year sustained, embedded and continuously improved upon work undertaken to improve governance areas following the completion of the external well led review which provided assurance on satisfactory policies and practices in place. This has involved ensuring effective Board and committee structures, reporting lines and performance and risk management systems.

Embedding of risk management

Risk management systems and processes are embedded throughout a wide range of Trust activities, with significant risks reported through the risk register systems and processes. Risks reported include clinical risks (e.g. points of ligature, therapeutic activities, infection control), health and safety risks (e.g. lone working, work related stress), business continuity risks, data security risks and commissioning risks.

The Trust is a learning organisation, where staff are encouraged to report incidents honestly and openly through an online incident reporting form, with incidents escalated and managed depending on their grade and subject category. Learning is evidenced at a team, service line and Trust wide level through feedback on incident forms, serious incident investigation reports and 'Blue Lights' (staff communications for urgent risks). The Trust recognises and acknowledges there have been improvements in the Trust's safety culture, as evidenced in the 2019 Staff Survey, but that further developments are still required. This has been identified as one of the key focus area work streams to take forward in response to the survey. This will be in line with national strategy to improve safety with an emphasis on developing a safety culture with a focus on "human factors", systems and processes.

The Trust uses an Equality Impact Risk Analysis (EIRA) tool as the evidence-based framework to proactively and consciously engage and consider the impact of 'due regard' (legal duty as set out in the Equality Act 2010) on all key decisions, proposals, policies, procedures, services and functions that are relevant to equality. The tool is used to identify relevance to equality and potential inequalities, barriers to access and outcomes arising out of our processes, decisions, services and employment. If there is an adverse effect on people with protected characteristics, the Trust seeks to mitigate or minimise those effects.

EIRA is embedded through cover sheets for reports for Trust Board and Committees which requires the author(s) of the papers to consider how the proposal:

- May have an impact on those with protected characteristics (positive, negative or neutral)
- Evidences how the evaluation of impact has been made
- Will mitigate or minimise the effects of any adverse effects on people with any protected characteristics of the Equality Act 2010.

Public stakeholders' involvement in managing risks

The Trust proactively seeks and welcomes feedback from and involvement of stakeholders in relation to the provision of services and the management of risk which may impact on them. Ways in which public stakeholders are involved include:

- Range of processes for receiving and learning from service user and carer feedback including Patient and Experience Committee and EQUAL Group.
- Council of Governors and its governance structure
- The Trust's engagement with commissioners, Overview and Scrutiny Committees and Healthwatch
- Trust membership and Annual Members Meeting
- Consultation on the Quality Report.

Safe, sustainable and effective staffing

The Board approved the formal 2020 NHSI Workforce Safeguards submission in March 2020. A self-assessment confirmed that the Trust is compliant. The Trust will continue to refine the reporting and monitoring of the standards through the People and Culture Committee. This will include continually updating the Trust's integrated workforce information to provide the Board with assurance of our compliance against the recommendations. The People and Culture Committee has scrutinised and reviewed all workforce information, systems and process of staff deployment, rostering and skill mix of the Trust's services.

Compliance with CQC registration

The Trust received a comprehensive inspection from the CQC during the year, which took place between November 2019 and January 2020. The Trust's overall rating was 'good', which is an improvement of the rating issued during out last inspection in 2018. The Trust's report was published by the CQC on 6 March 2020.

This positive news formally marks significant improvements in our services and reflects how they have continued to improve over recent years.

The Trust's ratings have increased in three of the five CQC domains and now includes an overall 'good' rating for how effective, caring, responsive and well led our services are. Our safety domain remains as 'requires improvement' and will be an area of key focus for the coming year.

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

Managing Conflicts of Interest

The Foundation Trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the Trust with reference to the guidance) within the past twelve months as required by the Managing Conflicts of Interest in the NHS[1] guidance.

NHS Pension Scheme

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

[1] www.england.nhs.uk/publication/managing-conflicts-of-interest-in-the-nhs-guidance-for-staff-and-organisations/

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

Carbon reduction delivery plans
The Trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The Trust ensures that its obligations under the Climate Change Act and the Adaptation Report.

Review of economy, efficiency and effectiveness of the use of resources
The Board of Directors carries the final overall corporate accountability for its strategies, policies and actions as set out in the codes of conduct and accountability issued by the Secretary of State.

Internal Audit services provide the Trust with an independent and objective opinion on the effectiveness of the systems in place for risk management, control and governance. The Audit and Risk Committee approves the annual audit plan, which is set using a risk management approach. The annual clinical audit plan is approved by the Quality Committee. External Audit services report on the accuracy and appropriateness of the Trust statutory reports (Annual Report and Accounts).

Financial performance ratings have been generally strong and there has been further improvement in the agency metric since last year.

Overall, the Trust is in segment two of NHSI's Single Oversight Framework (where one indicates highest level of Trust autonomy and four indicates that the Trust is in special measures).

External auditors are satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Information governance
During 2019/20 one incident required reporting to the Information Commissioner's Office (ICO). This was reported via the Data Security & Protection Toolkit. The incident involved a member of staff potentially accessing personal information of other members of staff and patients without a valid reason.

The ICO investigated and decided no further action was necessary. The Trust operates in a transparent manner and will continue to refer all incidents to the ICO which are deemed serious enough. In 2019/20 the Trust has reported several minor incidents via the Data Security & Protection Toolkit however NHS Digital did not deem these serious enough to report to the ICO.

Data quality and governance
Data quality kite marks continue to be part of the Integrated Performance Report and in-house validation work provides assurance to the Finance and Performance Committee on the validity of the majority of operational indicators.

Overall responsibility for data quality has been confirmed as part of the remit of Audit and Risk Committee during the year with reporting undertaken during 2019/20. The Committee has received assurance on follow up of actions identified in the 2017 and 2019 internal audit reports. In addition external auditors support the Governors to choose a local indicator to independently audit, as a proxy measure of accuracy of broader data.

Review of effectiveness
As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board of Directors, the Audit and Risk Committee and Quality Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The processes applied in maintaining and reviewing the effectiveness of the system of internal control are:

The Board of Directors:

- Responsible for approving and monitoring the systems in place to ensure there are proper and independent assurances given on the soundness and effectiveness of internal control
- The Board Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed.

The Audit and Risk Committee:

- Is responsible for independently overseeing the effectiveness of the Trust's systems for internal control and for reviewing the structures and processes for identifying and managing key risks
- Is responsible for reviewing the establishment and maintenance of effective systems of internal control
- Is responsible for reviewing the adequacy of all risk- and control-related statements prior to endorsement by the Board
- In discharging its responsibilities takes independent advice from the Trust's internal auditor 360 Assurance and Grant Thornton (external auditors).

Internal audit:

The headline internal audit opinion provided by the Trusts internal auditors 360 Assurance is as follows:

Overall opinion
In consideration of the above, I am providing a final opinion of **Significant Assurance** that there is a generally sound framework of governance, risk management and control designed to meet the organisation's objectives, and that controls are generally being applied consistently.

The basis for forming this opinion is informed by the completion by the Trust's internal auditors of five audits with the following assurance ratings:

- Four with significant assurance with minor improvement opportunities
  - Datix Risk Management
  - Data Security and Protection Toolkit
  - Data Quality and ESR
  - Integrity of the General Ledger and Financial Reporting and Key Financial Systems

- One with limited assurance with improvements required
  - Freedom to Speak Up

An advisory review has been completed on:
- Joined up Care Derbyshire.

and a Governance and Risk Management – well led Survey has been issued

My review is also informed by:

- The CQC comprehensive inspection report dated March 2020, and subsequent reporting
- Registration with the CQC
- Regular visits from the Mental Health Act arm of the CQC
- NHSI's compliance return and governance statements
- Compliance with NHSI's Single Oversight Framework
- Audit reports received during the year following on from the internal audit and external audit plans and fraud risk assessment agreed by the Trust's Audit and Risk Committee
- External assurance received on the governance arrangements within the Trust from the CQC well led inspection in January 2020.

The following gaps in control were identified:
- There were no significant gaps in control or significant internal control issues identified during 2019/20. The Trust continued to implement robust processes to address all recommendations arising from reviews undertaken
- During February/March 2020 the outbreak of the COVID-19 virus and subsequent world-wide pandemic resulted in significant changes to the governance and operational processes in Trusts, with trusts advised to operate a 'light' governance framework. The emergence of COVID-19 is not considered a significant internal control issue for 2019/20, although will clearly impact significantly on risks and controls during 2020/21.

Conclusion
No significant internal control issues have been identified.

Signed

Ifti Majid
Chief Executive

Date: 24 June 2020

Annual Accounts 2019/20

Derbyshire Healthcare NHS Foundation Trust

Annual Accounts for the year ending 31 March 2020

The Trust's accounts are prepared in accordance with paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006 and are presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a) of the National Health Service Act 2006.

Independent auditor's report to the Council of Governors of Derbyshire Healthcare NHS Foundation Trust

Report on the Audit of the Financial Statements

Opinion

Our opinion on the financial statements is unmodified

We have audited the financial statements of Derbyshire Healthcare NHS Foundation Trust (the 'Trust') for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Accounts Directions issued under the National Service Act 2006, the NHS foundation trust annual reporting manual 2019/20 and the Department of Health and Social Care Group Accounting Manual 2019 to 2020.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2020 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2019 to 2020; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the Accounting Officer and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Trust's future operational arrangements.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the Trust's future operational arrangements. However, no audit should be expected to predict the unknowable factors or all possible future implications for an entity associated with these particular events.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accounting Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the Accounting Officer' conclusions, and in accordance with the expectation set out within the Department of Health and Social Care Group Accounting Manual 2019 to 2020 that the Trust's financial statements shall be prepared on a going concern basis, we considered the risks associated with the Trust's operating activities, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit. We analysed how those risks might affect the Trust's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Trust will continue in operation.

