

The ROYAL MARSDEN

NHS Foundation Trust

Annual Report and Accounts 2016/17



NHS

At The Royal Marsden, we deal with cancer every day – so we understand how valuable life is. And when people entrust their lives to us, they have the right to demand the very best. That's why the pursuit of excellence lies at the heart of everything we do.



Life demands excellence

Front cover photo

Dr Alison Tree, Consultant Clinical Oncologist and Professor Uwe Oelfke, Head of the Joint Department of Physics at the ICR and The Royal Marsden with the MR Linac.

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1. Performance report

The purpose of the performance report is to provide an overview of our organisation, its highlights and achievements as well as its objectives and principal risks. Our Chairman and Chief Executive summarise this in their joint statement below.

Overview of performance

Chairman and Chief Executive joint statement

The Royal Marsden opened its doors in 1851 as the world's first hospital dedicated to cancer diagnosis, treatment, research and education.

Today, together with its academic partner, The Institute of Cancer Research (ICR), The Royal Marsden is the largest comprehensive cancer centre in Europe, treating over 50,000 patients every year.

As well as hospital sites in Chelsea and Sutton and a Medical Day Unit at Kingston Hospital, The Royal Marsden is responsible for providing community services in the London Borough of Sutton, ensuring patients receive the best possible care between hospital and home.

Research

As an NIHR Biomedical Research Centre, The Royal Marsden and ICR are able to rapidly transfer scientific breakthroughs into treatment and care for cancer patients. We have a pioneering drug development programme with over 600 clinical studies currently open, treating over 42,000 patients.

The Oak Centre for Children and Young People also has one of Europe's largest drug development programmes in paediatric oncology, and was recently awarded a top score by the Innovative Therapies for Children with the Cancer Consortium for its work in initiating and leading clinical trials.

Collaboration

As a specialist cancer centre we work in collaboration with a range of organisations, both nationally and internationally.

The UK's first MR Linac was officially opened by the Mayor of London Sadiq Khan at our Sutton site in November 2016. We are one of seven centres in the world trialling this pioneering radiotherapy technology, thanks to a £10 million grant from the Medical Research Council, and The Royal Marsden Cancer Charity.

Over the year we have continued to work with The Christie and University College London Hospitals as part of the National Cancer Vanguard, developing new models of care that we hope will act as blueprints for the NHS. Locally, this new model, RM Partners, aims to improve survival, quality and safety, patient experience and recruitment to clinical trials, and serves a population of 3.5 million people.

The Royal Marsden recently joined together with Imperial College London, Imperial College Healthcare NHS Trust and the Royal Brompton in the Imperial College Academic Health Science Centre, which aims to coordinate and align care, education and research to achieve improved survival and outcomes for all our patients.

Current and future investment

We continue to improve our facilities and environment and were delighted when our President, HRH The Duke of Cambridge, officially opened the Ralph Lauren Centre for Breast Cancer Research in May 2016. The new Centre was funded by supporters of The Royal Marsden Cancer Charity, including a generous donation from designer and philanthropist Ralph Lauren. The Duke toured the new facility and spoke to patients about their treatment and care in the Diane McCarthy Medical Day Unit.

As part of the redevelopment of our Sutton hospital, we have started the planning for a major new Clinical Care and Research Centre due to open in 2021. The Royal Marsden Cancer Charity has launched an appeal to raise £50 million to build the new facility, which will combine clinical and research space, and we are delighted that Mike Slade, Chairman of Helical plc, joined us as the Chairman of the Appeal Board.

The Royal Marsden met its quality and financial targets in 2016/17, including generating a financial surplus above plan.

Quality of service

The Trust has a strong track record in both performance and service, which was highlighted in the CQC Inpatient Survey. The Royal Marsden scored an overall experience rating of nine out of ten, the highest score for any Trust. The Trust achieved a rating of outstanding for its cancer services in the CQC Inspection in 2016, with an overall Trust

rating of “Good” to reflect the work we need to undertake to improve staffing levels and documentation in Community Services. We are on track with this and thank staff for their support in making excellent progress.

The Royal Marsden is also the first Trust to have achieved ISO9001 accreditation for radiotherapy and one of only a few Trusts in the NHS to have achieved this standard for pharmacy and chemotherapy.

We are incredibly proud of all our staff at The Royal Marsden. Their care, compassion and support is reflected in some of the highest scores in the NHS Friends and Family Test. An average 98% of patients in 2016 would recommend The Royal Marsden and our staff to their friends and family for treatment.

We have also continued our strong financial track record this year, in a difficult financial environment. The financial accounts for the year 2016/17 show that the Trust generated a surplus of £5.6m which will be utilised to fund investment in capital development, in particular for schemes that will enhance services to patients at both the Chelsea and Sutton hospital sites.

At The Royal Marsden, we deal with cancer every day so we understand that people entrust their lives to us and have the right to demand the very best. This is why the pursuit of excellence lies at the heart of everything we do. No matter what we achieve, we are always striving to do more and we will work hard to continue to improve the lives of people affected by cancer here in the UK and worldwide.



Cally Palmer CBE
Chief Executive



Charles Alexander
Chairman

Summary of achievements

World-leading radiotherapy

The Mayor of London Sadiq Khan officially opened the UK's first MR Linac at the Sutton site in November 2016. The MR Linac machine has the potential to transform the care of cancer patients by directing radiation to tumours that move during treatment. The technology will simultaneously generate magnetic resonance images and deliver X-rays – allowing radiotherapy to be adjusted in real time and delivered more accurately and effectively than ever before.

Working in partnership, The Royal Marsden and the ICR are the first institutions in the UK to install the machine, with the first patients due to be treated in late 2017. The technology, funded by a £10m grant from the Medical Research Council, and The Royal Marsden Cancer Charity, is set to make radiotherapy more effective and reduce its side-effects, by tailoring the radiation beam precisely to the patient's anatomy during treatment.

Working in partnership

The Royal Marsden was the founding Trust of the London Cancer Alliance across west and south London which was established to ensure all partners worked together on improving patients' speed into diagnosis and treatment for improved survival. The Royal Marsden has now taken this forward with its hospital and GP partners to form RM Partners, a new care model which aims to improve survival, quality and safety, and patient experience across a population of 3.5 million.

Nationally, RM Partners is one of three partnerships that make up the National Cancer Vanguard. This forms part of the NHS's national New Care Models Programme, designed to develop new systems for delivering health services across organisational boundaries. Covering a population of over 10 million it focuses on diagnosing cancer earlier, improving patient and family engagement in the design and delivery of cancer services which will then be rolled out across the country for wider patient benefit.

Working with its partners not only provides a great opportunity to share expertise and learning in delivering cancer services, but also delivers better outcomes and experience for the local population.

Top quartile performance across key patient measures

The Royal Marsden continued to perform over the last year at the very top of national metrics for the delivery of cancer services. In our CQC rating, received in January 2017, our Chelsea hospital received an overall rating of "Outstanding" including a rating of "Outstanding" for Critical Care and Radiotherapy. Our Sutton hospital received an overall rating of "Good" with "Outstanding" ratings for Radiotherapy and Chemotherapy. Overall the CQC confirmed that The Royal Marsden's cancer services are rated outstanding. Community Services were inspected approximately two weeks after the disaggregation of Sutton and Merton Community Services and the transfer of the Merton Service to Central London Community Health Trust Adult Community Services were rated as "Requires Improvement" based on the need to improve staffing levels and documentation. We are on track to address the improvements required within this newly disaggregated service, which represents 7% of The Royal Marsden's service to patients. All elements of the individual assessments and ratings are aggregated and The Royal Marsden's overall rating as a provider is "Good".

The cleanliness of facilities, patient privacy, dignity and wellbeing, and the standard of catering at The Royal Marsden were all highly rated following this year's Patient-led Assessment of the Care Environment (PLACE) inspections. We also received marks in the top quartile in the 2015 National Inpatients Survey, 2015 National Cancer Patient Experience Survey and 2015 National Staff Survey and Friends and Family Test. We were placed third in the country in the 2016 NHS Learning from Mistakes League and were the first Trust to have achieved ISO9001 accreditation for radiotherapy as well as one of only a few Trusts in the NHS to have achieved this standard for Pharmacy/Chemotherapy.

Launch of our biggest fundraising appeal

As part of the redevelopment of our Sutton hospital, we have started the planning to build the Clinical Care and Research Centre (CCRC), a new facility combining clinical and research space. Due to open in 2021, the CCRC will be a centre of innovation in cancer research with patient treatment and care at the heart of the service provided in this new building. In November 2015, The Royal Marsden Cancer Charity launched an appeal to raise £50m to build the new centre, and an Appeal Board Chairman, Mike Slade Chairman of Helical plc, was appointed in January 2017. The building will be split into a new Outpatients Department and Medical Day Unit on the lower floors, while the upper floors will house clinical academic staff in a modern working environment. As well as transforming the way we work, completing the loop of 'bench-to-bedside', the new Centre will provide state-of-the-art patient facilities for our ever-growing patient population – we expect over 10,000 new referrals next year.

Continued funding for research

The Royal Marsden and the ICR have retained both their NIHR Biomedical Research Centre status and Clinical Research Facility status for another five years, receiving funding of £43 million and £2.5 million respectively from the NHS. Over the next five years, our BRC will direct the funding towards six individual research themes, plus two 'cross-cutting' themes, in order to continue our pioneering research into diagnosis, treatment and prevention and its translation into patient benefits. Together, our partnership with the ICR is able to rapidly transfer scientific breakthroughs into the clinic to transform the lives of cancer patients at The Royal Marsden, throughout the UK and beyond.

The Clinical Research Facility (CRF) funding enables the development of imaging techniques to guide and deliver therapy that ensures patients benefit from our personalised-medicine approach to treatment and care. Our CRF combines state-of-the-art cancer imaging equipment with internationally leading imaging expertise.

Royal support for new breast cancer research unit

The President of The Royal Marsden, HRH The Duke of Cambridge officially opened the Ralph Lauren Centre for Breast Cancer Research in Chelsea in May 2016. The Duke visited the brand new breast cancer research facility, alongside Mr Ralph Lauren, and toured the Diane McCarthy Medical Day Unit, where patients receive intravenous drug therapies, including some which are being developed in the new Centre.

The Ralph Lauren Centre for Breast Cancer Research was funded by supporters of The Royal Marsden Cancer Charity, including a generous donation from Ralph Lauren. It has been developed to the highest specification to provide an excellent facility for breast cancer research, staffed by a team of world-renowned clinicians and scientists, working with the latest in cancer research technology. The new Centre will help us to accelerate our research into improved survival for patients with breast cancer.

Our latest research partnership

The Royal Marsden has joined Imperial College's Academic Health Science Centre (AHSC). Together with The Royal Brompton & Harefield NHS Foundation Trust, Imperial College London and Imperial College Healthcare Trust, the partnership brings together 21,500 clinicians and other NHS staff, researchers and academics to drive innovation and improved care for the direct benefit of more than 1.1 million patients each year in north west London. The collaboration is set to achieve major advances in healthcare by aligning the research, education and clinical services of four organisations with research expertise and a strong track record of delivering results for patients.

Leading clinicians share their expertise and knowledge

One of The Royal Marsden's leading breast cancer consultants was given the honour of opening the annual San Antonio Breast Cancer Symposium in the US in December with an invited Plenary Lecture. Professor Stephen Johnston presented to 8,000 colleagues from all over the world on progress made in using endocrine treatment for breast cancer, including research carried out at The Royal Marsden that has helped to change the international standard of care. In addition to several research presentations given during the symposium by members of the Breast Unit, Dr Nicholas Turner, Consultant Medical Oncologist at The Royal Marsden, gave an educational talk on "Endocrine Resistance in Breast Cancer".

Senior consultants working at The Royal Marsden and The Institute of Cancer Research also presented their latest groundbreaking research at the 2016 meeting of the American Society of Clinical Oncology (ASCO) held in Chicago in June. Professor Johann de Bono, Head of Drug Development, presented research on how genetic testing can benefit men who already have prostate cancer. Dr Timothy Yap, Consultant Medical Oncologist, presented his work on whether blocking a protein called ATR can stop tumours growing.

Birthday Honours

Professor Martin Gore, Consultant Medical Oncologist at The Royal Marsden and former Medical Director, was awarded a CBE in the Queen's Birthday Honours in June 2016, for services to oncology. An oncologist for over 35 years, Professor Martin Gore is recognised both nationally and internationally for his work in melanoma, and ovarian and renal cancers. Professor Gore said: "I want to remember and pay tribute to my patients and their families who through their courage and determination have inspired me, particularly during some dark days when improvements in treatment for some appeared unobtainable. The changes we have witnessed in cancer care over my professional life are truly remarkable but more importantly, I believe we are on the cusp of a new era of ever more effective therapies."

Risk

The Trust is committed to the maintenance of a multidisciplinary, patient focused approach to care which is responsive to the needs of patients. The continued delivery of a high quality service requires the identification, management and reduction of events or activities that could compromise the safety of patients, staff, visitors and any other persons.

The systematic identification, analysis and control of risks are a key organisational responsibility. A culture of ownership and responsibility for risk management / patient safety is fostered throughout the organisation and all managers and clinicians undertake risk management as one of their fundamental duties. This is achieved through an environment of openness and trust: where mistakes, adverse incidents and near misses are identified quickly and dealt with in a positive and responsive way. Fear of disciplinary action may deter staff from reporting an incident. The view of the Trust Board is that disciplinary action should not form part of the response to a report of an incident unless there are “exceptional circumstances”.

Risk management aims to achieve the optimum balance between quality care, treatment and rehabilitation of patients and the provision of services which are safe by making maximum use of available resources and identifying prioritised risk control action plans. Risk reduction will be achieved through a continuous cycle of the identification, assessment, control, monitoring and review of risk.

The Board Assurance Framework

The purpose of the Board Assurance Framework (BAF) is to provide the Board with assurances when considered alongside the Trust's risk management processes, the Annual Governance Statement and the programme of internal audit (NHS 2015). The Board reviews the BAF on a regular basis which includes the strategic objectives for the Trust that have been identified from the four key themes in the Strategic Plan 2014/15 to 2018/19. The Trust's four strategic objectives are:

1. Innovation and precision medicine – Clinical sustainability/Value for Money: The management and delivery of world-class research and maintenance of top research performance while strengthening the Trust's working relationship with its academic partners;
2. New systems of care – Clinical and operational sustainability: The design and delivery of efficient, integrated pathways for cancer care which ensure quality is maintained and support the development of a successful surgical strategy;
3. Modernising infrastructure – operational sustainability: The planning and investment into the Trust's Sutton and Chelsea sites to ensure the Trust continues to deliver a sustainable service and is in a position to invest in IT, infrastructure and major equipment;
4. Financial sustainability and best value: The successful delivery of the Trust's Private Care Strategy while maintaining fair NHS tariff pricing and controlling the Trust's temporary staffing expenditure.

The Royal Marsden regularly reviews its operational and corporate risks using the Trust Risk Register and the Board Assurance Framework. For 2016/17, the following risks were identified and monitored.

- Failure to deliver the Trust Research Strategy effectively. The organisation recognises the need to make better use of available resources and improve research efficiencies. During 2016/17 the joint RM and ICR Research Strategy was launched, "Making the Discoveries; Our Strategy to Defeat Cancer". The strategy covers the next five years with a focus on translational research, taking research rapidly from the laboratory to the clinic for the benefit of patients. In 2016 The Royal Marsden secured NIHR BRC funding for the next five years from April 2017. The new grant was reduced however the risk will be mitigated by a programme of research prioritisation and efficiencies alongside seeking alternative sources of funding to ensure The Royal Marsden retains its leading edge in cancer research.
- Risk of reduced clinical and operational sustainability – Systems leadership: The Trust is part of the South West London Sustainability and Transformation Planning (STP) footprint. The Royal Marsden has also taken forward working cross boundaries as part of the National Cancer Vanguard to form RM Partners, a new care model which aims to improve survival, quality and safety, and patient experience across a population of 3.5 million. The focus is on rolling out innovative new services that will improve outcomes for lung, colorectal and prostate cancer patients, which we know to be the three tumour groups in which outcomes are poorer than other international comparators. RM Partners forms one of the national Cancer Alliances and The Royal Marsden will work with partners and the SWL STP to ensure any changes in commissioning and service arrangements will benefit cancer patients.

- Failure to achieve on aspects of performance – the 62 day target. This continued to be a challenge in 2016/17 due to late referrals. The risk is being mitigated through the Systems Leadership Forum where The Royal Marsden provides a leadership function to improve pathways across organisations. Internally there is a programme of work to improve the efficiency of clinical pathways through the Transformation Board.
- In common with all other London Trusts there is a challenge to recruit and retain the best staff particularly in nursing in the community and in critical care and theatres within the hospital. During 2016/17 the Trust has focused on recruitment and retention and strategies to reduce the reliance on temporary staff, in particular agency staff. This challenge continues but during 2016/17 The Royal Marsden significantly reduced the use of agency, by £4.1m and remained within the agency cap. The Trust has made some key Consultant appointments to ensure sustainability of the medical workforce and the Director of Medical Education works with the Dean on actions to ensure high quality training at The Royal Marsden is delivered.
- The financial risk associated with the affordability of major equipment, estates and IT schemes. Schemes are prioritised in relation to patient safety, regulation and ease of implementation including affordability. The Trust delivered a £17.6m of capital programmes in 2016/17.
- Failure to maintain financial sustainability. As part of the review of tariff structure the Trust has volunteered to be part of the NHS Improvement costing transformation programme to ensure The Royal Marsden's views are considered. The Trust has raised with commissioners the need to be fairly recompensed for the activity it undertakes and continues to raise these issues at the highest levels.

Delivery of the Private Care Strategy is part of the Trust's plans for financial sustainability. The Trust has a fully integrated NHS and Private Care business model, ensuring all Private Care revenue is invested in the whole Trust. It has achieved its revenue and contribution targets for the year and has identified opportunities to expand private capacity outside its current estate to ensure longer term sustainability and support for the NHS. The Private Care service model and commercial infrastructure has been improved through additional investment. Key risks around debt and billing and accounts have been identified with action plans and KPIs in place to improve performance in these areas.

Statement of going concern

After making enquiries, the Board of 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.

Performance analysis

Financial summary for the year ended 31 March 2017

The Royal Marsden has been an NHS Foundation Trust for thirteen years and once again this year has continued its excellent track record of financial performance, in an ever increasingly difficult financial environment. The financial accounts for the year 2016/17 show that the Trust generated a surplus of £5.6m, after excluding the impairment and donated asset income and expenditure. Included within this surplus the Trust received Sustainability and Transformation Funding of £5.5m, of which £1.5m was core, £2.5m was incentive and £1.5m was bonus funding. The surplus will be utilised to fund investment in infrastructure through capital development, in particular to schemes that will enhance services to patients on both the Chelsea and Sutton hospital sites.

The Trust continues to maintain a strong balance sheet and cash position. At 31 March 2017 the Trust held cash deposits of £21.1m, a small decrease from the previous year. The Trust generated £21.2m from operational activity, and received £5.9m from charitable donations. The Trust invested £17.4m in capital assets, and was required to pay a Public Dividend Capital dividend to the Department of Health of £4.5m, which represented an actual dividend rate of 3.5%.

The Trust appointed a new professional valuation firm during the year under a competitive tender process. The valuation they completed was the first full inspection basis valuation of the Trust's estate since March 2012 (Chelsea) and March 2013 (Sutton). The Trust's accounting policy is to carry out a full inspection valuation at least every five years. The valuation was carried out on a Modern Equivalent Asset (MEA) basis which considers the cost of re-providing an equivalent service on an alternative site with modern building design as opposed to the current market value of the site. This produced a reduction in the value of the estate of £57.8m. In the accounts the revaluation is accounted for on a site by site and building by building basis – where a site or a building has previously been valued upwards and a revaluation reserve exists then the reduction in value has been charged to the revaluation

reserve; where no revaluation reserve exists for that site/building the reduction in value is charged as an impairment to operating expenses.

Efficiency

In the continued challenging economic environment the Trust has delivered the total efficiency programme for 2016/17. This programme of efficiency has delivered improvements in order to meet NHS tariff reductions, to support the local health economy and to deliver the Trust's surplus for the year.

Financing and investment

Despite the financial challenges the Trust has persisted with its investment in estate and infrastructure spending £17.4m on the buildings, equipment and IT. There was £5.9m funded through charitable donations, with the remainder funded through operating surpluses, retained depreciation and free cash.

Income and expenditure

In 2016/17 the overall income was £370.7m (£372.7m in 2015/16). The decrease is a net movement from the loss of Merton CCG Community services offset by growth in NHS patient income, private patient income and charitable income. The Trust also received £5.5m of Sustainability and Transformation Fund income, a £4m increase on the plan for achieving an outturn higher than the control total agreed with its regulator, NHS Improvement (NHSI), at the beginning of the year.

The Trust receives the majority of its patient care income from NHS England and Clinical Commissioning Groups. Patient referrals are centred on the Trust's sites in Chelsea, Sutton and Kingston, but extend from this local base to cover all of England and beyond, particularly for referrals for rare cancers.

NHS patient income is supplemented by income to provide infrastructure and support for research and development activity and from private patient income. The margin delivered on our private patient income remains a vital source of support for NHS services to patients.

The Health and Social Care Act 2012 introduced a new requirement that a Trust's income from the provision of goods and services for the purposes of the health service in England must be no greater than its income from the provision of goods and services for any other purpose.

The Trust has met this requirement, with 70% of its income deriving from the NHS. In reaching this assessment the Trust has considered whether an exchange of goods and services has occurred, and whether income relates to activities required under the Act.

The Trust's overall operating expenditure was £387.2m (£368.9m in 2015/16) an increase of £18.3m. The increase is almost entirely due to the impairment charged to operating expenses.

Relationships with key stakeholders

During the year the Trust has continued to develop its relationships with the stakeholders including NHS England, local Clinical Commissioning Groups, and south west London and north west London providers. The Trust's contracts with Commissioners are governed by legally binding contracts as part of being a Foundation Trust. Over the year the Trust has delivered increased activity for NHS patients.

The Trust's relationship with The Institute for Cancer Research to develop an academic and research partnership continues; with the aim of increased collaboration and joint working on trials and research. It has further developed its relationship with Imperial College by joining the Academic Health Science Centre with Imperial College NHS Trust and the Royal Brompton and Harefield NHS Foundation Trust.

Governance

With the joining together of the two provider regulators, Trust Development Authority (TDA) and Monitor, to become NHS improvement (NHSI), a new oversight framework was launched during the year replacing the previous model. The framework rated Trusts from 1 (lowest risk) to 4 (highest risk). Initially, the Trust was rated a 2 due to issue with the 62 day cancer wait target, as reallocation of breaches were not taken into account. This was revised and as at the end of March the Trust is now rated as a 1. The Trust is therefore meeting its governance arrangements covering compliance with the terms of its Licence and meeting NHS standards and targets for performance.

Quality Board Statement

The Trust Board has declared that it is satisfied with its arrangements and will continue to keep in place arrangements for the purpose of monitoring and continually improving the quality of healthcare provided to its patients.

Anti-Fraud

The Trust has an anti-fraud officer in place who proactively reviews the Trust's anti-fraud arrangements and follows up on any incidents reported. There is also a whistle-blowing procedure in place and available to all staff; all matters raised are dealt with in confidence.

Main events affecting the Trust

There have been no important events since the end of the financial year that have affected the Trust.

KPIs and measurement

The Royal Marsden has a performance monitoring framework which ensures that performance is regularly reviewed both at organisational and department level. At the most senior level, the Board of Directors and Council of Governors receive the quarterly scorecard which includes Red/Amber/Green-rated key performance indicators.

This report provides assurance to the Board of Directors regarding Trust performance and of any mitigating actions required to remedy under-performance. Red, Amber and Green thresholds are set based on national standards and local strategic objectives and are signed-off by the departmental directors, the Chief Operating Officer and the Director of Performance and Information.

In addition Clinical Business Units (CBUs) review their scorecards on a monthly basis. These scorecards are more detailed than the board scorecard and have a more operational function. They are an essential tool in maintaining the strong performance of the Trust, and with targets set at a unit level CBUs are able to rapidly identify issues and respond appropriately. Please see page 12 for the balanced scorecard template.

The Trust also monitors feedback provided in surveys such as the National Patient Survey, the Friends and Family Test, and the National Staff Survey to help develop new initiatives to achieve targets in sections 2, 3 and 6 of the balanced scorecard, and came third out of 44 acute university hospitals for top quartile scores. Further details on these can be found in the staff report on page 37.

Balanced scorecard

A balanced Board scorecard template has been included below for reference.

1. To achieve the highest possible quality standards for our patients, exceeding their expectations, in terms of outcome, safety and experience					
	Q3 Oct-Dec 2016/17	Q2 Jul-Sep 2016/17	Q1 Apr-Jun 2016/17	Q4 Jan-Mar 2015/16	Q3 Oct-Dec 2015/16
Patient Safety, Quality & Experience					
Single Oversight Framework: level of support segment					
Quality Account indicators					
Certification against compliance: access to health care for people with a learning disability					
Serious incidents (excl pressure sores)					
Complaints – % upheld					
Mortality					
Hospital Standardised Mortality Ratio (rolling 12 month – qtr in arrears – NHS patients only)					
Mortality audit (based on qtr data in arrears)					
30 day mortality post-surgery					
30 day mortality post chemotherapy					
100 day HSCT mortality in previous six months (Deaths related to SCT)					
100 day HSCT mortality in previous six months (All deaths)					
Medicines management					
% medicines reconciliation on admission					
Unintended omitted critical medicines					
Cancer staging					
Staging data completeness sent to Thames Cancer Registry (one qtr in arrears)					
Patient satisfaction					
Friends and Family Test (inpatient and day care)					
Friends and Family Test (outpatients)					
Waiting times for day chemotherapy (over three hours)					
Mixed sex accommodation breaches					
PP access to single rooms – Chelsea %					
PP access to single rooms – Sutton %					

National waiting times targets						
2 week wait from referral to date first seen:	all cancers					
	symptomatic breast patients					
31 day wait from diagnosis to first treatment						
31 day wait for subsequent treatment:	surgery					
	drug treatment					
	radiotherapy					
62 day wait for first treatment:	GP referral to treatment (reallocated)					
	GP referral to treatment (pre-reallocations)					
	Screening referral (reallocated)					
	Screening referral (pre-reallocations)					
18 weeks from Referral to Treatment	still waiting (incomplete)					
18 weeks pathways – patients waiting > 52 wks. (distinct patients across the quarter)						

2. Staff Friends and Family Test – How likely are you to recommend this organisation to friends and family... as a place to receive care or treatment

	Q3 Oct-Dec 2016/17	Q2 Jul-Sep 2016/17	Q1 Apr-Jun 2016/17	Q4 Jan-Mar 2015/16	Q3 Oct-Dec 2015/16
Staff Friends and Family Test					
Recommend – Care					
Not recommend – Care					

3. NHSi Community Measures

	Q3 Oct-Dec 2016/17	Q2 Jul-Sep 2016/17	Q1 Apr-Jun 2016/17	Q4 Jan-Mar 2015/16	Q3 Oct-Dec 2015/16
NHSi Community Measures					
Community care data completeness	referral to treatment information				
	referral information				
	activity information				

4. To improve the productivity and efficiency of the Trust in a financially sustainable manner, within an effective governance framework

		Q3 Oct-Dec 2016/17	Q2 Jul-Sep 2016/17	Q1 Apr-Jun 2016/17	Q4 Jan-Mar 2015/16	Q3 Oct-Dec 2015/16
Finance, Productivity and Efficiency						
NHSi financial sustainability risk rating						
NHSi Use of Resources risk rating						
%age variance from Agency Spend Cap						
%age variance from Agency Spend Cap						
Cash (£m)						
NHS activity Income Variance YTD (£000)						
PP activity Income Variance YTD (£000)						
PP Debtors over 90 days (% of total PP debtors)						
Non-PP Debtors over 90 days (% of total non PP-debtors)						
Achievement of Efficiency Programme YTD (%)						
Capital Expenditure Variance YTD (£000)						
Quarter in arrears						
Contractual Sanctions incurred (£000)						
CQUIN %age achievement	Acute NHSE					
	Acute CCG					
	Sutton Community Services					
Productivity and Asset Utilisation						
Bed occupancy – Chelsea						
Bed occupancy – Sutton						
Care hours per patient day						
Theatre utilisation – Chelsea						
Theatre utilisation – Sutton						
MDU patients per chair						

5. To deliver the Trust's clinical and research strategy; to better meet the needs of patients and commissioners

		Q3 Oct-Dec 2016/17	Q2 Jul-Sep 2016/17	Q1 Apr-Jun 2016/17	Q4 Jan-Mar 2015/16	Q3 Oct-Dec 2015/16
Clinical and Research Strategy						
Total NHS referrals						
Total PP referrals						
Royal Marsden patients recruited to 100K Genome Project						
Efficient clinical models						
NHS Average (mean) Elective LoS						
NHS Non-Elective Admissions	as %age of all NHS Admissions					
Research (1 QUARTER IN ARREARS)		Q2 Jul-Sep 2016/17	Q1 Apr-Jun 2016/17	Q4 Jan-Mar 2015/16	Q3 Oct-Dec 2015/16	Q2 Jul-Sep 2015/16
70 day target (for externally sponsored trials)	NIHR Adjusted figure (excl delays attributed to sponsor/neither sponsor or trust)					
Accrual to target (1Q arrears) – National definition	% of closed commercial interventional trials meeting contracted recruitment target (excluding trials that had no set target)					
No. of first European patients in previous 12 months						
Patients on interventional trials	as %age of first treatments					
Trials led by The Royal Marsden	as %age of all trials with Royal Marsden involvement					

6. To recruit, retain and develop a high performing workforce to deliver high quality care and the wider strategy of the Trust					
	Q3 Oct-Dec 2016/17	Q2 Jul-Sep 2016/17	Q1 Apr-Jun 2016/17	Q4 Jan-Mar 2015/16	Q3 Oct-Dec 2015/16
Workforce					
Workforce productivity					
Vacancy rate					
Staff turnover rate					
Sickness rate					
Quality and development					
Consultant appraisal (number with current appraisal)					
Appraisal and PDP rate					
Completed induction (new measure)					
Statutory and Mandatory Staff Training					

Corporate social responsibility

The Trust is committed to its Corporate Social Responsibility. Social, community and human rights issues are taken into account when developing and/or reviewing Trust policies. As standard procedure, the Trust requires all authors of policies to declare any impact they may have on equality and confidentiality requirements. The Trust also requires Trust policies to be presented to a minimum of two Trust Committees for ratification purposes.

Equality and diversity

The Royal Marsden NHS Foundation Trust believes in providing equality across our services, treating people fairly with respect and dignity and valuing diversity both as a provider of cancer and community health services and as an employer.

The Equality, Diversity and Inclusion Steering Group has strategic responsibility for driving the equality, diversity and inclusion agenda across The Royal Marsden and monitoring equality performance.

The Care Quality Commission (CQC) report, received in January 2017, rated our caring as 'Outstanding' and made significant reference to the work to progress equality and inclusion for our patients and staff. Specifically they noted the improvements made in our Workforce Race Equality Standard findings, workforce demographics and equality governance. The report also highlighted that staff demonstrated awareness and understanding of equality issues in a patient context and that people were "treated with kindness, dignity, respect and compassion whilst they received care and treatment from staff". This is a tremendous achievement.

The Equality, Diversity and Inclusion Steering Group agreed the annual Equality Report in January 2017 and agreed the following objectives for services and workforce in 2017/18:

Service objectives

1. Improve the experience of disabled patients including access and support
2. Explore the patient experiences of LGBT patients
3. Improve the level of equality reporting for patient complaints

Workforce priorities

1. Develop and implement an action plan from the disability survey to improve the experience of staff with disabilities
2. Improve the take up of all staff support services by male employees
3. Fully embed the career development mentoring scheme into The Royal Marsden and evaluate the impact of this for future schemes

The Equality Report is published on the equality and diversity pages of the website and comparisons are made between national and local census information. Equality analysis is conducted for policies, service development and organisational change, to identify any potential for inequality or discrimination for staff or the public and to highlight actions needed to address any issues. Furthermore, all staff are required to attend mandatory equality and diversity training which is refreshed every three years.

We have an Equality and Diversity Policy, which sets out the framework through which we deliver our services and provide employment.

A Career Development Mentorship Scheme has been launched this year for staff in Bands 4, 5 and 8 with particular encouragement for staff with disabilities and Black Asian and Minority Ethnic staff to participate. The scheme has been well received with high levels of applicants from staff with disabilities and BAME staff and significant engagement from senior managers to become mentors.

Sustainability

The Royal Marsden operates as a financially and socially responsible organisation. It recognises the need to minimise its impact on the environment in order to deliver the highest quality healthcare in the communities it serves, now and in the future.

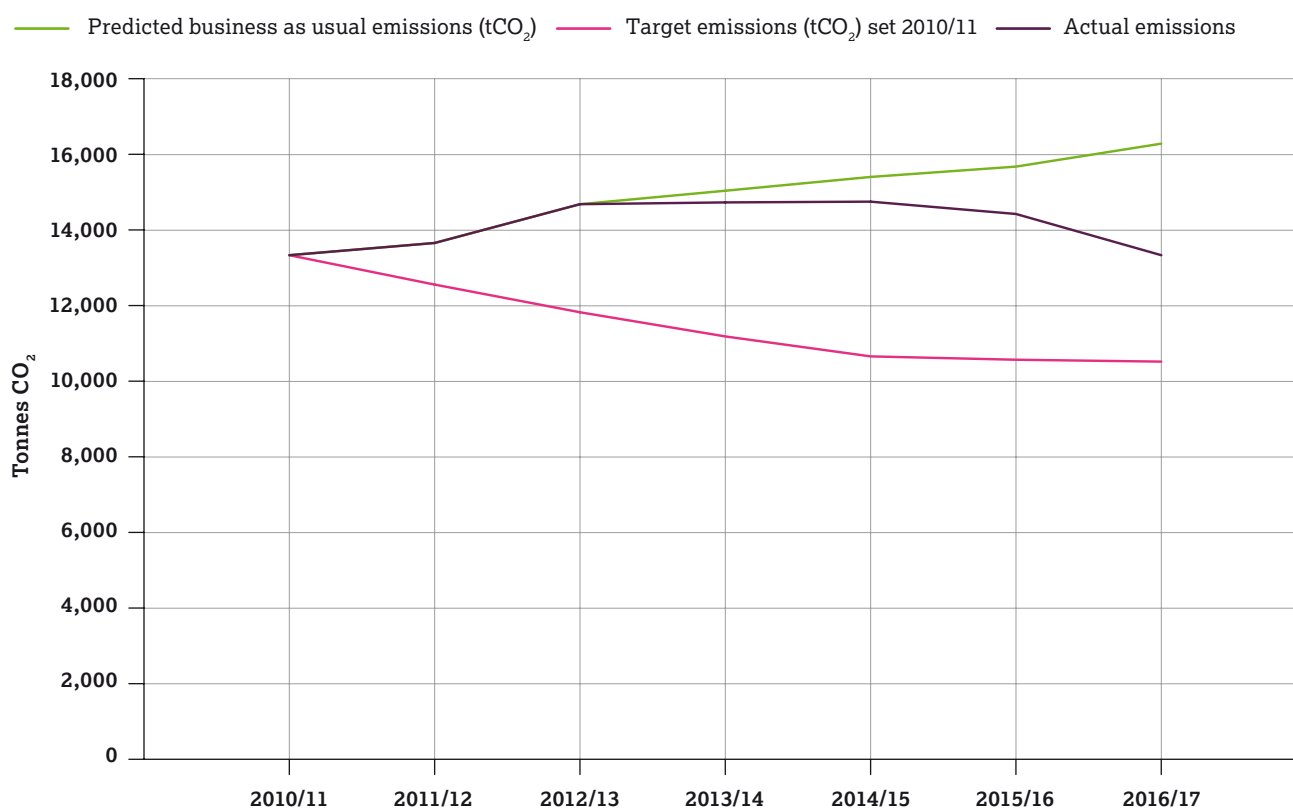
The Trust takes its responsibility as a major employer and consumer of energy and resources seriously and is committed to helping reduce the adverse effects of its operations on the wider environment.

The Trust has a Sustainable Development Management Plan which we continue to implement and update. This ensures that we fulfil our commitment in conducting all aspects of our activities such as Compliance with Environmental Legislation, Energy and Carbon Management, Waste Management, Water Management and in the design and build of any new environment with due consideration to sustainability whilst providing an excellent quality of patient care. The Trust's commitment to sustainable development has resulted in significant improvement in energy efficiency and utilities cost savings. Regarding waste 0% of the Trust's waste now goes to landfill, 47% is dry mixed recycling, with our food waste going for anaerobic digestion to produce methane gas and fertilizer. The remaining waste is incinerated as a fuel for heating.

Carbon and energy management

The chart below shows the Trust's carbon reduction progress against its target Carbon Management Plan and calculated Business As Usual (BAU) trend. The Trust's carbon footprint reduced by 1,660 tCO₂ in the forecast for 2016/17 over the previous year and also a reduction of 3,402 tCO₂ over predicted BAU trend. The ambitious carbon reduction target was set in 2010/11 and represents a 19% reduction against our 2010/11 consumption figures. This has not been achieved due to added extra energy loads in existing and new site facilities and buildings. The CHP system down time in February and March, due to a mechanical failure, is also a contributor to the shortfall in the carbon emissions reduction target.