Overview of our audit approach

Financial statements audit

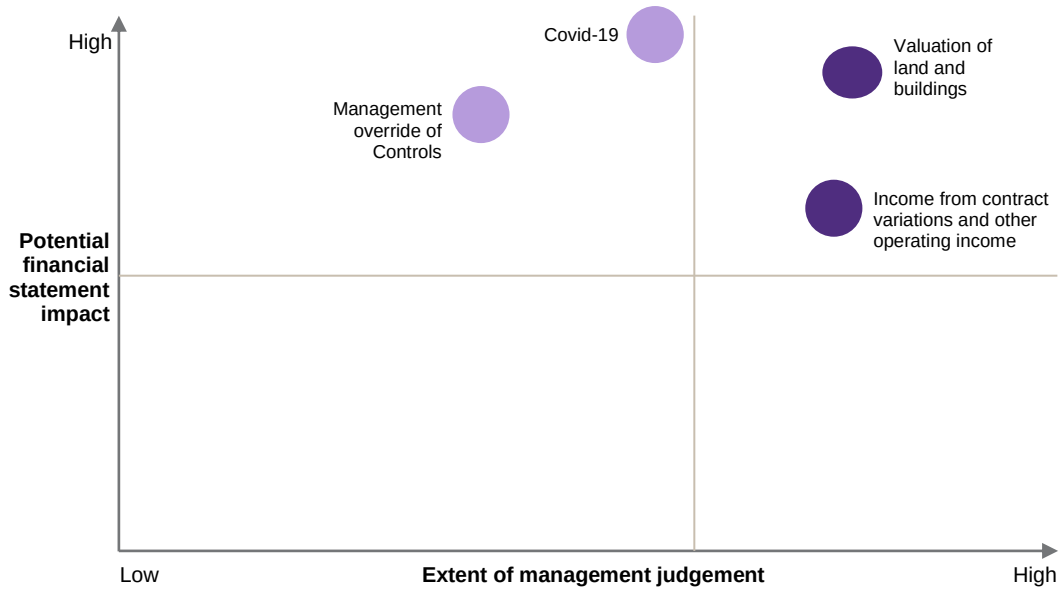
- Overall materiality: £2,800,000, which represents 1.8% of the Trust's gross operating costs (consisting of operating expenses and finance expenses);
- Key audit matters were identified as:
  - Valuation of land and buildings
  - The occurrence and accuracy of patient care activities income from contract variations and other operating income and existence of associated receivable balances
- We have tested the Trust's material income and expenditure streams and assets and liabilities covering 93% of the Trust's income, 80% of the Trust's expenditure, 98% of the Trust's assets and 70% of the Trust's liabilities

Conclusion on the Trust's arrangements for securing economy, efficiency, and effectiveness in its use of resources

- We identified one significant risk in respect of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources regarding the Trust's long-term financial sustainability and the impact of the wider health economy (see Report on other legal and regulatory requirements section).

Key audit matters

The graph below depicts the audit risks identified and their relative significance based on the extent of the financial statement impact and the extent of management judgement.



Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in the audit
Risk 1 Valuation of land and buildings The Trust revalues its land and buildings on a five-yearly basis to ensure the carrying value in the financial statements is not materially different from current value in use at the year-end date. In the intervening years, the Trust requests a desktop valuation from its valuation expert. The valuation represents a significant accounting estimate by management in the financial statements, which is sensitive to changes in assumptions and market conditions. Management engage the services of a qualified valuer, who is a Regulated Member of the Royal Institute of Chartered Surveyors (RICS), to estimate the current value of its land and buildings. The last full valuation was as at 31 March 2020. The effects of the COVID-19 virus will affect the work carried out by the Trust's valuer in a variety of ways. Inspecting properties could prove difficult and access to evidential data, such as values of comparable assets may be less freely available. RICS Regulated Members have therefore been considering whether a material uncertainty declaration is now appropriate in their reports. Its purpose is to ensure that any client relying upon the valuation report understands that it has been prepared under extraordinary circumstances.	Our audit work included, but was not restricted to: • Evaluating management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work; • Evaluating the competence, capabilities and objectivity of the valuation expert; • Discussing with the valuer the basis on which the valuation was carried out; • Challenging the information and assumptions used by the valuer to assess completeness and consistency with our understanding; • Testing revaluations made during the year to see if they had been input correctly into the Trust's asset register. The Trust's accounting policy on valuation of property, including land and buildings, is shown in note 1.12 to

Key Audit Matter	How the matter was addressed in the audit
In their 2019/20 valuation report the Trust's valuer DVS Property Specialists included a material uncertainty and this was disclosed in note 16 to the financial statements. We therefore identified valuation of land and buildings as a significant risk, which was one of the most significant assessed risks of material misstatement.	the financial statements and related disclosures are included in note 16. As, disclosed in note 16 to the financial statements, the outbreak of Covid-19 has caused uncertainties in markets. As a result, the Trust's valuer has declared a 'material valuation uncertainty' in their valuation report which was carried out in February 2020 with a valuation date of 31 March 2020. The values in the valuation report have been used to inform the measurement of property assets at valuation in the financial statements. The Trust has disclosed the estimation uncertainty related to the year-end valuations of land and buildings in note 16 to the financial statements and is planning to have a desktop valuation undertaken by DVS Property Services in 2020/21 to assess the market changes. The Trust's valuer prepared their valuations in accordance with the RICS Valuation – Global Standards using the information that was available to them at the valuation date in deriving their estimates. **Key observations** We obtained sufficient audit assurance to conclude that: • the basis of the valuation of land and buildings was appropriate, and • the assumptions and processes used by management in determining the estimate of valuation of property were reasonable; • the valuation of land and buildings disclosed in the financial statements is reasonable
Risk 2 The occurrence and accuracy of patient care income from contract variations and other operating income and existence of associated receivable balances The Trust's significant income streams are operating income from patient care activities and other operating income. Approximately 92% of the Trust's income (£147m of £159m) is from patient care activities, including contracts with NHS commissioners and local authorities. These contracts include the rates for, and expected level of, patient care activity to be undertaken by the Trust. The Trust recognises patient care activity income during the year based on the completion of these activities. This includes the block contract, which is agreed in advance at a fixed price, and patient care income from contract variations. Patient care activities provided that are additional to those incorporated in the block contracts with NHS commissioners (contract variations) are subject to verification and agreement of the completed activity by the commissioners. As such, there is the risk that income is recognised in the accounts for these additional services that is not subsequently agreed to by the commissioners. Due to the nature of block contracts we have not identified a significant risk of material misstatement in relation to block contracts. Other income represents £12m of the Trusts total income An important element of this revenue is the Provider sustainability Fund (PSF) which is awarded for achieving set financial targets. As such there is a risk that other income recognition does not accurately reflect the income received for other services. We therefore identified the occurrence and accuracy of patient care income from contract variations and other operating income and existence of associated receivable balances as a significant risk, which was one	Our audit work included, but was not restricted to: • Evaluating the Trust's accounting policies for recognition of income from patient care activities and other operating revenue for appropriateness and compliance with the DHSC Group Accounting Manual 2019/20; • Updating our understanding of the Trust's system for accounting for income from patient care and other operating revenue, and evaluating the design of the associated controls; In respect of patient care income: • Testing a sample of patient care income from contract variations to supporting evidence such as invoices and signed agreements to contract variation. In each case, we confirmed that the income belongs to the Trust and is accurately recorded in the financial statements; • Obtaining the Department of Health and Social Care (DHSC) exception report that details differences in reported income and expenditure and receivables and payables between NHS bodies, and identifying all differences in excess of £300,000. For all differences we corroborated the amounts recorded in the Trust's financial statements to supporting evidence such as correspondence with the other NHS body; • Confirming if contract receivables have been settled after year-end by confirming to cash receipts and remittance confirmations; In respect of other operating income: • Agreeing a sample of income and year end receivables to invoices and cash payment; and

Key Audit Matter	How the matter was addressed in the audit
of the most significant assessed risks of material misstatement.	• Agreeing the income recognised in relation to the PSF to NHS Improvement notifications. • The Trust's accounting policy on income recognition is shown in note 1.7 to the financial statements and related disclosures are included in notes 4, 5 and 21. **Key observations** Our audit work enabled us to conclude that patient care income from contract variations, other operating income and the associated receivable balances are not materially misstated. Our audit work on deferred income identified that these balances were overstated by £1.66m. The Trust have not adjusted for this error. If an adjustment had been made the Trust's surplus would have been £3.93m.

Our application of materiality

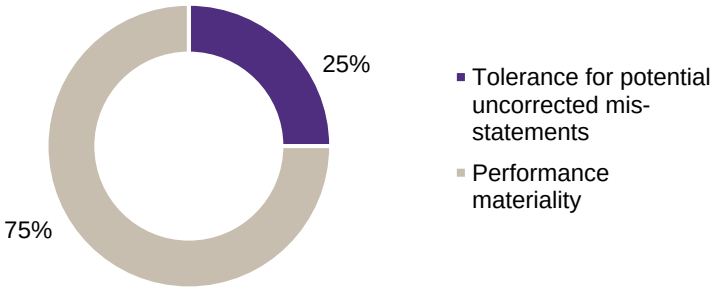
We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

Materiality was determined as follows:

Materiality Measure	Trust
Financial statements as a whole	£ 2,800,000 which is 1.8% of the Trust's gross operating costs. This benchmark is considered the most appropriate because we consider users of the financial statements to be most interested in how the Trust has expended its revenue and other funding. Materiality for the current year is at a similar percentage level of gross operating costs as we determined for the year ended 31 March 2019 as we did not identify any significant changes in the Trust or the environment in which it operates
Performance materiality used to drive the extent of our testing	**75%** of financial statement materiality
Specific materiality	We applied a specific level of materiality of £100,000 to the senior manager remuneration disclosures and £250,000 to the cash equivalent transfer value disclosures of pension entitlement (both included in the Remuneration Report) due to the public interest in these disclosures and the statutory requirement for these to be made.
Communication of misstatements to the Audit and Risk Committee	£140,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality interacts with our overall materiality and the tolerance for potential uncorrected misstatements.

Overall materiality – Trust



An overview of the scope of our audit

Our audit approach was a risk-based approach founded on a thorough understanding of the Trust's business, was risk based and included an evaluation of the Trust's internal controls environment including relevant IT systems and controls over key financial systems. The scope of our audit included:

- obtaining supporting evidence, on a sample basis, for all of the Trust's material income streams covering 93% of the Trust's revenues;
- obtaining supporting evidence, on a sample basis, for 80% of the Trust's operating costs; and
- obtaining supporting evidence, on a sample basis, for property plant and equipment and the Trust's other material assets and liabilities.

There were no key changes in the scope of the current year audit from the scope of the prior year

Other information

The Accounting Officer is responsible for the other information. The other information comprises the information included in the Annual Report**,** other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- Fair, balanced and understandable set out on page 44 in accordance with provision C.1.1 of the NHS Foundation Trust Code of Governance – the statement given by the directors that they consider the Annual Report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy, is materially inconsistent with our knowledge of the Trust obtained in the audit; or
- Audit and Risk committee reporting set out on page 55 in accordance with provision C.3.9 of the NHS Foundation Trust Code of Governance **–** the section describing the work of the Audit and Risk committee does not appropriately address matters communicated by us to the Audit and Risk committee.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not meet the disclosure requirements set out in the NHS foundation trust annual reporting manual 2019/20 or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Our opinion on other matters required by the Code of Audit Practice is unmodified

In our opinion:

- the parts of the Remuneration Report and the Staff Report to be audited have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the NHS foundation trust annual reporting manual 2019/20 and the requirements of the National Health Service Act 2006; and
- based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Trust gained through our work in relation to the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources, the other information published together with the financial statements in the Annual 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

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006 in the course of, or at the conclusion of the audit; or
- we refer a matter to the regulator under Schedule 10 (6) of the National Health Service Act 2006 because we have reason to believe that the Trust, or a director or officer of the Trust, is about to make, or has made, a decision which involves or would involve the incurring of expenditure that was unlawful, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

We have nothing to report in respect of the above matters.

Responsibilities of the Accounting Officer and Those Charged with Governance for the financial statements

As explained more fully in the Statement of the Chief Executive's responsibilities as the accounting officer set out on page 125, the Chief Executive, as Accounting Officer, is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions included in the NHS foundation trust annual reporting manual 2019/20, for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accounting Officer is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer has been informed by the relevant national body of the intention to dissolve the Trust without the transfer of the Trust's services to another public sector entity.

The Audit and Risk Committee is Those Charged with Governance. Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements – Conclusion on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception - Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020**.**

We have nothing to report in respect of the above matter.

Significant risks

Under the Code of Audit Practice, we are required to report on how our work addressed the significant risks we identified in forming our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources. Significant risks are those risks that in our view had the potential to cause us to reach an inappropriate conclusion on the audited body's arrangements. The table below sets out the significant risks we have identified. These significant risks were addressed in the context of our conclusion on the Trust's arrangements as a whole, and in forming our conclusion thereon, and we do not provide a separate opinion on these risks.

Significant risk	How the matter was addressed in the audit
Long term financial sustainability and the impact of the wider health economy The financial health of the wider Derbyshire Health Economy is poor with significant deficits at Derby and Burton Hospitals NHS Foundation Trust and within the Derbyshire Clinical Commissioning Groups. These deficits continue to impact on the health economy and the funding available to the Trust. The Trust have delivered historically and have planned to address the CIP requirements going forward. This does require working across the health economy to deliver efficiencies. The Trust's finances are strong in comparison to other Derbyshire Health bodies, the health of the wider Derbyshire Health economy could make it difficult to develop sustainable schemes going forward, There is a risk that the inadequate financial health of the wider Derbyshire Health Economy could impact on the Trusts future financial sustainability. We have identified the inadequate financial health of the wider Derbyshire Health Economy as a significant risk to the Trust's future financial sustainability.	Our audit work included, but was not restricted to: • Evaluating how the details in the NHS Long Term Plan are reflected in the Trust's Medium-Term Financial Strategy; • Evaluating the progress of the Sustainability and Transformation Partnership's 'Joined Up Care Derbyshire' plans in relation to improving the financial health of the wider Derbyshire Health Economy; and • Assessing the Trust's delivery of CIP schemes during 2019/20 and their nature as recurrent or non-recurrent; **Key findings** The financial outturn for 2019/120 improved the Trust's cumulative position with an in-year surplus of £2,279,000, however the impact of financial health of the wider Derbyshire Health Economy means that achieving CIP savings remains challenging for the Trust. CIP remains a key focus for the Trust and this is monitored monthly by both the executive and the Finance and Performance Committee. The Trust delivered 94% of its planned CIP savings in 2019/20. £1,743,124 of the £4,598,433 CIPs were non-recurrent in nature.

Significant risk	How the matter was addressed in the audit
	The Trust has worked with Joined Up Care Derbyshire the Derbyshire Sustainability and Transformation Partnership to identify savings which could be implemented by the partners which may support the long-term financial sustainability of the Trust. The Trust is working closely with partners to develop more recurrent CIP schemes for 2020/21

Responsibilities of the Accounting Officer

The Accounting Officer is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under paragraph 1 of Schedule 10 of the National Health Service Act 2006 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in April 2020, as to whether in all significant respects, the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020, and to report by exception where we are not satisfied.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to be satisfied that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Report on other legal and regulatory requirements - Certificate

We certify that we have completed the audit of the financial statements of Derbyshire Healthcare NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Trust's Council of Governors 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 Trust's Council of Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

M C Stocks

Mark C Stocks. Key Audit Partner
for and on behalf of Grant Thornton UK LLP, Local Auditor

Birmingham
24 June 2020

Statement of comprehensive income for the period ended 31 March 2020

	NOTE	**2019/20** **£000**	2018/19 £000
Operating Income from continuing operations	4 & 5	**159,256**	148,635
Operating expenses of continuing operations	7	**(153,095)**	(140,140)
OPERATING SURPLUS/(DEFICIT)		**6,161**	8,495
FINANCE COSTS			
Finance income	13	**211**	154
Finance expense - financial liabilities	15	**(2,155)**	(3,315)
Public Dividend Capital (PDC) DC Dividends payable		**(1,798)**	(1,621)
NET FINANCE COSTS		**(3,742)**	(4,782)
SURPLUS/(DEFICIT) FOR THE YEAR		**2,419**	3,713
Other gains and losses		**(15)**	52
Gains/(losses) from transfers by absorption		**(125)**	0
RETAINED SURPLUS/(DEFICIT) FOR THE YEAR		**2,279**	3,765
Other comprehensive income		**9,012**	591
TOTAL COMPREHENSIVE INCOME(EXPENSE) FOR THE YEAR		**11,291**	4,356

The notes from pages 153 form part of these accounts.

Statement of financial position as at 31 March 2020

	NOTE	31 March 2020 £000	31 March 2019 £000
Non-current assets:			
Intangible assets	17	**4,960**	3,405
Property, plant and equipment	16	**97,909**	89,672
Trade and other receivables	21	**1,362**	935
Total non-current assets		**104,231**	94,012
Current assets:			
Inventories	20	**251**	166
Trade and other receivables	21	**3,788**	5,548
Cash and cash equivalents	24	**33,505**	27,443
Total current assets		**37,544**	33,157
Current liabilities			
Trade and other payables	26	**(18,579)**	(15,710)
Borrowings	27	**(807)**	(890)
Provisions	33	**(633)**	(1,465)
Other liabilities	28	**(3,067)**	(1,653)
Total current liabilities		**(23,086)**	(19,718)
Total assets less current liabilities		**118,689**	107,451
Non-current liabilities			
Borrowings	27	**(25,550)**	(26,356)
Provisions	33	**(2,751)**	(2,520)
Total non-current liabilities		**(28,301)**	(28,876)
Total Assets Employed:		**90,388**	78,575
FINANCED BY:			
TAXPAYERS' EQUITY			
Public Dividend Capital		**17,892**	17,370
Revaluation reserve		**51,074**	42,055
Other reserves		**8,680**	8,680
Income and Expenditure reserve		**12,742**	10,470
Total Taxpayers' Equity:		**90,388**	78,575

The financial statements were approved by the Audit and Risk Committee on behalf of the Board on the 24 June 2020 and signed on its behalf by:

Signed: 

Ifti Majid, Chief Executive

Statement of changes in taxpayers equity for the period 31 March 2020

	Public Dividend capital	Revaluation reserve	Other reserves	Income and Expenditure Reserve	Total reserves
	£000	£000	£000	£000	£000
Taxpayers equity at 1 April 2019	**17,370**	**42,055**	**8,680**	**10,470**	**78,575**
Surplus/(deficit) for the year	**0**	**0**	**0**	**2,279**	**2,279**
Revaluations	**0**	**9,019**	**0**	**0**	**9,019**
Public Dividend Capital received	**522**	**0**	**0**	**0**	**522**
Other reserve movements	**0**	**0**	**0**	**(7)**	**(7)**
Taxpayers equity at 31 March 2020	**17,892**	**51,074**	**8,680**	**12,742**	**90,388**

Statement of changes in taxpayers equity for the period ended 31 March 2019

	Public Dividend Capital	Revaluation reserve	Other reserves	Income and Expenditure Reserve	Total reserves
	£000	£000	£000	£000	£000
Taxpayers equity at 1 April 2018	**16,418**	**41,462**	**8,680**	**6,707**	**73,267**
Surplus/(deficit) for the year	0	0	0	3,765	3,765
Revaluations	0	593	0	0	593
Public Dividend Capital received	952	0	0	0	952
Other reserve movements	0	0	0	(2)	(2)
Taxpayers equity at 31 March 2019	**17,370**	**42,055**	**8,680**	**10,470**	**78,575**