Carbon progress against target



Energy and costs

In 2016/17 the Trust consumed 54 GWh of energy (Electricity and Gas), which was a 15% increase on the energy consumption of last year. There was a shift in the profile from electricity to gas, because of the CHP plant operation. Additional electricity load of new built areas such as the MR Linac, the Ralph Lauren Centre for Breast Cancer Research and Stewart's House and also an increase in consumption of some existing facilities such as IT data centres, Boots Pharmacies and CMP laboratories are the main contributors to the increased site energy demand.

In terms of energy costs, in 2016/17 the Trust spent £2.13m on energy, which was a 20% reduction on the energy spend of last year. This can be attributed to the fact that we generated on site electricity and were less dependent on the more expensive electricity imported from the national grid. We also generated an income of £147k for exporting electricity from the CHP system. We also realised some benefits from additional energy saving measures.

Energy consumption and cost



Other sustainability achievements

The Trust has been carrying out energy reduction schemes for many years in order to meet its carbon reduction plan. During 2016/17 the following additional energy and cost saving schemes have been funded and instigated by the Trust. These include:

- LED energy saving lighting schemes at both Chelsea and Sutton hospitals
- £120k improved efficiency and cost saving of the CHP plant
- Upgrade ventilation systems in Robert Tiffany and the Stem Cell Laboratory and introduction of energy efficient fan and motors which use 30% less electricity than the conventional systems
- Electricity bill checking and successful claim for refund of £140k for incorrect charges applied to the Trust electricity bills in previous years.
- £450k cost reduction on utilities expenditure, (electricity and gas consumption), over last year.

All these and past schemes by reducing energy consumption have produced a substantial monetary saving on energy costs which has been and will be reinvested in patient care.

Renewable energy

The Trust has installed solar PV Panels to some of its new buildings which generate clean electricity to the value of £10k per year for use on its Sutton site.

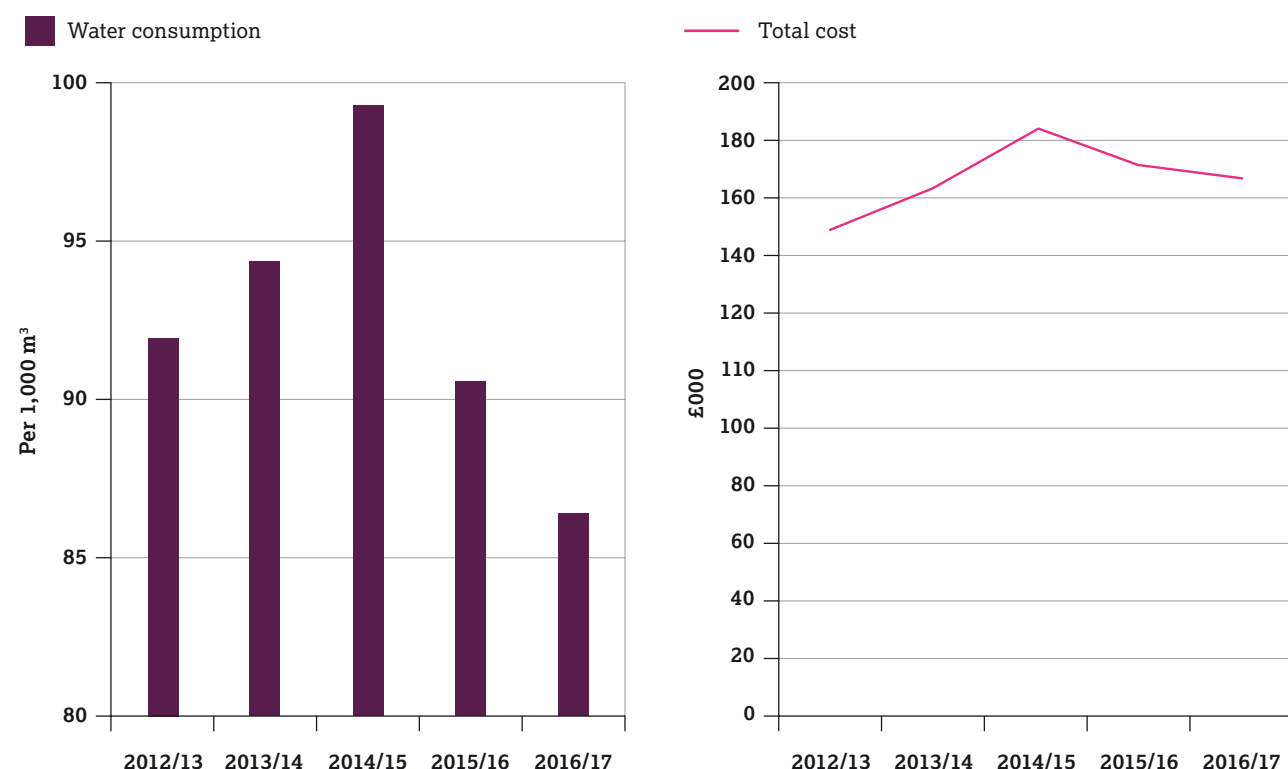
Water

Our water consumption during 2016/17 has decreased by 4,291m³ (5% – equivalent cost saving of £8,300) over the previous year. The overall water cost has reduced by 3% (£4,300).

The Trust is a major consumer of water and has been actively trying to reduce the volume of water that we use, whilst balancing water efficiency against the need to improve infection control regime via increased hand washing and increased flushing in areas of low consumption, and to guard against the risks of legionella contamination and other potentially harmful bacteria.

We have reduced our water consumption by better leak detection on our systems and rationalisation of water tanks so that flushing due to temperature rise in the water is reduced.

Water consumption and cost



Travel and transport

Car parking capacity continues to be a challenge on the Sutton site, especially during periods of major development of the site when some car parking spaces are temporarily decommissioned. The Trust reviews its Car Parking Policy annually to ensure that the car parking facilities are managed as efficiently and as fairly as possible. The Trust has made use of off-site parking wherever possible, and has also been proactive in developing alternative means of travelling to site.

The Trust has a longstanding and well developed Travel Plan. The Travel Plan is reviewed annually and is in the process of being updated following a comprehensive travel plan survey conducted in September 2016. It is informed by latest good practice and guidance, travel plan surveys and the input of relevant local agencies, e.g. The London Borough of Sutton's Travel Awareness Coordinator. The Travel Plan includes a comprehensive action plan. Initiatives which have been achieved as a result of the Travel Plan include: enhancements to the staff 'inter-site' and 'shuttle bus' services; the staff Liftshare Scheme; promotion of 'Bike to Work' and 'Walk to Work' weeks; improvement of cycle storage facilities; providing 'Dr Bike' sessions; free parking days for staff who routinely cycle, walk or use public transport to travel to work, installation of 'real time' Transport for London local bus timetables; interest free bike loans; and increased usage of video-conferencing to minimise travel.

The Trust has achieved the Mayor of London's third (and final) stage of the London NHS Cycling Strategy. The Trust plans to consider further initiatives such as the possibility of 'park and ride'.

Future direction

As of April 2017, the Trust will continue to explore and include measures and investment to reduce the energy and utilities that it uses and therefore reduce carbon emissions by managing its estate and activities so as to reduce our impact on the environment.

† All figures shown in this report are the most accurate at time of writing. *Estimated Annual Revenue Expenditure



Cally Palmer CBE
Chief Executive
26 May 2017

2. Accountability report

Directors' Report

The Trust is led by the Board of Directors which has overall responsibility for the running and management of the Trust. This responsibility includes setting the overall strategy for the organisation and monitoring performance whilst ensuring resources are efficiently and economically utilised to meet the needs of our patients and public.

In order to carry out their duties and responsibilities, Board members convene at Board Meetings. The Trust Board of Directors comprises of Executive Directors and Non-Executive Directors, including the Chairman.

The Executive Directors are paid employees of the Trust. They are responsible for managing the organisation on a day-to-day basis and in their capacity as members of the Board, they are also responsible for the leadership of the Trust. This managerial role distinguishes the Executive Directors from the Non-Executive Directors who do not have a managerial role. Functions of the Trust which have not been retained as reserved by the Board or delegated to an Executive Committee or Sub-Committee, are exercised on behalf of the Board by the Chief Executive who may, in turn, from time to time delegate some functions to the Executive Management Team.

The Non-Executive Directors (NEDs) are responsible for supporting and constructively challenging the Executive Directors in their decision-making as well as assisting them with the formation of the Trust's strategy. NEDs are collectively accountable with the Executive Directors for the exercise of their powers and for the overall performance of the Trust. While Executive Directors are employees of the Trust under a permanent contract of employment, Non-Executive Directors are appointed for a term of three years and can only be reappointed subject to approval from the Council of

Governors. The NHS Code of Governance advises that reappointment of NEDs beyond six years should be subject to rigorous review. The grounds for which a Board member may become disqualified from the Board are set out in the Trust's Constitution.

The Board of Directors also approve the Annual Report and Accounts prior to its submission to Parliament. The Annual Report and Accounts is prepared by the Directors of the Trust who confirm that this Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

Please see a summary of our Board of Directors below. The table on page 29 shows details of their attendance at meetings of the Board and its Committees during 2016/17.

Key

R

Member of Remuneration Committee

A

Member of Audit and Finance Committee

I

Member of Investment Committee

QAR

Member of Quality, Assurance and Risk Committee

ICR

Member of the Board of Trustees of The Institute of Cancer Research

Mr Charles Alexander**Chairman (appointed December 2016)***R/I/QAR*

Charles Alexander was appointed as Chairman in December 2016. Charles' experience at board level varies across the banking, industry and charitable sectors, including companies such as NM Rothschild, and GE Capital Europe. He is currently a Non-Executive Director of the Department of Culture, Media and Sport and chairs The Countess of Munster Musical Trust as well as the musical charity Opera Rara. Charles Alexander currently also serves as Chairman of the Board of Trustees of The Royal Marsden Cancer Charity.

Mr R Ian Molson**Chairman (served until November 2016)***R/I/QAR*

Ian Molson was appointed as Chairman in December 2010 and was subsequently reappointed for a second term in December 2013 ending in November 2016. From 1999 to 2004, he was Deputy Chairman of the Board and Chairman of the Executive Committee of Molson Inc., a Canadian public corporation founded in 1786. Between 1977 and 1997, he was employed by Credit Suisse First Boston, one of the leading investment banking and security firms in the world. From 1993 to 1997, he served as Co-Head of their Investment Banking Department in Europe, a position which encompassed corporate finance, corporate advisory, mergers and acquisitions business in Europe, Russia, Africa and the Middle-East. He graduated from Harvard University (AB Honours) in 1977. Ian was also Chairman of The Royal Marsden Cancer Charity until November 2016.

Executive Directors

Miss Cally Palmer CBE**Chief Executive***I/QAR/ICR*

Cally Palmer became Chief Executive of The Royal Marsden in 1998. She is also a Trustee of The Institute of Cancer Research (ICR) and a Trustee of The Royal Marsden Cancer Charity. She holds an MSc in Management from the London Business School, which she gained with distinction in 1995, and is a member of the Institute of Health Services Management. Cally was awarded a CBE in 2006 for her contribution to the NHS. Cally was appointed as National Cancer Director for NHS England in 2015, and holds this position alongside her role as Chief Executive of The Royal Marsden.

Dr Liz Bishop**Chief Operating Officer/Deputy Chief Executive**
QAR

Dr Liz Bishop joined The Royal Marsden in January 2010 as Divisional Nurse Director. Before taking on the role of Chief Operating Officer and Senior Information Risk Owner for the Trust, she spent a period of time as Divisional Director for Cancer Services and also interim Chief Nurse. Liz completed her BSc in Nursing in Scotland in 1986, and her MSc and Doctorate at Surrey University in 2004 and 2009 respectively. She has worked in a variety of clinical settings – from surgery to haemato-oncology – in several acute trusts in London, including six years in The Royal Marsden's Bud Flanagan Unit. Prior to re-joining The Royal Marsden she was at Guy's and St Thomas' NHS Foundation Trust for five years as a Nurse Consultant, Head of Nursing and General Manager for Oncology. In July 2016 Liz was appointed Deputy Chief Executive to allow Cally Palmer to undertake her role as National Cancer Director.

Mr Eamonn Sullivan

Chief Nurse (appointed January 2017)

A/QAR

Mr Eamonn Sullivan was appointed to the role of Chief Nurse at The Royal Marsden NHS Foundation Trust in January 2017. Previously he was Deputy Chief Nurse at University College London Hospitals and Deputy Chief Nurse at Guy's and St Thomas' NHS Foundation Trust, where he has also held positions as Head of Performance for Clinical Services and Head of Nursing for Surgery. Eamonn has an MSc in Health Service Development (Critical Care) from Kings College London, he is a Florence Nightingale Leadership Scholar, and he has served in Iraq and Afghanistan in the Army Medical Services Reserves.

Dr Shelley Dolan

Chief Nurse (served until September 2016)

A/QAR

Dr Shelley Dolan was appointed to the role of Chief Nurse at The Royal Marsden NHS Foundation Trust in June 2007 which she held until September 2016. She was promoted to Chief Nurse from her position as the First Nurse Consultant in Cancer: Critical Care in the UK, a role she took up at The Royal Marsden in 2000. Shelley worked clinically in the field of intensive care for over 20 years and is a trained Intensive Care and Cancer Nurse who achieved her MSc in Cancer Care in 1996 and Doctorate in 2011. In December 2012 Shelley was appointed as the Clinical Director of the London Cancer Alliance, and is also a Non-Executive Director of Health Education North West London. Shelley is a member of the European Oncology Nursing Society and the International Nurses Cancer Care and lectures extensively, nationally and internationally. Her research is in the areas of early detection of sepsis, acute and critical care of the cancer patient and experience of care.

Mr Marcus Thorman

Chief Financial Officer

A/I/QAR

Marcus Thorman joined The Royal Marsden as Chief Financial Officer in January 2015 from Imperial College Healthcare NHS Trust. Since joining the NHS through the graduate financial management training scheme, he has worked in several provider trusts including mental health and community, acute, teaching and specialist. Marcus has been involved in merging two Trusts, PFI schemes and running a financial shared service for a number of NHS organisations. At Kettering General Hospital, he was Deputy Director of Finance before taking on his first role as a Finance Director overseeing the process for delivering Foundation Trust status in 2008. During his time at Imperial College Healthcare NHS Trust, he led the finance team in delivering one of the largest financial turnarounds in the NHS, taking the Trust from a planned deficit to a surplus in two financial years. For seven months he was acting Chief Financial Officer whilst a new Chief Executive was being appointed.

Dr Nicholas van As

Medical Director

QAR

Dr Nicholas van As was appointed Medical Director in January 2016. He has been a Consultant Clinical Oncologist in the Urology Unit at The Royal Marsden for eight years and is the hospital's Clinical Lead for stereotactic body radiotherapy (SBRT) and CyberKnife. Dr van As is also Co-Chair of the UK SBRT Consortium and the national clinical lead for NHS England's Commissioning through Evaluation Programme for SBRT. His main research interests are in stereotactic and image-guided radiotherapy, risk prediction in early prostate cancer, and functional MRI and he has published numerous papers on these subjects and delivered presentations at international meetings. He is the Chief Investigator for the PACE trial – an international, randomised controlled trial comparing SBRT to image-guided Radiotherapy (IGRT) and surgery for treating prostate cancer.

Non-Executive Directors

Mr Ian Farmer*

A/R

Ian Farmer joined The Royal Marsden as a Non-Executive Director and Chair of the Audit and Finance Committee on 1 April 2014. Ian is a Chartered Accountant and former Chief Executive Officer of Lonmin Plc, the world's third largest Platinum Group Metals (PGM) mining company.

Professor Dame Janet Husband*

A/QAR

Professor Dame Janet Husband joined The Royal Marsden as a Non-Executive Director on 1 June 2014. Janet was a Consultant Radiologist and Professor of Diagnostic Radiology at The Royal Marsden and The Institute of Cancer Research (ICR), as well as former Medical Director of the Trust from 2003 to 2006. Janet became the first female President of the Royal College of Radiologists in 2004. Having been appointed Officer of the Order of the British Empire (OBE) in 2002, Janet was appointed Dame Commander of the Order of the British Empire (DBE) in 2007. Also in 2007, she was awarded the title of Emeritus Professor of Radiology by The Institute of Cancer Research (ICR). In 2010, Janet was appointed Chair of the National Cancer Research Institute and has held a number of non-executive appointments in healthcare, as well as a six year service as the Specially Appointed Commissioner to The Royal Hospital in Chelsea.

Professor Paul Workman FRS

QAR/ICR

Professor Paul Workman joined The Royal Marsden as a non-independent Non-Executive Director on 1 July 2014 in his capacity as CEO for The Institute of Cancer Research (ICR). Paul is also the Head of its Division of Cancer Therapeutics, Harrap Professor of Pharmacology and Therapeutic and Director of the Cancer Research UK Cancer Therapeutics Unit.

Mr Richard Turnor*

R/A/QAR

Richard Turnor joined The Royal Marsden as a Non-Executive Director on 1 January 2009. He was a partner with the international law firm

Allen & Overy LLP from 1985 to 2009 where he headed the Commercial Trust and Partnership Group. In 2010, he established Maurice Turnor Gardner LLP, an independent firm practicing in association with Allen & Overy from which he continues to advise professional firms and fund managers on structuring and constitutional issues including international structure, disputes, mergers, de-mergers and governance issues.

Dame Nancy Hallett*

A/QAR/Senior Independent Director

Dame Nancy Hallett joined The Royal Marsden as a Non-Executive Director on 1 April 2013. She was Chief Executive of Homerton University Hospital NHS Foundation Trust until 2012 and, prior to this, the Executive Director of Service Development and Executive Director of Nursing and Patient Services. Nancy undertook her Masters in Health Management at the City University in 1998. She was appointed Officer of the Order of the British Empire (OBE) in 2004 and Dame Commander of the Order of the British Empire (DBE) in 2013.

Mr Mark Aedy*

A

Mark Aedy joined The Royal Marsden as a Non-Executive Director in April 2016. He has over 35 years' experience in the financial services sector, building and managing investment banking franchises in the UK and internationally. At present he is a Managing Director and the Head of EMEA & Asia Investment Banking at Moelis & Company, a global independent investment bank, and is on its Management Committee. Mark has extensive committee membership experience, which he gained at Bank of America Merrill Lynch serving on the Global Corporate and Investment Banking Executive Committee and at Merrill Lynch, where he was Head of Investment Banking, EMEA, as well as at not-for-profit organisations such as Pilotlight and the Next Generation Committee of The Roundhouse.

*The Non-Executive Directors which the Board considers to be independent.

A copy of the Director's Register of Interests can be requested from the Corporate Governance Office using the contact details provided on page 49.

Committees of the Board

The Audit and Finance Committee

The Audit and Finance Committee is a formally constituted committee of the Board and is chaired by Non-Executive Director Ian Farmer. The membership of the Committee consists of five Non-Executive Directors. Senior management are invited to attend meetings when necessary. Representatives from the Trust's internal auditors and counter fraud specialists KPMG LLP and external auditors Deloitte LLP attend, as well as the Chief Financial Officer and Chief Nurse.

The Audit and Finance Committee met four times in the year in order to discharge its responsibilities. A key purpose of this Committee is to assure itself that relevant risks, particularly financial risks, are appropriately identified and managed through a robust system of internal control established within the Trust. At each meeting, the Committee review the financial position of the Trust, the efficiency programme, the capital plan, and the working capital and cash position as well as key assumptions within those. Areas of risk and significant financial impact are also presented to the Committee for review, including the annual planning process and the Financial Plan for recommendation for Board approval. Other topics reviewed in year include the Cancer Vanguard funding and governance, a debt review, the Private Care growth strategy and a review of income recognition.

During the year the Committee received papers from the Trust's internal auditors KPMG LLP reporting on the findings of the 2016/17 Internal Audit Plan. This Plan is prepared with Trust senior management and approved by the Audit and Finance Committee. The reports in 2016/17 covered a number of areas such as patient safety data, radiology, managing partnerships, clinical audit and financial control and financial management. Recommendations are fed back to management then monitored and progress

reported in future Audit and Finance Committee meetings. The Head of Internal Audit Opinion confirmed that significant assurance can be given with minor improvements on the overall adequacy and effectiveness of the Foundation Trust's framework of governance, risk management and control.

The Trust's external auditors, Deloitte LLP, presented their findings from their external audits of the Trust's Annual Report and Accounts and Quality Accounts. The external audit process includes an on-going assessment of internal and external factors affecting the Trust, including reviewing the Trust performance compared to other NHS Trusts. The Trust received a qualification on the Quality Accounts in 2015/16 due to the RTT reporting of performance. The Trust has made significant improvements upon this in 2016/17 which have been reviewed by the auditors and signed off by the Committee. In addition Deloitte LLP also provides regular progress reports on sector developments to the Audit and Finance Committee.

The Trust conducted a rigorous tender process in 2014 regarding the appointment of the Trust's external auditors. Three bids were submitted in the tender process, all of which were evaluated and scored by relevant members of staff and Governors of the Trust. A detailed outline of the process was presented by the Chair of the Audit and Finance Committee to the Council of Governors with a recommendation for appointment. At their meeting on 10 December 2014, the Council of Governors approved the reappointment of external auditors Deloitte LLP commencing from the 2015/16 financial year for a three year term, with an option to extend for a further two years. The value of external audit services, including the quality account, in 2016/17 is £91,560 with no non-audit services being provided.

The Quality, Assurance and Risk Committee

The Quality, Assurance and Risk Committee (QAR) supports the Trust Board in developing an integrated approach to governance by ensuring robust systems are in place to monitor achievements against objectives. The Committee focuses on all non-financial risks such as patient safety, emergency planning, compliance with national and international regulation, health and safety and research and clinical integrated governance. Each quarter the members of QAR meet frontline staff, for example, Diagnostic Radiographers, Pharmacists, and staff from the Paediatrics and Haemato-Oncology departments.

QAR also has a major role in reviewing patient experience through monitoring the monthly and Annual Quality Account as well as carefully review complaints and claims.

Remuneration Committee

The Remuneration Committee is responsible for reviewing and making decisions on the remuneration package for all members of the Leadership Team, taking into account comparative market data, ensuring salaries are competitive, representative value for money and the reputation of the Trust is managed well. The Non-Executive Directors including the Chairman are members of the Committee and review the terms of reference, agree a pay framework, respond to national consultation on senior managers pay and agreed the appointment of the new Trust Chairman in 2016/17. Disclosure of the remuneration paid to Board Directors is provided in the Trust Accounts.

Nominations Committee

The Council of Governors has responsibility for the appointment and re-appointment of Non-Executive Directors and receives recommendation on such matters from the Nominations Committee.

Membership of the Nominations Committee comprises the Chairman of the Trust/Senior Independent Director and four elected Governors. Those attending meetings of the Nominations Committee may vary according to the business of the meeting, e.g. a Non-Executive Director would not be present when his/her reappointment is under review.

In accordance with its terms of reference, the Nominations Committee manages the process of identification and re/appointment of Non-Executive Directors (NED), determines and advises on NED levels of remuneration and time commitment, and ensures appropriate and timely succession planning for NEDs. The Nominations Committee will also function on the reappointment requests of Non-Executive Directors by reviewing their performance and contribution to the Board of Directors. In cases of NED appointment or reappointment, the Nominations Committee submits its recommendation to the Council of Governors for approval. To assist the Committee with its search and selection of Non-Executive Director candidates, the Committee appoints external search providers and also uses external advertising.

A term of office for Non-Executive Directors is three years unless the Director resigns or is removed by the Council of Governors during the term. The removal of a Non-Executive Director requires the approval of three quarters of members of the Council of Governors. In accordance with Corporate Governance Standards, details for disqualification from holding office of a Director can be found in the Trust's Constitution. Directors and Governors are also required to declare their interests on an annual basis, as well as confirm that they meet the fit and proper person's condition as set out in Regulation 5 of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014.

Performance evaluation of the Board of Directors, its Committees and its Directors

The Trust Board is satisfied that it has the sufficient skills, knowledge and experience to fulfil its statutory duties and meet the business needs of the Trust.

To assure itself of this, the Trust Board evaluates its performance annually based on the findings and action plan resulting from its self-assessment process which was carried out in line with the Well-Led Framework issued by the healthcare regulator. The assessment included a review of the Board's effectiveness of its systems of internal controls. As recommended by this guidance, the Trust used a RAG rating methodology to undertake the review of its governance arrangements and Board effectiveness. The Results Report was presented to the public Board meeting in March 2016 and was reviewed again by the Board in October 2016.

The Trust Board Committees, the Audit and Finance Committee and Quality, Assurance and Risk Committee have also undertaken a similar process of self-assessment in line with that of the Trust Board and have considered their performance in addition to reviewing their Terms of Reference, to ensure these remained fit for purpose.

The Nominations Committee is responsible for reviewing the balance of the Board in terms of its skills, knowledge and experience. This discussion formed the basis of the search and selection process in finding a Chairman of the Trust. Due to a changeover of Chairman at the end of 2016, the Chairman's appraisal will be conducted in December 2017. In cases of NED reappointment requests, the Nominations Committee reviews the performance of the Non-Executive Director prior to confirming its recommendation to the Council of Governors. The Chairman is also available to discuss with the NEDs Board effectiveness and any training and development that may be required on an individual and / or collective basis.

The Chief Executive undertakes an annual appraisal of each Executive Director to ensure objectives are achieved and a high standard of performance and effectiveness is maintained.

Terms of office and attendance at meetings of the Board of Directors and its Committees in 2016/17

Name	Role	Meetings attended (at 31 March 2017)	Term of office	End of current term
Board of Directors				
Charles Alexander	Chairman (from 1 December 2016)	2 / 2	1st	30 November 2019
R Ian Molson	Chairman (from 1 December 2010 – 30 November 2016)	6 / 6	2nd	30 November 2016
Ian Farmer	Non-Executive Director	8 / 8	1st	31 March 2017
Dame Nancy Hallett	Senior Independent Director	7 / 8	2nd	31 March 2019
Professor Dame Janet Husband	Non-Executive Director	8 / 8	1st	31 May 2017
Richard Turnor	Non-Executive Director	8 / 8	3rd	31 December 2017
Mark Aedy	Non-Executive Director	7 / 7	1st	30 April 2019
Professor Paul Workman	Non-Executive Director	6 / 8	1st	30 June 2017
Cally Palmer	Chief Executive	8 / 8		
Dr Liz Bishop	Chief Operating Officer/Deputy Chief Executive	8 / 8		
Dr Shelley Dolan	Chief Nurse (until 30 September 2016)	5 / 5		
Mr Eamonn Sullivan	Chief Nurse (from January 2017)	2 / 2		
Dr Nicholas van As	Medical Director	8 / 8		
Marcus Thorman	Chief Financial Officer	8 / 8		
Audit and Finance Committee				
Ian Farmer	Chairman of Committee/Non – Executive Director	4 / 4		
Professor Dame Janet Husband	Non-Executive Director	4 / 4		
Richard Turnor	Non-Executive Director	3 / 4		
Dame Nancy Hallett	Senior Independent Director	3 / 4		
Mark Aedy	Non-Executive Director	2 / 3		
Remuneration Committee				
R. Ian Molson	Chairman of the Trust (until 30 November 2016)	2 / 2		
Charles Alexander	Chairman of the Trust (from 1 December 2016)	0/0		
Ian Farmer	Non-Executive Director	2 / 2		
Richard Turnor	Non-Executive Director	2 / 2		
Nominations Committee	Meeting attendance			
R. Ian Molson	Chairman of the Trust (until 30 November 2016)	0 / 0		
Charles Alexander	Chairman of the Trust (from 1 December 2016)	1/1		
Quality, Assurance and Risk Committee				
Dame Nancy Hallett	Chairman of Committee/Senior Independent Director	3 / 4		
Dr Shelley Dolan	Chief Nurse (until 30 September 2016)	2 / 4		
Mr Eamonn Sullivan	Chief Nurse (from January 2017)	1 / 1		
Dr Nicholas van As	Medical Director	4 / 4		
Mr R Ian Molson	Chairman of the Trust (until 30 November 2016)	2 / 2		
Mr Charles Alexander	Chairman of the trust (from 1 December 2016)	2 / 2		
Cally Palmer	Chief Executive	3 / 4		
Richard Turnor	Non-Executive Director	4 / 4		
Professor Paul Workman	Non-Executive Director	0 / 4		
Dr Liz Bishop	Chief Operating Officer/Deputy Chief Executive	4 / 4		
Professor Dame Janet Husband	Non-Executive Director	4 / 4		
Marcus Thorman	Chief Financial Officer	4 / 4		

Principal activities

The Trust's principal activity is the provision of healthcare services to patients. The income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purposes. The primary source of other income is from Private Patient healthcare. This provides surpluses that contribute to the Trust's Capital Programme and investment into the NHS healthcare service.

Business review

The Trust's activities are reviewed in:

- Chairman's and Chief Executive's statement on page 2

The Financial Summary on page 10

In addition to this, other information relevant to the Trust's activities is set out in the other sections of this document. Quality Governance is addressed in the Annual Quality Account and Annual Governance Statement of this document.

Post balance sheet events

There have been no significant events since the balance sheet date that have had a material impact on the Trust.

Political and charitable donations

The Royal Marsden has not made any political or charitable donations this year or in previous years.

Public sector payment policy

The Trust aims to pay its non-NHS trade creditors in accordance with the CBI prompt payment code and government accounting rules. The target is to pay non NHS trade creditors within thirty days of receipt of goods or a valid invoice (whichever is the later) unless other payment terms have been agreed with the supplier. The Trust also aims to pay local community suppliers within ten days. The Trust has paid no interest under the late payment of commercial debts act in 2016/17.

Disclosure of information to auditors

As far as each of the Directors are aware, there is no relevant audit information of which the auditors are unaware. Each Director has taken all the steps a Director ought to have taken to

make themselves aware of any relevant audit information and to establish that the auditors are aware of such information.

Auditors

The Trust's appointed external auditors are Deloitte LLP. The auditors provide audit services comprising carrying out the statutory audit of the Trust's annual accounts and the use of resources work as mandated by Monitor and the National Audit Office, and a review of the Quality Accounts. The cost of this services in 2016/17 was £91,560 (2015/16 was £91,560).

Cost allocation and charging requirements

The Trust has complied with the cost allocation and charging requirement set out in HM Treasury and office of Public Sector Information Guidance.

Accounting for pension and other retirement benefits

The accounting policies for pensions and other retirement benefits are set out in note 20 to the Annual Accounts.

Quality Governance Reporting Statement

The NHS defines quality care as that which is;

- Safe;
- Effective; and
- With positive patient experience.

It is important to focus on all three aspects in order to deliver a high quality of care to our patients. Within this Annual Report, our Annual Quality Account, Annual Governance Statement and Board Assurance Framework explains in further detail the Trust's Quality Governance Framework which helps us ensure our care meets the best possible standard.

The Trust has a formal governance structure in place to monitor its Quality Governance Framework but at the most senior level, the Board of Directors and Council of Governors receive the Trust Quality Accounts at every meeting which reports on Trust performance against national and local targets for that year under each of the three categories listed above.

Remuneration Report

The Royal Marsden NHS Foundation Trust's Remuneration Report describes how the Trust applies the principles of good corporate governance in relation to Directors' remuneration, as required by the Companies Act 2006, Regulation 11 and Schedule 8 of the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 and the NHS Foundation Trust Code of Governance.

The Remuneration Report comprises:

- Annual statement on remuneration
- Very Senior Managers' pay principles
- Annual report on remuneration.

Annual statement on remuneration

The Remuneration Committee is a Sub-Committee of the Board. All decisions regarding pay for Executive Directors are made by the Trust's Remuneration Committee. The Committee is responsible for determining, on behalf of the Board, the broad policy for remuneration of the Trust's senior managers.

In the financial year 2016/17, there were some key leadership changes with the Chairman, Ian Molson, stepping down and a new Chairman, Charles Alexander, being appointed with effective from 1 December 2016. The Remuneration Committee approved the recruitment process and remuneration levels for the Chief Nurse and RM Partners Managing Director Vanguard posts. They also decided to award a one per cent cost of living increase in line with wider NHS pay awards and reviewed arrangements of individual leadership posts where there were significant changes in individual responsibility or labour market changes.

Senior Managers' Remuneration Policy

The Remuneration Committee is chaired by the Chairman of the Trust, with core membership comprising independent Non-Executive Directors Ian Farmer and Richard Turnor, however all Non-Executive Directors have the option to attend these meetings. Two meetings were held during the financial year. The Chief Executive attends meetings in an advisory capacity and the Director of Workforce attends as and when required by the Committee. Attendance of core members is shown below.

Remuneration Committee Membership and Attendance

Name	Meeting attendance
R. Ian Molson	2/2
Richard Turnor	2/2
Ian Farmer	2/2

Very Senior Managers' Pay Principles

The Royal Marsden is committed to the overarching principles of value for money and high performance. The Trust must attract and retain a high calibre senior management team and workforce in order to ensure it maintains its excellent standards of clinical outcomes and patient care, functions efficiently and is well positioned to deliver the business strategy. As a Foundation Trust, the Remuneration Committee has the freedom to determine the appropriate remuneration level for very senior managers. In reaching its decisions the Committee considers the responsibilities and requirements of the role, time in the role, marketability of the individual, benchmarking data from within the NHS or relevant sector, the external economic environment, NHS guidance and the performance of the Trust.

Where the salary of an Executive Director is above £142,500, the Committee takes into consideration all these factors to satisfy itself that the remuneration is reasonable and appropriate.

In 2015/16 the Trust agreed a set of pay principles which remain applicable in 2016/17 and are as follows:

1. Straightforward approach

The Trust's approach to pay for very senior managers will be simple, easily understood and will stand up to scrutiny. Appointment to the Trust's senior management will be on a fixed salary which is all inclusive.

2. Focus on base pay

While the focus is on base pay, the total remuneration package, including the value of pension benefits, will be considered, in particular versus the private sector. Pension related benefits accrued under the NHS Pension Scheme are the only non-cash element of senior managers' remuneration packages.

3. Focus on market rate

The Trust recognises that it may be necessary to pay at upper quartile of comparator Trusts in order to attract and retain individuals with the appropriate skills and expertise. Salaries will be formally reviewed every three years. A review does not necessarily mean that senior salaries will be uplifted.

4. Focus on performance

The Trust's performance systems have been aligned with our values, and a new performance development review system has been introduced for the Agenda for Change workforce that formally evaluates both 'what' employees need to do and 'how' they do it. Consistent with this, the performance of the Trust's senior managers is managed through clear objective setting and regular performance reviews.

5. Individual performance

Pay will reflect the continuing value and sustained contribution of each individual senior manager. The Trust does not reward poor performance and while there is no current system for bonus payments, there is an option to withhold pay increases otherwise deemed appropriate if any aspect of a senior manager's performance has been lacking.

6. Fairness

The Trust's pay system for senior managers will be reviewed at regular periods to ensure that its delivery is equitable, avoids discrimination, takes proper account of pay relativities across the Trust and meets the requirements of legislation.

7. Sustainability

It is essential that the Trust's pay arrangements are affordable and sustainable, representing value for money to the Trust based on both corporate and individual senior manager performance.

Components of remuneration for Executive Directors

The table below describes the component elements of the remuneration package for Executive Directors.

Component	Applicable to	Description
Fixed salary that is inclusive of London Weighting and on-call	Executive Directors (except Medical Director whose base salary will be determined by NHS consultant terms and conditions)	Agreed on appointment and reviewed in line with pay principles.
NHS Pension	Executive Directors	Individuals have the right to opt out of NHS Pension scheme
Clinical Excellence Awards	Medical Director	Part of national terms and conditions for consultants
Management allowance	Medical Director	
Medical on-call	Medical Director	Part of national terms and conditions for consultants

The tables setting out the salaries and pension entitlements of the Executive Directors for 2016/17 can be found in the accounts section. The Royal Marsden does not operate a performance bonus scheme for Executive Directors. No compensation for early termination was paid during 2016/17, no early terminations are expected and no provisions are required accordingly. There were no benefits in kind or non-cash elements of remuneration paid in the year.

Executive Directors are employed on a permanent contract basis. Required notice periods are 12 weeks, except for the Chief Executive whose notice period stands at six months. The service contract date as an Executive Director is shown below:

Cally Palmer Chief Executive	June 1998
Dr Liz Bishop Chief Operating Officer/Deputy Chief Executive	July 2013
Eamonn Sullivan Chief Nurse	January 2017
Marcus Thorman Chief Financial Officer	January 2015
Dr Nicholas van As Medical Director	January 2016 (4 year appointment to 2020)

The Trust's strategic objectives and business planning processes inform the objectives of the Executive Directors. Their performance is monitored throughout the year and assessed formally through an annual appraisal against agreed objectives.

Non-Executive Directors' remuneration

The Non-Executive Directors are not employees of the Trust. They receive no benefits or entitlements other than fees and are not entitled to any termination payments. The Trust does not make any contribution to the pensions arrangements of Non-Executive Directors. In 2016 the Council of Governors approved an increase in remuneration for the Chairman position to £50,000 per annum following a review of NHS benchmarking data.