Statement of cash flows for the period ended 31 Mary 2010

	NOTE	**2019/20 £000**	2018/19 £000
Cash flows from operating activities			
Operating surplus/deficit from continuing operations		**6,161**	8,495
Operating surplus/deficit		**6,161**	**8,495**
Non cash income and expenses			
Depreciation and amortisation		**4,110**	3,772
Impairments		**302**	(436)
(Increase)/decrease in inventories		**(85)**	9
(Increase)/decrease in trade and other receivables		**1,708**	(516)
Increase/(decrease) in trade and other payables		**3,407**	1,689
(Increase)/decrease in other current liabilities		**1,407**	127
Increase/(decrease) in provisions		**(588)**	92
Net cash inflow/(outflow) from operating activities		**16,422**	**13,232**
Cash flows from investing activities			
Interest received		**211**	154
Purchase of intangible assets		**(2,239)**	(562)
Purchase of property, plant and equipment		**(4,233)**	(3,358)
Sales of property, plant and equipment		**0**	476
Net cash inflow/(outflow) from investing activities		**(6,261)**	**(3,290)**
Cash flows from financing activities			
PDC capital received		**522**	952
Capital element of private finance lease obligations		**(860)**	(898)
Interest element of private finance lease obligations		**(1,969)**	(1,970)
Interest element of finance lease obligations		**(228)**	(275)
PDC Dividend paid		**(1,564)**	(1,602)
Net cash inflow/(outflow) from financing activities		**(4,099)**	**(3,793)**
Net increase/(decrease) in cash and cash equivalents		**6,062**	**6,149**
Cash and cash equivalents at beginning of the period		**27,443**	21,295
Cash and cash equivalents at year end	24	**33,505**	**27,443**

Notes to the accounts

1. Accounting policies and other information

NHS Improvement (NHSI), in exercising the statutory functions conferred on Monitor, is responsible for issuing an accounts direction to NHS Foundation Trusts under the NHS Act 2006. NHSI has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (DHSC GAM) which shall be agreed with the HM Treasury. Consequently, the following financial statements have been prepared in accordance with the DHSC GAM 2019/20 issued by the Department of Health and Social Care. The accounting policies contained in that manual follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the DHSC Group Accounting Manual permits a choice of accounting policy, the accounting policy that is judged to be the most appropriate to the particular circumstances of the NHS Foundation Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with the terms considered material in relation to the accounts.

1.1 Going concern

The annual report and accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents. In addition, in making their going concern assessment each year, Trust management consider all available information about the future prospects of the Trust which enables them to consider and confirm the declaration regarding whether there is any material uncertainty to the Trust continuing to be a going concern.

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.

These accounts have been prepared using the going concern convention.

1.3 Consolidation

The Trust does not have any subsidiary, associate company or joint venture or joint operations arrangements.

Charitable funds are managed by Derbyshire Community Health Services NHS Foundation Trust on behalf of the Trust and do not have to be consolidated into the accounts.

1.4 Critical judgments in applying accounting policies

The following are the critical judgments, 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.

Asset lives
The Trust has to make assumptions and judgments when determining the length of an asset's estimated useful life. This will take into account the view provided during the professional valuation and also the Trust's assessment of the period over which it will obtain service potential from the asset.

In determining the estimated useful lives of assets the Trust has taken into consideration any future lifecycle replacement that will enhance and prolong the life of the asset; specifically in relation to assets capitalised under PFI contract arrangements.

Intangible assets are amortised over their expected useful economic lives on a straight line basis in a manner consistent with the consumption of economic or service delivery benefits.

Private Finance Initiative (PFI)
The PFI scheme has been reviewed under IFRIC 12 and it is deemed to meet the criteria to include the scheme on balance sheet.

1.5 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimating uncertainty at the end of the reporting period, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Property Valuation estimation
Assets relating to land and buildings were subject to a formal valuation during the financial year ending 31 March 2020. This resulted in an increase in asset valuations, reflecting the trend in market prices. The valuation was based on prospective market values at 31 March 2020, which has been localised for the Trust's estate. Note 16.4 outlines the changes from this report and the COVID-19 related impact of the valuation. The Trust also commissions formal valuations for assets that have been classified as "available for sale" during the period, note 25, we do not have any assets held for sale in this accounting period.

The valuation exercise was carried out in February 2020 with a valuation date of 31 March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has declared a 'material valuation uncertainty' in the valuation report. This is on the basis of uncertainties in markets caused by COVID-19. The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. With the valuer having declared this material valuation uncertainty, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust.

Intangible Assets estimation
The Trust has two types of intangible assets:

- Smaller projects which involve the development of exiting systems, which is spent and capitalised in year.
- Intangible assets with a significant carrying value which have been developed over several years and accounted for in assets under construction. When the system goes live, a full fair value review is undertaken and only the costs directly attributable to the development are capitalised, all other costs are impaired or allocated to revenue.

Provisions estimation
The Trust holds a provision for pensions and by its nature this includes a degree of uncertainty in respect of timings and amount, due to the uncertainty over life expectancy. Future liability is calculated using actuarial values, note 33.

1.6 Transfer of functions

As public sector bodies are deemed to operate under common control, business reconfigurations within the DHSC group are outside the scope of IFRS 3 *Business Combinations.* Where functions transfer between two public sector bodies, the GAM requires the application of 'absorption accounting'. Absorption accounting requires that entities account for their transactions in the period in which they took place. Where assets and

liabilities transfer, the gain or loss resulting is recognised in the Statement of Comprehensive Net Expenditure, and is disclosed separately from operating costs.

1.7 Revenue

In the application of IFRS 15 a number of practical expedients offered in the Standard have been employed. These are as follows:

- As per paragraph 121 of the Standard the Trust will not disclose information regarding performance obligations part of a contract that has an original expected duration of one year or less
- The Trust is to similarly not disclose information where revenue is recognised in line with the practical expedient offered in paragraph B16 of the Standard where the right to consideration corresponds directly with value of the performance completed to date
- The FReM has mandated the exercise of the practical expedient offered in C7 (a) of the Standard that requires the Trust` to reflect the aggregate effect of all contracts modified before the date of initial application.

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional, a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time, as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year where a patient care spell is incomplete.

Government grants are grants from government bodies, other than income from commissioners or Trusts, for the provision of services. Where a grant is used to fund revenue expenditure, it is taken to the Statement of Comprehensive Income to match that expenditure.

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Where income is received for a specific activity that is to be delivered in the following year, that income is deferred.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

In accordance with IFRS 15 the Trust has reviewed its income streams. The Trust's income is largely received from commissioners via block contracts for the provision of services. These service requirements are agreed on an annual basis, with no carry-over to future years. Block contract income is received each month for the services that have been provided that month. Cost per Case income is received each month for activity that has been provided during that period. Income received from DHSC related to the Agenda for Change (AFC) pay award was received in the same time period that the costs were incurred.

Education and training income mainly relates to salary of trainees and is received on a monthly basis to contribute to the salaries paid in that period. Income received in relation to future training provision is deferred as per the requirements of IFRS15. Income from pharmacy sales is accounted for in the period the items that have been sold in. Provider Sustainability Fund (PSF) income is received as performance targets are achieved and the Trust meets its financial control total.

1.8 Employee Benefits

Short-term employee benefits
Salaries, wages and employment-related payments, including payments arising from the apprenticeship levy, are recognised in the period in which the service is received from employees, including non-consolidated performance pay earned but not yet paid. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

Retirement benefit costs

NHS Pensions
Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme 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 scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the Trust commits itself to the retirement, regardless of the method of payment.

The Schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

NEST
The Trust offers a second NEST pensions scheme for employees who do not want to be in the NHS Pension Scheme but want to be auto enrolled in a pension.

This pension is free for employers to use and the employee pays a 1.8% contribution and a management charge of 0.3% a year. The scheme then invests the employee’s contribution to support the pension payments on their retirement.

1.9 Expenditure on other goods and services

Other operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable for those goods and services. Expenditure is recognised in operating expenses

except where it results in the creation of a non-current asset such as property plant and equipment.

1.10 Value Added Tax

Most of the activities of the Trust are outside the scope of Value Added Tax (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.

1.11 Corporation Tax

The Trust has determined that it has no corporation tax liability, based on the Trust undertaking no business activities.

1.12 Property, plant and equipment

Recognition
Property, plant and equipment is capitalised if:

- It is held for use in delivering services or for administrative purposes
- It is probable that future economic benefits will flow to, or service potential will be supplied to, the Trust
- It is expected to be used for more than one financial year
- The cost of the item can be measured reliably; and
- The item has an individual cost of at least £5,000 or collectively, a number of items have a cost of at least £5,000 and individually have cost more than £250, where the assets are functionally interdependent, they have broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

Valuation
All property, plant and equipment is 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. Assets that are held for their service potential and are in use are measured subsequently at their current value in existing use. Assets that were most recently held for their service potential but are surplus are measured at fair value where there are no restrictions preventing access to the market at the reporting date management.

Land and buildings used for the Trust's services or for administrative purposes are stated in the Statement of Financial Position at their re-valued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Revaluations of property plant and equipment are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period, in years where a revaluation does not take place, an indexation factor is applied.

Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowing costs. Assets are revalued and depreciation commences when they are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful economic lives or low values or both, as this is not considered to be materially different from current value in existing use.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Income.

Subsequent expenditure
Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

Depreciation, amortisation and impairments
Freehold land, properties under construction, and assets held for sale are not depreciated. Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. This is specific to the Trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over their estimated useful lives.

At each reporting period end, the Trust checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service

potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.
Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

Revaluation gains and losses
Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the "Statement of Comprehensive Income" as an item of "other comprehensive income".

De-recognition
Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

This condition is regarded as met when the sale is highly probable the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset on the revaluation reserve is transferred to the income and expenditure reserve. Following reclassification, the assets are measured at the lower of their existing carrying amount and their "fair value less costs to sell". Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment that are due to be scrapped or demolished do not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

1.13 Intangible assets

Recognition
Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only when:

- It is probable that future economic benefits will flow to, or service potential be provided to, the Trust
- Where the cost of the asset can be measured reliably, and
- Where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at cost. Software that is integral to the operating of hardware, for example an operating system is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use
- The intention to complete the intangible asset and use it
- The ability to sell or use the intangible asset
- How the intangible asset will generate probable future economic benefits or service potential the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Assets are capitalised in the month following the completion of the project, allowing time for final invoices to be received and accurate costs to be capitalised.

Measurement
Intangible assets acquired separately are initially recognised at cost. The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria for recognition are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at current value in existing use by reference to an active market, or, where no active market exists, at the lower of amortised replacement cost (modern equivalent assets basis) and value in use where the asset is income generating. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances. Revaluations and impairments are treated in the same manner as for property, plant and equipment.

Amortisation
Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

1.14 Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor imposes 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.