Terms of office

The terms of office for Non-Executive Directors at the Trust are managed in accordance with the NHS Code of Governance. The Trust's Constitution mandates that the removal of the Chairman or another Non-Executive Director requires the approval of three-quarters of the members of the Council of Governors.

A new Non-Executive Director Mark Aedy was appointed by the Council of Governors and commenced his term of office from the 18 April 2016.

Former Chairman R. Ian Molson completed his second term of office which ended on the 31 November 2016. The recruitment and selection process for a new Chairman was approved by the Council of Governors and included external support from an external search company. Our new Chairman, Charles Alexander, commenced his first term of office on the 1 December 2016.

Senior manager	Title	Start of office	Term of office	End of current term
R. Ian Molson	Chairman	1 December 2010	Second	30 November 2016
Charles Alexander	Chairman	1 December 2016	First	30 November 2019
Ian Farmer	Non-Executive Director	1 April 2014	First	31 March 2017
Dame Nancy Hallett	Senior Independent Director	1 April 2013	First	31 March 2016
Professor Dame Janet Husband	Non-Executive Director	1 June 2014	First	31 May 2017
Richard Turnor	Non-Executive Director	1 January 2009	Third	31 December 2017
Professor Paul Workman	Non-Executive Director	1 July 2014	First	30 June 2017
Mark Aedy	Non-Executive Director	18 April 2017	First	17 April 2020

Expenses

In 2016/17 there were 12 Board Directors, including five Executive Directors, and 23 Governors. The aggregate amount of expenses paid to directors was:

£308.97 to Executive directors	£205.55 to Non-executive directors	£675.40 to governors
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Annual Report on remuneration

Median Pay

The Trust is required to disclose the relationship between the remuneration of the highest-paid director in the Trust and the median remuneration of the Trust's workforce. The mid-point of the banded remuneration of the highest-paid director in the Trust in the financial year 2016/17 was £257,500 (2015/16 £252,500). This was 7.1 (2015/16 7.2) times the median remuneration of the workforce, which was £36,362 (2015/16 £34,852). The median has been calculated to include London-weighting, as the highest paid director is London-based.

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

Salary and pension entitlements of senior managers

A. Remuneration

Name	Title	Salary and fees	Taxable Benefits	Annual Performance-related bonus	Long term performance-related bonus	Pension-related benefits	Total
		(bands of £5,000)	Total to nearest £100	(bands of £5,000)	(bands of £5,000)	(bands of £2,500)	(bands of £5,000)
		£000	£	£000	£000	£000	£000
2016/17							
Mr C Alexander	Chairman (from 01/12/2016)	15-20	-	-	-	-	15-20
Mr R.I. Molson	Chairman (to 31/11/2016)	25-30					25-30
Dame N. Hallett	Non Executive Director	20-25	-	-	-	-	20-25
Mr R. Turnor	Non Executive Director	15-20	-	-	-	-	15-20
Mr I Farmer	Non Executive Director	20-25	-	-	-	-	20-25
Prof P Workman	Non Executive Director	-	-	-	-	-	–
Prof Dame J Husband	Non Executive Director	15-20	–	–	–	–	15-20
Mr M Aedy	Non Executive Director (from 18/04/2016)	10-15	–	–	–	–	10-15
Miss C. Palmer CBE	Chief Executive	225-230	–	–	–	27.5-30	255-260
Mr M. Thorman	Chief Financial Officer	175-180	–	–	–	25-27.5	200-205
Dr N. van As	Medical Director	165-170	–	–	–	15-17.5	185-190
Mr E Sullivan	Chief Nurse (from 23/01/2017)	20-25	–	–	–	2.5-5	25-30
Dr S. Dolan	Chief Nurse (to 03/10/2016)	70-75				10-12.5	80-85
Dr E. Bishop	Chief Operating Officer	155-160	–	–	–	22.5-25	180-185
2015/16							
Mr R.I. Molson	Chairman	40-45	–	–	–	–	40-45
Dame N. Hallett	Non Executive Director	20-25	–	–	–	–	20-25
Sir J. Craven	Non Executive Director (to 01/06/15)	0-5	–	–	–	–	0-5
Mr R. Turnor	Non Executive Director	15-20	–	–	–	–	15-20
Mr I Farmer	Non Executive Director	20-25	–	–	–	–	20-25
Prof P Workman	Non Executive Director	–	–	–	–	–	–
Prof Dame J Husband	Non Executive Director	15-20	–	–	–	–	15-20
Miss C. Palmer CBE	Chief Executive	220-225	-	-	-	27.5-30	250-255
Mr M. Thorman	Chief Financial Officer	170-175	-	-	-	25-27.5	200-205
Dr N. van As	Medical Director (from 11/01/2016)	30-35	-	-	-	2.5-5	35-40
Prof M. Gore	Medical Director (to 11/01/2016)	135-140	-	-	-	-	135-140
Dr S. Dolan	Chief Nurse	140-145	-	-	-	17.5-20	160-165
Dr E. Bishop	Chief Operating Officer	140-145	-	-	-	20-22.5	160-165

The Trust is required to disclose the element of a directors' remuneration that relates to their clinical role. Clinical earnings for Dr N. Van As were £125-130,000 (2015/16 £25-30,000) and Prof M. Gore were £0 (2015/16 £125-130,000).

B. Pension Benefits

Name	Title	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at aged 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2017 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2017 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2016	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2017	Employer's contribution to stakeholder pension
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
2016/17									
Miss C. Palmer CBE	Chief Executive	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mr M Thorman	Chief Financial Officer	0-2.5	0-2.5	35-40	110-115	560	22	582	n/a
Dr. N. van As	Medical Director	0-2.5	0-2.5	25-30	35-40	295	11	306	n/a
Mr E Sullivan	Chief Nurse (from 23/01/17)	2.5-5	7.5-10	25-30	75-80	355	55	410	n/a
Dr S. Dolan	Chief Nurse (to 03/10/17)	0-2.5	5-7.5	50-55	160-165	1,115	79	1,194	n/a
Dr E. Bishop	Chief Operating Officer	2.5-5	12.5-15	45-50	145-150	816	108	924	n/a
2015/16									
Miss C. Palmer CBE	Chief Executive	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mr M Thorman	Chief Financial Officer	2.5-5	10-12.5	35-40	110-115	483	77	560	n/a
Dr. N. van As	Medical Director (from 11/01/2016)	25-27.5	35-37.5	25-30	35-40	-	295	295	n/a
Prof M. Gore	Medical Director (to 11/01/2016)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Dr S. Dolan	Chief Nurse	5-7.5	15-17.5	50-55	155-160	984	131	1,115	n/a
Dr E. Bishop	Chief Operating Officer	2.5-5	12.5-15	40-45	130-135	721	95	816	n/a



Cally Palmer CBE

Chief Executive

26 May 2017

Staff report

Staff costs analysis

The below table shows the amount spent on staff compared to 2015/16:

	Permanently employed	Temporary and contract staff	2016/17 total number	2015/16 total number
	£000	£000	£000	£000
Salaries and wages	153,701	6,659	160,360	162,299
Social security costs	15,867	711	16,578	13,558
Employer contributions to NHS Pensions Agency & NEST	18,399	553	18,952	19,295
Agency staff	-	7,761	7,761	11,653
	187,967	15,684	203,651	206,805

Staff numbers analysis

The average number of persons employed during the year (on a full time equivalent basis) is shown in the table below:

	Permanently employed number	Other	2016/17 total number	2015/16 total number
Medical and dental	383	-	383	362
Administration and estates	1,046	-	1,046	1,035
Healthcare assistants and other support staff	311	-	311	488
Nursing, midwifery and health visiting staff	1,021	-	1,021	1,101
Scientific, therapeutic and technical staff	661	-	661	573
Healthcare science staff	193	-	193	189
Agency and contract staff	-	110	110	182
Bank staff	-	203	203	126
	3,615	313	3,928	4,056

Staff on fixed term contracts have been included with permanently employed staff in the tables above. Average numbers employed during the year have been calculated on the basis of staff employed in April 2016 and in March 2017.

The breakdown of the permanent and fixed term workforce by gender and headcount is as follows:

Directors / Senior manager / Employee	Female	Male
Executive Director	2	3
Leadership Team	6	9
Employees	3195	869
Grand total	3203	881

Education and training

The Royal Marsden gives a high priority to developing staff to ensure that they have the right knowledge and skills to deliver excellent healthcare. Our commitment is set out in our ambitious multi-professional education strategy. Approved by the Board, the strategy outlines five core objectives aimed at achieving excellence in all aspects of education and for the Trust to be recognised as a leading provider in multi-professional oncology education and training.

The CQC Inspection Report following its visit in 2016 recognised the Trust's ambition and achievements. The report noted the culture of lifelong learning and commitment to workforce development, which ensures patients receive care from a highly trained and expert workforce. The investment in master's degrees and specialist cancer training was highlighted as an area of outstanding practice. There have been significant achievements and innovations in our delivery of education and training over the last 12 months, which are detailed in the annual education report.

The Royal Marsden School

The Royal Marsden is one of the UK's leading specialist cancer schools, providing postgraduate awards in cancer care, which are validated by the School's academic partner, the University of East Anglia. The School takes pride in ensuring that its staff are highly trained experts in their field, both in this country and internationally. The School offers a flexible programme of degree and master's qualifications as well as short courses and study days tailored to meet the needs of healthcare professionals from a broad range of backgrounds – whether that is a general introduction to cancer and palliative care, or a specialist course to support practice. All of the School's teaching is underpinned by the highest academic standards and delivered by highly qualified teaching staff who work closely with renowned clinical specialists from The Royal Marsden and other hospitals. This year, for the fifth year running, The Royal Marsden School received an excellent rating for all its key performance indicators.

Workforce Strategy

The Royal Marsden Workforce Strategy 2016 – 19 Aspiring to Excellence, has been developed this year. There is a challenging workforce agenda and this strategy outlines our ambition to strengthen our position as a world class employer and sets the direction for the workforce transformation and operational excellence required to support the delivery of our wider Trust strategic aims.

The workforce strategy is a key document that draws together all that the Trust must do to attract, retain, develop and reward the brightest and best staff to meet our strategic priorities. More than that, the workforce strategy's aim is to develop an organisation where people continue to deliver excellence each day and feel involved, engaged and appreciated at work.

Workforce performance

In April 2016, some of the workforce performance targets were amended to reflect improved performance. Both the appraisal rate and local induction compliance target had been met and exceeded during the previous year and appropriate new stretch targets were introduced as a result.

There was improvement in workforce metrics with the Trust meeting a more challenging appraisal target of 90% and for consultants the figure was 98%.

Recruitment and retention

During 2016/17, the Trust has experienced an increase in the overall vacancy rate. This is due to an increase in turnover rate as well as an overall increase in establishments. The vacancy rate remains below average across London but despite this enviable position, the data at a more granular level does reflect the chronic and on-going recruitment and retention challenges that the NHS is facing across the capital. The pay and pension negotiations and increased cost of living make it difficult for NHS organisations to persuade staff to stay in London. This is particularly challenging for the community services. In a recent report published by the RCN, it highlighted over 10,000 nurse vacancies across London.

The Trust has risen to this challenge during 2016/17 and taken a targeted and focused approach to reduce vacancies. The Trust has also continued to improve the recruitment service and in a recent benchmarking exercise has one of the quickest recruitment processes. Dedicated resources have been identified to support nurse recruitment and retention.

Our initiatives include national and international recruitment campaigns, streamlined recruitment processes and improved benefits portfolio.

Sickness absence rate

In a Health Education England quarterly data gathering exercise, the Trust was ranked seventh best in the country for sickness absence levels and fifth across London.

Sickness absence data has been calculated by calendar year and is provided below:

Average FTE	3,650
Adjusted FTE days lost to Cabinet Office definitions	23,719
Average sick days per FTE	6.5

Disability Policy

The Trust is now a Disability Confident Employer and displays the logo confirming this in our recruitment. This replaces the Disability Two Ticks symbol but continues to support a guaranteed interview scheme to make sure that full and fair consideration is given to applications from candidates with disabilities. Our Managing Absence Policies ensure that when staff become disabled in the course of employment, we take active steps and make reasonable adjustments to enable staff to remain employed. All of our people management policies apply equally to staff with and without disabilities.

We have a duty to make reasonable adjustments to remove barriers that prevent disabled persons from fully participating in work. During this year we have made various adjustments for applicants and existing staff which include flexible hours, workstation assessments and changes to VDU equipment, extending assessments to support candidates with dyslexia, redeployment and varying sickness absence triggers.

From analysis, the percentage of disabled staff that accessed mandatory and non-mandatory training and study leave funding this year was broadly in line with the proportion of disabled staff across The Royal Marsden.

Following the 2015 staff survey, we undertook a more detailed assessment of the experiences and needs of staff with disabilities and health conditions. As a result, we plan to raise awareness of disability issues with line managers and establish a forum for staff with disabilities and health conditions. We also plan to review patient access to our buildings with support from DisabledGo.

Engaging our staff

It is widely recognised that engaged and well-motivated staff are key to delivering high quality care to patients. The Royal Marsden recognises the importance and value of having an engaged workforce. There are well established mechanisms in place to encourage staff engagement and involvement. These include:

Schwartz rounds

Schwartz rounds were introduced by the Chief Nurse and Medical Director. Schwartz rounds are a forum for staff from all backgrounds and levels to come together once a month explore the psychological impact of their job role. Research has shown that they have a positive impact on individuals, relationships with patients and colleagues and the extent to which staff feel cared for. These have been running successfully for over a year.

Chief Executive's forum

The Chief Executive has continued to hold regular open meetings with staff to allow for two way communication about key strategic issues facing the Trust. These forums allow the Leadership Team to share updates and actions around the Trust performance and encourage engagement in how this could be further improved.

Leadership rounds

Members of the Leadership Team are committed to increasing visibility across the organisation and use informal walk rounds to different parts of the Trust to engage and listen.

Weekly bulletins and quarterly briefings

To ensure key messages are communicated to all members of the Trust a weekly bulletin is circulated highlighting events, news and celebrations. In addition members of the Leadership Team send out regular briefings to provide key messages.

Clinical Tuesdays

Each Tuesday the Chief Nurse and a team of senior nurses go 'back on the floor', meaning they work in clinical areas in practice to support staff and enable a two way dialogue about quality improvements using the newly introduced ward accreditation system.

Long Service Awards

In response to feedback from staff a new long service recognition scheme was introduced in January 2016 to recognise staff with service at 10 and 20 years. This has received positive feedback from recipients and enables the Trust to celebrate the on-going commitment and loyalty of Trust staff. This has been further extended during 2016/17 to recognise staff with service at 30 and 40 years.

Above and Beyond recognition scheme

During 2016/17, the Trust launched a new recognition scheme. The Above and Beyond scheme includes an instant recognition scheme as well as a quarterly team and individual excellence award. The annual staff awards ceremony serves to recognise the extra ordinary performance of colleagues.

Partnership working

The Trust has an active Trust Consultative Committee that is a forum for management and staff side colleagues to work in partnership. The Trust also has an Employment Partnership group that meet quarterly. Both of these groups enable the Trust to consult employees and their representatives to ensure appropriate involvement in changes across the organisation.

Health and Wellbeing Day

During the year the Trust has developed Health and Wellbeing Days. These are open to all staff and provide staff with an opportunity to take part in a range of physical and mental health and wellbeing initiatives. Over 300 staff were able to attend the last day across the hospital and community sites.

Engaging junior doctors

The Director of Medical Education has worked with management and clinical colleagues to improve the engagement of junior medical staff by running a number of internal feedback surveys and working with them to identify solutions to issues related to education, recruitment and the working environment.

This year, the Trust launched a new leadership development programme, the Paired Learning Programme, to engage junior doctors in leading quality improvements.

To ensure smooth transition to the new national junior doctor Terms and Conditions, an implementation group has been created in partnership with junior doctors and their trade union representatives. A Guardian of Safe Working was appointed to support junior doctors to raise concerns about safe ways of working.

Freedom to Speak Up Champion

The Trust has appointed a Freedom to Speak Up Guardian to further develop an open and transparent culture within the organisation. The Trust has established a network of Speak Up Champions across the Divisions to give staff every opportunity to raise concerns. This initiative supports our approach to raising concerns and whistleblowing.

Counter fraud

As part our drive to encourage staff to raise concerns, the Trust has policies and procedures in place to support staff to raise concerns about fraud, potential fraud or any misconduct of a similar nature.

Listening to our staff

In line with Department of Health requirements, the Trust continues to run the NHS Staff Friends and Family Test in Quarter 1, 2 and 4 and invites staff to participate in each survey.

How likely are you to recommend this organisation to friends and family... as a place to receive care or treatment ('care')... as a place to work ('work')	Quarter 1	Quarter 2	Quarter 4
Recommend – Care	95.5%	100%	95.4%
Recommend – Work	70.2%	100%	71.9%

In Quarter 2, the Trust used the Friends and Family Test to seek feedback from the senior management team and ensure that the initiatives in place were successfully engaging and retaining the senior talent within the organisation.

In addition, in order to develop a truly meaningful staff engagement plan, the Trust held a series of engagement events with all levels of staff throughout the year. These events were held to test out some of the initiatives in place and proposed responses to survey findings.

National staff survey

The annual NHS staff survey is a further valuable source of information about how staff experience working in the Trust and provides a useful indicator of staff engagement. The 2016 Trust results have seen some positive improvement since 2015 and the response rate was 48%, which is average for acute specialist Trusts. For the second year running, the Trust scores have either improved or stayed the same since the previous year. Table 1 highlights the breakdown and shows that over 50% of the findings are above average – with 3 findings being the best in the country in comparison with other specialist Trusts. This demonstrates that the significant progress made over the last two years has been sustained in 2016.

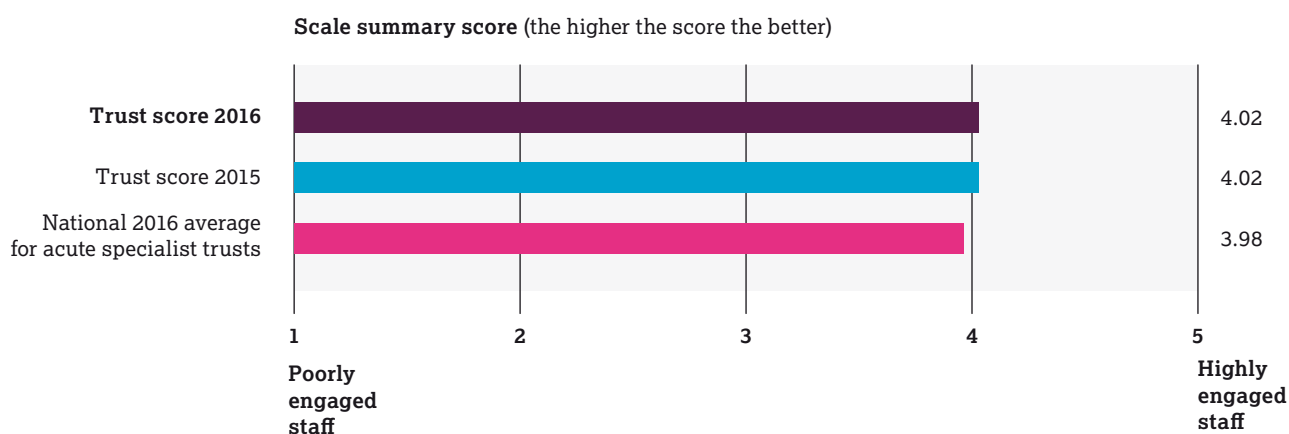
There are three key findings that have reported statistically significant changes and all of them have been positive. The summary table also confirms that there has been a marginal increase of findings below average, from one indicator to two but neither saw any statistically significant changes in year.

Table 1 – Year-on-year comparison

	National Staff Survey 2016	National Staff Survey 2015	National Staff Survey 2014
Findings that are above average	56% (18/32 indicators)	56% (18/32 indicators)	28% (8/29 indicators)
Findings that are average	38% (12/32 indicators)	41% (13/32 indicators)	55% (16/29 indicators)
Findings that are below average	6% (2/32 indicators)	3% (1/31 indicators)	17% (5/29 indicators)

The overall indicator of staff engagement at the Trust has stayed the same as the 2015 position and remains above average for acute specialist Trusts, table 2 provides the detail. Although The Royal Marsden staff engagement level has remained steady, the 2016 national average for acute specialist trusts has reduced from 4.01 to 3.98.

The overall staff engagement is an aggregate of three indicators including staff motivation at work, staff recommendation as a place to work or receive treatment and ability to contribute to improvements.

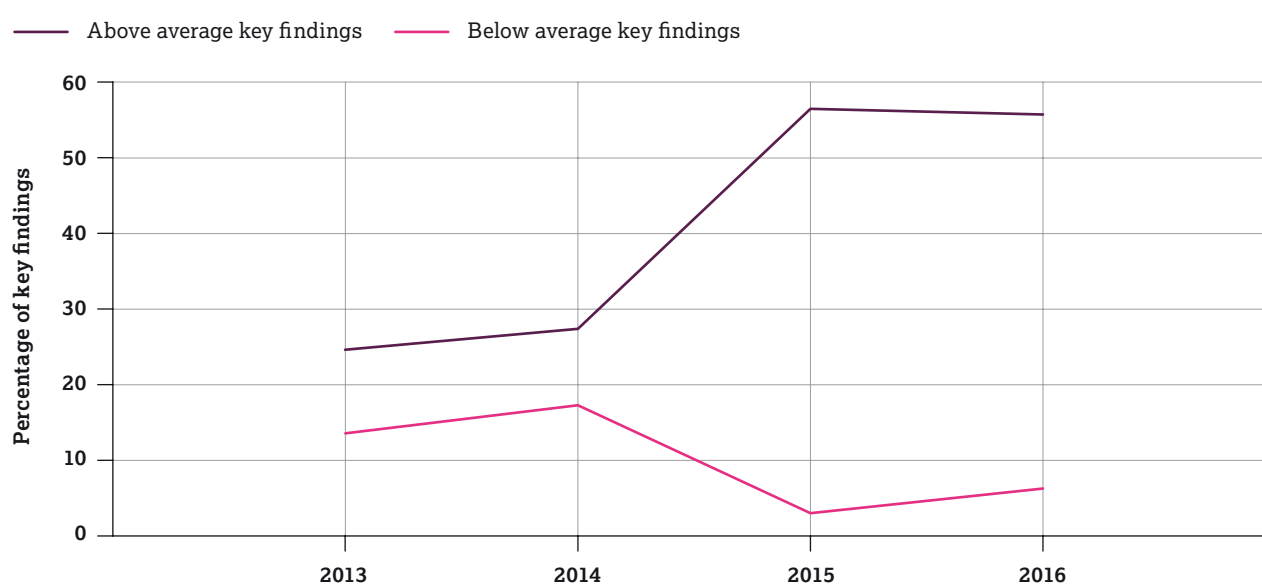
Table 2 – Overall staff engagement**The 2016 results**

There are three key findings where the Trust has the best score for acute specialist Trusts nationally.

Table 3 provides further details of the findings with a year-on-year comparison highlighting two of the three have seen improvements in 2016.

Table 3– Areas with the best score for specialist Trusts

	RM Survey Score 2016	RM Survey Score 2015	RM Survey Score 2014	RM Survey Score 2013
Percentage of staff / colleagues able to contribute towards improvements at work	78%	78%	76%	70%
Fairness and effectiveness of procedures for reporting errors, near misses and incidents	4.01	3.96	No comparable data	No comparable data
Recognition and value of staff by managers and the organisation	3.66	3.63	No comparable data	No comparable data

Year on year comparison

The two key findings that are below the national average for acute specialist Trusts are the percentage of staff feeling unwell due to stress in the last 12 months and the percentage of staff working extra hours.

In the Trust's top 5 ranking scores, significant improvement can be seen around the percentage of staff reporting violence, and staff reporting the effective use of patient feedback. All of these findings are better than the national average scores for acute specialist trusts and acute trusts.

Table 4 – The Trust's top 5 ranking scores

The table below outlines the five bottom ranking scores for the Trust. Whilst these are areas where the Trust is not considered to have performed well, it is worth noting that three of the five results are considered to be "average" in comparison with similar specialist Trusts and two above average when compared to the national average for acute Trusts.

	Survey Score 2016	Survey Score 2015	Survey Score 2014	Survey Score 2013	National Average for Specialist Trusts	Trust Score – Below/Above Average	National Average (Acute Trusts)
Fairness and effectiveness of procedures for reporting errors, near misses and Incidents	4.01	3.96	No comparable data	No comparable data	3.79	Above Average	3.72
Recognition and value of staff by managers and the organisation	3.66	3.63	No comparable data	No comparable data	3.60	Above Average	3.45
Support from immediate managers	3.89	3.88	3.81	3.75	3.80	Above Average	3.73
Effective use of patient / service user feedback	3.95	3.98	3.84	No comparable data	3.81	Above Average	3.7
Effective team working	3.89	3.89	No comparable data	No comparable data	3.84	Above Average	3.75

Table 5 – The Trust’s bottom five ranking scores

	Survey Score 2016	Survey Score 2015	Survey Score 2014	Survey Score 2013	National Average for Specialist Trusts	Trust Score – Below/Above Average	National Average
Percentage of staff working extra hours	78%	79%	77%	77%	74%	Below Average	71%
Percentage of staff feeling unwell due to work related stress in last 12 months	35%	34%	36%	37%	33%	Below Average	35%
Organisation and management interest on health and wellbeing	3.69	3.72	No comparable data	No comparable data	3.71	Above Average	3.60
Percentage of staff experiencing discrimination at work in the last 12 months	10%	8%	10%	11%	9%	Above Average	12%
Percentage of staff believing that the organisation provides equal opportunities for career progression or promotion	87%	87%	86%	90%	86%	Average	86%

The two key findings where the Trust’s performance is below average relates to the number of additional hours staff work each week and staff feeling unwell due to stress in the last 12 months. The Trusts’ score for staff working extra hours has marginally improved (79% to 78%) but the staff feeling unwell due to stress has worsened (34% to 35%).

The Workforce Strategy 2016 – 2019 details five core priorities underpinned by a sixth HR priority, the drive for operational excellence. These priorities will provide the basis framework for the divisional engagement and workforce plans for the next 12 months. These plans will be informed by the staff survey results, the responses to the Friends and Family Test as well as other sources of divisional feedback. The core priorities include:

- Recruitment
- Retention
- Health and wellbeing
- Workforce transformation
- Culture and engagement
- Operational excellence.

Expenditure on consultancy

Consultancy expenditure for the year 2016/17 was £1.08m (£1.02m in 2015/16).

Exit packages

The table below summarises exit packages for the year 2016/17:

Exit package cost	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
< £10,000	2	10	12
	(-)	(6)	(6)
£10,000 – £25,000	2	2	4
	(1)	(1)	(2)
£25,001 – £50,000	2	1	3
	(1)	(-)	(1)
£50,001 – £100,000	-	-	-
	(-)	(1)	(1)
Total number of exit packages by type	6	13	19
Total resource cost (£000)	134	74	209

Prior year comparatives are provided in brackets.

Exit packages: non-compulsory departure payments	Agreements	Total Value of Agreements
	number	£'000
Contractual payments in lieu of notice	12	59
Non-contractual payments requiring HMT Approval	1	15
Total	13	74

As per the requirement of the Department of Health Group Accounting Manual, the thirteen other departures in year have been analysed into their component parts. The one non-contractual payment made did not have a payment value of more than 12 months of their annual salary.

Off payroll engagements

Table 1: For all off-payroll engagements as of 31 March 2017, for more than £220 per day and that last for longer than six months

No. of existing engagements as of 31 March 2017	1
Of which...	
No. that have existed for less than one year at time of reporting	0
No. that have existed for between one and two years at time of reporting	0
No. that have existed for between two and three years at time of reporting	0
No. that have existed for between three and four years at time of reporting	0
No. that have existed for four or more years at time of reporting	1

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

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2016 and 31 March 2017, for more than £220 per day and that last for longer than six months

No. of new engagements, or those that reached six months in duration, between 1 April 2016 and 31 March 2017	1
No. of the above which include contractual clauses giving the trust the right to request assurance in relation to income tax and National Insurance obligations	1
No. for whom assurance has been requested	0
Of which...	
No. for whom assurance has been received	0
No. for whom assurance has not been received	0
No. that have been terminated as a result of assurance not being received	0

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2016 and 31 March 2017

No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year	0
No. of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure should include both off-payroll and on-payroll engagements	14

Occupational Health

The Occupational Health Department (OHD) exists to ensure the health, safety and wellbeing of all Trust employees.

The OHD has maintained the Safe Effective Quality Occupational Health Service (SEQOHS) accreditation over the past year. The SEQOHS accreditation is an evidence assessment of a set of standards to drive continuous improvement in the quality of services provided to clients.

The OHD continues to work closely with other teams within the hospital including staff support services, Infection Prevention and Control and Risk Management. Working alongside the Human Resources Department enables managers to obtain support and information to manage both short and long term sickness absence.

- 10,997 appointments were given in this financial year delivering a service to both Royal Marsden staff and to staff from other organisations to whom a service is provided.
- The seasonal influenza vaccination programmes is offered to all staff to protect patients staff and their families. In 2016, the Trust achieved the highest rate of compliance at 72%.
- Monthly health promotion topics are displayed on notice boards and on the intranet for easy access for staff events to encourage staff to take steps to improve their health.
- Formal one to one counselling and support services continue to be available to all staff on request via OHD and staff support services.

- Attendance management referrals are one of the core activities undertaken by the Occupational Health Service. Case conferences are encouraged to support managers in attendance management and enable successful rehabilitation back into the workplace.
- Self-referral for sickness absence is available for staff who are concerned about their individual attendance.
- Fast track physiotherapy is provided for staff for appropriate effective intervention for musculoskeletal conditions promoting an early return to work with effective rehabilitation programmes to facilitate resumption of full work activity.
- Travel vaccines are provided for all staff travelling abroad. Travel vaccines are offered to the wider community at competitive rates.

The OHD remains an important resource available to all staff in maintaining health and wellbeing at work and aims to continue to develop the service in line with the Trust's strategy for the future.

Members and Governors

Our Members

As a Foundation Trust, The Royal Marsden has members which are made up of its Patients and Carers, Public and Staff.

Membership is split into the following constituencies:

Patient and carer membership

The Patient constituency is subdivided into the following geographical areas: 'Kensington & Chelsea', 'Sutton & Merton', 'Elsewhere in London' and 'Elsewhere in England'. Anyone living in these areas that have been a patient at the Trust within the last five years can become a member of the relevant patient sub-constituency. There is also a carer sub-constituency which is open to individuals who care for current patients of the hospital or who have cared for a former patient of the hospital within the last five years.

Public membership

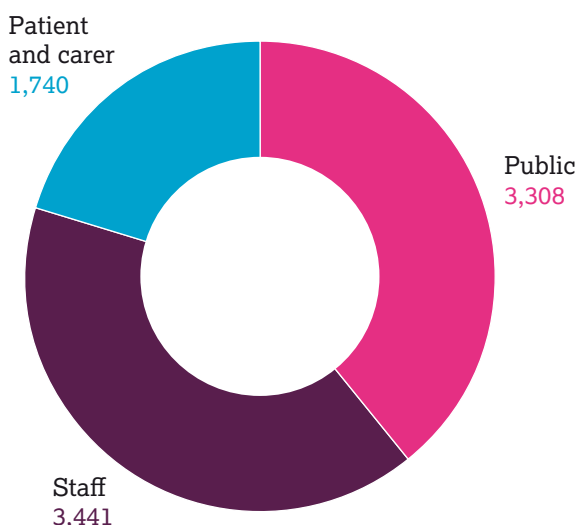
The Public constituency comprises of individuals who live within the following three geographical areas; the 'Royal Borough of Kensington and Chelsea', 'London Boroughs of Sutton and Merton' and 'Elsewhere in England'.

Staff membership

The Staff constituency comprises of individuals who are employed by the Trust, hold an honorary contract with the Trust or hold an honorary contract with the Trust and our academic partner The Institute of Cancer Research. The constituency is divided into five staff groups; 'Corporate and Support Services', 'Clinical Professionals', 'Doctor' and 'Nurse'.

Membership overview

As of the 31 March 2017, the Trust had 8,489 members, comprising of:



Membership recruitment and engagement

The Trust has a Membership and Communications Group which is a working group of the Council of Governors and is tasked with the responsibility of reviewing and progressing membership recruitment and engagement activities. This group consists of a majority of Governors, one of which shares the responsibility of Co-Chair with the Head of PR and Communications. The Governor Co-Chair reports on the groups work and progress to the Council of Governors of which several Board members also attend.

In addition to this, a membership report is provided to the Board of Directors on an annual basis, outlining the Trust's membership position. Enabling the Board of Directors to monitor how representative the membership base is and the work undertaken throughout the year to increase membership and improve interaction and engagement with members. For example focusing recruitment activities to increase the number of patient members due to low numbers in this constituency and developing strategies to encourage younger members (under the age of 21).

Membership recruitment

Some of the member recruitment activities undertaken in 2016/17 include:

- Governors visiting local schools to promote the work of the Trust amongst young adults while encouraging them to become members.
- Welcome letters being sent from the Chief Executive to new patients at the point of registration and at different stages of the patient pathway inviting them to become a member.
- Membership application forms being handed to patients when collecting their prescriptions onsite at the hospital.
- Promoting Trust membership in official Trust literature and patient information.
- Member get member: encouraging existing members through communications and events to invite anyone they know who is interested in RM to become a member.
- Engaging with the Trust's volunteers and registering new volunteers as public members as well as promoting membership on their information leaflets.
- Holding a Members' Week from 13-19 March 2017 which was led by the Governors.

Membership engagement

The Trust has two levels of membership to differentiate the level of involvement a member wishes to have and to help manage resources more efficiently. Member engagement activities undertaken over the past year include:

- All members receiving a copy of the quarterly RM magazine which promotes the work of the Trust, the Council of Governors, Board of Directors and membership. The magazine also has a wide circulation to patients and the general public.
- Holding and promoting member events to engage with members on the latest developments which in 2016 ranged from clinical presentations to behind-the-scenes tours of the hospital.
- Members participating in surveys and focus groups for example the proposed build for the Clinical Care and Research Centre.

How do I become a member?

Anyone aged 16 years old or over and lives in England can become a member of The Royal Marsden NHS Foundation Trust.

There are several ways in which a person can sign up to become a member for example, picking a form up from around the hospital or completing an online form via Trust website www.royalmarsden.nhs.uk.

To find out more about membership or to contact your Governor, please contact the Corporate Governance team using the following contact details:

Post

Corporate Governance
The Royal Marsden NHS Foundation Trust
Fulham Road
London
SW3 6JJ

Email

Foundation.trust@rmh.nhs.uk

Telephone

0207 808 2844 / 0207 811 8558

Members of the public can also contact the Corporate Governance team to request a copy of the Register of Governors' and Board of Directors Interests.

Our Council of Governors

Once an individual becomes a member of The Royal Marsden NHS Foundation Trust, they have the option to vote for or stand to become a Governor of the Trust to represent member's views on the Council of Governors. Local stakeholders such as Clinical Commissioning Groups and Local Authorities are also represented on the Council of Governors.

The Council of Governors has a number of statutory and regulatory responsibilities which are reflected in the Trust's Constitution. These include but are not limited to the appointment or removal of Non-Executive Directors, the appointment or removal of the Trust's external auditor and receiving the Trust's Annual Report and Accounts as well as the auditor's report on this. The Health and Social Care Act 2012 introduced the following two legal duties; to hold Non-Executive Directors to account for their performance of the Board and to represent the interests of the members of the Trust and public in their role. Governors are able to canvass the opinion of the members through the Council of Governors meetings and working groups. Members are free to raise any concerns or submit any questions to their Governor and are reminded of this throughout the year in Trust communications.

In 2016/17 Governors were invited to have one-to-one feedback sessions with the Trust Secretary. Plans are in place to conduct a Council of Governors performance review in 2017/18 which will also involve feedback from Board members.

Composition of the Council of Governors

As previously noted, the Trust has various constituencies for its members i.e. patients/public and staff. Members vote for their Governors and therefore Governors represent those members under their constituency. The table on page 51 illustrates this.

As of 31 March 2017, there were 23 seats on the Council of Governors comprising of 17 elected Governors (Patient and Carer, Public and Staff Governors) and six appointed stakeholder and partner Governors. The table on page 52 shows details of the Governors, their terms of office and attendance at meetings of the Council of Governors and the Annual General Meeting in 2016/17.

Governor Peter Lewins was appointed as the Lead Governor of the Council of Governors, whose role is to act as a two way conduit between Monitor and the Council of Governors in specific circumstances.

Election to the Council of Governors

All Governors hold terms of office for a period of three years and are eligible for re-election or re-appointment to serve a maximum of nine years.