1.15 Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as "on-Statement of Financial Position" by the Trust. In accordance with IAS17, the underlying assets are recognised as property, plant and

equipment at their fair value, together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary

- Payment for the fair value of services received
- Repayment of the finance lease liability, including finance costs, and
- Payment for the replacement of components of the assets during the contract 'Lifecycle replacement'

Services received
The cost of services received in the year is recorded under the relevant expenditure headings with 'operating expenses'.

PFI assets, liabilities and finance costs
The PFI assets are recognised as property, plant and equipment when they come into use. The assets are measured initially at fair value or, if lower, at the present value of the minimum lease payments, in accordance with the principles of IAS 17. Subsequently, the assets are measured at current value in existing use.

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the initial value of the assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

The element of the annual unitary payment increase due to cumulative indexation is treated as contingent rent and is expensed as incurred.

Lifecycle replacement
Components of the asset replaced by the operator during the contract ("lifecycle replacement") are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at cost.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a "free" asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the Trust to the operator for use in the scheme
Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust's Statement of Financial Position.

Other assets contributed by the Trust to the operator
Assets contributed (e.g. cash payments, surplus property) by the Trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. When the asset is made available to the Trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

1.16 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The Trust as lessee
Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in calculating the Trust's surplus/ (deficit).

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

The Trust as lessor
Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.17 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the First In, First Out cost formula.

1.18 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash and bank balances are recorded at current vales.

1.19 Provisions

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rates.

Early retirement provisions are discounted using HM Treasury's pension discount rate of minus 0.50% (2018/19: 0.29%) in real terms.

1.20 Clinical negligence costs

NHS Resolution, formerly NHS Litigation Authority operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed in note 33 to the Trust accounts, however is not recognised.

1.21 Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any "excesses" payable in respect of particular claims are charged to operating expenses when the liability arises.

1.22 Contingencies

Contingent liabilities are not recognised, but are disclosed in note 34.1, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- Possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- Present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the Trust's control) are not recognised as assets, but are disclosed in note 34.2 where an inflow of economic benefits is probable.

Where the time value of money is material, contingent liabilities and contingent assets are disclosed at their present value.

1.23 Financial Assets

Financial assets are recognised when the Trust becomes party to the contractual provision of the financial instrument or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are de-recognised when the contractual rights have expired or when the asset has been transferred and the Trust has transferred substantially all of the risks and rewards of ownership or has not retained control of the asset.

Financial assets are initially recognised at fair value plus or minus directly attributable transaction costs for financial assets not measured at fair value through profit or loss. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices, where possible, or by valuation techniques.

Financial assets are classified into the following categories: financial assets at amortised cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit and loss. The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition.

Financial assets at fair value through other comprehensive income
Financial assets measured at fair value through other comprehensive income are those held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest.

Financial assets at fair value through profit and loss
Financial assets at fair value through profit and loss are held for trading. A financial asset is classified in this category if it has been 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.

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in calculating the Trust's surplus or deficit for the year. The net gain or loss incorporates any interest earned on the financial asset.

Impairment
For all financial assets measured at amortised cost or at fair value through other comprehensive income (except equity instruments designated at fair value through other comprehensive income), lease receivables and contract assets, the Trust recognises a loss allowance representing expected credit losses on the financial instrument.

The Trust adopts the simplified approach to impairment, in accordance with IFRS 9, and measures the loss allowance for trade receivables, contract assets and lease receivables at an amount equal to lifetime expected credit losses. For other financial assets, the loss allowance is measured at an amount equal to lifetime expected credit losses if the credit risk on the financial instrument has increased significantly since initial recognition (stage 2), and otherwise at an amount equal to 12-month expected credit losses (stage 1).

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds, and Exchequer Funds' assets where repayment is ensured by primary legislation. The Trust therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies. Additionally, the Department of Health and Social Care provides a guarantee of last resort against the debts of its arm's length bodies and NHS bodies (excluding NHS charities), and the Trust does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

1.24 Financial liabilities

Financial liabilities are recognised 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. Financial liabilities are de-recognised when the liability has been discharged – that is, the liability has been paid or has expired.

Financial liabilities at fair value through profit and loss
Derivatives that are liabilities are subsequently measured at fair value through profit or loss, Embedded derivatives that are not part of a hybrid contract containing a host that is an asset within the scope of IFRS 9 are separately accounted for as derivatives only if their economic characteristics and risks are not closely related to those of their host contracts, a separate instrument with the same terms would meet the definition of a derivative, and the hybrid contract is not itself measured at fair value through profit or loss.

Other financial liabilities
After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the amortised cost of the financial liability. In the case of DHSC loans that would be the nominal rate charged on the loan.

1.25 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of the PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities except for:

(i) Donated assets (including lottery funded assets)
(ii) Average daily cash balances held with the Government Banking Services (GBS) and National Loan Fund (NLF) deposits, excluding cash balances held in Government Banking Service accounts that relates to short-term working capital facility
(iii) PDC dividend receivable or payable.

The average relevant net assets are calculated as a simple average of opening and closing relevant net assets.

In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average 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 occurs as a result of the audit of the annual accounts.

1.26 Foreign currencies

The Trust's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on

the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses for either of these are recognised in the Trust's surplus/deficit in the period in which they arise. Foreign currency transactions are negligible.

1.27 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. However, they are disclosed in note 39 to the accounts.

1.28 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 the Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note 40 is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

1.29 Research and development

Research and development expenditure is charged against income in the year in which it is incurred, except insofar as development expenditure relates to a clearly defined project and the benefits of it can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the Statement of Comprehensive Income on a systematic basis over the period expected to benefit from the project. It should be re-valued on the basis of current cost. The amortisation is calculated on the same basis as depreciation, on a quarterly basis.

1.30 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

1.31 Accounting Standards that have been issued and have not yet been adopted

The DHSC GAM does not require the following IFRS Standards and Interpretations to be applied in 2019/20. These Standards are still subject to HM Treasury FReM adoption, with IFRS 16 being for implementation in 2021/22, and the government implementation date for IFRS 17 still subject to HM Treasury consideration.

IFRS 16 Leases
IFRS 16 Leases will replace *IAS 17 Leases*, *IFRIC 4 Determining whether an arrangement contains a lease* and other interpretations and is applicable in the public sector for periods beginning 1 April 2021. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below.

For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

IFRS 16 changes the definition of a lease compared to IAS 17 and IFRIC 4. The Trust will apply this definition to new leases only and will grandfather its assessments made under the old standards of whether existing contracts contain a lease.

On transition to IFRS 16 on 1 April 2021, the Trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the Trust's incremental borrowing rate. The Trust's incremental borrowing rate will be a rate defined by HM Treasury. Currently this rate is 1.27% but this may change between now and adoption of the standard. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2021 for existing finance leases.

For leases commencing in 2021/22, the Trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

HM Treasury revised the implementation date for IFRS 16 in the UK public sector to 1 April 2021 on 19 March 2020. Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity in from April 2021 and beyond, a quantification of the expected impact of applying the standard in 2021/22 is currently impracticable. However, the Trust does expect this standard to have a material impact on non-current assets, liabilities and depreciation due to 18 of the leases in 2019/20 relating to buildings.

Other standards, amendments and interpretations

- IFRS 17 *Insurance Contracts* – application required for accounting periods beginning on or after 1 January 2023, but not yet adopted by the FReM: early adoption is not therefore permitted. The impact of this change will be immaterial to the Trust

2. Operating segments

The Trust has only one operating segment; that is the provision of healthcare services.

The total amount of income from the provision of healthcare services during the accounting period is £147,481k, including £121,554k from Clinical Commissioning Groups (CCGs).

	2019/20	2018/19
	£	£
Clinical income	147,481	134,437
Non clinical income	11,775	14,198
Pay	(113,208)	(101,778)
Non pay	(39,887)	(38,362)
Surplus/(deficit)	**6,161**	**8,495**

The Trust generated over 10% of income from the following organisations:

	2019/20	2018/19
	£	£
NHS Derby and Derbyshire CCG	**120,899**	0
Southern Derbyshire CCG	**0**	66,463
North Derbyshire CCG	**0**	25,306

Southern Derbyshire CCG, North Derbyshire CCG, Hardwick CCG and Erewash CCG merged into NHS Derby and Derbyshire CCG on the 1 April 2019.

3. Income generation activities

Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes.

The Trust undertakes some minor income generation activities with an aim of achieving profit, which is then used in patient care, although those activities do not provide material sources of income or have a full cost of over £1m.

4. Income

4.1 Income from patient care activities (by type)

	2019/20	2018/19
	£000	£000
NHS England	**10,497**	4,747
Clinical Commissioning Groups	**121,554**	113,171
Local Authorities	**14,906**	14,817
Department of Health and Social Care	**400**	1,583
Foundation Trusts	**42**	86
NHS Other	**82**	33
	147,481	134,437

Included in the figure with NHS England is £220k relating to reimbursement of costs(£210k) and loss of income (£10k) for COVID-19 and £4,706k of notional income for the additional 6.3% Pension Contribution.

Included in the CCG figure is £679k which is an additional allocation for mental health providers which is to flow through to the bottom line to improve the financial outturn.

4.2 Income from patient care activities (class)

	2019/20	2018/19
	£000	£000
Cost and volume contract income	**7,846**	6,428
Block contract income	**113,356**	105,650
Other clinical income from mandatory services	**652**	532
Community income	**20,271**	20,186
Other clinical income	**5,356**	1,641
	147,481	134,437

As part of the NHS Provider licence and the Continuity of Services Condition the Trust has a significant proportion of patient care activities designated as Commissioner Requested Services. The total income from Commissioner Requested Services is contained in note 4.3.

4.3 Income from Commissioner Requested Services

Out of the services provided by the Trust through the main commissioner contract for mental health including Child and Adolescent Mental Health Services (CAMHS), Learning Disabilities and Children's Services a significant proportion (63%) are deemed through the contract to be Commissioner Requested Services. The value of the income for those Commissioner Requested Services is £100m. All other income stated in the accounts is generated from non-Commissioner Requested Services.

	2019/20	**2018/19**
	£000	**£000**
Commissioner Requested Services	**100,348**	**96,181**
Non-Commissioner Requested Services	**58,908**	**52,454**
Total Income	**159,256**	**148,635**

The classification of commissioning requested services (CRS) is based on a review that was carried out by commissioners in 2016/17. The change in value of CRS is due to new investments and service developments.