The Council of Governor elections are managed by an external independent provider, Electoral Reform Services. In 2016/17, the following elections were held:

Constituency	Nominations
Patient – Kensington & Chelsea and Sutton & Merton (3 Governors)	5
Patient – Elsewhere in London (2 Governors)	8
Patient – Elsewhere in England (2 Governors)	12
Carer (2 Governors)	6
Public – Elsewhere in England (1 Governor)	6
Public – Sutton and Merton (1 Governor)	3
Staff – Doctor (1 Governor)	2
Staff – Nurse (1 Governor)	3
Staff – Clinical Professionals (1 Governor)	Elected unopposed

Terms of office and attendance of Governors at meetings of the Council Governors 2016/17

Governor	Constituency/Organisation	Term of office	End of current term	Meetings attended
				Total meetings = 7
Elected Patient Governors				
Mrs Joyce Herve	Kensington and Chelsea and Sutton and Merton	First	April 2016	1 out of 1
Mrs Maggie Harkness	Kensington and Chelsea and Sutton and Merton	Second	May 2019	5
Mr Colin Peel	Kensington and Chelsea and Sutton and Merton	Second	July 2019	4
Ms Armine Afrikan	Kensington and Chelsea and Sutton and Merton	First	May 2019	5 out of 6
Ms Fiona Stewart	Elsewhere in London	Second	May 2019	6
Dr Peter Lewins*	Elsewhere in London	Second	May 2019	3
Ms Vikki Orvice	Elsewhere in England	Second	April 2016	1 out of 1
Mr Simon Spevack	Elsewhere in England	Second	May 2019	4
Dr Andrew Pearson	Elsewhere in England	First	May 2019	5 out of 6
Elected Carer Governors				
Mrs Lesley-Ann Gooden	Carer	Third	May 2019	6
Mr Duncan Campbell	Carer	Second	May 2019	6
Elected Public Governors				
Dr Carol Joseph	Kensington and Chelsea	Second	July 2017	7
Janet Mountford	Sutton and Merton	First	April 2016	0 out of 1
Tim Howlett	Sutton and Merton	First	May 2019	3 out of 6
Mrs Ann Curtis	Elsewhere in England	Third	January 2018	7
Mr Robert Shearer	Elsewhere in England	First	April 2016	0 out of 1
Mrs Bernadette Knight	Elsewhere in England	First	May 2019	1 out of 6
Elected Staff Governors				
Dr Claire Dearden	Doctor	First	July 2016	1 out of 2
Dr Jayne Wood	Doctor	First	August 2019	4 out of 5
Ms Maureen Carruthers	Nurse	Second	August 2019	7
Mr Richard Keane	Clinical Professionals	First	April 2016	0 out of 1
Ms Rachel Nabawanuka	Clinical Professionals	First	May 2019	5 out of 6
Mr Hardev Sagoo	Corporate and Support Services	First	May 2017	6
Nominated Governors				
Dr Charmaine Griffiths	The Institute of Cancer Research	First	February 2019	6
Ms Anne Croudass	Cancer Research UK (Charity)	First	May 2018	5
Cllr. Robert Freeman	Local Authority: London Borough of Kensington and Chelsea	Second	July 2017	5
Cllr. Stephen Alambritis	Local Authority: London Boroughs of Sutton and Merton	First	August 2016	1
Dr Philip Mackney	West London CCG	Second	February 2019	3

*Lead Governor

Expenses of Governors

The Trust's expenses policy ensures that Governors are appropriately reimbursed for reasonable expenses incurred in the course of carrying out their duties. For the year ending 31 March 2017, the total amount claimed by Governors was £675.40

Linking the Council of Governors to the Board of Directors

It's important that the Council of Governors and Board of Directors work together for the benefit of our patients and public. There are several ways in which the two bodies achieve this.

The Chairman of the Board of Directors is also the Chair of the Council of Governors. The Executive Directors and Non-Executive Directors routinely attend the Board of Directors meeting and also the Council of Governor meetings. The Senior Independent Director in particular supports the Chairman in this way. This link enables members of the Board, in particular the Non-Executive Directors, to better understand the views of the Governors and therefore the members of the Trust. A Membership Report is also presented to the Board on an annual basis.

The Council of Governors receive an annual report regarding the work of the Board Sub –Committees, the Audit and Finance Committee and the Quality, Assurance and Risk Committee. This report is presented by the Chairs of the Committees (also Non-Executive Directors) and highlights the Committees' main business and risks for the year specified.

Governors are invited to attend public Board of Directors meetings where they can observe first-hand the Board in business and in particular, the performance of Non-Executive Directors.

In situations where any conflict arises between the Board of Directors and the Council of Governors, the Trust's internal dispute resolution procedure shall be adhered to which notes that the decision of the Chairman shall be final. However, there may be circumstances where the Chairman feels unable to decide owing to a conflict of interest. In such situations, the Chairman will initiate an independent review to investigate and make recommendations. Normally this will be achieved by inviting the Senior Independent Director to conduct the review and the choice of the individual will be agreed by both the Board of Directors and the Council of Governors.

Statement of Compliance with the NHS Foundation Trust Code of Governance

The Royal Marsden 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.

NHS Improvement's Single Oversight Framework

NHS Improvement's Single 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.

The Single Oversight Framework applied from quarter 3 of 2016/17. Prior to this, Monitor's Risk Assessment Framework (RAF) was in place. Information for the prior year and first two quarters relating to the RAF has not been presented as the basis of accountability was different. This is in line with NHS Improvement's guidance for annual reports.

Segmentation

As at 29 March 2017, the Trust has been placed in segment 1. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement 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 Single Oversight Framework, the segmentation of the trust disclosed above might not be the same as the overall finance score here.

Area	Metric	Q3 Score 2016/17	Q4 Score 2016/17
Financial Sustainability	Capital Service Capacity	3	2
	Liquidity	1	1
Financial Efficiency	I&E margin	3	1
Financial Controls	Distance from financial plan	1	1
	Agency spend	1	1
Overall Scoring		2	1

Statement of the Chief Executive's responsibilities as the accounting officer of The Royal Marsden 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.

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require The Royal Marsden 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 The Royal Marsden 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
- prepare the financial statements on a going concern basis.

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

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



Cally Palmer CBE
Chief Executive
26 May 2017

Annual Governance Statement

1. Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of The Royal Marsden 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 Royal Marsden NHS Foundation Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

2. The purpose of the system of internal control

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

3. Capacity to handle risk

As Accounting Officer I have overall accountability for risk management in the Trust. I have delegated responsibility for the coordination of risk management systems and processes to the Chief Nurse who discharges this responsibility through the Risk Management and Quality Assurance teams. These teams lead on the Care Quality Commission (CQC), the Trust risk register, Board Assurance Framework and incident reporting management system.

The Board of Directors play an important role in terms of the organisation's capacity to handle risk. They provide overall leadership and commitment for establishing effective risk management systems across the organisation. The Chair of the Quality, Assurance and Risk Committee is the Senior Independent Director and a Non-Executive Director with senior health service experience. Membership includes other Non-Executive Directors (including the Trust Chairman) and Executive Directors (including the CEO, Chief Nurse, Chief Operating Officer, Chief Financial Officer and Medical Director). As a sub-committee of the Board, the Committee is responsible for approving the strategic management of risk and monitoring the implementation of risk management arrangements within the NHS Foundation Trust. This Committee works alongside the Audit and Finance Committee to manage risk, which as another sub-committee of the Board, contributes independently to the Board's overall process for ensuring that an effective internal financial control system is maintained. This Committee is chaired by a Non-Executive Director with financial experience and qualification and membership includes other Non-Executive and Executive Directors.

Risk management is firmly embedded in the activity of the organisation and operational responsibility for risk identification and control is delegated to individual Directors and Senior Managers who have functional responsibility within their areas of management.

Risk management training is provided to every member of staff at induction and is part of the annual mandatory training programme. The Head of Risk Management is responsible for providing advice and expertise to all staff. Specific ongoing training is determined through the appraisal and personal development planning process at an individual level and by training needs analysis against key risk areas at a strategic level.

Guidance for staff is provided through training programmes and information is available in the Risk Management Policy. This is supported by the Accident/Incident and Patient Safety Incident Reporting Policy Including Serious Incidents Requiring Investigation, which supports a learning culture within the organisation. Any incident of any severity including a near miss is reported on the Trust wide Datix system. Significant incidents require a panel review and the results of the root cause analysis, including best practice recommendations, are fed back through all the relevant clinical bodies in the Trust, to commissioners via the Clinical Quality Review Group, and internally from the Board Quality, Assurance and Risk Committee through the Medical Advisory Committee, the Nursing, Rehabilitation and Radiography Committee, the Matrons, Sisters and Staff Nurses Forums and Junior Doctors forums. All policies relating to risk management are easily accessible and available to staff on the hospital intranet policy section with supporting information available under the risk management department section.

4. The Risk and Control Framework

Oversight of effective risk management by the Board of Directors is underpinned by four interlocking systems of control:

- Organisational Risk Management;
- Board Assurance Framework;
- Internal and External Audit; and
- The Annual Governance Statement.

Organisational risk management

The systematic identification, analysis and control of risks are a key organisational responsibility. A culture of ownership and responsibility for risk management/patient safety is fostered throughout the organisation and all managers and clinicians undertake risk management as one of their fundamental duties.

The Risk Management Policy has been approved by the Executive Board and Quality, Assurance and Risk Committee and is reviewed on an annual basis. It defines the process for the systematic identification and control of risks. It clearly defines accountability structures, roles and responsibilities. The policy details the process for risk identification and evaluation using a standardised risk assessment matrix and sets out the levels of authority for the management of identified risk. During 2016/17 there were no Never Events at the Trust. The policy has been disseminated throughout the Trust and communicated to key stakeholders.

The Trust's procedures for reporting and investigating accidents, non-clinical incidents, near misses and patient safety incidents aim to support active learning and to ensure that the lessons learnt from these events are embedded into the organisation's culture and practices. Learning from incidents is an essential part of integrated governance and risk management within the Trust and also a requirement of the Accident/Incident and Patient Safety Incident Reporting Policy Including Serious Incidents Requiring Investigation.

Risk management and incident reporting processes identify risks of all levels of severity throughout the organisation. These processes feed into the divisional risk registers which are reviewed on an on-going basis. Risks that score above 12 are included on the Trust risk register which is reviewed quarterly at QAR and reported to the Board of Directors.

Current high-level risks that score above 16, in line with many Trusts nationally are those that reflect the challenging national financial climate:

- Financial Sustainability – failure to maintain financial stability due to the challenging financial environment

Controls in place – there is a business plan in place which is monitored by the Performance Review Group, Audit and Finance Committee and Trust Board. This is underpinned by the Private Patients growth strategy, strong financial controls and the efficiency programme as part of the 2017/18 plan. Strategic and transformational options are being considered and developed to achieve financial sustainability. This includes the Trust developing the cancer vanguard to assist the two STPs in SW and NW London.

The above risk and those that score above 12 have associated high-level action plans which are updated quarterly with the risk scores being adjusted as the level of risk is reduced. These risks are reviewed quarterly at QAR and are reported to the Board of Directors.

The Trust is involved, through Borough Resilience Forums and Regional Emergency Planning Network Groups, in extensive multi agency risk reduction and emergency planning work. This is in accordance with the Civil Contingencies Act and against the National, Regional and Borough Risk Registers. Risk assessments have been carried out against emergency preparedness and civil contingency requirements. The Trust provides assurance to NHS England on its Resilience procedures and has maintained accreditation against ISO 22301 for its Business Continuity Management System.

Integrated Governance and Risk Management Committee (IGRM)

IGRM is co-chaired by the Chief Nurse and the Medical Director has the delegated responsibility for oversight and monitoring of all aspects of quality and risk including review of serious incidents, NICE guidance compliance and policy/guideline approval; emergency planning and research governance.

The Quality, Assurance and Risk Committee (QAR) oversees and monitors performance of the risk management system. QAR are responsible for ensuring that effective arrangements are in place for the oversight and monitoring of all aspects of clinical quality and safety, including identifying potential risks to the quality of clinical care. Every quarter frontline clinical staff report to QAR and describe the positive aspects of the Trust's research, education and care and also areas that require improvement.

Audit and Finance Committee (AFC) oversees the financial risk and provides confidence in the objectivity and fairness of financial reporting, provides assurance about the adequacy of internal controls, the safeguarding of assets and in reducing the risk of illegal or improper acts. AFC also reinforce the importance, independence and effectiveness of internal and external audit. Internal Audit (KPMG) and External Audit (Deloitte) work closely with this committee and undertake reviews and provide assurances on the systems of control operating within the Trust.

The Board Assurance Framework

The Board Assurance Framework was originally adopted by the Board for 2003/04 in line with Department of Health guidelines and was revised and further developed in 2007/08 to incorporate, for example, the Healthcare Commission Standards for Better Health Domains. The Assurance Framework maps out the NHS Foundation Trust's objectives, key risks to achieving the objectives, and the controls and assurance mechanisms in place to mitigate the risks.

The NHS Foundation Trust updated the Board Assurance Framework again in 2012 following national guidance and continues to monitor the assurances it receives against those expected within the Framework and review progress on the action plans drawn up to close the gaps in both controls and assurance. The NHS Foundation Trust is fully compliant with the Care Quality Commission's fundamental standards.

The Board Assurance Framework was refreshed again in 2014/15 using advice from internal and external auditors and having researched other Board Assurance Frameworks from Trusts across England. The revised Board Assurance Framework, which is more concise and includes a risk weighting, has been approved by the Board and given adequate assurance by the internal auditors. The Board of Directors regularly reviews the Board Assurance Framework and monitors the Trust position accordingly against the relevant strategic objective.

Internal Audit and Anti-Fraud Activities

The results of Internal Audit reviews are reported to the Audit and Finance Committee (AFC) which takes a close interest in ensuring system weaknesses are addressed. Procedures are in place to monitor the implementation of control improvements and to undertake follow up reviews where systems were deemed less than adequate. An internal audit action recommendation tracking system is in place which records progress in implementing the recommendations by management. Management's progress in implementing corrective action following Internal Audit recommendations is reported to the AFC, and the Executive Board also receives regular reports on outstanding high and medium issues. The Anti-Fraud programme is led by the Chief Financial Officer with support from KPMG and monitored by the AFC.

Patient and Public Involvement (PPI)

The Trust is committed to having an effective structure for patient and public involvement at all levels within the organisation and as an NHS Foundation Trust is provided with strategic direction by the Council of Governors.

The Trust has undertaken further work in 2016/17 regarding patient and public involvement (PPI), following the launch of a Patient and Public Involvement Strategy. There is a PPI Steering Group, which contributes to the direction of the research portfolio and research design

The Deputy Chief Nurse has chaired the first meeting of a new Patient Experience Strategy Group to manage patient experience across the Trust. Terms of reference are being agreed and Governors and representatives from the Patient and Carer Advisory Group are working alongside trust staff from a wide range of areas.

There is strong patient representation on the NIHR Biomedical Research Centre Steering Committee and there is a governance framework set out for PPI in research outlining the processes and structure of PPI. A mapping exercise has been undertaken to demonstrate PPI activity and how all groups interact, function and where overlap occurs. The Trust Integrated Governance and Risk Management Committee has at least two patient/carer representatives on it as core members. The Patient and Carer Advisory Group acts as a focus for all local patient involvement initiatives often working alongside the Governors. The Governors and frontline staff also lead a Patient Experience and Quality Account group which scrutinises the Quality Account and all key performance and quality metrics in the Trust.

Quality and Safety

The Trust is fully compliant with the requirements of registration with the Care Quality Commission (CQC). The Trust has unconditional registration with the CQC. The Trust was inspected by the CQC in April 2016 and in January 2017 received an overall rating as a provider of services of Good, with 'outstanding' for overall 'caring'. Several areas also received a rating of 'outstanding' for radiotherapy, chemotherapy and critical care. There are five points that require an action plan to be completed and this will be developed with the commissioners.

To ensure that the Trust's Board, Council of Governors, Commissioners, Management Executive and front line staff regularly review performance against the CQC's fundamental standards in order to comply with the regulations of the Health and Safety Act 2008 (Regulated Activities) Regulations (2014), the Trust publishes a portfolio of quality and performance documents:

- Annual Quality Account
- Monthly Quality Account
- Quarterly Integrated Governance Monitoring Report.

The Integrated Governance Monitoring Report includes details on compliance with the Care Quality Commission's fundamental standards and is grouped using the five key questions:

- Is care safe?
- Is care effective?
- Are staff caring?
- Are staff responsive to people's needs?
- Are staff well-led?

In line with the recommendations from the National Quality Board the Trust published its nurse staffing levels from June 2014 to demonstrate safe staffing levels. The Board sees the levels monthly in the Quality Account.

The Trust is fully compliant with the registration requirements of the Care Quality Commission.

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.

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

The Trust has also undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

5. Review of economy, efficiency and effectiveness of the use of resources

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control to ensure that resources are used economically, efficiently and effectively.

The Trust has established arrangements for managing its financial and other resources which demonstrate that value for money is being managed and achieved.

The annual budget setting process and plan for 2016/17 was approved by the Board of Directors and communicated to all managers in the organisation. The plan was to deliver a revenue surplus in 2016/17 and have an on-going plan to improve organisational efficiency. The Chief Financial Officer and team have worked closely with divisional and corporate managers throughout the year to ensure the plan was delivered. The Trust over-achieved on this plan in year to deliver a surplus of £5.6m after excluding the impairment and donated asset income and expenditure. Included within this surplus the Trust received Sustainability and Transformation Funding of £5.5m, of which £1.5m was core, £2.5m was incentive and £1.5m was bonus funding. The Board has overseen the financial and operational performance of the Trust throughout the year.

The Audit and Finance Committee (AFC) reviews performance against the financial plan and efficiency programme on a regular basis. Internal Audit undertakes audits each year which they report to AFC that include the review of efficiency and use of resources across a range of expenditure types. In addition to financially related audits, the internal audit programme covers governance and risk issues.

The Performance Review Group chaired by the Chief Operating Officer meets monthly and reviews the financial performance of each division including the delivery of the efficiency programme. A Transformation Board has been established in 2015 to manage a programme of strategic initiatives designed to improve the patient experience and organisational efficiency.

During the year the Trust has also:

- Implemented new systems and controls to more effectively manage resources, such as the implementation of a new temporary staffing system with associated revised processes.
- Reviewed key processes to improve the efficiency and productivity of services, such as reviewing theatre utilisation and planning.
- Developed new models of service delivery to maximise quality of service and value for money, such as Pharmacy Outsourcing.
- Worked on several initiatives with shared services with other NHS Foundation Trusts across a range of clinical and non-clinical functions. A key example of this is SPHERE, a shared IT service with Chelsea and Westminster NHS Foundation Trust which has been embedded in year after launching in April 2015.
- Further developed its benchmarking capability and gathering the evidence to be able to demonstrate differences between services and organisations.

6. Information Governance

The Royal Marsden achieved 88% in their final IG Toolkit score for March 2017, with all requirements scored at level 2 or above and therefore deemed compliant.

The Royal Marsden has not had an enforcement notices or undertakings within the last financial year; there have been no major incidents to report in Information Governance.

7. Annual Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. In January 2017 NHS England and in February 2017 NHS Improvement issued guidance to NHS Foundation Trusts on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The Board of Directors of The Royal Marsden NHS Foundation Trust is assured that the Quality Report presents a balanced view and that there are appropriate controls in place to ensure the accuracy of data. The Quality Report is discussed throughout the year at monthly Board of Director meetings and at the Quality, Assurance and Risk Sub-Committee with input from a wide range of stakeholders throughout the year including:

- The NHS Foundation Trust Board of Directors
- The Council of Governors
- The Executive Board
- The Patient and Carer Advisory Group
- Frontline staff
- The Trust Consultative Committee
- Local Healthwatch
- Local and Specialist commissioners
- Health and Wellbeing Boards

All the improvement priorities since 2009/10 have been identified and endorsed by members of the stakeholder groups (above). Members of the stakeholder groups have also reviewed progress on achievements over the last two years and ensured that the Trust has realistic but stretching improvement targets. Since 2012/13 local commissioners have been invited to review and add their critique and support to targets for the Sutton and Merton Community Services.

Every year the Trust holds patient and public involvement events which include members of Healthwatch, social services, the public and patients to discuss and advise on priorities for inclusion in the Quality Account. The data presented in the Quality Account is generated by either the Information Team or external bodies such as the Health Protection Agency or Dr Foster Limited who are independent of the operational and clinical teams in the Trust.

Finally, the Trust's external auditors undertook sample data testing of Referral to Treatment within 18 weeks (incomplete pathways), cancer treatments started within 62 days of urgent GP referral and Outpatient clinic waiting times.

8. Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by the work of internal auditors, clinical auditors and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, Audit and Finance Committee, and Quality, Assurance and Risk Committee, and Integrated Governance and Risk committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Board Assurance Framework provides me with evidence that the effectiveness of controls to manage risks to the organisation achieving its principal objectives have been reviewed.

My review is also informed by:

- Assessment of financial reports submitted to NHS Improvement, the Independent Regulator of NHS Foundation Trusts
- Opinions and reports made by external auditors
- Opinions and reports made by internal auditors
- Opinions and reports made by clinical auditors
- Achievement of the Customer Service Excellence standard

- Announced CQC Inspections
- NHS London Annual Emergency planning assurance process
- ISO 9001 compliance for radiotherapy and chemotherapy
- Clinical Pathology Accreditation (CPA) held for designated pathology services
- Quarterly Integrated Governance monitoring reports
- Infection Control Annual Report
- Clinical audit reports and action plans
- Investigation reports and action plans following serious and significant incidents
- Departmental and clinical risk assessments and action plans
- Results of the national patient surveys
- Results of the national staff survey

The process that has been applied in maintaining and reviewing the effectiveness of the system of internal control has been reviewed by:

- The Board of Directors; through consideration of key objectives and the management of principal risks to those objectives within the Board Assurance Framework
- The Integrated Governance and Risk Management Committee; by reviewing all policies relating to governance and risk management and monitoring the implementation of arrangements within the Trust
- The Audit and Finance Committee; by reviewing and monitoring the opinions and reports provided by both internal and external audit
- The Quality, Assurance and Risk Management Committee; by implementing and reviewing clinical governance and risk management arrangements and receiving reports from all operational risk committees
- External assessments of services.

9. Conclusion

As Accounting Officer and based on the review process detailed above, I am assured that there are no significant internal control issues.



Cally Palmer CBE
Chief Executive
26 May 2017

3. The Annual Quality Account

Part 1

What is a Quality Account?

Statement on Quality from the Chief Executive

Part 2

Performance against 2016/17 quality priorities and our quality priorities for 2017/18

Performance against priorities for Quality improvement 2016/17

Priority 1

Reduction in Healthcare Associated Infections (MRSA bacteraemia and Clostridium difficile infections): applies to Hospital and Community Services

Priority 2

Reduction in the rate of incidents resulting in severe harm or death: applies to Hospital and Community Services

Priority 3

Percentage of admitted patients risk assessed for venous thromboembolism: applies to Hospital

Priority 4

Avoidance of emergency re-admissions to hospital within 28 days of discharge: applies to Hospital

Priority 5

Reduction in attributable community acquired category 3 and 4 pressure ulcers: applies to Community Services

Priority 6

For patients to be given information about the side effects of medicines to take after being discharged

Priority 7a

Ensuring that we are responding to inpatients' personal needs: applies to Hospital

Priority 7b

Use the 'Friends and Family test' question for clients receiving community care: applies to Community Services

Priority 8

Percentage of staff who would recommend The Royal Marsden to friends or family needing care: applies to Hospital and Community Services

Priority 9a

Reduction in chemotherapy waiting times and improvement in patient experience related to waiting times: applies to Hospital

Priority 9b

Reduction in waiting times in outpatient clinics and improve patient experiences related to waiting: applies to Hospital

Priority 10a

Increase the number of relevant community services patients who have a falls risk assessment completed: applies to Community Services

Priority 10b

Reduction in the number of medication incidents causing moderate or low harm to patients under the care of community services to less than four for the year: applies to Community Services

Reviewing progress of the quality improvements in 2016/17 and choosing the new priorities for 2017/18

The quality objectives and priorities of the Trust for the last five years

Statements of assurance from the Board

Reporting against core indicators

Part 3

Other Information

Review of quality performance (previous year's performance)

Appendices

Appendix 1

Statements from key stakeholders

Appendix 2

Statement of Trust Director's responsibilities for the Quality Account

Appendix 3

Quality indicators where national data is available from the Health and Social Care Information Centre

Appendix 4

Our values

Appendix 5

Sign Up to Safety: Patient Safety Improvement Plans

Appendix 6

Independent Auditor's Assurance Report

Appendix 7

Glossary

What is a quality account?

All NHS hospitals or trusts have to publish their annual financial accounts. Since 2009, as part of the drive across the NHS to be open and honest about the quality of services provided to the public, all NHS hospitals have had to publish a quality account.

You can also find information on the quality of services across NHS organisations by viewing the quality accounts on the NHS Choices website at www.nhs.uk.

The purpose of this quality account is to:

1. summarise our performance and improvements against the quality priorities and objectives we set ourselves for 2016/17; and
2. set out our quality priorities and objectives for 2017/18.



To begin with, we will give details of how we performed in 2016/17 against the quality priorities and objectives we set ourselves under the categories of:

Safe care
Effective care
Patient experience

Where we have not met the priorities and objectives we set ourselves, we will explain why, and set out the plans we have to make sure improvements are made in the future.

Secondly, we will set out our quality priorities and objectives for 2017/18, under these same categories. We will explain how we decided upon these priorities and objectives, and how we will aim to achieve these and measure performance.

Quality accounts are useful for our board, who are responsible for the quality of our services, as they can use them in their role of assessing and leading the trust. We encourage frontline staff to use quality accounts both to compare their performance with other trusts and also to help improve their own service.

For patients, carers and the public, this quality account should be easy to read and understand. It should highlight important areas of safety and effective care being provided in a caring and compassionate way, and also show how we are concentrating on improvements we can make to patient care and experience.

It is important to remember that some aspects of this quality account are compulsory. They are about significant areas, and are usually presented as numbers in a table. If there are any areas of the quality account that are difficult to read or understand, or you have any questions, please contact us through the Patient Advice and Liaison Service (PALS) by phoning 0800 783 7176, or visit our website at www.royalmarsden.nhs.uk.

This quality account is divided into three sections.

Part 1	Introduction to The Royal Marsden NHS Foundation Trust and a statement on quality from the Chief Executive (CE)
Part 2	Performance against 2016/17 quality priorities and our quality priorities for 2017/18
	Reviewing progress of the quality improvements in 2016/17 and choosing the new priorities for 2017/18
	Statements of assurance from the Board
	Reporting against core indicators
Part 3	Other information

Part 1

Introduction to The Royal Marsden NHS Foundation Trust and a statement on quality from the Chief Executive

The quality of care patients and their families receive, and their experiences, are central to all that we do. The Royal Marsden is the largest cancer centre in Europe and, in association with The Institute of Cancer Research (ICR), is responsible for the largest cancer research programme in the UK.

This year has been another outstanding year for us as we have continued to achieve high ratings from our two major regulators – NHS Improvement and the Care Quality Commission (CQC). We welcomed the CQC in April when they inspected our services and saw the excellent standards we deliver to our patients. Our commitment to meeting the challenges of continuing to provide quality care and experience within a cost-effective framework underpins the following four corporate objectives for 2016/17.

1. 'Improve patient safety and clinical effectiveness'
2. 'Improve patient experience'
3. 'Deliver excellence in teaching and research'
4. 'Ensure financial and environmental sustainability'

Our commitment to improving quality is demonstrated by the following achievements in the year from 1 April 2016 to 31 March 2017.

Care Quality Commission (CQC) Inspection

The CQC carried out a routine inspection in April 2016. The final report from this inspection was published in January 2017. The CQC currently awards ratings across all service areas. Our cancer-care services and community services have been rated 'Good'. The Royal Marsden's services have been rated 'Outstanding' for the Chelsea site, and for radiotherapy, critical care, and chemotherapy on the Sutton site. We have also been rated 'Outstanding' for the quality of our caring environment. And The Royal Marsden has been rated 'Good' for services for children and young people, haematology, the treatment of adult solid tumours, and outpatients (Chelsea site).

In 2011 The Royal Marsden accepted responsibility for Community Services in Sutton to trial new ways of working to give care to local people. Sutton Community Healthcare Services was inspected by the CQC and rated 'Good' for children and young people and end-of-life care, with adult community services requiring improvement, mainly in documentation and staffing levels.

Customer Service Excellence Standard

In March, The Royal Marsden's cancer care services were once again successfully assessed against the Customer Service Excellence Standard. The standard recognises public services that are 'efficient, effective, excellent, equitable and empowering – with the citizen always and everywhere at the heart of public services provision'. The Royal Marsden has now held the standard for eight years, and is one of only a few hospitals to do so.

Equality and Diversity

At The Royal Marsden, equality, diversity, inclusion and human rights are central to the way we provide healthcare services to our patients and support our staff. We want to be known as an organisation that promotes equality, values and celebrates diversity, and has created an inclusive environment for receiving care and maintaining employment.

The Care Quality Commission (CQC) report published in January 2017 rated our caring as 'Outstanding', and referred specifically to our efforts to promote equality and inclusion for our patients and staff. They noted the improvements made in the diversity of our workforce, the way that we monitor our success in meeting our Workforce Race Equality Standard.

The CQC's report also highlighted that staff demonstrated an awareness and understanding of equality issues relating to patients, and that people were "treated with kindness, dignity, respect and compassion while they received care and treatment from staff." This is a tremendous achievement.

During 2016/17, we were highly commended at the 2016 BMA Patient Information Awards for our resource on supporting children with cancer in school. We also trained 253 staff as dementia friends, supported an event for people with diabetes from different faiths who fast as part of their religion, and 89% of staff completed equality and diversity training.

The Royal Marsden School

The Royal Marsden School (the School) continues to promote excellence. Student numbers have held up well, despite the cuts in education funding. The academic partnership with the University of East Anglia (UEA) is in its second year and progressing successfully. UEA continues to monitor the School's quality, and expects high standards of academic performance. For the sixth year in a row, the School met 100% of its quality-performance and contract-monitoring measures, as assessed by Health Education England North West London (HENWL). In summarising the assessment of the School's performance against these quality indicators, the Senior Commissioning Manager at HENWL wrote the following.

"I would like to take this opportunity to reiterate how impressed I am with the quality of the information and supporting evidence submitted to HEE from The Royal Marsden School. It is clear that you and your team approach the Workforce Development Contract and Quality requirements with a real dedication to ensuring robust internal processes, strong relationship management and collaboration with commissioning partners from NHS Trusts and smaller providers alike and to developing innovative programmes to meet the changing needs of the NHS workforce."

In 2016/17, 52 modules were attended by 929 students, 30% of whom were staff at The Royal Marsden. In October 2016 we held a graduation ceremony to give academic awards from St George's University of London to 80 students, the largest number of students to date, after they had successfully completed their education in the school.

The number of school staff travelling to provide education and training for other organisations and NHS trusts has increased significantly this year. Training in communication skills training, end-of-life care, acute oncology and chemotherapy is in great demand by NHS trusts in London and across the UK.

Improving patient experience – Always Events

In January 2016, we became one of ten NHS trusts delivering the 'Always Events' programme supported by NHS England. As part of this programme, we are focusing on improving patient experience of Bud Flanagan Ambulatory Care Unit at Sutton. The Always Event – 'Patients will always be informed about key information for their outpatients visit' – was co-designed by the staff and patients on the unit. The patients and carers have produced a video explaining their experience of care and what improvements could be made to improve their experience. The ward sisters were invited to speak at a national conference in November 2016 to share their experience of co-designing an Always Event. The programme will continue to be delivered on the unit and will then be rolled out across the trust.

Food and drink

An external evaluation of the food we provide to patients found that the catering service at The Royal Marsden has achieved consistently high PLACE (Patient-Led Assessment of the Care Environment) scores. The 2016 PLACE scores put The Royal Marsden among the highest-scoring NHS trusts in England. The scores achieved were 97.32% and 95.78% for food provided on the ward at Sutton and Chelsea respectively, and 96.18% and 95.78% on 'the delivery of food and drinks' at Sutton and Chelsea respectively.

Customer satisfaction scores for the food provided to patients are gathered each month, and reported every three months in the Integrated Governance Monitoring Report. The food is rated on areas including taste, temperature, appearance, and overall satisfaction with the catering service. Survey scores show a consistent result of above 85% (Chelsea) and 90% (Sutton) of patients rating the service as 'excellent' or 'good'.

Research Excellence

The Applied Health Research programme at The Royal Marsden is designed to provide support to people who have cancer, or have had cancer. We have a range of over 50 studies and service evaluations that deal with rehabilitation needs and support for cancer patients. Some of the highlights of our current studies include the following.

'People's ability to maintain their physical activity levels during chemotherapy treatment for soft tissue sarcoma.'

'Presence and impact of swallow difficulties for people with advanced lung cancer.'

'Art Therapy for Chronic Pain.'

'Aromatherapy massage to enhance Sleep in critical care (CCR 4308)'

'A CBT training intervention for women with psychosexual difficulties post-gynaecological cancer treatment.'

'Developing an on-line emotional support resource for men affected by prostate cancer.'

'Sing with Us London, Tenovus Cancer Choir study to explore the benefits of singing for those affected by cancer.'

'PREDICT: Predicting patients at risk of developing gastrointestinal symptoms after treatment with pelvic radiotherapy.'

'The impact of targeted therapies on the cognitive function for patients in Phase I trials and those undergoing (chemo)radiation with intensity modulated radiotherapy (IMRT) for Head and Neck Cancer (HNC).'

Sign up to Safety

In June 2016 we celebrated the first year of the Sign up to Safety campaign. Over 60 delegates, including student nurses, governors, clinical and managerial staff, and patient and carer representatives, attended the event. We showcased the significant work we have achieved in reducing harm to patients in three areas – reducing harm from sepsis, reducing medication errors, and reducing harm from pressure sores. We will continue to focus in these three areas over the next two years of our safety improvement plan.

We and our board have tried to take all reasonable steps to make sure the information in this quality account is accurate. On behalf of the Board of The Royal Marsden NHS Foundation Trust (the Trust) I can confirm that, as far as I know and believe, the information in this quality account is accurate.



Cally Palmer CBE
Chief Executive
26 May 2017

Part 2

Performance against 2016/17 quality priorities and our quality priorities for 2017/18

Introduction

The quality priorities and targets for 2016/17 are shown in the table below. The priorities and targets in **blue** were mandatory in 2016/17 (that is, we had to include them) and the priorities and targets in **red** are the ones we have set ourselves. Our performance against the targets is summarised in the table below. The table also shows which quality priorities we have set ourselves for 2017/18.

Table 1: Quality priorities and targets for 2016/17 and 2017/18

Category	Quality priority	Target for 2016/17	Performance for the year from April 2016 to March 2017	Target set for 2017/18
Safe care	1 To reduce the number of cases of healthcare-related infections (MRSA and clostridium difficile infections). Applies to hospital inpatient beds at The Royal Marsden and patients of Sutton Community Healthcare Services.	For there to be less than one case of MRSA infection per year.	Not achieved.	For there to be less than one case of MRSA infection per year.
		For there to be fewer than 31 cases of clostridium difficile infection per 100,000 bed days. (A bed day is when a patient is in hospital overnight. It is measured in a large number to spot trends.)	Achieved (Information provided by the trust.)	For there to be fewer than 31 cases of clostridium difficile infection due to a 'lapse in care'.
Safe care	2 To maintain or increase the number of patient-safety incidents and near misses that are reported, reducing the percentage of incidents that have resulted in severe harm or death (A 'near miss' is when an event had the potential to harm the patient and the staff prevented it from happening). (A patient-safety incident is an incident which could have harmed or did harm a patient.) Applies to hospital inpatient beds at The Royal Marsden and Sutton Community Healthcare Services.	For the rate of reported patient-safety incidents that have caused severe harm or death to be below 0.089 per 1000 bed days. (In 2015/16 the rate of severe harm or death from incidents per 1000 bed days was 0.033 for hospital and 0.0 for community.)	Achieved (Information provided by the trust.)	For the rate of reported patient-safety incidents that have caused severe harm or death to be below 0.06 per 1000 bed days.

Category	Quality priority	Target for 2016/17	Performance for the year from April 2016 to March 2017	Target set for 2017/18
Safe care	3 To maintain the percentage of admitted patients assessed for the risk of venous thromboembolism (getting a blood clot in a vein).	For the percentage of patients who have been assessed to stay above 95%.	Achieved (Information provided by the trust.)	For the percentage of patients who have been assessed to stay above 95%.
		Of those patients assessed as high risk, appropriate treatment is started.	Achieved (Information provided by the trust.)	Of those patients assessed as high risk, appropriate treatment is started.
		Reassess 70% of patients within 24 hours.	Partially achieved (Information provided by the trust.)	Reassess 70% of patients within 24 hours.
Effective care	4 To reduce the incidence of emergency readmissions to hospital within 28 days of patients being discharged.	For the number of avoidable readmissions to be below 0.2%.	Achieved (Information provided by the trust.)	For the number of avoidable readmissions to be below 0.2%.
Effective care	5 To reduce the incidence of category-3 pressure sores (full-thickness skin loss) and category-4 pressure sores (full-thickness tissue loss) developing in patients while they are receiving community care. 2016/17 – applies to Sutton Community Healthcare Services. 2017/18 – applies to Sutton Community Healthcare Services, and The Royal Marsden inpatients.	For the percentage of category-3 and category-4 pressure sores arising in patients receiving community care to be less than 0.2%.	Achieved (Information provided by the trust.)	For the percentage of category-3 and category-4 pressure sores arising in patients receiving community care and hospital care to be less than 0.15%.
		For 90% of category-3 and category-4 pressure sores, both already existing and developing while receiving community care, to have healed or improved to category 1 (redness of intact skin, which does not fade when pressed) or category 2 (partial-thickness skin loss or blister) within three months.	Achieved (Information provided by the trust.)	For 90% of category-3 and category-4 pressure sores, both already existing and developing while receiving community care or hospital care, to have healed or improved to category 1 (redness of intact skin, which does not fade when pressed) or category 2 (partial-thickness skin loss or blister) within three months.
Effective care	6 For patients to be given information about the side effects of medicines to take after being discharged.	For 75% of patients to receive information about side effects of medicines before they are discharged home.	Achieved (Information provided by the trust.)	Will not apply in 2017/18.