4.4 Overseas Visitors

The Trust has not invoiced or received any income from overseas visitors.

5. Other operating income

	2019/20 £000	2018/19 £000
Research and development	**457**	366
Education and training	**4,430**	4,818
Staff costs	**156**	505
Operating lease income	**287**	107
Other revenue	**5,260**	5,855
Provider Sustainability Fund (PSF)*	**1,185**	2,547
	11,775	14,198
Other revenue includes:		
Estates recharges	**0**	3
PFI Land contract	**61**	67
Catering	**151**	176
Pharmacy sales	**1,356**	1,991
Services to specialist schools	**332**	595
Services to other NHS Providers	**2,654**	2,164
Transport	**348**	**0**
Other income elements	**358**	859
	5,260	5,855

*The Trust received PSF Income from NHS England, notified via NHS Improvement (NHSI). NHSI instructed Trusts in receipt of the PSF Income that it could not be spent. It therefore increased the Trust surplus to the same value.

5.1 Additional information on revenue from contracts with customers recognised in the period

	2019/20 £000	2018/19 £000
Revenue recognised in the reporting period that was included within contract liabilities at the previous period end	**1,653**	1,393
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	0	0

6. Income

	2019/20 £000	2018/19 £000
From rendering of services	**159,256**	**148,635**
From sale of goods	**0**	**0**

7. Operating Expenses

	2019/20	2018/19
	£000	£000
Services from NHS Bodies	**4,684**	4,655
Purchase of healthcare from non NHS bodies	**10,461**	9,951
Employee expenses - Non-Executive Directors	**176**	128
Employee expenses - Staff and Executive Directors	**113,043**	101,650
Drug costs	**4,770**	4,781
Supplies and services - clinical (excluding drug costs)	**374**	313
Supplies and services - general	**840**	774
Establishment	**3,512**	3,283
Research and development	**65**	709
Transport	**2,251**	2,067
Premises - business rates payable to local authorities	**664**	655
Premises	**2,928**	2,872
Rentals from operating leases	**2,426**	2,357
Increase / (decrease) provision	**(59)**	267
Depreciation on property, plant and equipment	**3,497**	3,257
Amortisation of intangible assets	**613**	515
Impairments of property, plant and equipment	**302**	(436)
Audit services- statutory audit	**53**	48
Internal audit	**55**	43
Clinical negligence costs	**416**	378
Legal fees	**352**	245
Consultancy costs	**83**	0
Training, courses and conferences	**576**	563
Car parking and security	**13**	22
Redundancy	**5**	0
Hospitality	**14**	14
Insurance	**29**	30
Other services, e.g. external payroll	**395**	363
Losses, ex gratia and special payments	**13**	9
Other	**544**	627
	153,095	140,140

Operating costs include those costs that were incurred and reimbursed for COVID-19 related expenditure. These are included within clinical supplies, general supplies, establishment and staff costs above. In aggregate they total £210k.

8. Operating leases

8.1 As lessee

Operating lease commitments relate to properties rented by the Trust and also leased car arrangements.

Payments recognised as an expense	**2019/20**	2018/19
	£000	£000
Minimum lease payments	**2,426**	2,357
	2,426	2,357

The figures above include lease car payment and are reflected net, during the period the Trust has received employee contributions equating to £306k (2018/19 £306k).

Total future minimum lease payments	**2019/20**			2018/19
	Buildings	**Other**	**Total**	Total
	£000	**£000**	**£000**	£000
Payable:				
Not later than one year	**1,828**	**487**	**2,315**	2,247
Between one and five years	**6,904**	**397**	**7,301**	6,349
After five years	**14,101**	**0**	**14,101**	15,420
Total	**22,833**	**884**	**23,717**	24,016

Total future sublease payments expected to be received: £nil

8.2 As lessor

During 2018-19 the Trust agreed a short term deed of variation and sublease relating to an empty ward in order to enable University Hospitals of Derby and Burton NHS Foundation Trust to occupy their ward two on London Road Community Hospital for winter pressures activity on a short term basis. The occupation and use of the ward continued in 2019/20 and income of £287k (2018/19 £107k) can be seen in note 5. The future assumed lease receipt due is £0k.

9. Employee costs and numbers

9.1 Employee costs

	2019/20 Total	2018/19 Total
	£000	£000
Salaries and wages	**86,707**	81,638
Social security costs	**7,786**	7,377
Apprenticeship levy	**408**	381
Employer contributions to NHS Pension Scheme	**10,776**	10,287
6.3% pension costs paid by NHS England	**4,706**	-
Temporary staffing (agency and contract)	**2,819**	2,900
Termination benefits	**5**	-
Employee benefits expense	**113,208**	102,583
Of the total above:		
Charged to capital	**160**	141
Employee benefits charged to revenue	**113,048**	102,442
	113,208	102,583

There have been three cases of early retirements due to ill health in the year at a value of £190k (2018/19 – six cases at £276k).

9.2 Average whole time equivalent (WTE) of people employed

	Total	Total
	2019/20 Total	**2018/19 Total**
	WTE	**WTE**
Medical and dental	**173**	161
Administration and estates	**620**	597
Healthcare assistants and other support staff	**466**	442
Nursing, midwifery and health visiting staff	**899**	884
Nursing, midwifery and health visiting learners	**3**	2
Scientific, therapeutic and technical staff	**291**	281
Social care staff	**5**	3
Other	**0**	0
Total	**2,456**	2,372
Of the above:		
Number of whole time equivalent staff engaged on capital projects	**3**	3

The above numbers are based on the average WTE across the financial year. The workforce numbers reported in the annual report are based on headcount numbers recorded between the start and end of the financial years.

9.3 Exit Packages

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Guidance. Exit costs are accounted for in full in the year the Trust has legally committed to or appropriately provided for the departure. Where the Trust has agreed early retirements, the additional costs are met by the Trust and not by the NHS pension's scheme. Ill-health retirement costs are met by the NHS pension's scheme.

During the period the Trust incurred exit costs for employees and these are reported in the Trusts Annual Report in accordance with the annual reporting requirements.

9.4 Management costs

	2019/20 £000	2018/19 £000
Management costs	**9,542**	8,817
Income	**159,256**	148,635
Management costs as a percentage of total Trust income is	**5.99%**	5.93%

10. Pension Costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2020 is based on valuation data as at 31 March 2019, updated to 31 March 2020 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant 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 report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6%, and the Scheme Regulations were amended accordingly.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

11. Better Payment Practice Code

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 data relating to this is published in the Annual Report.

12. The Late Payment of Commercial Debts (Interest) Act 1998

There was one payment (none 2018/19) that was made in respect of the Late Payment of Commercial Debt (Interest) Act 1998 for £153.37.

13. Finance Income

Finance income was received in the form of bank interest receivables totalling £211k (2018/19 £154k).

14. Other gains and losses

There have been no gains in year 2019/20 (2018/19 £52k). There have been losses of £15k in 2019/20 (2018/19 £0) which related to the write off of assets that are no-longer in use.

15. Finance costs

	2019/20	2018/19
	£000	£000
Finance lease costs	**199**	228
Other finance lease costs*	**0**	1,108
Interest on obligations under PFI contracts:		
- main finance cost	**1,243**	1,288
- contingent finance cost	**726**	682
Unwinding of discount on provisions	**(13)**	9
Total interest expense	**2,155**	3,315

*The finance lease was revalued in 2018/19 following a market rate rent review.

16. Property, plant and equipment

2019/20	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	**Total**
	£000	£000	£000	£000	£000	£000	£000	**£000**
Cost or valuation:								
At 31 March 2019	14,524	79,853	3,710	1,285	148	4,247	2,559	**106,326**
Transfers by absorption	0	0	(125)	0	0	0	0	**(125)**
Additions	0	160	2,694	0	0	643	19	**3,516**
Impairments	0	(564)	0	0	0	0	0	**(564)**
Reclassifications	0	1,041	(2,287)	0	188	366	333	**(359)**
Reclassifications – write back of depreciation on revaluation	0	(11,731)	0	0	0	0	0	**(11,731)**
Revaluations	39	9,544	0	0	0	0	0	**9,583**
Disposals	0	0	0	(803)	(45)	(527)	(1,014)	**(2,389)**
At 31 March 2020	**14,563**	**78,303**	**3,992**	**482**	**291**	**4,729**	**1,897**	**104,257**
Depreciation								
At 31 March 2019	0	11,707	115	1,016	77	2,219	1,520	**16,654**
Provided during the year	0	2,775	0	32	34	494	162	**3,497**
Impairments	0	142	160	0	0	0	0	**302**
Reclassifications - write back of depreciation on revaluation	0	(11,731)	0	0	0	0	0	**(11,731)**
Disposals	0	0	0	(803)	(45)	(527)	(999)	**(2,374)**
At 31 March 2020	**0**	**2,893**	**275**	**245**	**66**	**2,186**	**683**	**6,348**
Net book value at 31 March 2020	14,563	75,410	3,717	237	225	2,543	1,214	**97,909**

The £359k balance on reclassifications is a transfer of Assets under construction to Software Licences on Capitalisation which can be seen in Note 17

	Land	Buildings excluding dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	**Total**
Net book value	£000	£000	£000	£000	£000	£000	£000	**£000**
Owned	14,563	31,375	3,717	237	225	2,543	1,214	**53,874**
Finance lease	0	1,350	0	0	0	0	0	**1,350**
PFI	0	42,685	0	0	0	0	0	**42,685**
Total at 31 March 2020	**14,563**	**75,410**	**3,717**	**237**	**225**	**2,543**	**1,214**	**97,909**

16.1 Revaluation reserve balance for property, plant & equipment

	Land	**Buildings**	**Total**
	£000	**£000**	**£000**
At 31 March 2019	**12,795**	**29,260**	**42,055**
Movements	**39**	**8,980**	**9,019**
At 31 March 2020	**12,834**	**38,240**	**51,074**