Category	Quality priority	Target for 2016/17	Performance for the year from April 2016 to March 2017	Target set for 2017/18
Effective care (New for 2017-2018)	6 Reducing harm from sepsis: a. To increase the number of patients screened for sepsis. b. To give antibiotics within one hour of patients being diagnosed with sepsis Applies to hospital inpatients and patients going to the Clinical Assessment Unit.	Did not apply in 2016/17.	Did not apply in 2016/17.	a. For more than 90% of patients who meet the local criteria for suspecting sepsis to be screened for sepsis. b. For more than 90% of patients given antibiotics within one hour of sepsis being diagnosed.
Patient experience	7 a. To make sure that we are responding to inpatients' personal needs. b. To continue using the 'Friends and Family Test' question for patients receiving community care. (The Friends and Family Test question asks people who use NHS services whether they would recommend the services to others.)	a. For our results in the Friends and Family Test for hospital inpatients to still be higher than the national average. b. For the Friends and Family Test results to be above 90% and to increase patient satisfaction, using the CARE Measure tool, to over 90% for community services.	Achieved (Information was gathered from a patient survey and published nationally by NHS England.) Achieved (Information was gathered from a patient survey and published nationally by NHS England.)	a. For our Friends and Family Test score for hospital inpatients to be more than 95%. b. For our Friends and Family Test score for community services to be more than 95%.
Patient experience	8 To increase the percentage of staff who would recommend The Royal Marsden to friends or family needing care.	For more than 95% of surveyed staff to say that they would recommend The Royal Marsden.	Achieved (Information was gathered from a staff survey and published nationally by NHS England.)	For more than 95.5% of surveyed staff to say that they would recommend The Royal Marsden.
Patient experience	9 a. To reduce waiting times at chemotherapy appointments and improve patients' experiences relating to waiting times. b. To reduce waiting times in outpatient clinics and improve patient experiences relating to waiting times	a. For 80% of patients to be satisfied with the length of time they had to wait to start their treatment. b. For no more than 8% of patients to have to wait more than one hour.	Achieved (Information provided by the trust.)	a. For 80% of patients attending chemotherapy appointments to wait no longer than one hour to start their treatment. b. For no more than 6% of patients to have to wait more than one hour.

Category	Quality priority	Target for 2016/17	Performance for the year from April 2016 to March 2017	Target set for 2017/18
Adult services (community services)	10a To increase the number of relevant community-services patients who have a falls-risk assessment.	For the Adult Services team to develop a falls-risk assessment. For at least 65% of patients who are identified as being at risk of a fall to have a falls-risk assessment.	Achieved (Information provided by the trust.)	Will not apply in 2017/18.
Adult services (community services)	10b To reduce the number of medication errors causing moderate or low harm to patients under the care of community services to less than four a year.	For a medicine review (reconciliation) to take place during the first assessment of a patient after being discharged from hospital or after a hospital outpatient appointment.	Achieved (Information provided by the trust.)	Will not apply in 2017/18.
Children's services (community services) (New for 2017/18.)	10a To increase the number of looked-after children having health assessments completed within the statutory timescale. To increase the number of looked-after children receiving a leaving-care summary by the time they leave care. (Children who have been in local-authority care must leave that care before their 18th birthday. A leaving-care summary is provided before they leave.) Applies to children's community services	Did not apply for 2016/17.	Did not apply in 2016/17.	For 100% of all looked-after children to have a health assessment completed by a nurse or a health visitor every year for children over five; and every six months for children aged two to five. For 100% of all looked-after children receiving a leaving-care summary to have it completed by a nurse before they leave care (on or before their 18th birthday).

Category	Quality priority	Target for 2016/17	Performance for the year from April 2016 to March 2017	Target set for 2017/18
Adult services (community services) (New for 2017-2018)	10b To reduce waiting times for musculo-skeletal patients and improve waiting times. Applies to community services	Did not apply in 2016/17.	Did not apply in 2016/17.	For 80% of patients to be satisfied with the time they wait for a first appointment at the Assess and Treat clinic.

The next section gives more details of the quality priorities, the progress we made in meeting the targets set for 2016/17, how we will improve our performance, and how our performance will be monitored and measured.

Performance against priorities for Quality improvement 2016/17

Priority 1

To reduce the number of cases of healthcare-related infections – MRSA infection and clostridium difficile infection.

This applies to patients at The Royal Marsden and patients of Sutton Community Healthcare Services.

Targets

1. For there to be less than one case of meticillin-resistant staphylococcus aureus (MRSA) infection per year.
2. For there to be fewer than 31 cases of clostridium difficile infection caused by a failure in care per 100,000 bed days. (A bed day is when a patient is in hospital overnight. It is measured in a large number to spot trends.)



“Ensuring patients come to no harm is one of the pillars of care at The Royal Marsden. Infection prevention and control is a fundamental aspect of caring for patients with cancer.”

Sarah Whitney

Matron, Infection Prevention and Control

Because of their reduced immunity, patients with cancer are more vulnerable to infection, even from germs that would normally be harmless. This makes preventing infection an important priority for patient safety.

What we did in 2016/17 – MRSA

- We renewed our focus on staff training covering the collection of blood cultures.
- We increased our focus on hand hygiene.
- We refocused the matrons' audits and the ward checklist.

What we did in 2016/17 – clostridium difficile (C.diff)

- We focused on antimicrobial management during the weekly ward round and using review stickers for antimicrobial medicines.
- We promoted antimicrobial stewardship (closely monitoring the correct use of antibiotics) through weekly antibiotic ward rounds, regular audits, education sessions, and promoting the European Antimicrobial Awareness Week. We rolled out a red review sticker across the Trust ahead of a CQUIN (Commissioning for Quality and Innovation) inspection focused on antimicrobial use.
- The Infection Prevention and Control team (IPCT) and housekeeping teams, along with the matrons, carried out weekly audits of the patient environment to monitor standards and identify any areas for improvement.
- We introduced ultraviolet technology, which is being successfully used in Sutton as a quick but effective way of disinfecting rooms if it is not possible to use hydrogen peroxide vapour.
- We introduced online training to cover the basics of preventing infection, so face-to-face training for clinical staff can focus on topical areas of concern.

How we performed in 2016/17

- There were 46 cases of C.diff arising more than three days after admission. Those cases have been reviewed to check for any 'lapse in care'. Only five cases so far have been identified as being caused by a failure in care.
- We are on target for there to be fewer than 31 cases of C. diff infection arising from lapses in care.
- There was one case of MRSA. The patient was not an inpatient at the time of the blood culture test, and it was unclear whether it was a genuine infection or a contaminated sample. The Clinical Commissioning Group (CCG) concluded that it was a contaminated sample.
- Lead Nurse Pat Cattini won the British Journal of Nursing's 'Infection Prevention Nurse of the Year' Award.

Actions to improve our performance

- Continuing to follow the process of ‘universal decolonisation’ of patients having surgery. The aim of this is to minimise the risk of pneumonia and infection at the site of the surgery.
- Performing monthly audits to make sure MRSA and Carbapenemase-producing Enterobacteriaceae (CPE) screening is carried out where necessary.
- Continuing to use high-level disinfection with hydrogen peroxide vapour (HPV) after patients who had healthcare-related infections are discharged, to minimise the risk to new patients.
- Regularly reviewing policies and publishing them on our intranet.

How improvements will be measured and monitored

- The Infection Prevention and Control team will carry out audits of premises used by Sutton Community Healthcare Services.
- Ward staff will carry out audits for hand hygiene.
- Further work will be carried out to review and improve the way we monitor hand hygiene.
- Clinical departments will be audited. These audits will focus on isolating patients, taking care of devices inserted under the skin and the patient environment. Feedback will be given to the relevant department to improve practice.
- Audits of MRSA and CPE screening will be carried out each month.
- All C.diff infection that is identified in specimens will be reviewed with the clinical team, before being passed the Care Quality Commission.
- We will carry out ‘root-cause analysis’ for MRSA or any infections where there is concern. (This means that we will review the notes of patients with infections to uncover ways to improve care for future patients. Root-cause analysis is based on the idea that several factors (roots) can contribute to a problem (infection) developing.)

Priority 2

To maintain or increase the number of reported patient-safety incidents and near misses, while reducing the rate and percentage of patient-safety incidents resulting in severe harm or death.

A patient-safety incident is an incident which could have harmed or did harm a patient. This applies to patients at The Royal Marsden and patients of Sutton Community Healthcare Services.

Target

For the rate of reported patient-safety incidents that have caused severe harm or death to be below 0.089 per 1000 bed days. (In 2015/16 the rate of severe harm or death from incidents per 1000 bed days was 0.033 for hospital and 0.0 for community.)



“Incident reporting continues to be a patient-safety priority. We strive to increase the number of near-miss and no-harm incidents reported by increasing the feedback that individual staff receive when they report an incident, and also the trust-wide dissemination of learning from investigations.”

Chris Lafferty

Head of Patient Safety and Analytics/Deputy Head of Risk Management

What we did in 2016/17

- All staff who reported an incident received individual feedback.
- Incident reports on significant events were passed to the Integrated Governance and Risk Management (IGRM) Committee and then used widely across the Trust to help with learning.
- Examples of incidents were shared during training.
- We reported all patient-safety incidents that we were responsible for to the National Reporting and Learning Service (NRLS). Before NRLS produced their six-monthly reports, we gave details of all actions taken as a result of investigations. (Please note, these changes may not have been reported by the NRLS, so our information may not be the same as that which has been reported by the NRLS.)

How we performed in 2016/17

- Tables 2, 3 and 4 separate out the information for the acute hospital sites in Chelsea and Sutton (combined), and for Sutton Community Healthcare Services. In 2016/17 we have seen an increase in reported incidents. This is due to an increased awareness of reporting patient-safety incidents.

Table 2 below shows that, at the Chelsea and Sutton sites, the rate of reported incidents that caused severe harm or death in 2016/17 was two, as in the previous two years.

Table 2: Chelsea and Sutton patient safety incidents

Measure	2014/15	2015/16	1st quarter of 2016/17	2nd quarter of 2016/17	3rd quarter of 2016/17	4th quarter of 2016/17	Overall for 2016/17
Number of bed days	63598	60443	14,905	14,781	15,246	15,139	60,071
Rate of reported patient-safety incidents (severe harm or death) per 1000 bed days	0.031	0.033	0.07	0	0	0.07	0.033
Number of patient-safety incidents (severe harm or death)	2	2	1	0	0	1	2
Total patient-safety incidents	2780	3233	939	859	884	955	3637
Patient-safety incidents (severe harm or death) as a percentage of all patient-safety incidents	0.07%	0.06%	0.11%	0%	0%	0.11%	0.06%

Note: the figures for the first three quarters have been updated to reflect the most recent information available.

Table 3 below shows that for community services, in 2016/17 there were no patient-safety incidents resulting in severe harm or death.

Table 3: Sutton Community Healthcare Services patient safety incidents

Measure	2014/15	2015/16	1st quarter of 2016/17	2nd quarter of 2016/17	3rd quarter of 2016/17	4th quarter of 2016/17	Overall for 2016/17
Number of contacts (appointments attended)	513,707	677,293	91,331	79,114	80,897	80,473	331,815
Rate of reported patient-safety incidents (severe harm or death), per number of contacts	0	0	0	0	0	0	0
Number of patient-safety incidents (severe harm or death)	0	0	0	0	0	0	0
Total patient-safety incidents	1034	768	109	109	97	98	413
Patient-safety incidents (severe harm or death) as a percentage of all patient-safety incidents	0%	0%	0%	0%	0%	0%	0%

Note: the figures for the first three quarters have been updated to reflect the most recent information available.

Comparison with national figures

The National Reporting and Learning System (NRLS) reports that for the period from April 2016 to September 2016, the proportion of incidents resulting in severe harm or death was less than 1% of all incidents reported, which is consistent with national figures. This was the latest information available when this document was produced.

Recognising and reporting an incident resulting in severe harm or death is an indicator of an organisation's culture of accurately reporting incidents. The NRLS's reports show that The Royal Marsden is within the middle 50% of reporting organisations.

Actions to improve our performance

Keeping to Regulation 20 – The Duty of Candour

This is a regulation to make sure that we are open and honest about care and treatment. Under regulation 20, if there is a patient-safety incident that is graded moderate harm or above, we must follow a set process. You can find full details on the website at www.cqc.org.uk/content/regulation-20-duty-candour

Our Being Open and Duty of Candour Policy incorporates the requirements of the Duty of Candour. To make sure that we are open and honest about incidents that fall under regulation 20, the Risk Management team review every reported incident that is graded moderate harm and above. The review starts on either the day that the incident is reported, or the next working day. If the incident is confirmed as being correctly graded as moderate harm or above, the Risk Management team works with the relevant clinical staff to make sure the patient is told about the incident, and that an appropriate apology is given within 10 days of the incident being reported on the incident reporting system.

The patient is kept informed of our investigation. If a report is being produced, the patient is asked if they would like to receive a copy of it. The Risk Management team follow up to make sure that the report is sent to the patient along with an offer to meet them to go through the findings.

The Duty of Candour process is monitored every six months by an audit, and the results are given to the Integrated Governance and Risk Management (IGRM) Committee, the Quality, Assurance and Risk (QAR) Committee, and the Trust Board Committee.

Priority 3

To maintain the percentage of admitted patients assessed for the risk of venous thromboembolism (getting a blood clot in a vein).

Targets

1. For the percentage of patients who have been assessed to remain above 95%. Of those patients assessed as high risk, appropriate treatment is started.
2. Reassess 70% of patients within 24 hours.



“It is vital that we maintain the focus on VTE within the Trust, our patients are at a higher risk and we have a duty to inform them.”

Ann Duncan
Matron

Venous thromboembolism (VTE) is a single term for both deep-vein thrombosis (DVT) and pulmonary embolism (PE). A deep-vein thrombosis is a blood clot that forms in a deep vein (usually in the leg). If a clot breaks off and travels to the arteries of the lung, it causes a pulmonary embolism, which can be life-threatening. VTE can be avoided by giving preventative treatment (for example, prophylaxis) to patients at risk. Patients with cancer are at greater risk of developing VTE, therefore this continues to be a safety priority for us.

Our VTE Steering Board is now well established, and VTE risk assessments are carried out for all appropriate patients. All planned inpatients are sent information leaflets before their appointment to tell them what they can do to help prevent clots forming, how to recognise the signs and symptoms of clots, and what to do if they develop any of these signs and symptoms. There are also posters and information leaflets available throughout the hospital, and from our Patient Advice and Liaison Service (PALS).

The VTE risk assessment may be carried out using either the patient’s drug chart or by using the electronic clinical documentation system.

What we did in 2016/17

- We had patient representatives on the VTE Steering Board.
- We completed an audit called ‘Snap-shot survey of verbal and written information on blood clot prevention’.
- We reduced the size of the ‘Blood Clot Alert – Recognise the Signs and Reduce the Risks’ leaflet after receiving feedback suggesting that it is wallet-sized.
- We switched to using anti-embolic stockings (AES) as a result of an up-to-date review.
- We trialled a new AES product.
- We developed a new VTE Care Plan for patients to sign off.

How we performed in 2016/17

- We achieved the target of 95% success in making sure all of our patients are appropriately assessed for the risk of developing VTE.
- 94% of patients who were assessed as high risk started on appropriate treatment.
- We could not fully meet the target of 70% of patients being reassessed within 24 hours. We reassessed 64% of patients.

See table 4 for more information.

Table 4: Percentage of patients who have had a risk assessment completed

	Percentage of patients who have had a risk assessment completed	Those identified as high risk (percentage or number)	Appropriate treatment started (percentage or number)	Number of patients reassessed within 24 hours
2012/13	96.5%	-	-	-
2013/14	96.75%	-	-	-
2014/15	97.1%	-	-	-
2015/16	96.1%	-	-	-
2016/17				
1st quarter of 2016/17	96.9%	100%	100%	76.1 %
2nd quarter of 2016/17	96.7%	100%	89.2 %	64.7 %
3rd quarter of 2016/17	96.7%	100%	96%	71.8 %
4th quarter of 2016/17	96.2%	100%	89.3%	41.7 %

Actions to improve our performance

- Making sure there are VTE posters in all clinical areas.
- Developing the use of handheld tablets in the Medical Day Unit to show the patient-safety film 'Blood Clots and You'.
- Auditing the delivery and understanding of information surrounding VTE checks, and monitoring VTE care plans on all wards, as well as incorporating care plans into the admission booklet.
- Making sure there is training for Harm Free Care Champions, as well as for staff on mandatory training.
- Taking part in World Thrombosis day on 13 October 2017.
- Working with leading VTE charities to make sure that VTE risks are clear, consistent, and available to people with cancer.
- Making sure VTE risk is part of the chemotherapy care bundle (a set of measures that, when carried out together, reduces the risk of a patient developing a blood clot).

How improvements will be measured and monitored

- The VTE Steering Board will continue to monitor VTE incidents, assessments and prevention procedures. Performance will also be monitored at the Trust's Steering Board and through the monthly board scorecard. The scorecard is reviewed at each trust board meeting and contains, among other items, the number of patients assessed for risks associated with VTE.
- We have reached our targets, but this will continue to be included as a priority for 2017/18 as this remains an important indicator of our improvement in protecting patients from avoidable harm.
- We will improve our methods of collecting and analysing data.
- We will continue to monitor our performance in raising awareness of VTE and VTE care plans.

Priority 4

To reduce the incidence of emergency readmissions to hospital within 28 days of patients being discharged.

Target

For the number of avoidable readmissions to be below 0.2%.



'The Acute Oncology Service and Clinical Assessment Unit have been developed to improve patient pathways and outcomes for patients requiring emergency assessment and treatment for the management of symptoms caused by their disease or cancer treatment. The Clinical Assessment Unit has been established to provide a point of care for patients requiring urgent assessment and treatment for acute oncology issues. These services work together to prevent hospital admission and ensure that the patient is cared for in the best environment and support early discharge from hospital as appropriate.'

Ali Hodge

Advanced Nurse Practitioner Acute Oncology and Clinical Assessment Unit

Since 2012/13, quality accounts should show the percentage of patients of all ages and sexes who were readmitted within 28 days of being discharged, and the national average. It is important to note that some readmissions will include patients who are admitted because of the side effects of treatment, so it may be difficult to explain any differences between us and other NHS trusts.

How we performed in 2016/17

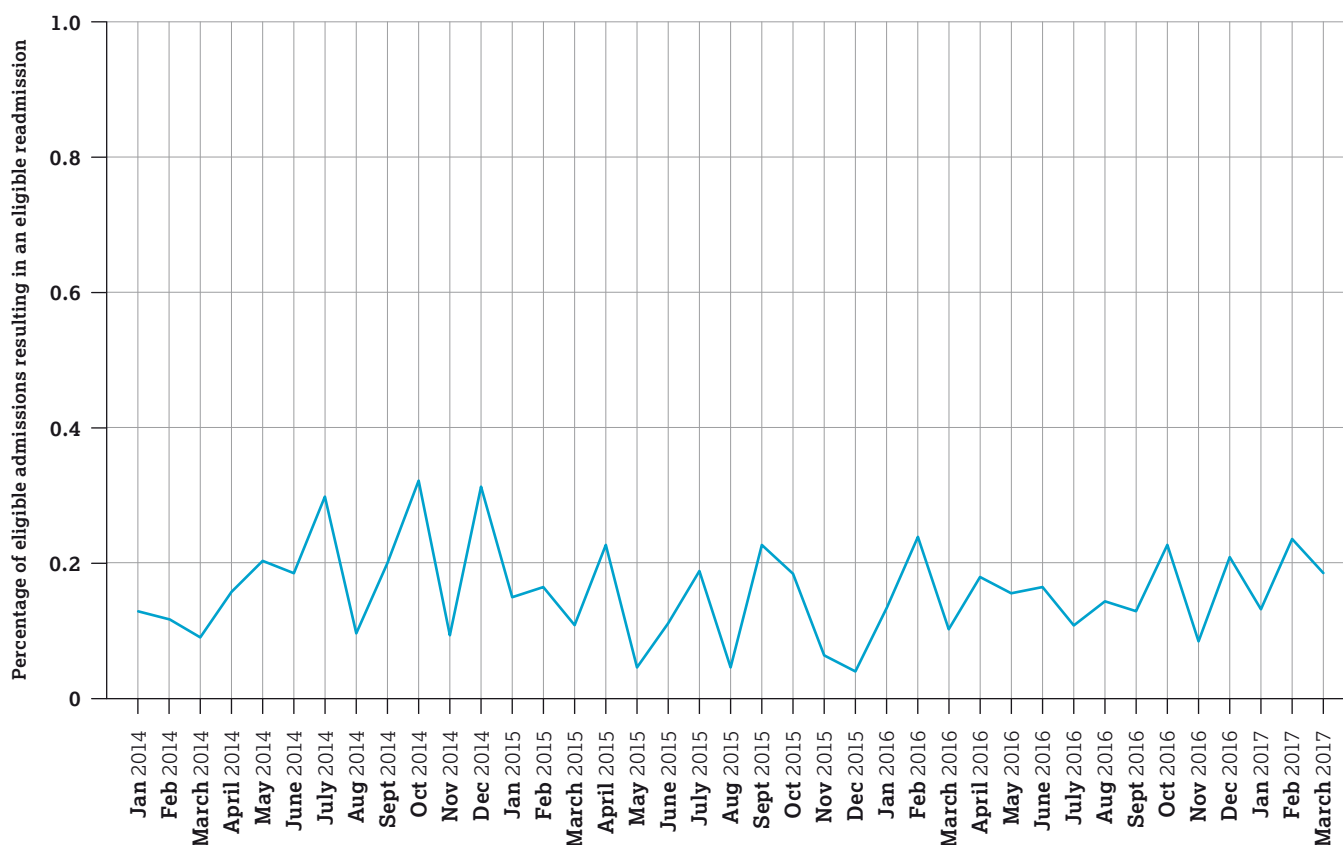
Graph 1 shows the percentage of patients who were readmitted within 28 days from April 2013 to March 2017. Readmissions have stayed below 0.4% of all admissions since April 2012. Some emergency readmissions are an unavoidable consequence of the original treatment. However, some could be avoided by making sure that patients receive:

- the best possible treatment according to their needs; and
- careful planning and support for caring for themselves when they leave hospital

Table 5: Number of patients who were readmitted within 28 days from 1 April 2016 to 31 March 2017

Month	Number of patients readmitted within 28 days
April 2016	8
May 2016	7
June 2016	8
July 2016	5
August 2016	7
September 2016	6
October 2016	10
November 2016	4
December 2016	9
January 2017	6
February 2017	10
March 2017	6
Total	86

Graph 1: Percentage of emergency readmissions of patients within 28 days



Actions to improve our performance

- Continuously reviewing and evaluating medical care using the Enhanced Recovery Programme (ERP).
- Developing an Enhanced Recovery Programme for after liver surgery.
- Developing closer links with community services.
- Developing short-stay surgical procedures.
- 10% of readmissions being reviewed and common themes explored.
- Introducing the acute oncology out-of-hours admission prioritisation guide, and updating the access policy. This guide has a specific 'triage' sheet to help staff prioritise care. This is then recorded on the patient's electronic record.
 - Putting telephone triage into practice to reduce patient anxiety.
 - Communicating better with the Acute Oncology Service (AOS) at other hospitals.
 - Reviewing non-elective patients and the Acute Oncology Service team.
 - The Acute Oncology Service team discussing, at monthly meetings, patients who have been readmitted within 28 days.

Priority 5

To reduce the incidence of category-3 pressure sores (full-thickness skin loss) and category-4 pressure sores (full-thickness tissue loss) developing in patients while they are receiving community care.

Applies to patients of Sutton Community Healthcare Services.

Targets

1. For the percentage of category-3 and category-4 pressure sores arising in patients receiving community care to be less than 0.2%.
2. For 90% of category-3 and category-4 pressure sores, both already existing and developing while receiving community care, to have healed or improved to category 1 (redness of intact skin, which does not fade when pressed) or category 2 (partial-thickness skin loss or blister) within three months.



“It remains a high priority area for our service to focus on prevention, early identification and management of patients with pressure ulcers and patients at risk of developing pressure ulcers to enable the appropriate care delivery to be implemented in a timely manner.”

Nanette Garner

Senior Sister, Sutton and Cheam Integrated Locality Team

This remains a challenging but important priority for community services, and we have continued to focus upon the prevention and management of pressure sores for the benefit of patients.

What we did in 2016/17

- Community nursing staff continued to meet the requirement to carry out a pressure-sore risk assessment during the first face-to-face contact with the patient.
- We improved the reporting of patients being admitted to the community-services caseload.
- A working group was set up to develop a pressure-sore care bundle (a set of measures that, when carried out together, reduces the risk of pressure sores) based on best practice. This makes sure there is a standardised approach to managing pressure sores across community services.

How we performed in 2016/17

- We met our first target of having less than 0.2% of patients developing category-3 and category-4 pressure sores that were attributed to us while under the care of community services. See table 6 for more details.
- 0.11% of patients developed category-3 and category-4 pressure sores that were attributed to us while under the care of community services.
- 92% of patients referred to community nursing received a pressure-sore risk assessment at their first appointment.
- 100% of category-3 and category-4 pressure sores improved to at least category 2 within three months of being diagnosed.

Table 6: Number of category-3 and category-4 pressure sores developed while receiving care from community services.

	Number of patients with a category-3 or category-4 pressure sore developing while under the care of Sutton Healthcare Services	Percentage each month	Percentage over quarter
April 2016	Category 3 = 4 Category 4 = 0	0.2%	Quarter 1 (1 April to 30 June): 0.17%
May 2016	Category 3 = 6 Category 4 = 0	0.3%	
June 2016	Category 3 = 1 Category 4 = 0	0.04%	
July 2016	Category 3 = 3 Category 4 = 0	0.12%	Quarter 2 (1 July to 30 September): 0.10%
August 2016	Category 3 = 3 Category 4 = 1	0.15%	
September 2016	Category 3 = 0 Category 4 = 1	0.04%	
October 2016	Category 3 = 1 Category 4 = 0	0.04%	Quarter 3 (1 October to 31 December): 0.09%
November 2016	Category 3 = 2 Category 4 = 0	0.09%	
December 2016	Category 3 = 3 Category 4 = 0	0.14%	
January 2017	Category 3 = 2 Category 4 = 0	0.09%	Quarter 4 (1 January to 31 March): 0.09%
February 2017	Category 3 = 1 Category 4 = 1	0.09%	
March 2017	Category 3 = 2 Category 4 = 0	0.09%	

Actions to improve our performance

- Community services continuing with the agreed programme of service improvement. This programme includes strategies for preventing, identifying and managing pressure sores, either while the patient is under our care or when the patient is admitted into our community services.
- Introducing a pressure-sore care bundle to provide a standardised approach to managing pressure sores across community services.

How improvements will be measured and monitored

All diagnoses of category-3 and category-4 pressure sores will be investigated through a root-cause analysis and the findings will be presented at planned two-weekly pressure-sore panel meetings. This will identify root causes and guide improvements that need to be made.

We will carry out an audit to review the performance of the pressure-sore care bundle in terms of completion of the paperwork and the accuracy of recordings. The audit will take place before the end of July 2017.

Priority 6

For patients to be given information about the side effects of medicines to take after being discharged.

Target

For 75% of patients to receive information about side effects of medicines before they are discharged home.



“We know that providing patients with a better understanding of their medication can help to prepare patients to cope with unwanted side effects. During the patient journey many healthcare professionals will discuss medications but it is important for us to know if this information is provided in a way the patient perceives as useful, and to ensure it covers useful information such as ‘side effects to look out for’. Pharmacy staff are skilled in providing this information and emphasis on patient facing roles is required to improve this provision of key medicines information”

Fleur Harvey
Associate Chief Pharmacist

The outcome of care depends on patients taking their treatment correctly. We aim to help patients understand the purpose of their medication as well as the potential side effects, as this information will help them take the recommended treatment correctly.

Information about medication is provided at various stages of the patients’ treatment – prescribing and reviewing medication.

Comparison with national figures

The Care Quality Commission's Patient Survey, which was carried out between August 2015 and January 2016, found that in comparison with other organisations, The Royal Marsden rated 'better', scoring 7.8 out of 10, when asked if patients were told about the side effects to watch out for when taking medication.

The pharmacy department are working to increase the number of patients that a member of the pharmacy team will discuss medication with before they are discharged.

What we did in 2016/17

- We changed the way the pharmacy works (the workflow) so members of the pharmacy team can talk to patients about their medicines when they are discharged (known as medication counselling).
- We carried out an audit to identify the increase in medication counselling.
- We carried out an audit to find out whether the level of information patients receive on the Medical Day Unit is considered to be satisfactory, and how patients prefer to receive information. This audit compared departments where pharmacy staff provide medication counselling against departments that do not currently provide it.

How we performed in 2016/17

Table 7 shows a significant increase during the year in the number of patients receiving medication counselling when they are discharged. All patients now receive counselling about their medicines.

Table 7: Number of patients receiving medication counselling from the Medical Day Unit's pharmacy

Month	Number of patients needing to be discharged with eChemo medicines	Average percentage of patients receiving medication counselling
March 2016	290	14%
April 2016	299	75%
May 2016 (up to 20 May 2016)	295	84%
May 2016 to March 2017: all patients (100%) discharged from the Medical Day Unit receive medication counselling.		

Pharmacy staff on Medical Day Units now give all patients medication counselling when they are discharged.

National figures show that patients' satisfaction with the information they receive from The Royal Marsden about side effects was already higher than average.

We carried out a further audit to find out whether medication counselling at the point of discharge would have a positive effect on this patient-satisfaction rating. The audit involved two day units at the Sutton site – the Medical Day Unit and the BUD Flanagan Ambulatory Care Unit. A total of 52 patients were reviewed.

Of patients from the BUD Flanagan Ambulatory Care Unit, 83% were satisfied with the information they had received from pharmacy staff.

Overall a slightly higher satisfaction level was achieved from patients in the Medical Day Unit, with 96% of patients being satisfied with the medication counselling they received.

This audit showed that medication counselling at the point of discharge has a positive effect on patients' experience.

The audit also looked closely at whether the patients believed they had received satisfactory levels of information on the side effects of medication. 100% of the patients on their first cycle had received information about their medication. Of those, 89% had received information specifically about the side effects of their medication.

Actions to improve our performance

- Evaluating feedback from patients to better understand how we could improve the practice of providing information.
- Evaluating the possibility of increasing the availability of pharmacy staff in all day units and inpatient areas.

How improvements will be measured and monitored

- Monthly review of progress will be monitored through pharmacy department scorecards to cover all day unit areas.
- We will regularly monitor patient satisfaction with the levels of information they receive on medication (including side effects).

Priority 7a

To make sure that we are responding to inpatients' personal needs.

Target

For our results in the Friends and Family Test for hospital inpatients to remain higher than the national average.



“We have used the friends and family feedback to develop patient forums to get a dialogue between the haematology unit and the patients. We have also improved our patient information following feedback from patients and are just about to install patient information TVs in our waiting area for health promotion, and to help patients understand delays.”

Samantha Wigfall
Matron

The ‘Friends and Family Test’ was introduced by the Prime Minister on 25 May 2012. Under this test, all NHS patients are asked whether they would recommend a particular A&E department or ward to their friends and family. The results of this test are used to improve the experience of patients, and to highlight priority areas for action.

The question asked is:

'How likely are you to recommend our ward to friends and family if they need similar care or treatment?'

The patients then choose their answer from the following.

- Extremely likely
- Likely
- Neither likely nor unlikely
- Unlikely
- Extremely unlikely
- Don't know

We then ask:

'What was good about your care and what could be improved?'

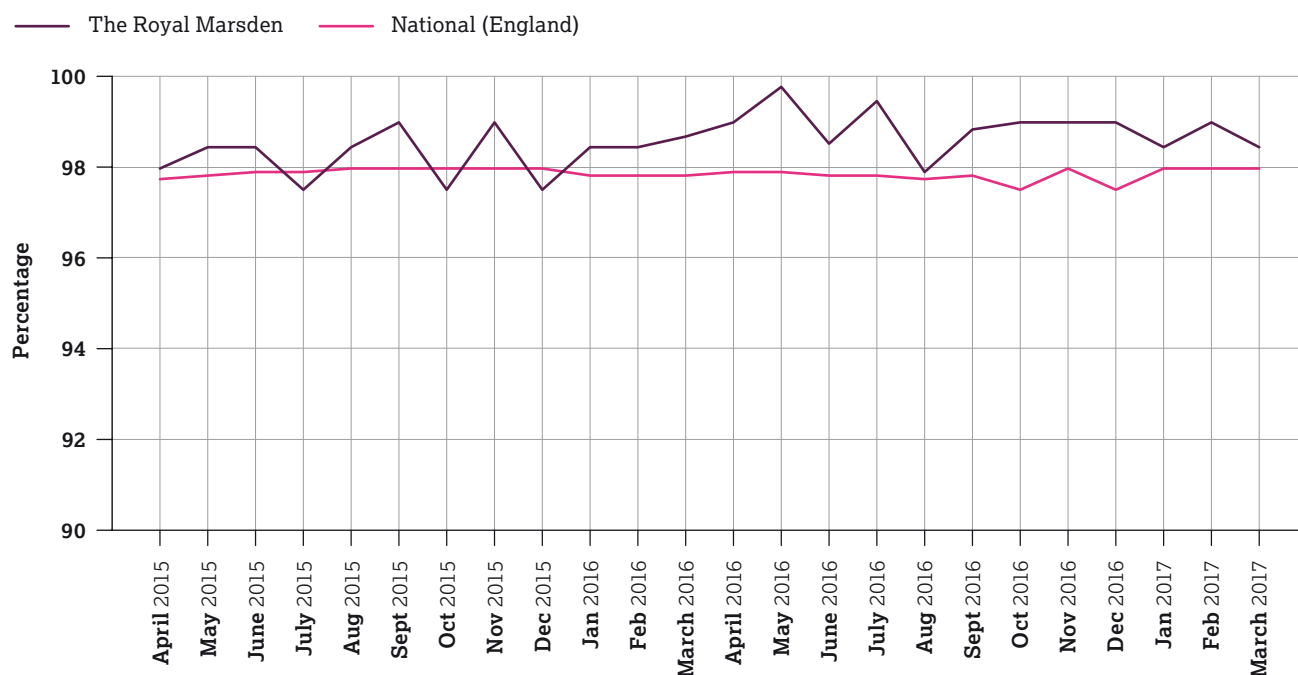
Patients answer this question freely. Comments are reviewed by the matrons and ward and, where appropriate, action is taken.

What we did in 2016/17

- Posters about the Friends and Family Test are displayed around the Trust buildings, and there are collection boxes for responses outside all wards and in outpatient and day-care areas.
- We ask all patients to fill in the Friends and Family Test form and put it into a collection box. Once a week the forms are collected, and an external company processes the feedback and returns this to us.
- We have introduced extra questions to allow patients to rate our services in terms of dignity, involvement, information, cleanliness and staff.
- We set up a new Patient Experience Steering Group, chaired by the Deputy Chief Nurse, to review the Friends and Family Test responses alongside results from national surveys on patient experience.

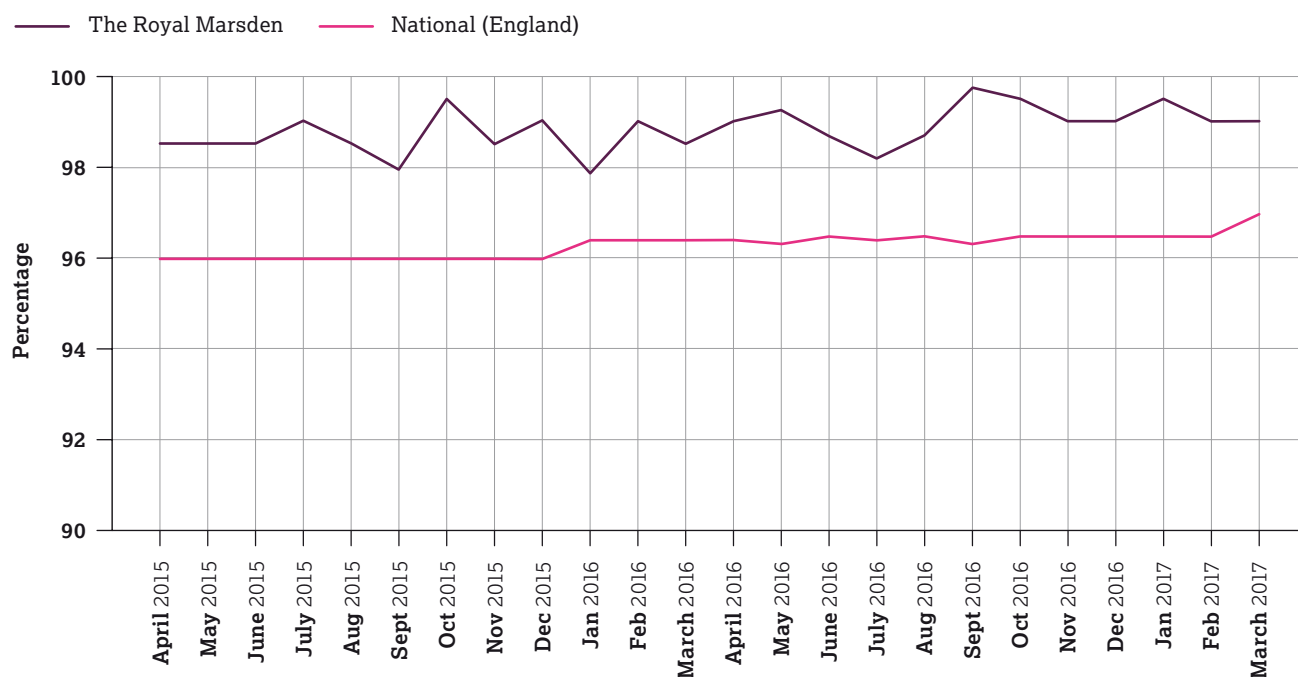
How we performed in 2016/17

- We achieved our target with an average across the year of 98% of inpatients saying that they would recommend us. This is higher than the national average of 96%.

Graph 2: Percentage of inpatients who would recommend us

NHS England displays the information that has been collected each month for 170 providers of NHS-funded services for inpatients and independent-sector providers for inpatients, outpatients, community services, dental, ambulance, accident and emergency (A&E), maternity, mental-health and GP services. There is information about the Friends and Family Test on the website at www.england.nhs.uk/statistics/statistical-work-areas/friends-and-family-test/friends-and-family-test-data/

- We have achieved our target with an average across the year of 98% of outpatients saying that they would recommend us. This is higher than the national average of 93%.

Graph 3: Percentage of outpatients who would recommend us

Actions to improve our performance

- Continuing to use the Friends and Family Test question to get feedback from patients on how we can improve our services.
- Continuing to work with staff who are in contact with patients to increase the response rate for the Friends and Family Test.
- Continuing to communicate results to trust staff, patients, relatives and carers at meetings, and publicly displaying results on wards' notice boards and our website.
- Analysing the comments received to identify key areas for improvement.
- Developing local and trustwide improvement plans for identified areas of concern.

How improvements will be measured and monitored

Results will continue to be passed to the ward sisters and matrons each month, and we will take action following any comments for improvements. The results will continue to be included in our monthly quality account to the board. The results are also included in the terms of reference of the new Patient Experience Strategy group, chaired by the Chief Nurse.

Priority 7b

To continue using the 'Friends and Family Test' question for patients receiving community care. (The Friends and Family Test question asks people who use NHS services whether they would recommend the services to others.)

Target

For the Friends and Family Test results to be above 90% and to increase patient satisfaction.



“The information we receive from patient feedback can help us tailor our services to the needs of our patients and can offer useful suggestions. It can be difficult for a service to demonstrate the need for services through quantitative data alone. Patient feedback can help us to justify current services and explain the need for changes or new services in the patient’s words, which is so valuable.”

Anna Lovegrove

Occupational Therapy Lead, Community Neuro Therapy Team
Sutton Community Healthcare Services

What we did in 2016/17

- We continued to routinely ask patients receiving community services the Friends and Family Test question as part of our patient experience surveys.
- Since 1 April 2016, community services have used the same service provider as The Royal Marsden to gather feedback. This has streamlined the process of gathering, reviewing and acting on feedback.
- We have gathered feedback through paper surveys (written and picture, and easy-read forms), online surveys, and an app on mobile devices.
- Patient Champions in each service have shared monthly feedback with their teams, and encouraged staff to ask patients for feedback throughout the year.
- Patients' comments have been discussed at team meetings, and incorporated into service changes where possible.

How we performed in 2016/17

Friends and Family Test

We met the overall target set for 2016/17. In response to the question 'How likely are you to recommend this service to friends and family if they needed similar care or treatment?'. 98% of patients would recommend our services to friends and family.

During quarter 1 (1 April 2016 to 30 June 2016), 322 patients responded to our survey. 98% of patients would recommend our services to friends and family.

During quarter 2 (1 July 2016 to 30 September 2016), 322 patients responded to our survey. 99% of patients would recommend our services to friends and family.

During quarter 3 (1 October 2016 to 31 December 2016), 843 patients responded to our survey. 97% of patients would recommend our services to friends and family.

During quarter 4 (1 January 2017 to 31 March 2017), 778 patients responded to our survey. 97% of patients would recommend our services to friends and family.

During the year, April 2016 to March 2017, we received feedback from 2184 patients in total, 98% of whom would recommend our services to friends and family.

Some examples of patient feedback comments are as follows.

Night nursing

"Both my wife and I have received excellent care from your staff. They are always bright and cheerful. They are all prepared to listen to our minor conditions bearing in mind that we are both in our 90s."

Family nurse partnership

"All my questions were answered and a solution found to everything. Treated lovely as always."

Health visiting

"Nurse was friendly, informative and communicated effectively. Seen in a timely manner. Encouraged to talk about concerns and ask questions."

Children's dietetics

"The programme was designed around my son's needs and his special needs status was thoroughly understood and adapted to."

School nursing

“Understanding and compassionate.”

Adult speech and language therapy

“I felt so comfortable speaking to my therapist about myself and how I feel without feeling like I was judged. It also has given me something to look forward to and she frequently makes me laugh. When our sessions are over I am left with a smile on my face and very motivated. She is the best!”

Actions to improve our performance

- Routinely asking patients to give feedback through printed surveys.
- Using apps and website links to invite patients to provide feedback.
- Including feedback from patients in the weekly newsletter that is produced by the Divisional Director.
- Service managers and patient champions in each team monitoring patient feedback each month and providing a report to their clinical area at team meetings.
- Making sure that survey forms which mention specific members of staff are given to those staff to be included in their development records.
- Teams discussing feedback which highlights possible improvements, and taking appropriate action.
- In quarter 4, the things you said, and the things we did, these included the following.

Musculoskeletal and outpatient physiotherapy

You said:

“Appointments could be timed rather than a wait and be seen system. Long waiting time a) for the appointment in the first place and b) at the clinic after arrival, cramped waiting room. More prompt follow up appointment scheduling system will be beneficial. That is, a system that does not involve patients ringing the hospital on a later date to check if the appointment calendar is open for follow up appointments. I understand the rationale behind an assessment clinic but it felt very rushed.”

We did:

The Musculoskeletal Service have changed their model of providing services to give direct access for patients as soon as they need the service. During quarter 4, this system was modified in response to feedback from patients. Appointments in “Assess and Treat” clinics are now given in hourly time slots, and patients are seen on a first come, first served basis within those slots. This has reduced the waiting time for the appointments and the number of patients in the clinic at any one time. Further work is being carried to streamline the process for getting follow-up appointments, with the hope that these are booked before the patient leaves the clinic after a visit.

Community nursing

You said:

“Actual treatment excellent and very professional but sometimes do not arrive as scheduled.”

We did:

Community nurses aim to arrive within a given time period (either a morning appointment or an afternoon appointment), but this is not always possible. However, when staff are delayed, we will always try to phone the patient to let them know. The team administrator also spends time contacting patients if their visits need to be rescheduled to a different day.

Heart-failure service

You said:

“As a layman, it sounds very good but involving and a lot to absorb all at once but will have a go at it. I’m sure all of this has been discussed before, but for an elderly person – age and condition have a lot to accept something similar visited of all this literise. I hope don’t mind me bringing this subject out. Thank you for your visit for and advice.”

We did:

Clinicians will review what information a patient should have to meet their individual needs.

Podiatry

You said:

“Care was personal and tailored. Appointment times fall behind though.”

We did:

Delays are sometimes unavoidable due to some appointments taking longer than expected. If appointments are delayed, we apologise to those waiting.

Falls-prevention service

You said:

“Move to afternoon and could be longer.”

We did:

We are holding extra falls classes, in the afternoon and the morning. With these extra classes, there will be more time available.

Health visiting

You said:

“I would like to be seen in private as there are too many people in the room.”

We did:

There is usually a quiet room available at each drop-in session if parents want to be seen privately. The team are reviewing how this is publicised to service users.

How improvements will be measured and monitored

- Team-specific reports will allow services to monitor and tackle issues throughout the year. Survey results will be reported back to the Clinical Commissioning Group (via the Clinical Quality Review Group) every three months.
- Feedback is also provided to all services through divisional and service-led team meetings.
- Service managers are to report on ‘You said, We did’ actions at monthly internal performance meetings.

Priority 8

To increase the percentage of staff who would recommend The Royal Marsden to friends or family needing care.

Target

For more than 95% of surveyed staff to say that they would recommend The Royal Marsden.



The quotes below are samples from the anonymous comments staff provided in quarter 1 (1 April 2016 to 30 June 2016) on why they would recommend The Royal Marsden to friends or family needing care.

“A junior doctor recently summed up care/staff in the Breast Unit as ‘brilliant brains and kind hearts’ – I think this stands across the hospital and I would not hesitate to recommend RMH should friends or family need treatment.”

The quotes below are samples from the anonymous comments staff provided in quarter 1 (1 April 2016 to 30 June 2016) on why they would recommend The Royal Marsden to friends or family as a place to work.

“Over the past year I have been made to feel welcome and part of the team and organisation. From lead management to the front reception. The culture is one of friendliness and openness.”

Three times a year, we ask staff to respond to the Friends and Family Test question: ‘How likely are you to recommend this organisation to friends and family if they needed care and treatment’. In all three surveys, over 95% of staff said that they would recommend us, meaning that this target has been met.

Each year we carry out the National Staff Survey, asking staff how strongly they agree with the statement: ‘If a friend or relative needed treatment, I would be happy with the standard of care provided by this trust.’ In 2016/17, 91% of staff either agreed or strongly agreed with the statement. This is an improvement from 2015/16, which saw 90% of staff either agree or strongly agree with this statement.

What we did in 2016/17

- We ran the staff Friends and Family Test to get feedback on how likely staff would be to recommend us for care or treatment.
- We continued to share the responses to this and the findings of patient surveys with staff.

How we performed in 2016/17

Friends and Family Test

The results of the Friends and Family Test are shown in table 8.

Table 8: Staff response to the question ‘How likely are you to recommend this organisation to friends and family if they needed care and treatment’

	4th quarter of 2015/16	1st quarter of 2016/17	2nd quarter of 2016/17	3rd quarter of 2016/17	4th quarter of 2016/17
Would recommend	96%	95.5%	100%	Does not apply	95.4%
Would not recommend	1.8%	0.9%	0%	Does not apply	0.7%

The number of staff responding to the Friends and Family Test during 2016/17 remains higher than in 2015/16. There were 555 responses in quarter 4 of 2016/17, compared with 163 responses in quarter 4 of 2015/16. The survey for quarter 2 focused on identifying ways to develop our leaders, and so was only circulated to the Leadership Team. The staff response rate was good. This survey is not carried out in quarter 3 as it coincides with the national NHS staff survey.

Workforce Race Equality Standard

The Workforce Race Equality Standard requires all NHS organisations to demonstrate how they are dealing with race-equality issues in staffing areas such as recruiting, and promoting staff. There has been a marked reduction in the percentage of staff experiencing bullying, harassment or abuse from other staff members. There has also been an increase in the number of staff from black and ethnic-minority backgrounds (BME staff) who believe that there are equal opportunities. Table 9 provides a breakdown.

Table 9: Staff survey results

Key finding		Royal Marsden result 2016	Royal Marsden result 2015	Royal Marsden result 2014	Average for acute specialist trusts
Percentage experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months	White	17%	17%	19%	21%
	BME	17%	15%	21%	18%
Percentage experiencing harassment, bullying or abuse from staff in the last 12 months	White	22%	21%	23%	24%
	BME	28%	24%	27%	28%
Percentage believing we provide equal opportunities for career progression or promotion	White	91%	90%	90%	89%
	BME	78%	76%	72%	75%
Percentage who have personally experienced discrimination at work from a manager, team leader or other colleagues in the last 12 months	White	5%	5%	6%	5%
	BME	11%	12%	14%	11%

Over the last 12 months, we have taken a number of steps to support our Equality and Diversity Strategy, including developing a Black and Minority Ethnic Network to share the experiences and views of BME staff and consider appropriate action to take. We have also launched a mediation service to reduce the number of grievances that reach a formal level.

Actions to improve our performance

- Promoting staff surveys to encourage more responses from staff.
- Reviewing the comments given in response to the Friends and Family Test question to identify areas where further improvements could be made.
- Increasing individual accountability for taking action on the findings from local and national survey results.
- Raising awareness of the Workforce Race Equality Standard and actions being taken to deal with issues that arise.

How improvements will be measured and monitored

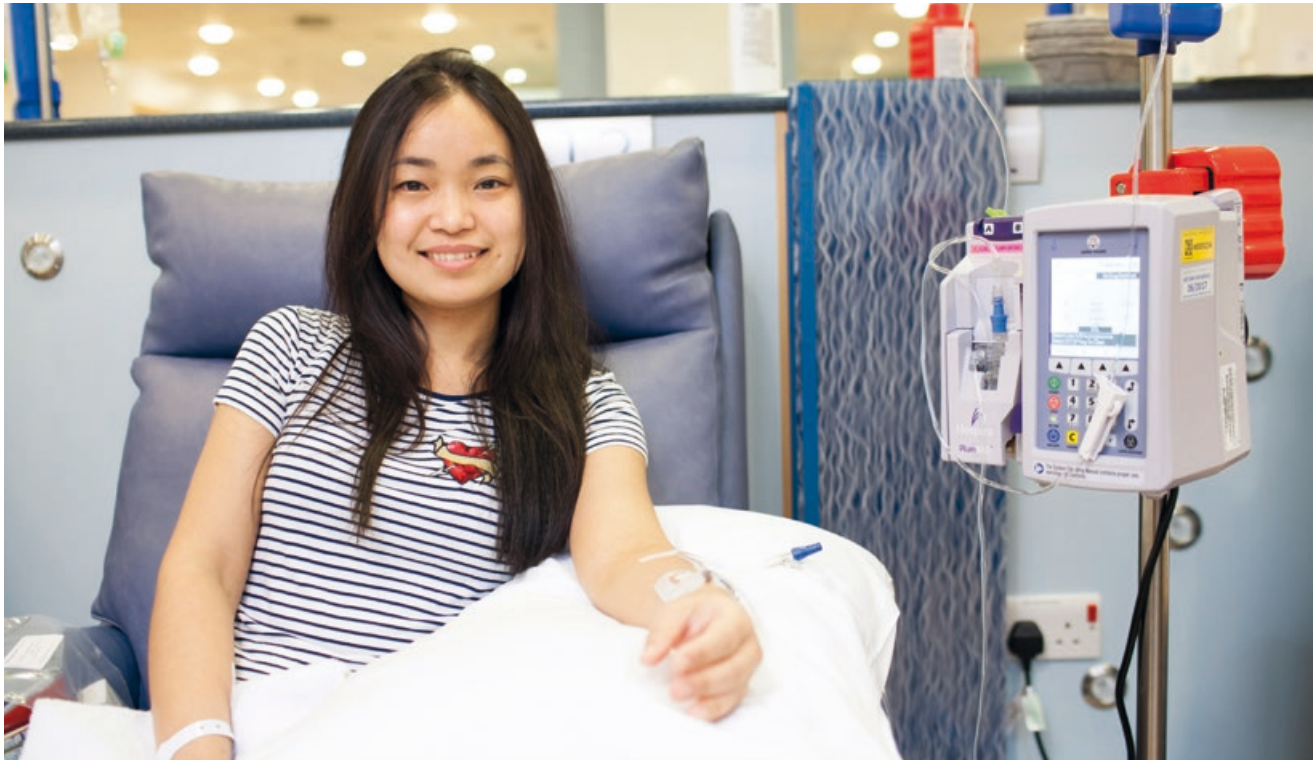
- Results from the Friends and Family Test and the Annual Staff Survey will be analysed and reviewed by the Workforce and Education Committee and a set of targeted actions will be agreed to support continuous improvement and increase the number of staff responding.
- All action plans will be regularly reviewed by the Workforce and Education Committee to chart progress.

Priority 9a

To reduce waiting times at chemotherapy appointments and improve patients' experiences relating to waiting times.

Target

For 80% of patients to be satisfied with the length of time they had to wait to start their treatment.



‘We are continuously trying to improve the patient experience and are pleased with the progress made. We are looking to reduce this again in the next financial year through further detailed analysis and large scale improvement projects such as implementation of pre-made doses of chemotherapy.’

Jatinder Harchowal
Chief Pharmacist

To understand and improve chemotherapy waiting times, it is important to analyse the reasons behind delayed treatment times.

By reducing the waiting times for patients, we aim to improve patient satisfaction with the process.

What we did in 2016/17

- We set up a multidisciplinary group to lead on improving waiting times at chemotherapy appointments.
- A focus group was held to discuss the factors leading to delays in chemotherapy treatment.
- An audit of 132 patients on the Medical Day Unit in Sutton evaluated the times taken to receive chemotherapy, and the reasons for any delays to treatment. A further audit of 87 patients took place at the Medical Day Unit in Chelsea.
- Patient-satisfaction levels were recorded through Friends and Family Test questionnaires given out by the outpatient pharmacy, Boots UK.

How we performed in 2016/17

The focus group found that the following contributed to delays:

- Drugs and IVs arriving late due to delays in that team, or due to late orders.
- Cannulations (where a needle is placed into a vein) taking longer than 30 minutes. There were both one-off and repeated difficulties where limited feedback was given to allow extra time for these patients in the future.
- Bloods not being done within 24 hours of treatment.
- Consent being missing.
- Delays in samples being received by the lab (possibly due to bundling of samples, or delays in samples being transported around the hospital).
- Chairs not always being available (possibly due to appointments overrunning).
- Patients arriving late (for example, due to delays in parking).
- Overrunning or limited seating.
- No waiting space for early arrivals.
- Staff shortages.
- Patients being overbooked due to treatment times running over.
- Patients not wanting appointments late in the day.
- The need to finish new treatments by 5pm.
- The length of appointment given to the patient being unrealistic or incorrect.
- Information being wrong or incorrectly entered.
- Over-testing of bloods – not all markers needing to be tested for certain treatments.

The audits carried out in the Medical Day Units at both sites compared delayed waiting times against the above reasons for delay. For Sutton, a total of 132 patients were recorded as being late in the audit period, and 147 other factors were identified in 21 cases.

For Chelsea, 86 patients were recorded as being late in the audit period, and 107 factors were identified in 11 cases.

The results showed various causes for delay, with the most common reasons being delays associated with cannulation (the Sutton site) and a shortage of staff (the Chelsea site).

Sutton

The top six reasons for delays, accounting for approximately 70% of all appointments, were as follows.

Table 10: Sutton site: top six reasons of chemotherapy starting late

Issue	Frequency
Difficulty in cannulation	17%
Availability of nursing staff	16%
Chemotherapy drugs not available	12%
Patient arriving late	10%
Repeat bloods needed	10%
Further medical review needed	6%

Chelsea

The top four reasons for delays, accounting for approximately 82% of all appointments, were as follows.

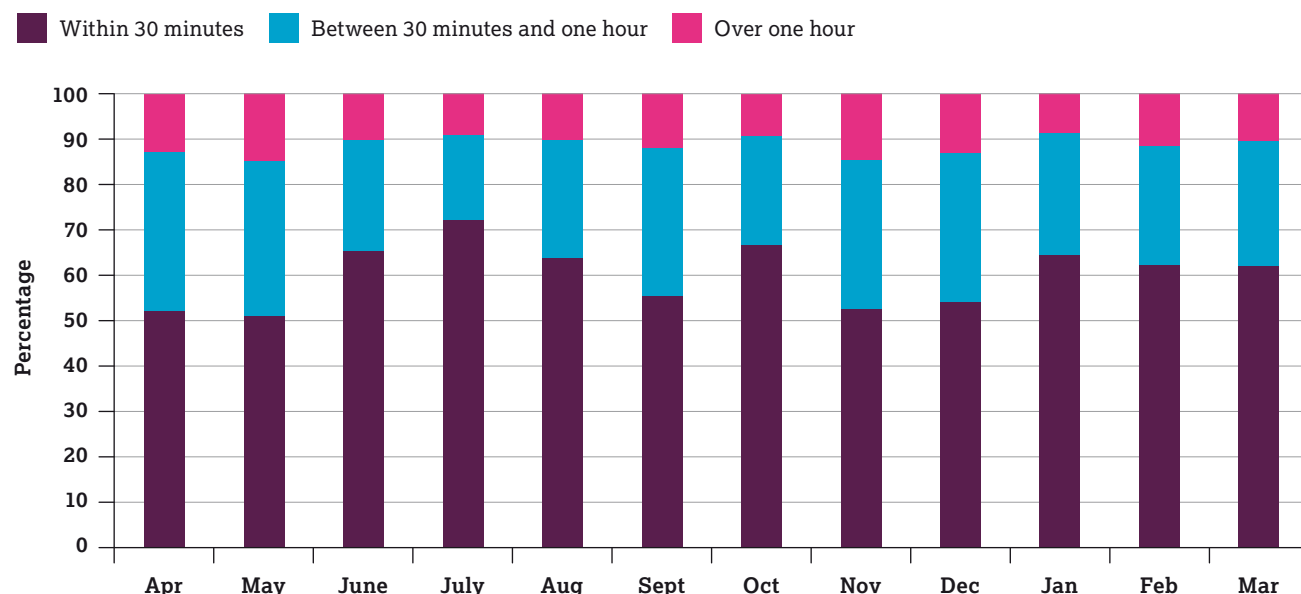
Table 11: Chelsea site: top four reasons of chemotherapy starting late

Issue	Frequency
Availability of nursing staff	33%
Chemotherapy drugs not available	26%
Appointments overrunning	12%
Patient arriving late	11%

The variation between sites is possibly due to different processes, staffing and environments within the two hospitals.

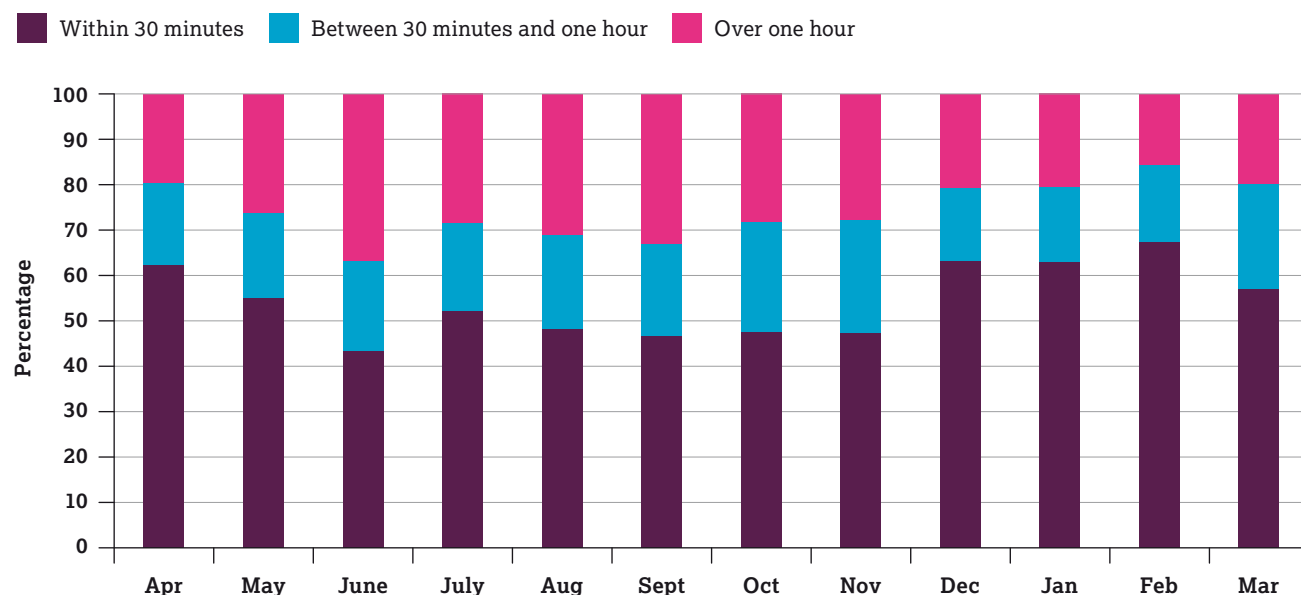
The results for Sutton (graph 4) show that over the one-year period from 1 April 2016 to 31 March 2017, on average, over 80% of patients wait less than an hour between the appointment time and the time that treatment starts.

Graph 4: Sutton chemotherapy waiting times



Graph 5 shows the waiting times for the Chelsea site over the one-year period (from 1 April 2016 to 31 March 2017). These results show that for most months, 70% of patients wait less than an hour between the appointment time and the time that treatment starts. In the last quarter this has improved to an average of 80% of patients waiting less than an hour.

Graph 5: Chelsea chemotherapy waiting times



The differences in the results for Sutton and the results for Chelsea may be due to the different specialities between sites.

The results of our audits provide a baseline (starting point) that allows us to target actions to improve overall waiting times. However, the audits did not evaluate the patient experience of waiting times.

The next step of this project is to gather this information.

Actions to improve our performance

- Producing a targeted action plan to reduce delays caused by each reason identified.
- Sharing learning of good practice which may contribute to reducing the length and number of delays.
- Continuing to monitor chemotherapy waiting times at each site.
- Producing a ‘chemotherapy journey’ educational video for patients, which will highlight scheduling issues contributed to by patients missing or arriving late for appointments.
- Further evaluating the results of the audit data to spot any trends that could account for cannulation issues and delays.
- Carrying out an audit to look specifically at the patient experience of waiting-time delays, and gathering feedback on how the patient experience could be improved.

How improvements will be measured and monitored

- There will be regular audits of patient experience of chemotherapy waiting times.
- Actions to improve waiting times will be evaluated by measuring the full waiting time and identifying delays and the reasons for them.

Priority 9b

To reduce waiting times in outpatient clinics and improve patients' experiences relating to waiting times.

Target

For no more than 8% of patients to have to wait more than one hour.



“The Outpatients Department is often the first impression people have of The Royal Marsden so we always strive to make it a warm, welcoming and efficient place for our patients to visit.”

Senior Staff Nurse
Outpatients Department

Within our outpatient departments we aim to have excellent communication with our patients to make sure that they have a positive experience, particularly at their first appointment.

What we did in 2016/17

- We carried out a full review of the skills of all nursing and administrative staff at both sites to make sure there is appropriately skilled staff in each clinic. As part of this review we met each clinical unit to discuss their specific needs relating to skills and admin support.
- As part of our planning for a new outpatient building, we held ‘process-mapping’ sessions at the Sutton site to outline each step patients take in their treatment to highlight areas of potential congestion, and find solutions for these.
- We started work to create two new clinic rooms in Sutton by relocating offices and the ECG room.
- We took steps to increase the number of phlebotomy chairs in Sutton.
- We continued to assess all information relating to the causes of delays through ‘exception reporting’ by nurses in each clinic. We pass this information to the Cancer Services Business Units (CBUs) for them to make appropriate changes.
- We introduced a new Clinical Assessment Unit (CAU) in Sutton to speed up the transfer of acutely ill patients from outpatients, to reduce blockages in clinics.
- We developed nurse clinics, and clinics for other healthcare professionals, to run alongside medical clinics to reduce waiting times. This includes chemo-toxicity clinics, dressings clinics, and acupuncture clinics.

We created a process for referring unwell patients to the CAU.

How we performed in 2016/17

In response to a request from the Council of Governors, we monitored the number of people in the main Chelsea and Sutton outpatient departments who waited less than 15 minutes. The table below shows an improvement from April, when 63% of people were seen within 15 minutes, to December, when 69% of people were seen within 15 minutes.

Table 12 below shows that we achieved our target of less than 8% of patients waiting more than one hour for treatment.

Table 12: Chelsea and Sutton waiting times 2016/17

	Waiting time			
	Less than 15 minutes	15 to 29 minutes	30 to 60 minutes	More than one hour
April 2016	63%	19%	13.6%	4.7%
May 2016	66%	18%	11.9%	4.2%
June 2016	68%	18%	11.2%	3.1%
July 2016	66%	18%	11.9%	4.1%
August 2016	65%	18%	11.8%	4.6%
September 2016	68%	18%	11.1%	3.0%
October 2016	67%	18%	11.8%	3.6%
November 2016	66%	19%	11.8%	3.3%
December 2016	69%	18%	10.5%	2.2%
January 2017	69%	17%	11%	3%
February 2017	68%	18%	11%	3%
March 2017	68%	17%	11%	4%

Actions to improve our performance

- Observing clinics and waiting areas.
- Discussing the ‘patient journey’ with each patient during one of their visits, as well as holding focus groups to gather feedback. A patient journey describes what events (such as surgery, chemotherapy, radiotherapy) are likely to happen after a patient is diagnosed with cancer.
- Holding process-mapping sessions at the Sutton site to clarify each step the patient will go through and highlight bottlenecks and potential solutions.
- Continuing to develop an effective clinic model in Rapid Diagnostic Access Clinic (RDAC) at both sites to determine capacity, and follow this model within outpatients.
- Repeating a survey on patients’ satisfaction with the new waiting areas in Sutton.
- Reception staff continuing to update the visual display screen and make regular announcements to tell patients about clinics that are running late.
- Creating two more clinic rooms in Sutton by relocating offices and the ECG room.
- Increasing the number of clinic co-ordinators within clinics.
- Increasing the number of phlebotomy chairs in Sutton to reduce blockages in patient flow and allow a quicker turnaround of blood results in clinics.
- Continuing to review the skills of all nursing and administrative staff at both sites to make sure there is appropriately skilled staff in each clinic.
- Meeting with each clinical unit to find out their specific needs in terms of skills and admin support.
- Continuing to audit all information relating to the causes of delays, and passing this information to the cancer services business units so they can make appropriate changes.
- Introducing a new Clinical Assessment Unit in Sutton to speed up the transfer of acutely ill patients away from outpatients, to reduce blockages in clinics.
- Developing clinics led by nurses and other healthcare professionals to run alongside medical clinics to reduce waiting times.
- Increasing the number of telephone clinics, including some that are led by nurses.
- Continuing to review clinic templates following work with NHS Elect to improve efficiencies of time in the clinics.
- Reviewing the check-in and registration process and reviewing all paperwork sent to patients before their appointments to make sure it is clear and to reduce repetition.
- Reviewing and improving the experience for patients when attending the pre-assessment clinics to reduce waiting times.

How improvements will be measured and monitored

- We will audit the number of patients transferred to the Clinical Assessment Unit from outpatients to prevent clinic delays.
- We will monitor progress at monthly meetings to monitor scorecards of patient-safety incidents, staff training and Friends and Family Test responses, and to develop action plans.

Priority 10a

To increase the number of relevant community services patients who have a falls-risk assessment completed.

Targets

1. For the Adult Services team to develop a falls-risk assessment.
2. For at least 65% of patients who are identified as being at risk of falls to have a falls-risk assessment.



“Staff awareness has increased regarding the importance of identifying patients at risk of falling and the strategies that can be put into place to reduce this risk.”

Chris Dyson

Clinical Service Manager for Unplanned Care Services
Sutton Community Healthcare Services

What we did in 2016/17

- Members of the falls team worked closely with the community nursing teams to develop a falls-risk assessment that was then incorporated into the service's 'holistic assessment' document. The holistic assessment document makes sure that practitioners identify patient-centred health and social-care needs based on the activities of daily living. This allows for care that is tailored to individual patients, and supports joined-up working to reduce duplication and provide responses in good time.
- We improved the management of urgent falls referrals to make sure a prompt assessment was carried out by an appropriate community-team member.
- We put in place a new patient pathway for urgent falls referrals from London Ambulance service to reduce the number of avoidable hospital attendances.
- Our Community Nursing Service has incorporated a falls-risk assessment into their full assessment of patients.
- Our Community Prevention of Admission team now prioritise all urgent falls referrals and assess patients at most risk, urgently putting in place strategies to reduce the risk of further falls and making onwards referrals to the falls-prevention service if necessary.

How we performed in 2016/17

- We met the first target when the Adult Services team developed a falls-risk assessment.
- We achieved the second target as 75% of patients who were identified as being at risk of falls had a falls-risk assessment. See table 13 for more details.

Table 13: Number of falls-risk assessment completed at first assessment visit

	Number of falls-risk assessments completed at first assessment	Percentage each month	Percentage over quarter	Target of 65% achieved or not achieved
April 2016	121	63%	Quarter 1 (1 April to 30 June) 71.5%	Achieved
May 2016	161	78.9%		
June 2016	151	71.9%		
July 2016	301	87.7%	Quarter 2 (1 July to 30 September) 87.6%	Achieved
August 2016	275	85.7%		
September 2016	290	89.2%		
October 2016	224	77.2%	Quarter 3 (1 October to 31 December) 83.3%	Achieved
November 2016	264	84.6%		
December 2016	268	87.6%		
January 2017	229	72.7%	Quarter 4 (1 January to 31 March) 74.7%	Achieved
February 2017	239	73.8%		
March 2017	231	78%		

Actions to improve our performance

- The Community Services team continuing to carry out falls-risk assessments during the first visit to the patient.
- The Community Services team making sure all strategies for preventing falls are in place.
- Developing closer links with social-care providers and Sutton Age UK.
- Reviewing the current ‘falls prevention service’ to identify areas where improvements could be made to reduce waiting times for patient reviews.
- Investigating potential training providers for ‘Extend Training’ to provide falls-prevention classes. (‘Extend training’ is a credited well-recognised national exercise programme that supports improvement to movement, balance and co-ordination.)
- Keeping this priority for 2017/18.
- Continuing to monitor our performance in assessing patients at risk of experiencing falls, and the number of falls-prevention classes attended.

How improvements will be measured and monitored

- Reporting will continue to be monitored through quality accounts reporting and through community services’ monthly performance reporting to the Clinical Commissioning Group.

Priority 10b

To reduce the number of medication incidents causing moderate or low harm to patients under the care of community services to less than four for the year.

Target

For a medicine review (reconciliation) to take place during the first assessment of a patient after being discharged from hospital or after a secondary-care consultation.



“Staff can see clear evidence of improvement in practice and safer care delivery to patients by undertaking medicine reviews during first assessment.”

Liz O'Brien

Clinical Integrated Locality Manager, Sutton and Cheam Locality
Sutton Community Healthcare Services

What we did in 2016/17

- The Community Nursing Service included medicine reviews in their holistic assessment of patients.
- We improved our performance in identifying prescribing errors from both primary-care and secondary-care settings.
- We put an ‘escalation process’ in place for staff to raise concerns if they cannot read the doctor’s handwriting on the form that allows them to give medicines to patients. (In community services, the doctors fill in a document called ‘authorisation to administer medicines document’. This allows staff to give medicines safely to patients.)
- We improved incident-reporting on both near misses and unsafe information relating to medicines.

How we performed in 2016/17

- From April 2016 to March 2017 we met the target of 90% of medicine reviews (reconciliations) being carried out during the first assessment of a patient after they were discharged from hospital or after a secondary-care consultation. See table 14 for more details.
- From 1 April 2016 to 30 June 2016, 90.9% of patients had a medicines review during the first assessment visit by community services.
- From 1 July 2016 to 30 September 2016, 90.6% of patients had a medicines review during the first assessment visit by community services.
- From 1 October 2016 to 31 December 2016, 91.8% of patients had a medicines review during the first assessment visit by community services.
- From 1 January to 31 March 2017, 90.5% of patients had a medicines review during the first assessment visit by community services.

Table 14: Number of patients who had a medicine review at the first assessment visit

	Number of patients who had a medicine review at the first assessment visit	Percentage each month	Percentage over quarter	Target of 90% achieved or not achieved
April 2016	171	89.1%	Quarter 1 (1 April to 30 June) 90.9%	Achieved
May 2016	189	92.6%		
June 2016	191	90.9%		
July 2016	311	90.6%	Quarter 2 (1 July to 30 September) 90.6%	Achieved
August 2016	295	91.9%		
September 2016	290	89.2%		
October 2016	269	91.03%	Quarter 3 (1 October to 31 December) 91.8%	Achieved
November 2016	284	87.8%		
December 2016	281	87.6%		
January 2017	290	92.06%	Quarter 4 (1 January to 31 March) 90.5%	Achieved
February 2017	282	87.3%		
March 2017	274	92.6%		

Actions to improve our performance

- Community services continuing to review patients on their caseload. The review will include administering or prompting medicines (making sure that patients have taken their medicines at home), to make sure all strategies for preventing medication incidents are in place.
- Working with the clinical lead of the Clinical Commissioning Group (CCG) to find out whether processes need to be redefined to reduce current variations across the system.
- To carry out an audit of our ‘transcribing of medicines’ documents within patients’ care records.
- Continuing with this priority so that the number of medication incidents causing moderate or low harm to patients under the care of community services is reduced to less than four each year.