16.2 Property, plant and equipment

2018-19	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	**Total**
	£000	£000	£000	£000	£000	£000	£000	**£000**
Cost or valuation:								
At 31 March 2018	14,524	78,015	2,076	1,545	138	3,618	2,246	**102,162**
Additions	0	243	3,060	0	18	713	0	**4,034**
Impairments	0	0	0	0	0	0	0	**0**
Reclassifications	0	1,002	(1,426)	0	0	108	316	**0**
Revaluations	0	593	0	0	0	0	0	**593**
Disposals	0	0	0	(260)	(8)	(192)	(3)	**(463)**
At 31 March 2019	**14,524**	**79,853**	**3,710**	**1,285**	**148**	**4,247**	**2,559**	**106,326**
Depreciation								
At 31 March 2018	0	9,674	0	1,153	77	2,030	1,362	**14,296**
Provided during the year	0	2,602	0	105	8	381	161	**3,257**
Impairments	0	0	115	18	0	0	0	**133**
Reclassifications	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	(569)	0	0	0	0	0	**(569)**
Disposals	0	0	0	(260)	(8)	(192)	(3)	**(463)**
At 31 March 2019	**0**	**11,707**	**115**	**1,016**	**77**	**2,219**	**1,520**	**16,654**
Net book value at 31 March 2019	14,524	68,146	3,595	269	71	2,028	1,039	**89,672**

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	**Total**
Net book value	£000	£000	£000	£000	£000	£000	£000	**£000**
Owned	14,524	32,574	3,595	269	71	2,028	1,039	**54,100**
Finance Lease	0	1,759	0	0	0	0	0	**1,759**
PFI	0	33,813	0	0	0	0	0	**33,813**
Total at 31 March 2019	**14,524**	**68,146**	**3,595**	**269**	**71**	**2,028**	**1,039**	**89,672**

16.3 Revaluation reserve balance for property, plant & equipment

	Land	**Buildings**	**Total**
	£000	**£000**	**£000**
At 31 March 2018	**12,795**	**28,667**	**41,462**
Movements	**0**	**593**	**593**
At 31 March 2019	**12,795**	**29,260**	**42,055**

16.4 Valuation

There was a full revaluation of the Trust's owned land and buildings, the revaluation was provided by the DVS Property Specialists in 2019/20. Assets were valued at market value for land and non-specialised buildings or at depreciated replacement cost for specialised buildings. There was an increase of £8,980k on buildings and £39k on land.

The valuation exercise was carried out in February 2020 with a valuation date of 31 March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has declared a 'material valuation uncertainty' in the valuation report. This is on the basis of uncertainties in markets caused by COVID-19. The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. With the valuer having declared this material valuation uncertainty, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust.

Of the £88,142k net book value of land and buildings subject to valuation, a 3.2% change in the valuation would have £2,820k impact on the statement of financial position with a £99k impact on the PDC dividend due to be paid next year and accrued in these financial statements.

16.5 Economic life of property, plant and equipment

The following table shows the range of estimated useful lives for property, plant and equipment assets

	Max Life Years	Min Life Years
Land	100	5
Buildings excluding dwellings	100	5
Plant and machinery	15	5
Transport equipment	25	5
Information technology	25	5
Furniture and fittings	25	5

16.6 Property Plant and Equipment: Commissioner Requested Services

No Commissioner Requested Services properties were sold in 2019/20.

17 Intangible Assets

2019/20	Software Licences (Purchased)	Information Technology (Internally Generated)	Assets under Construction	Total
	£000	£000	£000	£000
Cost or valuation:				
At 1 April 2019	**2,144**	**3,334**	**547**	**6,025**
Additions Purchased	**0**	**0**	**1,809**	**1,809**
Impairments	**0**	**0**	**0**	**0**
Reclassifications	**373**	**0**	**(14)**	**359**
Revaluations	**0**	**0**	**0**	**0**
Disposals	**(17)**	**0**	**0**	**(17)**
At 31 March 2020	**2,500**	**3,334**	**2,342**	**8,176**
Amortisation				
At 1 April 2019	**930**	**1,690**	**0**	**2,620**
Provided during the year	**270**	**343**	**0**	**613**
Impairments	**0**	**0**	**0**	**0**
Reclassifications	**0**	**0**	**0**	**0**
Reversal of impairments	**0**	**0**	**0**	**0**
Disposals	**(17)**	**0**	**0**	**(17)**
At 31 March 2020	**1,183**	**2,033**	**0**	**3,216**
Net book value at 31 March 2020	**1,317**	**1,301**	**2,342**	**4,960**

All Intangible assets are classed as owned.

17.1 Intangible Assets

2018-19	Software Licences (Purchased)	Information Technology (Internally Generated)	Assets under Construction	Total
	£000	£000	£000	£000
Cost or valuation:				
At 31 March 2018	**1,839**	**3,033**	**75**	**4,947**
Additions purchased	207	301	570	**1,078**
Reclassifications	98	0	(98)	**0**
At 31 March 2019	**2,144**	**3,334**	**547**	**6,025**
Amortisation				
At 31 March 2018	**733**	**1,372**	**0**	**2,105**
Provided during the year	197	318	0	**515**
At 31 March 2019	**930**	**1,690**	**0**	**2,620**
Net book value at 31 March 2019	**1,214**	**1,644**	**547**	**3,405**

All Intangible assets are classed as owned.

18. Impairments

Impairments of £866k have arisen in year, £191k of which was due to over specification of assets in asset under construction. The remaining £675k impairment arose due to the revaluation of the estate by the valuer, overall the value of the estate went up but within overall position some elements had to be impaired.

	Note	**£000 2019/20**	£000 2018/19
Impairments for property, plant and equipment		**191**	133
Reversal of impairments for property, plant and equipment		**0**	(569)
Change in market price		**675**	**0**
Total impairments written to I&E		**866**	**(436)**
Impairments written to I&E	7	**302**	**(436)**
Impairments written to Revaluation Reserve	16	**564**	**0**
		866	**(436)**

Impairments written to I&E		
Over specification of assets – property, plant and equipment	**191**	(436)
Changes in market price	**111**	**0**
Total	**302**	(436)

19. Commitments

19.1 Capital commitments

The Trust does not have any capital commitments as at 31 March 2020.

20. Inventories

20.1 Inventories

	2019/20 £000	2018/19 £000
Finished goods	**251**	166
Total	**251**	166
Of which held at net realisable value:	**0**	0

20.2 Inventories recognised in expenses

	2019/20 £000	2018/19 £000
Inventories recognised as an expense in the period	**2,430**	2,623
Total	**2,430**	2,623

21. Trade and other receivables

21.1 Trade and other receivables

The majority of trade is with Clinical Commissioning Groups, as commissioners for NHS patient care services. As Clinical Commissioning Groups are funded by Government to buy NHS patient care services, no credit scoring of them is considered necessary.

	2019/20 £000	2018/19 £000
Current		
Contract receivables	2,946	4,896
Allowance for impaired contract receivables / assets	(76)	(31)
Prepayments (non-PFI)	737	562
PDC dividend receivable	-	52
VAT receivable	153	25
Other receivables	28	44
Total current trade and other receivables	**3,788**	**5,548**
Non-current		
PFI lifecycle prepayments	1,362	935
Total non-current trade and other receivables	**1,362**	**935**
Of which receivables from NHS and DHSC group bodies:		
Current	2,114	3,730
Non-current	0	0

21.2 Allowances for credit losses 2019/20

	2019/20 Contract receivables and contract assets £000	2018/19 Contract receivables and contract assets £000
Allowances brought forward	**31**	0
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2019		
Allowances at start of period for new FTs		
Transfers by absorption	**0**	49
New allowances arising	**48**	0
Reversals of allowances	**0**	(18)
Utilisation of allowances (write offs)	**(3)**	0
Allowances as at 31 March 2020	**76**	31

22. Other financial assets

There are no other financial assets as at 31 March 2020.

23. Other current assets

There are no other current assets as at 31 March 2020.

24. Cash and cash equivalents

	31 March 2020 £000s	31 March 2019 £000s
Balance at 31 March	**27,443**	21,295
Net change in period	**6,062**	6,148
Balance at period end	**33,505**	27,443
Made up of		
Cash with Government banking services	**33,451**	27,403
Commercial banks and cash in hand	**54**	40
Cash and cash equivalents as in statement of cash flows	**33,505**	27,443

25. Non-current assets held for sale

The Trust has no Assets Held for Sale as at 31 March 2020.

26. Trade and other payables

	Current	Current
	2019/20	2018/19
	£000	£000
NHS payables	**3,285**	1,577
Trade payables - capital	**1,866**	2,586
Trade payables - Non NHS	**4,167**	4,316
Accruals	**5,139**	3,465
Taxes payables	**919**	896
Social Security costs	**1,202**	1,140
PDC dividend payable	**182**	0
Other payables	**1,819**	1,730
Total	**18,579**	**15,710**

The Trust does not have any non-current liabilities.

Other Payables include:
£1,492k outstanding pensions contributions at 31 March 2020 (31 March 2018 £1,430k). These were paid in April 2020.

27. Borrowings

	Current	**Non-current**	Current	Non-current
	2019/20	**2019/20**	2018/19	2018/19
	£000	**£000**	£000	£000
Finance lease	**40**	**2,247**	30	2,286
PFI liabilities	**767**	**23,303**	860	24,070
Total	**807**	**25,550**	890	26,356

The Trust has a PFI contract with Arden Partnership to operate and service buildings to provide patient care and clinical support services. The contract is due to expire during 2039. The finance lease relates to St Andrews House, the contract is due to expire during 2037.

28. Other liabilities

	Current	Current
	2019/20	2018/19
	£000	£000
Deferred income	**3,067**	1,653
	3,067	1,653

The Trust has no other liabilities.

29. Finance lease obligations

The Trust has one finance lease, this is St Andrews House in Derby which is used to provide clinical and admin services.

Details of the lease charges are below:

	2019/20	2018/19
	£000	£000
Not later than one year	**228**	228
Later than one year, not later than five years	**912**	912
Later than five years	**3,078**	3,306
Sub total	**4,218**	4,446
Less: interest element	**(1,931)**	(2,130)
Total	**2,287**	2,316

The Trust is committed to pay per the above table.

30. Finance lease receivables

The Trust does not have any finance lease arrangements as a lessor.