How improvements will be measured and monitored

- The Executive Medicines Management Committee will continue to monitor any near misses which are reported, as well as all other medication incidents and outcomes, at their monthly meetings.
- Performance will also be monitored as part of the CCG’s monthly Clinical Quality Review Group meetings through a monthly scorecard. This scorecard will also be reviewed at each meeting of the Trust board.

Reviewing progress of the quality improvements in 2016/17 and choosing the new priorities for 2017/18

In January 2017, NHS England published the quality accounts: reporting arrangements for 2016/17. We chose to include the mandatory (must do) set of quality indicators for requirements for 2016/17. Some of the indicators are not relevant to us (for example, ambulance response times), so we have not included them.

In February 2017, NHS Improvement issued 'Detailed requirements for quality reports for foundation trusts 2016/17'. They also issued 'Detailed requirements for external assurance for quality reports for foundation trusts 2016/17' as from 2011/2012 all acute trusts must have their Quality Accounts checked by external auditors.

However, we also felt it was important to consult with our members and council of governors to incorporate their views about 'quality' into the quality account.

The process for agreeing the quality priorities for 2017/18 was as follows.

October 2016

Held a Patient Experience and Quality Account meeting to review progress in quarter 1 (1 April 2016 to 30 June 2016) against our priorities for 2016/17.

October 2016

Sent out a survey to foundation trust members to choose quality priorities for 2017/18.

November 2016

Held an event for foundation trust members on 29 November 2016 to carry out a survey and vote on quality priorities for 2017/18.

February 2017

Held a Patient Experience and Quality Account meeting to review progress during quarter 3 (1 October 2016 to 31 December 2016) against our priorities for 2016/17.

March 2017

Held a Council of Governors meeting to review results of previous surveys and voting on quality priorities for 2017/18.

Council of Governors chose a quality priority for 2017/18.

Drafted the final version of the quality accounts. Draft reviewed by external stakeholders for 30 days. Draft reviewed by the Integrated Governance and Risk Management Committee, the Nursing, Radiography and Rehabilitation Advisory Committee, and the Trust Consultative Committee.

April 2017

Stakeholders returned comments and statements are included in appendix 1.

Held a Patient Experience and Quality Account meeting to review progress during quarter 4 (1 January 2017 to 31 March 2017) against our priorities for 2016/17.

Draft reviewed by the Trust Board committee and quality priorities for 2017/18 agreed.

Plain English Campaign reviewed draft.

May 2017

Approved at the Finance and Audit committee as delegated by the Board. Final annual quality account included as part of the trust's annual report and sent to NHS Improvement.

June 2017

Final annual quality account published with Plain English Campaign's Crystal Mark. Annual quality account published on the NHS Choices website and the trust's website.

Table 16 below summarises our quality priorities for the last four years.

Table 16: Quality priorities 2013 to 2017

2013/14	2014/15	2015/16	2016/17
Reduce the incidence of healthcare-associated infections (mandatory priority)	Reduce the incidence of healthcare-associated infections (mandatory priority)	Reduce the number of cases of healthcare-related infections (mandatory priority)	To reduce the number of cases of healthcare-related infections (MRSA and clostridium difficile infections). Mandatory
Reduce the rate of patient-safety incidents and the percentage resulting in severe harm or death (mandatory priority)	Reduce the rate of patient-safety incidents and the percentage resulting in severe harm or death (mandatory priority)	Reduce the rate of patient-safety incidents and the percentage resulting in severe harm or death (mandatory priority)	To reduce the rate of patient-safety incidents and the percentage resulting in severe harm or death
Maintain the percentage of admitted patients assessed for the risk of venous thrombo-embolism (mandatory priority)	Maintain the percentage of admitted patients assessed for the risk of venous thrombo-embolism (mandatory priority)	Maintain the percentage of admitted patients assessed for the risk of getting a venous thrombo embolism – a blood clot in the vein (mandatory priority)	To maintain the percentage of admitted patients assessed for the risk of venous thromboembolism (getting a blood clot in a vein).
Reduce the incidence of category-3 pressure sores (full-thickness skin loss) and category-4 pressure sores (full-thickness tissue loss) developing in patients while they are receiving community care (applies to Sutton and Merton Community Services)	Reduce the incidence of category-3 pressure sores (full-thickness skin loss) and category-4 pressure sores (full-thickness tissue loss) developing in patients while they are receiving community care (applies to Sutton and Merton Community Services)	Reduce the incidence of category-3 pressure sores (full-thickness skin loss) and category-4 pressure sores (full-thickness tissue loss) developing in patients while they are receiving community care	To reduce the incidence of category-3 pressure sores (full-thickness skin loss) and category-4 pressure sores (full-thickness tissue loss) developing in patients while they are receiving community care.
Increase the number of patients who die where they have chosen to die			
Increase the number of patients who have a holistic needs assessment (an assessment that considers all aspects of a person's needs, such as emotional, social and cultural needs, not just their medical needs)	Increase the number of patients who have a holistic needs assessment (an assessment that considers all aspects of a person's needs, such as emotional, social and cultural needs, not just their medical needs)		
Reduce the number of emergency readmissions to hospital within 28 days of discharge (mandatory priority)	Reduce the number of emergency readmissions to hospital within 28 days of discharge (mandatory priority)	Reduce the number of emergency admissions to hospital within 28 days of patients being discharged (mandatory priority)	To reduce the incidence of emergency readmissions to hospital within 28 days of patients being discharged.

2013/14	2014/15	2015/16	2016/17
Make sure that we are responding to inpatients' personal needs (mandatory priority) Introduce a patient survey for Sutton and Merton Community Services (mandatory priority)	Make sure that we are responding to inpatients' personal needs (mandatory priority) Introduce a patient survey for Sutton and Merton Community Services (mandatory priority)	Make sure that we are responding to inpatients' personal needs (mandatory priority) To continue using the 'Friends and Family Test' question for patients receiving community care (mandatory priority)	a To make sure that we are responding to inpatients' personal needs. b To continue using the 'Friends and Family Test' question for patients receiving community care. (mandatory)
Improve communication, particularly at first appointments	Improve communication, particularly at first appointments		
Reduce waiting times at chemotherapy appointments and improve patients' experiences relating to waiting times	Reduce waiting times at chemotherapy appointments and improve patients' experiences relating to waiting times	Reduce waiting times at chemotherapy appointments and improve patients' experiences relating to waiting times. Reduce waiting times in outpatient clinics and improve patients' experiences relating to waiting times	a To reduce waiting times at chemotherapy appointments and improve patients' experiences relating to waiting times. b To reduce waiting times in outpatient clinics and improve patient experiences relating to waiting times
Increase the percentage of staff who would recommend The Royal Marsden to friends or family needing care (mandatory priority)	Increase the percentage of staff who would recommend The Royal Marsden to friends or family needing care (mandatory priority)	Increase the percentage of staff who would recommend The Royal Marsden to friends or family needing care (mandatory priority)	To increase the percentage of staff who would recommend The Royal Marsden to friends or family needing care. (mandatory priority)
Reduce the length of time a patient waits for medicines or equipment when they are discharged	Reduce the length of time a patient waits for medicines or equipment at the point when they are discharged	Reduce the length of time a patient waits for medicines when they are discharged.	For patients to be given information about the side effects of medicines to take after being discharged.
Increase the uptake of immunisation, working in partnership with primary care	Improve health outcomes for children in reception class, in line with the 'Healthy Child Programme 5-19. (This programme sets out a framework of services for children and young people to promote good health and well-being.)	Make sure that children in Sutton and Merton have high levels of protection against disease within the local communities. Measure the number of girls who receive the HPV (human papilloma virus) immunisation, and the number of school-leavers receiving the booster for diphtheria, polio and tetanus, and report findings across Merton and Sutton boroughs.	To increase the number of relevant community-services patients who have a falls-risk assessment. To reduce the number of medication errors causing moderate or low harm to patients under the care of community services to less than four a year.

Statements of assurance from the Board

Review of services

During 2016/17, we provided or subcontracted comprehensive cancer services and community services.

We have reviewed all the information we have on the quality of care provided by all our relevant health services.

The income generated by the health services reviewed in 2016/17 is equal to the total income generated from providing relevant health services in 2016/17.

The information provided in part three of this quality account covers the three aspects of quality – patient safety, clinical effectiveness and patient experience.

Taking part in clinical audits

At The Royal Marsden we undertake many clinical audits for quality improvement. We take part in all the national cancer audits which apply to us. This allows us to compare ourselves against other hospitals in England and sometimes across the world. We also have a comprehensive programme of local clinical audits which clinical staff including consultants, junior doctors, nurses and allied health professionals carry out regularly to improve local areas of care.

During 2016/17, 20 national clinical audits and four national confidential enquiries covered relevant health services that The Royal Marsden provides.

National clinical audit and confidential enquiries

National confidential enquiries are inspections that are carried out nationally to investigate areas of care where there may have been problems or where the patients may be particularly vulnerable. All hospitals are asked to take part in the enquiries so that all care across England can be monitored.

During 2016/17 The Royal Marsden registered for or took part in 20 (100%) of the national clinical audits and all (100%) of the national confidential enquiries it was eligible to take part in (see table 17). We could not take part in many of the national audits because The Royal Marsden only has patients with cancer.

The national clinical audits and national confidential enquiries that The Royal Marsden took part in, and which information was collected for in 2016/17, are listed below alongside the number of cases included in each audit or enquiry as a percentage of the number of registered cases required under the terms of that audit or enquiry (tables 17 and 18).

Table 17: National clinical audits we took part in during 2016/17

No	National clinical audit	Took part in?	Percentage of cases included in the audit
1	National Oesophago-Gastric cancer audit (OG) Audit	Yes	100%
2	National Bowel Cancer Audit (NBOCAP)	Yes	100%
3	National Lung Cancer Audit (NCLA)	Yes	100%
4	National Emergency Laparotomy Patient (NELA) Audit Year 3	Yes	100%
5	National Prostate Cancer (NPCA)	Yes	100%
6	Intensive Care National Audit & Research Centre (ICNARC) Case Mix Programme (CMP)	Yes	100%
7	Sentinel Stroke National Audit Programme (SSNAP)	Yes	100%
8	National Head and Neck Cancer Audit (HANA)	Yes	100%
9	NHS Blood and Transplant (NHSBT) National Comparative Audit of Patient Blood Management in adults undergoing elective, scheduled surgery	Yes	100%
10	The British Association of Urological Surgeons (BAUS) Nephrectomy audit 2016	Yes	100%
11	BAUS Radical Prostatectomy audit 2016	Yes	100%
12	BAUS Total Cystectomy audit 2016	Yes	100%
13	BAUS Retroperitoneal Lymph Node Dissection 2016	Yes	100%
14	The British Association of Endocrine & Thyroid Surgeons (BAETS)	Yes	100%
15	National Health Service Cancer Screening Programme (NHSCSP) Audit of Invasive Cervical Cancer	Yes	100%
16	The iBRA2 (implant breast reconstruction evaluation) Study: a national audit of practice and outcomes of implant breast reconstruction	Yes	100%
17	National reaudit of Adjuvant Breast Radiotherapy Technique and Tumour Bed Boost Practice in Early Breast Cancer after Breast-Conserving Surgery 2014	Yes	100%
18	The Association of Breast Surgery (ABS) & NHS Screening Audit	Yes	100%
19	The Breast Cancer Clinical Outcome Measures (BCCOM) Project	Yes	100%
20	National Mastectomy Decisions Audit (MASDA)	Yes	100%

In 2016/17 we reviewed the reports of 14 national clinical audits. Where appropriate, we will take the following actions to improve the quality of healthcare we provide. Please see table 18 for details of actions.

Table 18: National clinical audit reports published and actions taken

No	National clinical audit reports published in 2016/17	Description of actions
1	National Bowel Cancer Audit (NBOCAP) 2016	Report reviewed by surgeons and discussed at Surgical Audit Group meeting.
2	National Oesophago-Gastric cancer audit (OG) Audit 2016	Report passed to audit lead and to surgeons.
3	NCLA annual report 2016	Report reviewed by Lung Department at MDT meeting.
4	Intensive Care National Audit & Research Centre (ICNARC) Case Mix Programme (CMP)	Report discussed at the surgical audit group meeting.
5	Sentinel Stroke National Audit Programme (SSNAP)	Report reviewed in community services and presented to the Clinical Audit Committee. Action plan completed.
6	National Comparative Audit of Lower Gastrointestinal bleeding and the Use of blood	Report passed to surgeons and anaesthetists at the Surgical Audit Day. Action plan completed.
7	The second Patient report of the National Emergency Laparotomy Patient Audit	Findings of the report discussed at surgical audit group meeting. Action plan completed.
8	BAUS Analyses of Radical Prostatectomy 2015 Dataset	Surgeons reflected on the findings.
9	BAUS Analyses of Nephrectomy 2015 Dataset	Surgeons reflected on the findings.
10	BAUS Analyses of Total Cystectomy audit 2015 Dataset	Surgeons reflected on the finding.
11	National Prostate Cancer Audit Third Year Annual Report –Results of the NPCA Prospective Audit and Patient Survey 2016	Report passed to Urology audit lead and to consultant clinical oncologist in Radiotherapy.
12	Initial Results from the RCR's UK National audit of Anal Cancer Radiotherapy 2015	Report passed to Multidisciplinary Radiotherapy Departmental Audit Meeting.
13	NHS BSP & ABS (breast screening programme and Association of Breast Surgery) audit of screen detected breast cancers 2014-15	Report presented to the Surgical Audit Group.
14	The Implant Breast Reconstruction evaluation (iBRA) Study: a national multicentre audit of the practice and outcomes of immediate implant-based breast reconstruction	Feedback from national presentations passed to the Surgical Audit Group

Table 19: National confidential enquiries we were eligible to take part in during 2016/17

No	National Confidential Enquiry into Patient Outcome and Death (NCEPOD) studies	Took part in	Percentage of cases included
1	Mental Health in General Hospitals	Yes	100%
2	Young People's Mental Health Study	No	Not applicable
3	Non Invasive Ventilation	Yes	100%
4	Cancer in Children, Teens and Adults	Yes	Still collecting data for this study

The reports of two national confidential enquiries were reviewed by The Royal Marsden in 2016/17. The Royal Marsden intends to take the following actions to continue to improve the quality of healthcare provided. Please see table 20 for details of actions.

Table 20: National confidential enquiries reports published and actions

No	National Confidential Enquiry into Patient Outcome and Death (NCEPOD) studies	Description of actions (local)
1	Treat the cause (2016) Acute Pancreatitis Study	The local NCEPOD reporter presented the recommendations of the report to the Clinical Audit Committee and Integrated Governance and Risk Management Committee.
2	Treat as one (2017) Mental Health in General Hospitals	The local NCEPOD reporter presented the recommendations of the report to the Clinical Audit Committee and Integrated Governance and Risk Management Committee.

Between April 2016 and March 2017, the reports of 82 local clinical audits and local action plans were reviewed by The Royal Marsden's Clinical Audit Committee. Some examples of audits completed between April 2016 and March 2017, and the actions taken, are given below.

If you need more information about the local audits, please contact the Quality Assurance department on 020 7808 2702 or email QualityAssurance@rmh.nhs.uk

Table 21: Local audits reviewed and examples of some of the actions we plan to take

Name of local audit	Actions and learning arising from the audit
Acute pain management documentation re-audit	Results to be presented at matrons' and sisters' meetings and at Fulham Road pain collaborative meeting.
	Hold a pain roadshow to raise further awareness of acute pain management.
	All missed observations will be entered on Datix (our web-based incident-reporting system).
	The patient-controlled analgesia (PCA) observations chart will be updated to include space to record respiratory rate.
A retrospective audit to establish the current practice of advance care planning and referral to specialist palliative care services within the lung oncology outpatient setting	An advanced care plan framework will be introduced in the lung oncology department, and will be assessed to see whether this has any effect on referrals to specialist palliative care services and early advanced-care planning discussions.
A prospective clinical audit comparing radiographer and clinician based localisation for metastatic spinal cord compression (MSCC) to assess the feasibility of a radiographer led service	Publish a report in British Institute of Radiology journal.
	Introduce a radiographer-led service for patients with MSCC whose cancer has spread to the spine.
Pharmacy interventions audit (including cytotoxic prescribing)	Prescribers will be contacted and treatment discussed at the point of discharge to reduce the risk of recurrence.
Audit of the knowledge and skills of Sutton's health-visiting teams to support mothers effectively in their chosen method of feeding	All staff will attend yearly mandatory training on infant feeding.
	We will advertise breastfeeding apps (approved and supported by UNICEF) to staff and mothers to raise awareness of the United Nations Children's Fund's standards. Details will be advertised in leaflets and on the Sutton Community Health Services website.
	We will raise awareness of infant feeding through a newsletter for health visitors.
	New health visitors will need to complete an infant-feeding assessment with the Infant Feeding Coordinator.
Audit of antimicrobial point prevalence	In line with the trust antimicrobial stewardship programme, training and enforcement will focus on making sure that all relevant sections of the drug chart are filled in, such as noting if the patient has any allergies.
	Intravenous antimicrobials will be switched where appropriate.
	We will make sure relevant microbiology samples are sent and antimicrobial therapy changed in line with the most appropriate medicine for the infection.
Benchmarking outcomes: major head and neck cancer surgery : Case mix adjustment in outcome audit after surgery for head and neck squamous cell carcinoma (HNSCC)	Findings were presented to the Surgical Audit Group.
	The audit results confirmed that practice is consistent with other regional units in head and neck squamous-cell-carcinoma care after surgery.
How is RMH doing?	No future action is needed.

Name of local audit	Actions and learning arising from the audit
Pharmacy inpatient experience survey	We will raise awareness of the Medicine Information Service.
	The 'Hello My name is...' campaign will be introduced to the pharmacy service to help make sure patients know they are speaking to a member of the pharmacy team.
	Standards for this audit will be used for future audits about inpatient experience.
Falls risk assessment process audit	Further training will be provided to both nursing and pharmacy staff.
	Discussions about an individual patient can take place when the nurse on admission has completed the Patient Handling Assessment, the At Risk of Falls Assessment, and the Prevention Care Plan. Medicine reviews (reconciliations) will be carried out by the pharmacist.
	The Patient Handling Assessment Review Chart will be revised.
	The Falls Prevention and Management Policy will be amended to include the responsibility of attaching red 'falls' stickers to the corner of patients' drug charts.
Audit of The Royal Marsden prescribing adherence to NICE CG140 Opioids in palliative care	Greater emphasis will be given to the 'Strong Opioid' information leaflet at the induction of new doctors.
	Leaflets will be supplied to wards and clinics and given to patients with outpatient prescriptions.
	There will be regular discussions around guidelines at Continuing Medical Education meetings.
	We will carry out spot-checks of prescribing and documentation.
	We will review the Strong Opioid Initial Prescription template.
Oral Opioid Use in the Children and Young Person's Unit	Junior doctors will be educated at induction about prescribing laxatives to patients on opioids.
	We will educate nursing staff at the annual pain-study day on prescribing laxatives to patients on opioids and the importance of giving patients and parents information on taking painkillers during chemotherapy and radiotherapy treatment.
	We will rewrite patient information to make sure it takes account of all the concerns raised by parents.
	The Pain Clinical Nurse Specialist's role will include making sure that information about taking painkillers during chemotherapy and radiotherapy treatment is given to patients and parents.
Deprivation of Liberty Safeguards (DoLS): an audit into current local practice of a 16-bed specialist cancer critical care unit (CCU)	The steps that need to be taken in pre-consent for surgical patients will be simplified.
	We will continue to provide education on DoLS, including further work at induction.
	CCU will change our DoLS policy.
	A field for CCU care will be included in the Anaesthetic Medical Sheet on ICIP.

Name of local audit	Actions and learning arising from the audit
Re-audit to assess chemotherapy prescribing errors at The Royal Marsden hospital post e-chemo implementation	A report will be presented to the DTC, International Organisation for Standardisation (ISO) chemotherapy committee and executive medicines safety group. We will carry out another audit when e-chemo has been put into practice.
Sepsis admissions to critical care unit	We will make sure anti-microbial guidelines are strictly followed. We will raise awareness of sepsis with CCU staff. We have started a programme of sepsis road shows at The Royal Marsden. We have joined the 'Sign up to Safety' campaign. We will improve lactate measurement.
End of life care on the critical care unit	There has been an improvement in decisions made by the multidisciplinary team. Communication between doctors and nurses will be improved. We will provide more decisions about ceilings of care before a patient is admitted to the Critical Care Unit. We will provide more training and education. The Palliative Care team will be involved early on to make the transition between active treatment and withdrawal easier. We will provide regular debriefing. We will introduce a teaching programme for end-of-life care in the Critical Care Unit.

Taking part in clinical research

The Royal Marsden and The Institute of Cancer Research form the largest centre for cancer research in Europe. This is important because it means that our patients and our staff are always aware of the latest research in treatments, medicines and therapies that make such a big difference to outcomes and patients' experiences of care. If you would like to find out more about our research work, visit our website at www.royalmarsden.nhs.uk.

From April 2016 to March 2017, we recruited 4239 patients as part of 542 different clinical studies in research approved by a research ethics committee.

Revalidation of doctors

This year (April 2016 to March 2017), 21 doctors were due for revalidation (the process of making sure that doctors, except trainees, can stay registered). The Royal Marsden made 16 positive recommendations for revalidation to the General Medical Council (GMC). This is 76% of all doctors due for revalidation in this year. We had to recommend five doctors for deferral to the GMC. (A deferral is when an appraisal is delayed and the trust must ask the GMC to agree to delay.) Three of these were valid deferrals due to consultant exams, sickness and giving up the licence to practice. The two other deferrals were not valid as there was not enough evidence for a revalidation recommendation to be made.

At the end of March 2017, 98% of eligible doctors were recorded as having completed an appraisal in the last 12 months. An annual report on appraisal and revalidation was presented in May 2016, with a clear action plan to increase the number of doctors with a valid appraisal and reduce the number of deferrals to the GMC.

We also have processes in place to support and improve our compliance and governance arrangements. We will complete an internal audit this financial year, and we report our appraisal rates to NHS England each quarter.

Commissioning for Quality and Innovation (CQUIN)

Commissioning for Quality and Innovation is a mechanism for commissioners to reward quality by linking a proportion of our income (2 to 2.5% in 2016/17) to our success in meeting quality-improvement goals.

The provisional total payment (waiting to be confirmed) if we achieve the quality improvement and innovation goals is £1,142,773.

The total payment we received for the Local Quality Incentive Scheme (LQIS) in 2015/16 was £847,000.

CQUIN goals for 2016/17 have been agreed with commissioners in the following subject areas for cancer specialist services and for community services. Further details of the agreed goals for April 2016 to March 2017, and for the following 12-month period, are available on the website at www.england.nhs.uk/nhs-standard-contract/cquin/cquin-16-17/.

Cancer specialist services

1. NHS England Acute CQUIN schemes

- Clinical Utilisation Review (CUR)
- Enhanced supportive care access for advanced cancer patients
- Nationally standardised dose banding for adult intravenous systemic anti-cancer treatment
- Adult critical care
- Development of risk stratified pathways
- The Royal Marsden Macmillan Hotline

2. CCG CQUIN schemes

- NHS Staff Health and Wellbeing
- Enhanced supportive care access for advanced cancer patients
- Development of risk stratified pathways
- The Royal Marsden Macmillan Hotline
- Living with and Beyond cancer

Community Services

- Falls prevention
- Venous leg ulcers
- Wellness and promotion of self-care.
- Reducing inequalities in health screening – the over 75s check.

Acute CQUIN goals 2016/17

Table 22 shows our position against each quarter's milestones.

Table 22: Acute NHS England CQUIN milestones

Acute NHSE CQUIN scheme	Milestone	Q4 2016/17	Q3 2016/17	Q2 2016/17	Q1 2016/17
Clinical Utilisation Review (CUR)	For performance to be in line with trajectory	Achieved	Achieved	Achieved	Achieved
	To complete an evaluation of the pilot against criteria agreed in quarter 3				
Enhanced support care	To develop a plan for roll out	Achieved	Achieved	Achieved	Achieved
	For success to be as expected				
Dose banding	For performance to be as expected	Achieved	Achieved	Achieved	Achieved
Adult critical care	For performance to be as expected	Achieved	Achieved	Achieved	Achieved
Development of risk stratified pathways	For actions to be in line with plan	Achieved	Achieved	Achieved	Achieved
The Marsden Macmillan Hotline	Progress against action plan and success metrics, as set by the commissioners	Achieved	Achieved	Partly achieved	Achieved
	For us to have held a focus group with patients				

Acute CCG CQUIN goals Q4 2016/17

Table 23 shows our position against each quarter's milestones.

Table 23: CCG CQUIN milestones

Acute CCG CQUIN scheme	Milestone	Q4 2016/17	Q3 2016/17	Q2 2016/17	Q1 2016/17
NHS Staff Health and Wellbeing	For health and wellbeing initiatives to have been introduced (Providers should have put their initiatives into practice and actively promoted these services to staff.)	Achieved	Achieved	Achieved	Achieved
	For us to provide healthy food for NHS staff and visitors				
	To improve the number of flu vaccinations given to frontline clinical staff				
Enhanced support care	To develop a plan for roll out	Achieved	Achieved	Achieved	Achieved
	For our success to be as expected				
Development of risk stratified pathways	For our actions to be in line with plan	Achieved	Achieved	Achieved	Achieved
The Royal Marsden Macmillan Hotline	For us to have made progress against our action plan and success metrics	Achieved	Achieved	Achieved	Achieved
	For us to have held a focus group with patients				
Living With and Beyond Cancer	For us to develop an action plan for 2017/18	Achieved	Achieved	Achieved	Achieved

Community Services CCG CQUIN goals Q4 2016/17

Table 24 shows our position against each quarter's milestones.

Table 24: Community CCG CQUIN milestones

Community CQUIN scheme	Milestone	Q4 2016/17	Q3 2016/17	Q2 2016/17	Q1 2016/17
Falls Prevention	For the progress we have made towards our action plan to be as expected	Achieved	Achieved	Achieved	Achieved
Venous Leg Ulcers	For our performance to be as expected	Achieved	Achieved	Achieved	Achieved
	For us to have made progress against our action plan				
	For us to use a patient journey/story at the commissioner's meetings				
Wellness and Promotion of Self-care	For us to have made progress against our action plan and that progress to have been measured against success metrics	Achieved	Achieved	Achieved	Achieved
	For us to have held focus groups with patients				
Reducing inequalities in health screening	For us to have evaluated the pilot, including assessing patient experience	Achieved	Achieved	Achieved	Achieved

Commissioner confirmation of achievement

Acute NHS England (NHSE)

NHSE have confirmed that we will receive full payment for quarter 1. For quarter 2, NHSE commissioners have confirmed that we will receive full payment, except for The Royal Marsden Macmillan Hotline where NHSE withheld 50% of the payment due to a delay in us launching the hotline.

However, NHSE have agreed to reconsider at the end of quarter 4, when we will receive full payment if we have caught up with our milestones.

Acute CCG

Sutton CCG has confirmed 100% achievement for the Acute CCG schemes for quarter 1, 2 and 3 and we are waiting for confirmation of quarter 4.

Community services

Sutton CCG has confirmed 100% achievement for the year.

What others say about The Royal Marsden

Registration with the Care Quality Commission (CQC)

The Royal Marsden NHS Foundation Trust (the Trust) must be registered with the Care Quality Commission. Their current registration status is 'registered with no conditions'.

To date, the Care Quality Commission has not taken enforcement action against the Trust during 2016/17.

To date, The Royal Marsden has not been involved in any of the CQC's special reviews or investigations during 2016/17.

Care Quality Commission ratings

During the year 2016/17, we had a routine inspection by the CQC. The final report was published in January 2017. For cancer and community services overall, the CQC rated us as 'Good'.

The Royal Marsden's services have been rated 'Outstanding' for the Chelsea site, and for radiotherapy, critical care, and chemotherapy at the Sutton site.

We have also been rated 'Outstanding' for the quality of our caring environment.

The Royal Marsden has been rated 'Good' for services for children and young people, haematology, the treatment of adult solid tumours, and outpatient care (Chelsea site).

In 2011 The Royal Marsden accepted responsibility for Community Services in Sutton. Sutton Community Healthcare Services was inspected by the CQC and rated 'Good' for services for children and young people, and for end-of life care. Adult Community Services were rated as 'requiring improvement', mainly in documentation and staffing levels.

Table 25: CQC overall Trust ratings January 2017

Overall rating	Good
Are services at this trust safe?	Good
Are services at this trust effective?	Good
Are services at this trust caring?	Outstanding
Are services at this trust responsive?	Good
Are services at this trust well-led?	Good

Areas that need to be improved

In April 2017 we attended the Quality Summit (where CQC inspectors meet with us and commissioners to agree the actions that need to be taken). As a result of that meeting we will develop an action plan and send it to the CQC. The areas that need to be improved are set out in the following three tables.

Table 26: The Royal Marsden – Sutton site

Area that needs improving	Regulation that applies and why it was not being met (quoted from the CQC report)
Surgical procedures	Regulation 12 HSCA (RA) Regulations 2014: Safe care and treatment. 12 (1) (2) (a) (b) 12 (1) (2) (a) (b) The world health organisation (WHO) five steps to safer surgery checklist was not being used in the outpatients department even though a range of procedures were being carried out for which it should have been used. The five steps to safer surgery checklist was not used in the outpatients departments. The hospital must take action to: – Ensure the safer surgery checklist is consistently implemented for all surgical procedures in the outpatients department including the five steps of team brief, sign in, time out, sign out, and debriefing. Reg 12 (1) (2) (a) (b) – Ensure adequate audit and monitoring systems are in place to monitor performance and compliance of the safer surgery checklist to guide improvement. Reg 12 (1) (2) (a) (b)

Table 27: The Royal Marsden – Sutton Community Healthcare Services

Area that needs improving	Regulation that applies and why it was not being met (quoted from the CQC report)
Accommodation for persons who require nursing or personal care	Regulation 11 HSCA (RA) Regulations 2014
Diagnostic and screening procedures	Need for Consent
Nursing care	The provider had failed to ensure care and treatment was provided with the consent of the relevant person.
Personal care	Staff were not clear about who could consent on the patient's behalf and how this information should be recorded in patient's records.
Treatment of disease, disorder or injury	Deprivation of Liberty Safeguards were not always understood and mental capacity was not consistently appropriately assessed and recorded for patients who may lack capacity.

Table 28: The Royal Marsden – Sutton Community Healthcare Services

Area that needs improving	Regulation that applies and why it was not being met (quoted from the CQC report)
Accommodation for persons who require nursing or personal care	Regulation 17 HSAC (RA) Regulations 2014
Diagnostic and screening procedures	Good governance
Nursing care	The provider had failed to assess, monitor and improve the quality and safety of services provided in the carrying on of regulated activity (including the quality of the experience of service users in receiving those services).
Personal care	The provider had failed to ensure that their audit and governance systems were effective in relation to community services for adults.
Treatment of disease, disorder or injury	

Quality of information

Good-quality information is very important for effectively providing the best patient care.

During 2016/17 the Trust sent the Secondary Uses Service records to be included in the Hospital Episode Statistics (a database containing details of all admissions, outpatient appointments and Accident & Emergency care at NHS hospitals in England). The percentage of the Trust's records published in the statistics, and which included the patient's valid NHS number, was 99.94% for admissions, 99.96% for outpatient appointments, and none for A&E care (The Royal Marsden does not have an A&E). The percentage of records that included the valid General Medical Practice Code for the patient's GP practice was 99.6% for admissions and 99.7% for outpatient appointments. See table 29 for more information.

Table 29: Percentage of complete records provided

Details included		Admissions – inpatient and day case	Outpatient appointments
Patient's NHS number	2013/14	99.9%	99.8%
	2014/15	99.9%	99.9%
	2015/16	99.9%	99.9%
	2016/17 – first quarter	99.96%	99.94%
	2016/17 – second quarter	99.94%	99.93%
	2016/17 – third quarter	99.96%	99.94%
	2016/17 – fourth quarter	99.90%	99.89%
	2016/17	99.94%	99.93%
Patient's GP practice	2013/14	99.8 %	99.8%
	2014/15	99.5%	99.6%
	2015/16	99.8%	99.8%
	2016/17 – first quarter	99.8%	99.7%
	2016/17 – second quarter	99.7%	99.7%
	2016/17 – third quarter	99.6%	99.8%
	2016/17 – fourth quarter	99.6%	99.7%
	2016/17	99.7%	99.7%

Although the quality of information is very good, the Trust aims for continual improvement. The Trust performs the following actions to improve the quality of information.

- A dedicated data-quality team is responsible for running routine checks and reports to identify mistakes and inconsistencies.
- Monthly communications throughout the Trust promote the importance of accurate information and data collection for all trust staff.
- Trustwide audits of the quality of key information points are conducted once a year.

Information Governance Toolkit attainment levels

The Information Governance Toolkit is a legal framework under which NHS organisations must assess themselves against Department of Health policies and standards. On 31 March 2017, our Information Governance Toolkit assessment provided a final score of 88% for version 14, with all requirements scored at level 2 or above and so rated 'satisfactory (green)'. The Information Governance Toolkit is available on the Health and Social Care Information Centre (HSCIC) website (www.nww.igt.hscic.gov.uk/).

Payment by Results clinical coding error rate

In 2016/17, the 'Payment by Results (PbR) data assurance framework' provides assurance over the quality of the information that payments in the NHS are based on. Clinical coding is translating the medical terminology written by clinicians into a coded format for statistical, clinical and financial purposes. Clinical coding describes a patient's complaint, diagnosis, treatment and reason for getting medical attention. The accuracy of clinical coding was audited at 50 acute trusts. 40 of those trusts were chosen because of the high number of cases where there was a change in payments in previous audits. We were not chosen to take part in this national audit, so in table 30 we have included information from our own audit.

Table 30: Clinical coding

Coding accuracy	2013/14 (figures taken from the Information Governance Clinical Coding Audit in December 2013)	2014/15 (figures taken from the Information Governance Clinical Coding Audit in January 2015)	2015/16 (figures taken from the Information Governance Clinical Coding Audit in January 2016)	2016/17 (figures taken from the Information Governance Clinical Coding Audit signed off in February 2017)
Primary diagnosis correct	94.0%	94.0%	95.0%	90.5%
Primary procedure-code correct	94.9%	93.0%	95.5%	95.5%
Secondary diagnosis correct	97.5%	92.3%	96.4%	93.25%
Secondary procedure-code correct	95.8%	90.3%	90.4%	92.25%

Reporting against core indicators

Please see appendix 3 for the quality indicators where national information is available from the Health and Social Care Information Centre.

Part 3

Other information

Please see part 2 of this report for an overview of the quality of care offered by the trust.

Review of quality performance (previous year's performance)

Table 31: National targets

Cancer waiting times targets	National target – 2016/17	Performance – quarter 1 2016/17	Performance – quarter 2 2016/17	Performance – quarter 3 2016/17	Performance – quarter 4 2016/17	Overall performance 2016/17
All urgent GP referrals seen within 14 days	93%	93.88%	97.38%	98.67%	97.73%	96.85%
All referrals for breast symptoms seen within 14 days	93%	93.14%	95.99%	96.70%	95.91%	95.35%
Treatment within 31 days of decision to go ahead for first treatment	96%	99.27%	98.09%	98.34%	97.39%	98.29%
Subsequent surgical treatment started within 31 days of decision to go ahead with surgery	94%	95.30%	94.42%	94.06%	95.15%	94.79%
Subsequent drug treatment started within 31 days of decision to go ahead with drug treatment	98%	99.83%	99.65%	99.44%	98.80%	99.43%
Subsequent radiotherapy treatment started within 31 days of decision to go ahead with radiotherapy treatment	94%	98.34%	97.21%	98.08%	96.68%	97.55%
Treatment started within 62 days of urgent GP referrals (Reallocated position shown in brackets)	85%	77.25% (86.88%)	75.01% (82.20%)	77.75% (87.02%)	77.94% (85.31%)	76.83% (85.23%)
Treatment started within 62 days of recall date for urgent screening-centre referrals (Reallocated position shown in brackets)	90%	84.38% (93.33%)	91.53% (90.00%)	93.33% (92.59%)	90.82% (89.57%)	90.00% (91.20%)

Note: The reallocated position adjusts the trust's figure for late referrals of patients to the trust.

Time from referral to start of treatment – patients should start treatment within 18 weeks of referral.

Complex rules and guidance apply to how performance against these targets is measured and reported. As a specialist provider, receiving referrals from other trusts, a key issue is reporting progression for patients who were first referred to other providers.

The 'incomplete pathways' measure in the table below represents the proportion of patients at the end of the reporting period who are still waiting for treatment and have waited for less than 18 weeks since their initial referral.

Table 32: referral time to treatment

	Overall 2014/15	Overall 2015/16	Quarter 1 2016/17	Quarter 2 2016/17	Quarter 3 2016/17	Quarter 4 2016/17	Overall 2016/17	National target 2016/17
Referral time to treatment (RTT), incomplete pathways	95.8%	95.2%	96.15%	95.54%	96.70%	96.83%	96.34%	92%

This is the only NHS waiting-time standard which is reported while the patient is still waiting. For this reason, it creates unique challenges in making sure the most up-to-date information is reported accurately each month. We rely on receiving information rapidly from external sources to assess whether the patient is on an 18-week pathway (18 weeks of treatment) and to determine the start date of the pathway.