31. Private Finance Initiative contracts

31.1 PFI schemes on-statement of financial position

The Trust has a PFI contract with Arden Partnership to operate and service buildings to provide patient care and clinical support services. The contract is due to expire in 2039.

Under IFRIC 12, the asset is treated as an asset of the Trust; that the substance of the contract is that the Trust has a finance lease and payments comprise two elements - imputed finance lease charges and service charges.

Details of the imputed finance lease charges are shown in the table below:

Total obligations for on-statement of financial position PFI contracts due also below:

31.1 PFI schemes on-statement of financial position		
	2019/20	2018/19
	£000	£000
Not later than one year	**1,968**	2,104
Later than one year, not later than five years	**7,730**	7,902
Later than five years	**28,401**	30,196
Sub total	**38,099**	40,202
Less: interest element	**(14,029)**	(15,273)
Total	**24,070**	24,930

31.2 Charges to expenditure

The total charged in the period to expenditure in respect of the service element of on-statement of financial position PFI contracts was £979k (prior year £1038k). In year £27k was released from the Lifecycle prepayment to revenue (£0k in 2018-19). The Trust received a one off insurance credit in year which has led to a reduction in costs for 2019/20.

At present value the Trust is committed to the following charges:

	2019/20	2018/19
	£000	£000
Not later than one year	**1,074**	1,042
Later than one year, not later than five years	**4,346**	4,220
Later than five years	**15,874**	16,557
Total	**21,294**	21,819

The Trust's PFI model is updated for inflation each year, the 2019/20 figures below show the Trust's commitments if a 2.5% RPI increase is applied each year:

	2019/20	2018/19
	£000	£000
Not later than one year	**1,100**	1,069
Later than one year, not later than five years	**4,743**	4,605
Later than five years	**21,791**	23,034
Total	**27,634**	28,708

31.3 Future Unitary Payments

The table below shows the Trust's total commitments for the PFI scheme until 2039.

2019/20	Within 1 year	2-5 years	Over 5 years	**Total**
	£000	£000	£000	**£000**
Operating Costs	1,100	4,743	21,791	**27,634**
Financing Expenses	1,945	7,978	32,633	**42,556**
Capital Repayments	767	3,343	19,960	**24,070**
Lifecycle Costs	648	2,922	12,640	**16,210**
Total	**4,461**	**18,986**	**87,024**	**110,470**

2018-19	Within 1 year	2-5 years	Over 5 years	**Total**
	£000	£000	£000	**£000**
Operating Costs	1,069	4,605	23,034	**28,708**
Financing Expenses	1,969	7,957	34,612	**44,538**
Capital Repayments	860	3,347	20,723	**24,930**
Lifecycle Costs	455	2,617	10,596	**13,668**
Total	**4,353**	**18,526**	**88,965**	**111,844**

32. Other financial liabilities

The Trust has no other financial liabilities.

33. Provisions

	Current	**Non-current**	Current	Non-current
	2019/20	**2019/20**	2018/19	2018/19
	£000	**£000**	£000	£000
Pensions relating to former directors	-	-	-	-
Pensions relating to other staff	200	2,751	193	2,520
Legal claims	105	0	125	0
Redundancy	0	0	0	0
Other	328	0	1,147	0
Total	**633**	**2,751**	1,465	2,520

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Other	Total
	£000	£000	£000	£000	£000
At 1 March 2019	225	2,488	125	1,147	3,985
Arising during the period	26	45	59	0	130
Change in discount rate	42	340	0	0	382
Used during the period	(35)	(167)	(36)	(19)	(257)
Reversed unused	0	0	(43)	(800)	(843)
Unwinding of discount	(1)	(12)	0	0	(13)
At 31 March 2020	257	2,694	105	328	3,384
Expected timing of cash flows:					
Within one year	33	167	105	328	633
Between one and five years	130	664	0	0	794
After five years	94	1,863	0	0	1,957
	257	2,694	105	328	3,384

The Trust holds a provision for pensions and by its nature this includes a degree of uncertainty in respect of timings and amount, due to the uncertainty of life expectancy. Future liability is calculated using actuarial values.

Other provisions – this includes provision for the working time directive and other general Trust provisions relating to employee claims.

£2,062k is included in the provisions of the NHS Resolution at 31 March 2020 in respect of clinical negligence liabilities of the Trust (31 March 2019 £2,723k).

34. Contingencies

34.1 Contingent liabilities

There are no contingent liabilities as at 31 March 2020.

34.2 Contingent assets

Contingent assets are disclosed where a possible asset exists as a result of past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Trust's control. Contingent assets are disclosed only where the future inflow of economic benefit is considered to be probable. The Trust has one contingent asset that relates to a contract clause in a sale of land, the timing is currently unknown.

35. Financial instruments

35.1 Carrying values of financial assets

	2019/20 Held at Amortised Cost £000	2018/19 Held at Amortised Cost £000
Trade receivables	**2,898**	4,896
Cash at bank and in hand	**33,505**	27,443
Total at 31 March	**36,403**	32,339

35.2 Carrying value of financial liabilities

	2019/20 Held at Amortised Cost £000	2018/19 Held at Amortised Cost £000
Trade payables	**16,276**	13,674
PFI and finance lease obligations	**26,357**	27,246
Total at 31 March	**42,633**	40,920

IFRS 7 requires the Foundation Trust to disclose the fair value of financial liabilities. The PFI scheme is a non-current Financial Liability where the fair value is likely to differ from the carrying value. The Trust has reviewed the current interest rates available on the market and if these were used as the implicit interest rate for the scheme the fair value of the liability would range from £24,358k to £26,084k.

35.3 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Trust has with clinical commissioning groups and the way those clinical commissioning groups are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the Board of Directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

100% of the Trust's financial assets and 100% of its financial liabilities carry nil or fixed rates of interest. Derbyshire Healthcare NHS Foundation Trust is not, therefore, exposed to significant interest rate risk.

Credit risk

Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2020 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk

The Trust's cash flows are mainly stable and predictable. Operating costs are incurred under contracts with clinical commissioning groups, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from internally generated sources. The Trust has approved an estate strategy that it anticipates will require some external sources of funding, as part of the business cases for progressing these components of the estate strategy the impact on liquidity will be fully considered and addressed. The Trust is not, therefore, exposed to significant liquidity risks.

36. Events after the reporting period

There were no post balance sheet events for the period ending 31 March 2020.

37. Audit fees

The analysis below shows the total fees paid or payable for the period in accordance with the Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008 (SI 2008/489).

	2019/20	2018/19
	£000	£000
External audit fees		
Statutory audit services	**53**	42
Non audit services	**0**	6
Total	**53**	48
Other audit fees		
Internal audit services	**55**	43
Counter fraud	**18**	14
Total	**73**	57

The auditor's liability for external audit work carried out for the financial year 2019/20 is limited to £2m.

The External Audit Fees figure above includes VAT as under the NHS VAT regime it cannot be re-claimed.

38. Related party transactions

Derbyshire Healthcare NHS Foundation Trust is a public benefit corporation authorised by NHS Improvement - the Independent Regulator for NHS Foundation Trusts. All NHS Foundation Trusts are independent bodies which are not controlled by the Secretary of State. The Trust has considered whether or not the working relationships it has with any NHS bodies and Government departments and agencies meet the definition of a related part under IAS 24.
The value of transactions with government bodies and other related parties with which the Trust has had material dealings and which therefore require disclosure are:

2019/20	**Income £000**	**Expenditure £000**	**Receivables £000**	**Payables £000**
Related parties with other NHS Bodies	138,732	10,771	2,114	6,019
2018-19				
Related parties with other NHS Bodies	131,024	10,074	3,730	4,642

During the financial period, there is one Board Member who has had related parties with NHS Organisations:

> Amanda Rawlings held a shared director post with Derbyshire Community Health Services NHS Foundation Trust.

No other Board Members of Derbyshire Healthcare NHS Foundation Trust have had related party relationships with organisations where we have material transactions and could have a controlling interest.

The Department of Health is regarded as a related party, as they are the Parent Department for Foundation Trusts. During the period Derbyshire Healthcare NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

NHS Derby and Derbyshire Clinical Commissioning Group
University Hospitals of Derby and Burton NHS Foundation Trust
Derbyshire Community Health Services NHS Foundation Trust
NHS England
Health Education England
Chesterfield Royal Hospital NHS Foundation Trust
Sheffield Health and Social Care NHS Foundation Trust
NHS Business Authority
NHS Shared Business Services

In addition, the Trust has had a number of material transactions with other Government Departments and other central and local Government bodies. Most of these transactions have been with Derby City Council and Derbyshire County Council.

The Trust has also received payments from a number of charitable funds. The members of the NHS Trust Board are also the Trustees for the Charitable Funds held in trust for Derbyshire Healthcare which is managed by Derbyshire Community Health Services NHS Foundation Trust. The audited accounts for the Funds Held on Trust are available from the Communications Department.

The Register of Interests is available from the Legal Department.

39. Third party assets

The Trust held £129k cash and cash equivalents at 31 March 2020 (£108k 31 March 2019) which relates to monies held by the NHS Trust on behalf of patients. This has been excluded from the cash and cash equivalents figure reported in the accounts.

The Trust deposit accounts on behalf of the patients have been transferred into the Trust Government Bank Service (GBS) accounts has they were attracting monthly charges and were no-longer beneficial to be held in individual accounts. The balance remains at £28k (£28k 31 March 2019).

40. Losses and special payments

There were 14 cases of losses and special payments worth £13k (2018/19 - there were 15 cases totalling £9k).

	2019/20 Total number of cases Number	**2019/20 Total value of cases £000**	2018/19 Total number of cases Number	2018/19 Total value of cases £000
Cash losses	**0**	**0**	0	0
Bad debts and claims abandoned	**0**	**0**	0	0
Loss of stock	**3**	**7**	1	5
Special payments				
- compensation payments	**11**	**6**	14	4
- ex gratia payments	**0**	**0**	0	0
	14	**13**	15	9

Compensation payments relate to NHS Resolution insurance excess paid on legal claims.

There were no clinical negligence, fraud, personal injury, compensation under legal obligation or fruitless payment cases accounted for in 2019/20 period where the net payment exceeded £300,000.

The above have been reported on an accruals basis and exclude provisions for future losses.

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