This year, in order to tackle the challenges above, we calculated a revised figure for Referral Time to Treat standard. This was in order to assess the size of the changes that are made to information during the 18-week pathway. The revised figure showed that the materiality was negligible (approximately 0.02%). We offered to provide the revised figure to NHSE but they did not consider this necessary as there was little difference between the figures.

Table 33: Access targets

	Percentage of operations cancelled by the Trust at the last minute	Percentage of cancelled operations not subsequently performed within one month
2012/13	0.5%	0%
2014/15	0.7%	0%
2015/16	0.5%	0.04%
Quarter 1 of 2016/17	0.4%	0%
Quarter 2 of 2016/17	0.4%	0%
Quarter 3 of 2016/17	0.3%	0%
Quarter 4 of 2016/17	0.6%	0%
Overall for 2016/17	0.4%	0%

Outpatient waiting times

The number of outpatients attending appointments has increased by between 3% and 5% a year over the past five years. See the table below for the numbers for the year from 1 April 2014 to 31 March 2017. Despite more patients attending, the length of time patients wait has been maintained.

Table 34: Outpatient waiting times – number of patients seen and time waited

Period or quarter	Patients seen within 30 minutes	Patients seen after 30 minutes but within one hour	Patients seen after one hour	Grand total
Total 2014/15	129369	20702	992	159993
Total 2015/16	133995	18744	9788	162527
Quarter 1 2016/17	34326	4708	2433	41467
Quarter 2 2016/17	34275	4517	2578	41370
Quarter 3 2016/17	34147	4216	2283	40646
Quarter 4 2016/17	36476	4405	2096	42977
Total 2016/17	139224	17846	9390	166460

Table 35: Outpatient waiting times – percentage of patients seen and time waited

Period or quarter	Patients seen within 30 minutes	Patients seen after 30 minutes but within one hour	Patients seen after one hour	Grand total
Total 2014/15	80.9%	12.9%	6.2%	100.0%
Total 2015/16	82.4%	11.5%	6.0%	100.0%
Quarter 1 2016/17	82.8%	11.4%	5.9%	100.0%
Quarter 2 2016/17	82.8%	10.9%	6.2%	100.0%
Quarter 3 2016/17	84.0%	10.4%	5.6%	100.0%
Quarter 4 2016/17	84.9%	10.2%	4.9%	100.0%
Total 2016/17	83.6%	10.7%	5.6%	100.0%

Plain English Campaign's Crystal Mark
does not apply to this appendix 1

Appendix 1

Statements from key stakeholders

Overview and Scrutiny Committee (received 9 March 2017)

Thank you for sending the Quality Account to us. The Royal Borough of Kensington and Chelsea has an excellent working relationship with The Royal Marsden. The Quality Account gives a useful overview of the work and performance of trusts. The Royal Marsden is a world-renowned cancer care organisation.

Only a small proportion of The Royal Marsden's patients are from the scrutiny committee's borough. We are, however, very proud that The Royal Marsden is based in the Royal Borough.

Best wishes,

Charles Williams

Cllr. Charles Williams
Chairman, Adult Social Care
and Health Scrutiny Committee
The Royal Borough of Kensington
and Chelsea

Council of Governors (received 18 April 2017)

Statement from the Council of Governors on the Quality Account 2016/17

The Council of Governors of The Royal Marsden review the Quality Account presented by the Chief Nurse at each of its quarterly meetings where it discusses priority quality issues. The Patient Experience and Quality Account Group, a Working Group of the Council of Governors, reviews feedback from patients, including the frequent feedback surveys, and has influenced the questions used in these surveys to reflect patients' interests. Members' events provide the opportunity to liaise with Governors and staff to help develop and select the forthcoming priorities for quality improvement. Prior to our Members' Event in November 2016, members were asked to complete a survey in preparation for the event and indicate what they thought the priorities should be for the following year. Feedback from this survey was used for discussion at the Members' Event, where members once again used electronic voting pads to vote for their preferred priorities in areas relating to patient safety, clinical effectiveness and patient experience. The Governors are always grateful to get further views from members and non-members which assist their on-going deliberations.

Governors would like to acknowledge the impressive standards maintained again this year. The Quality Account shows that all of the priority targets have been met in 2016/17. We confirm that patient safety continues to be paramount and a priority for reducing harm from sepsis will feature as an additional indicator in the 2017/18 Quality Account.

Improvements in the presentation of data are introduced by The Royal Marsden each year to make the Quality Account more succinct, interesting and readable by the general public as well as by healthcare professionals. Governors continue to see enhancements in the layout of the information, making it easier to read, and understand (in plain English). Based on their involvement and the feedback they have received from members and non-members, Governors fully endorse the key priorities for improvement as set out in the Quality Account.

Council of Governors
April 2017

Healthwatch Sutton (received 30 March 2017)

Healthwatch Sutton's primary focus with regards to this quality statement centres around the services provided by Sutton Community Services. We are pleased to see that the Trust achieved the target for Friends and Family Test results for Community Services (above 90%). Similarly the target achieved for carrying out 'falls assessments' for those receiving community services is also very welcome.

During 2016-17 Healthwatch Sutton has not received a large volume of feedback, either negative or positive about the services provided by the Royal Marsden NHS Foundation Trust. As such, we have no particular areas of service quality that we feel should be incorporated in to the priorities for this year 2017-18. The continuation of the metrics quoted above from last year should ensure a continued improvement in the quality of service provided by the Trust.

Healthwatch Kensington & Chelsea (received 28 March 2017)

We welcome the opportunity to comment on The Royal Marsden Healthcare Trust Quality Accounts (QA), and to comment on the quality of the services commissioned locally to meet the health needs of local residents.

We are pleased to have worked with the Trust this year through the Patient Experience and Quality Accounts Steering group.

Our members commend The Royal Marsden Healthcare Trust for its achievements this year, including; research excellence, high standards of academic performance and receiving 'Outstanding' following the CQC inspection for the Chelsea site, Radiotherapy, Critical Care and Chemotherapy (Sutton Site).

Comments on Quality Accounts (QA) 2016/17

QA Presentation

Overall accessibility of QA

We commend the Trust on its 'What is a Quality Account overview' and 'introduction to The Royal Marsden NHS Foundation Trust' which provide a good background to the Quality Accounts. We welcome the Trust's clear use of headings and sub-headings throughout the QA.

In order to make the QA more user-friendly the Trust should consider using a more accessible font i.e. Arial or Calibri with a minimum font size of 12 for the main body of the text. There are also some inconsistencies in formatting which may want to be reviewed.

Use of graphs and tables

Our members welcome the use of graphs and found the line graphs on page 95 comparing the Trust to the National average particularly useful. However, on occasions the graphs are complex (e.g. bar chart page 107) and the use of a table may be more appropriate. Equally a bar chart could be used to demonstrate the results of the Friends and Family Test as opposed to pie chart.

We feel that the table used on page 70 clearly presents the priorities for the year 2016/17 and the progress the Trust has made to date. The use of a key could make the colour coding clearer to users. Whilst it is helpful to see the priorities for the previous year and the upcoming year, we believe that it is not necessary to show the priorities from the last seven years (page 119).

Quotes

We welcome the Trust's use of quotes for example patient experiences on page 98 however the formatting could be reviewed to ensure that the quotes stand out to readers.

Patient Engagement

Always Events

We commend The Royal Marsden for its involvement with the Always Events programme and were interested to hear about the patient experience video that was produced. We would strongly recommend placing the key themes and lessons learnt on the Trust's website.

Patient experience

We commend the Trust for organising a Patient Experience Steering Group and are grateful for having the opportunity to be involved with this.

Our members have been impressed by the Trust's use of 'listening posts' to collect patient feedback and feel that it may be worth acknowledging the posts in the QA. Whilst the QA references collecting patient feedback and includes some quotes from patients it would be useful to find out more about the emerging themes around what is working well and what improvements could be made.

Easy read

We commend the Trust for providing easy-read versions of patient surveys in community care settings and were wondering whether this is also the case for hospital inpatients, as it is not referenced in Priority 7a.

Targets

We would recommend for future patient experience targets to incorporate how the trust does on providing timely, correct and clear information to patients.

Conclusion

Our members commend The Royal Marsden for its ongoing commitment to patient care and engagement. We are interested to hear the outcome of the recent Customer Service Excellence Standard assessment and look forward to hearing about the progress of the Always Events programme as it is rolled out across the Trust.

In the future, the Trust may want to consider producing a short summary of the QA with key points and quotes that could be advertised across the Trust's services and available online and in an easy-read version.

We look forward to continuing to work with The Royal Marsden NHS Foundation Trust in improving the care and support of patients.

NHS England (Specialised Commissioning (London)) (received 21st April 2017)

Statement from NHS England for The Royal Marsden NHS Foundation Trust Quality Account 2016/17

NHS England has reviewed the Quality Report information provided by The Royal Marsden NHS Foundation Trust (RM) and our view is that the report is accurate and comprehensively represents the Trust's quality profile. NHS England has worked closely with the Trust to ensure we have the right level of assurance in place and the Trust has demonstrated a continued commitment to quality and good engagement with commissioners. This year we have continued to see quality improving across RM sites and the Trust has a robust action plan and quality review process in place and provides high-quality care for patients with dedicated, well-training, specialist staff.

Of particular note is the continued focus on reducing the incidence of emergency readmissions through utilising the Enhanced Recovery Programme (ERP) including introducing an acute oncology out-of-hours admission prioritisation guide; the work undertaken to support patients with understanding the purpose and side effects of their medication by reviewing and changing pharmacy workflows enabling pharmacy Medicines Management technicians to counsel patients at the point of discharge; the extensive work the Trust has undertaken to help reduce waiting times in outpatient clinics to improve patients' experiences; and the Trust achieving its target on the percentage of inpatients who would recommend the Trust with an average across the year of 98% of inpatients saying that they would recommend the Trust. This is higher than the national average of 96%.

This is a very positive Quality Report from RM. There are still areas for improvements to be made and as Commissioners we will continue to work with the Trust and monitor these areas and work with our RM colleagues to ensure that patients at RM continue to receive the best quality care.

Gwen Kennedy
Interim Director of Nursing South London
NHS England (London Region)

Patient Carer and Advisory Group (received 30 March 2017)

Members of the Patient and Carer Advisory Group have considered The Royal Marsden's Quality Account for the period 2016/17. In our opinion, the Quality Account clearly demonstrates that the Trust has continued to take steps to improve further the quality of care it provides and the experience of its patients and their carers, both in the hospital and the community. We are satisfied that robust arrangements are in place to monitor the Trust's performance against its stated objectives.

We are pleased to note that each of the quality priorities and targets (both those mandated and those set by the Trust itself) to ensure safe and effective care and to improve the patient experience was achieved in 2016/17. In particular, we endorse the actions taken over the period to reduce the waiting times in chemotherapy and outpatient clinics. It is very pleasing to note that fewer than 5% of outpatients had to wait more than one hour (against the Trust's target of 8%) with between 60% and 70% of patients being seen within 15 minutes of their appointment time. We also commend the continued efforts to improve care for patients in community services, including the steps taken to increase the number of patients who have a falls risk assessment undertaken to significantly more than the target of 65% and to ensure that a medicines review takes place for over 90% of patients during their first assessment after their hospital discharge. The excellent response to the Friends and Family Test from both out-patients and inpatients of the Trust and from those receiving community services is well deserved by the Trust. It is also good to see that more than 95.5% of staff surveyed say that they would recommend The Royal Marsden to friends or family needing care.

Overall, the Patient and Carer Advisory Group congratulate the Trust on its Quality Account and its achievements over the year. We were delighted (though not surprised) to see that many of the Trust's services and the quality of its caring environment were recognised as "Outstanding" by the CQC in its inspection in April 2016, within a rating of "Good" overall across all the Trust's service areas. The award of a Customer Service Excellence Award for a further year in March 2017 is also well deserved.

We look forward to working with the Trust to achieve further improvements in the patient experience over the coming year.

Fiona Stewart
Chair, Patient Carer and Advisory Group

Sutton Clinical Commissioning Group (received 8 May 2017)

Thank you for asking NHS Sutton Clinical Commissioning Group (CCG) to review and comment on your Quality Accounts for 2016/17. Please find below the statement for inclusion in the final document:

The CCG has been working closely with the Trust during the year, gaining assurance of the delivery of safe and effective services. A range of indicators in relation to quality, safety and performance is presented and discussed at regular meetings between the Trust and CCG.

The information presented within the quality accounts is consistent with information supplied to the commissioner throughout the year. We can confirm that we have no reason to believe this Quality Account is not an accurate representation of the performance of the organisation during 2015/16.

The CQC rating for the Trust reflects the areas identified for improvements within an improvement action plan and the CCG continues to work with the Trust in reviewing these actions to provide additional assurance on the quality of services. Members of CCG staff have undertaken commissioner led visits during the year and feedback from CQC aligns to our own observations. The Trust has had some good success with its partners with patient pathways

that has enabled patients to be treated in the right place at the right time.

As a CCG we recognise how critical whole system support to this is and the on-going focus this will require. Community services have been key to the success of the Care Home Vanguard in Sutton.

The Trust should be congratulated on the leadership, approach and initial outcomes it has achieved this year on falls and the healing of wounds and on-going expertise in the care of people who are at the end of their lives. This good initial progress needs to be built upon in the coming year.

The CCG is supportive of the quality priorities for 2017/18 and will work with the Trust over the coming year to ensure all quality standards are monitored as set out in the reporting requirements of the NHS Contract. The CCG particularly support the Trust in improving falls assessments and notes the on-going workforce requirements for community services.

Mary Hopper
Director of Quality, Sutton Clinical
Commissioning Group

Plain English Campaign's Crystal Mark
does not apply to this appendix 2.

Appendix 2

Statement of Trust Directors' responsibilities for the Quality Account

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

- the content of the Quality Report meets the requirements set out in the NHS foundation trust annual reporting manual 2016/17 and supporting guidance
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
 - board minutes and papers for the period April 2016 to March 2017
 - papers relating to quality reported to the board over the period April 2016 to March 2017
 - feedback from commissioners dated 08/05/2017 and specialist commissioners 21/04/2017
 - feedback from governors dated 18/04/2017
 - feedback from local Healthwatch organisations dated 28/03/2017 and 30/03/2017
 - feedback from Overview and Scrutiny Committee dated 09/03/2017
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 07/06/2016
- the [latest] national patient survey (The results of the 2016 survey are currently

under purdah due to general election)
Results of the previous 2015 survey will be referred to.

- the [latest] national staff survey 09/03/2017
- the Head of Internal Audit's annual opinion of the trust's control environment dated 24/05/2017
- CQC inspection report dated 19/01/2017
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered
- the performance information reported in the Quality Report is reliable and accurate
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and
- the Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.

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

By order of the board



Cally Palmer CBE
Chief Executive
26 May 2017



Charles Alexander
Chairman
26 May 2017

Plain English Campaign's Crystal Mark does not apply to this appendix 3.

Appendix 3

Quality Indicators where national data is available from the Health and Social Care Information Centre

Since 2012/13 NHS foundation trusts have been required to report performance against a core set of indicators using data made available to the Trust by the Health and Social Care Information Centre.

The Royal Marsden NHS Foundation Trust considers that this data is as described as taken from the Health and Social Care Information Centre.

The Trust has taken actions to improve the percentage and so the quality of its services (see priorities for each indicator in Part 2 for further information).

Not all of the core indicators are relevant to The Royal Marsden NHS Foundation Trust for example those relating to the ambulance response times. The tables below show those core indicators which are relevant and how the Trust compares against other trusts. The tables show the highest and lowest national scores. The information is the latest that is made available nationally by the HSCIC. All information provided by the trust is validated and checked before it is reported.

Trust quality priority 1 (please see page 75 for more information)

Core indicator 24) The data made available to The Royal Marsden NHS Foundation Trust by the Health and Social Care Information centre with regard to the attributable cases of C. difficile infection reported within the trust amongst patients aged 2 or over during the reporting period.

Indicator 24: Rate of C. difficile infection.

January 2016 to March 2016: Number of apportioned C-difficile infections.	October 2015 to December 2015: Number of apportioned C-difficile infections.	National Average apportioned C-difficile infections per provider.) January 2016 to March 2016	Comparator Group	Comparator – Highest apportioned C-difficile infection rate (January 2016 to March 2016)	Comparator – Lowest apportioned C-difficile infection rate (January 2016 to March 2016)
11	8	9	All Acute Trusts	30	0

Trust quality priority 2 (please see page 78 for more information)

Core indicator 25) The data made available to The Royal Marsden NHS Foundation Trust by the Health and Social Care Information Centre with regard to the number, and where available, the rate of patient safety incidents reported within the trust during the reporting period, and the number and percentage of such patient safety incidents that resulted in severe harm or death.

Indicator 25a: Patient Safety incidents that resulted in severe harm or death**Indicator 25b: Patient Safety percentage that resulted in severe harm or death**

Indicator	April 2015 to September 2015	October 2014 to March 2015	National Average (April 2015 to September 2015)	Comparator Group	Comparator – Highest (April 2015 to September 2015)	Comparator – Lowest (April 2015 to September 2015)
25a	1	1	2	Acute Specialist	9	0
25b	0.1%	0.1%	0.2%	Acute Specialist	1.8%	0.0%

Trust quality priority 3 (please see page 81 for more information)

Core indicator 23) The data made available to The Royal Marsden NHS Foundation Trust by the Health and Social Care Information Centre with regard to the percentage of patients who were admitted to hospital and who were risk assessed for venous thromboembolism during the reporting period.

Indicator 23: Patients admitted to hospital who were risk assessed for venous thromboembolism

December 2016	November 2016	National Average (December 2016)	Comparator Group	Comparator – Highest (December 2016)	Comparator – Lowest (December 2016)
96.3%	97.6%	95.3%	Acute Trusts	100.0%	71.3%

Trust quality priority 4 (please see page 84 for more information)

Core indicator 19) The data made available to The Royal Marsden NHS Foundation Trust by the Health and Social Care Information Centre with regard to the percentage of patients aged – i) 0-15; and ii) 16 or over, readmitted to a hospital which forms part of the trust within 28 days of being discharged from a hospital which forms part of the trust during the reporting period.

Indicator 19a: Patients readmitted to a hospital within 28 days of being discharged (Aged 0 to 15 years old)

Indicator 19b: Patients readmitted to a hospital within 28 days of being discharged (Aged 16 or over)

Indicator Description	April 2011 to March 2012	April 2010 to March 2011	National Average April 2011 to March 2012	Comparator Group	Comparator – Highest April 2011 to March 2012	Comparator – Lowest April 2011 to March 2012
19a	Data not published nationally as small numbers may allow identification of an individual					
19b	9.47%	7.94%	11.45%	Acute Specialist	14.09%	0%

Trust quality priority 7a (please see page 93 for more information)

Core indicator 20) The data made available to The Royal Marsden NHS Foundation Trust by the Health and Social Care Information Centre with regards to the trust's responsiveness to the personal needs of its patients during the reporting period.

Indicator 20: Responsiveness to the experience of care.

Adult Inpatient Survey April 2015 to March 2016	Adult Inpatient Survey April 2014 to March 2015	National Average April 2014 to March 2015	Comparator Group	Comparator – Highest April 2015 to March 2016	Comparator – Lowest April 2015 to March 2016
87.7	87.4	77.3	All trusts	88.0	70.6

Trust quality priority 7a (please see page 93 for more information)

Core indicator 21.1) Friends and family test – Patient. The data made available to The Royal Marsden NHS Foundation Trust by the Health and Social Care Information Centre for all acute providers of adult NHS funded care, covering services for inpatients and patients discharged from Accident and Emergency (types 1 and 2). The trust's score from a single question survey which asks patients whether they would recommend the NHS service they have received to friends and family who need similar treatment or care.

Indicator 21.1: Patient Friends and Family test: Inpatient

February 2017	January 2017	National Average (Feb 2017)	Comparator Group	Comparator – Highest (Feb 2017)	Comparator – Lowest (Feb 2017)
98%	97%	96%	All NHS Trusts	100%	76%

Trust quality priority 8 (please see page 101 for more information)

Core indicator 21) The data made available to The Royal Marsden NHS Foundation Trust by the Health and Social Care Information Centre with regard to the percentage of staff employed by, or under contract to, the trust during the reporting period who would recommend the trust as a provider of care to their family or friends.

Indicator 21: Staff who would strongly recommend the Trust to their family or friends.

NHS Staff Survey 2016	NHS Staff Survey 2015	National Average (2016)	Comparator Group	Comparator – Highest (2016)	Comparator – Lowest (2016)
91%	90%	88%	Acute Specialist Trusts	95%	76%

Indicator code 12a:

The Value of the Summary Hospital-Level mortality Indicator (“SHMI”)

The banding of the Summary Hospital-Level mortality Indicator (“SHMI”)

October 2015 to September 2016	July 2016 to June 2016	National Average	Comparator Group	Comparator – Highest	Comparator – Lowest
Trust data not published nationally for this indicator.				Not applicable	Not applicable
Trust data not published nationally for this indicator.				Not applicable	Not applicable

Indicator 12b: The percentage of patient deaths with palliative care coded at either diagnosis or specialty level.

October 2015 to September 2016	July 2015 to June 2016	National Average	Comparator Group	Comparator – Highest	Comparator – Lowest
Trust data not published nationally for this indicator.					

Appendix 4

Our values

We, The Royal Marsden, are guided by 16 values that define our:

- characteristics (what we are);
- attitudes (how we act);
- relationships (how we relate to others); and
- emotions (how we feel).

Characteristics	Attitudes
Pioneering	Determined
Aspirational	Confident
Knowledgeable	Open
Driven	Resilient
Relationships	Emotions
Collaborative	Compassionate
Supportive	Positive
Trusted	Calm
Personable	Proud

Over the last year we have continued to focus on a different value each month and explored how our staff adopt these values in their daily work. Below we have some quotations from staff on the relationship ‘personable’ and the characteristic ‘aspirational’.

Personable

Being personable is something we value as we believe being pleasant and friendly helps build trusting relationships and puts patients and their families at ease during a difficult time in their lives.

“It is paramount that we are personable because we are dealing with children and their family’s lives that have just been shattered, and we are one of the first few people they see in hospital. Listening, getting down to the children’s level and spending time with the family gives them reassurance.”

Claire Riddell, Play Specialist in the Oak Centre for Children and Young People

Aspirational

Our staff ‘aspire’ to (aim for) excellence, and we believe that through this we always improve and develop ourselves, and the quality of the services we offer.

“One hundred per cent of the money saved by the Trust in reducing energy consumption will be reinvested back into clinical services and patient amenities. It’s very important for us all to aspire to achieve this target as it’s something that all staff can contribute towards.”

He added: “We have already started to make changes, such as using super energy efficient LED lighting, upgrading heating, cooling and ventilation plants, implementing energy efficiency measures in new capital projects, and introducing low-carbon on site generation of heat and power at the Sutton site. The hospital is known as a centre of excellence for cancer treatment, but we also want to be champions of sustainability.”

Ehsan Sattar, Energy Manager leading The Royal Marsden’s Carbon Management Plan

Appendix 5

Sign Up to Safety: Patient Safety Improvement Plans

We joined the national Sign Up to Safety campaign in the summer of 2015. The aim was to reduce avoidable harm in three distinct areas – sepsis, medication errors and pressure sores. In each area, a safety group has been established.

The following tables show the aims and proposed actions relating to sepsis, medication errors and pressure sores.

Patient-safety improvement plans – increasing awareness, identification and treatment of sepsis and reducing death from it

Aims:

- to increase awareness of sepsis;
- to prevent sepsis;
- to recognise and manage, as early as possible, patients with sepsis;
- to reduce emergency admissions through early intervention strategies; and
- to have no avoidable deaths from septic shock from 1 June 2018.

Primary goals	Necessary actions
Prevent and control infection	– Effective handwashing. – Training in vascular access devices (for example, cannulas). – Central venous catheter bundles. These are a set of measures that, when carried out together, reduce the risk of infections from having tubes inserted into large veins. – Urinary catheter bundles. These are a set of measures that, when carried out together, reduce the risk of infections from having tubes inserted into the bladder. – Effective management of the use of antibiotics. – Sepsis screening – increase the numbers identified in the ‘Golden Hour’. This is the time period in which early recognition and treatment can reduce the risk of sepsis progressing and so improve outcomes. – Educate patients and volunteers.
Identify and treat patients with sepsis as early as possible	– Management of neutropaenic sepsis. This happens when there is an infection related to a reduction in the number of white blood cells (neutrophils), which fight infections. – Patients with a NEWS points score of more than four are referred to the Critical Care Outreach Team (CCOT). The National Early Warning Score (NEWS) allocates points for changes to patient parameters such as heart rate, temperature, blood pressure and respiratory rate. The greater the abnormality, the higher the number of points. The points are added and if they are above four, this prompts a review by the Critical Care Outreach Team to decide if the patient needs to go to the Critical Care Unit. – Lactate measurement available 24/7 in hospitals. A raised lactate level in the blood of patients may be a sign of a severe infection. Measurement should be possible in patients all day, every day. – SBAR training. To help healthcare professionals get appropriate advice and action in good time, the SBAR tool has been introduced to provide a structure for communication between colleagues. The four letters of SBAR indicate the Situation (problem being discussed), Background (the medical history of the patient and treatment to date), Assessment (of the patient) and Recommendation (of the person leading the discussion).

Primary goals	Necessary actions
Identify and treat patients with sepsis as early as possible	– Trigger tools for patients calling in from home. Patients, for instance those receiving chemotherapy, are given information on when to get medical advice (for example, if they have a temperature). Collectively, trigger tools are the parameters that should lead to patients phoning for medical advice. – Early referrals to the Critical Care Outreach Team are available in the hospitals at Fulham Road and Sutton, all day and every day. The Critical Care Outreach Team is made up of nurses trained in identifying, stabilising and increasing the level of care for patients who are critically ill for any reason. They work with the teams on the wards and in the Critical Care Unit. – Reliable communication at handover about patients who are at risk. – Clinical Site Practitioner to tell CCOT about after-hours emergency admissions. – Reporting to senior team, critical care and CCOT
Deliver the sepsis-six care bundle	– Delivery of sepsis-six (O2, Blood cultures, Antibiotics, Fluids, Lactate measurement and urine output monitoring). The 'sepsis-six' are a group of interventions that may help treat patients with sepsis. The interventions are providing oxygen, taking blood cultures (a sample of blood sent to the microbiology laboratory to identify organisms making the patient unwell), giving antibiotics early on to fight the infection, measuring lactate (as high levels in the blood may indicate a severe infection), and measuring urine production (which generally falls as the patient becomes more unwell and increases when the patient improves). – Escalation of patients with severe sepsis or septic shock for critical-care review and admission. Patients who are severely unwell may need a higher level of care and be 'escalated' to get the Critical Care team's opinion on whether a patient needs to be moved to the Critical Care Unit. – Giving antibiotics within an hour of suspected sepsis. Since we joined the Sign up to Safety campaign, we have improved our success in meeting the target. Currently, all patients who are admitted to the Critical Care Unit with sepsis were already on antibiotics, or received them within an hour of sepsis being suspected. – Early control of the source of the sepsis. – Increase the number of nurses for administering antibiotics to the Patient Group Direction (PGD). Normally, medications are given on prescription by a doctor. Patient Group Directions (PGDs) are a mechanism by which authorised professionals can administer medications to groups of patients without there being a prescription from a doctor. In this case, if a patient is suspected of having a severe infection, a trained nurse could give an antibiotic to reduce the delay of getting a prescription. – Increase the number of nurses who can insert cannulas and have access to portacath devices. Portacaths are devices (ports) placed under the skin, attached to a tube tunnelled under the skin to enter a large vein. A needle can be inserted through the skin into the port to allow blood to be taken or medication to be given. The skin over the port reduces the risk of infection from the device staying in the body for a long period of time. – For sepsis patients admitted, gather information relating to IT Coding, morbidity and mortality rates, root-cause analysis. Identifying patients with sepsis allows us to gather valuable information on the number of patients with sepsis and their outcomes (morbidity – how unwell they become and how long they stay in hospital, as well as mortality – whether the patient dies due to the severe infection). Reviewing the notes of patients with sepsis can uncover ways to improve care for future patients. This is called root-cause analysis and is based on the idea that several factors (roots) can contribute to a problem (sepsis) developing. One way of identifying patients is by using information technology (IT) coding. This is where each episode of a patient's care is summarised into a variety of codes by dedicated professionals (clinical coders). This allows a large database to be searched to find information (for example, those patients with severe sepsis or septic shock).

Primary goals	Necessary actions
Raise awareness and education for staff, patients and carers	– RM School of Nursing formal teaching programmes. – Nurses new to cancer care module and Acute Cancer Care Module. We have a teaching school for nurses. It is planned to educate nurses in identifying sepsis, getting early help and starting treatment promptly. There are two modules – ‘Nurses new to cancer care’ and ‘Acute cancer care’ – which sepsis training can be part of. – Mandatory refresher training for staff on the six signs of sepsis and managing the condition. – Hold a Sepsis Roadshow twice a year, both on-site and in the community. – Standardise the approach to managing sepsis across all sites. – Simulation training. – Ward-based and community-based teaching sessions. – Embedding training for serious incidents. If there was a serious incident related to sepsis (where there is significant harm to the patient), then learning from investigations will be incorporated into training in order to reduce the risk of the event happening again.
Escalation and review. (Escalation involves getting help from more senior members of the team as well as increasing the amount of care for the patient, such as transferring them from the ward to the Critical Care Unit)	– Senior review of the patient (by a registrar or a consultant). – Review critical care and CCOT. – Review unplanned emergency admissions.
Produce clear management plans	– Clear criteria for emergency admission. – Clear management plans for those with ward-based ceilings of care. For some patients, transferring them to the Critical Care Unit is not appropriate. They have a ‘ceiling of care’ in place, where medical treatment is offered up to a limit (the ‘ceiling’) on the ward. Treatment options only available in the Critical Care Unit include breathing support from a mechanical ventilator, support to increase blood pressure and some artificial kidney support (dialysis). Patients staying on the ward will not receive these treatments. – Reporting on the ‘Datix’ incident form when patients meet the criteria for emergency admission but no bed is available. If a patient is severely unwell with an infection at home, they should be admitted to hospital as an emergency. Very occasionally it may be that the patient cannot be admitted due to a lack of beds. This would be reported as an incident on the Datix form, which is a summary of what happened and whether the patient came to any harm. These incidents are analysed by the risk management department to determine the risk of the situation arising again, and how severe the harm was, before making recommendations to reduce the risk of it happening again.

Patient-safety improvement plans – reducing harm from medication errors

Aims:

- to improve the pharmacy-led medicines reconciliation rates on admission to 100% by 2018;
- to reduce chemotherapy-prescribing errors by 20% by 2018; and
- to make sure allergies are recorded accurately for 100% of patients when they are admitted.

Primary goals	Necessary actions	Progress 2016/17
Prevention: – Reduce harm related to hypersensitivity and allergy reactions through consistent assessment and recording of patients' allergies when they are admitted – Introduce and use chemotherapy e-prescribing technology to reduce the opportunity for harm from prescribing errors – Reduce harm from the incorrect medicines being prescribed, or necessary medication not being prescribed, by improving pharmacy-led medicines reconciliation at admission and discharge – Implementation of the Medication Safety Thermometer – Education and raising awareness: – Produce a monthly dashboard showing progress with qualitative and quantitative metrics – Improve feedback given to doctors and NMPs about medication and prescribing errors	– Introduce electronic prescribing for chemotherapy, and give prescribers feedback on common errors. – Undertake regular chemotherapy audits to monitor error rates. – Use the medicines-safety thermometer. (The medicines-safety thermometer is a national tool to reduce the number of medication mistakes causing serious harm. The information is collected from wards. Each month, the results are fed back to all nursing and pharmacy staff. The results are also published on the monthly dashboards displayed in all ward areas. This raises awareness and empowers the nursing teams to make improvements locally.) – Have the medicines-safety thermometer tailored to the medicines-safety drivers for RM. – Have visible information about the medication safety thermometer on all wards. – Learning from RCAs: – MDT huddles for every high-risk medication error detected when collecting information for the medicines-safety thermometer. – Improved recording of near-miss prescribing errors. – Regularly send out a medication incidents summary to nursing, medical and pharmacy staff.	– Current medicines reconciliation rate – 100% (Medication Safety Thermometer Feb 2017) – A re-audit to assess chemotherapy prescribing errors at The Royal Marsden NHS Foundation Trust after e-chemo has been put into practice – over 42% drop in the number of errors detected from the 2011 audit cycle to the 2016 audit cycle. – Current documentation of allergies – 100% (Medication Safety Thermometer Feb 2017) – Monthly dashboard produced with medication safety thermometer data for each ward area. – Near miss reporting monitored monthly and bi-monthly through executive medication safety group.

Patient-safety improvement plans – reducing harm from pressure sores

Aims:

To reduce avoidable pressure sores:

- by 100% within hospitals; and
- by 50% within the community;
- by June 2018

Primary goals	Necessary actions and progress in 2016/17
Identify patients with pressure sores, or at risk of pressure sores, as early as possible	– Accurate assessment of risks and related conditions. – Complete the Pressure Ulcer Assessment and the Prevention & Management booklet when patients are admitted. – Have visible data – ward dashboards, safety thermometer and so on. – Patient stories. – Hold Pressure Ulcer Panel meetings.
Prevent pressure sores	– Use suitable devices – Aderma, prophylactic meplix border, heel-lift boots, mattresses and cushions. – Get patients moving around out of bed as early as possible. – Provide patient-education video and leaflets. – Follow the recommendations of the ‘Stop the Pressure’ campaign. – Intentional rounding.
Raise awareness	– Raise awareness of the extent of incidents and the effect on patients through ward meetings, nurse meetings, matron’s meetings and so on. – Take part in the Sign up to Safety Pressure Ulcer Strategy group – Learning from RCAs (risk management feedback). – Develop a pressure-ulcer prevention strategy for in hospital and in the community. – Include ‘Harm Free Care’ as part of mandatory training. – Correct identification of pressure sores and moist lesions.
Reporting / review	– Community TVN’s to confirm if a pressure sore is attributable and the category with 72hours of reporting. – RCAs to be completed within two weeks from allocation followed by one week with the manager for review prior to panel. – Panel reports to be completed by Divisional Nurse Directors within 48 hours. – Quarterly audits to be presented to the quarterly strategy group by Community Divisional Clinical Nurse Director.

Plain English Campaign's Crystal Mark does not apply to this appendix 6.

Appendix 6

Independent auditor's assurance report

Independent auditor's report to the council of governors of The Royal Marsden NHS Foundation Trust on the quality report

We have been engaged by the council of governors of The Royal Marsden NHS Foundation Trust to perform an independent assurance engagement in respect of The Royal Marsden NHS Foundation Trust's quality report for the year ended 31 March 2017 (the 'Quality Report') and certain performance indicators contained therein.

This report, including the conclusion, has been prepared solely for the council of governors of The Royal Marsden NHS Foundation Trust as a body, to assist the council of governors in reporting The Royal Marsden NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2017, to enable the council of governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and The Royal Marsden NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Scope and subject matter

The indicators for the year ended 31 March 2017 subject to limited assurance consist of the national priority indicators as mandated by NHS Improvement (NHSI):

- Percentage of patients receiving first definitive treatment for cancer within 62 days of an urgent GP referral for suspected cancer; and
- Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the period

We refer to these national priority indicators collectively as the 'indicators'.

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the quality report in accordance with the criteria set out in the 'NHS foundation trust annual reporting manual' issued by NHS Improvement.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS foundation trust annual reporting manual' and supporting guidance;
- the quality report is not consistent in all material respects with the sources specified in section 2.1 of the NHS Improvement 2016/17 Detailed guidance for external assurance on quality reports; and
- the indicators in the quality report identified as having been the subject of limited assurance in the quality report are not reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual' and supporting guidance and the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports'.

We read the quality report and consider whether it addresses the content requirements of the 'NHS foundation trust annual reporting manual' and supporting guidance, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the quality report and consider whether it is materially inconsistent with

- board minutes for the period April 2016 to March 2017;
- papers relating to quality reported to the board over the period April 2016 to 31 March 2017;
- feedback from the Commissioners dated 21 April 2017 and 8 May 2017 and;
- feedback from the governors dated 18 April 2017;
- feedback from Overview and Scrutiny Committee, dated 9 March 2017;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated June 2016;
- the latest national patient survey dated 8 June 2016;
- the latest national staff survey dated 17 March 2017;
- Care Quality Commission inspection report dated 19 January 2017;
- the Head of Internal Audit's annual opinion over the trust's control environment dated 26 April 2017; and
- any other information included in our review.

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

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

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the 'NHS foundation trust annual reporting manual' to the categories reported in the quality report; and
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the 'NHS foundation trust annual reporting manual' and supporting guidance.

The scope of our assurance work has not included testing of indicators other than the two selected mandated indicators, or consideration of quality governance.

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2017:

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS foundation trust annual reporting manual' and supporting guidance;
- the quality report is not consistent in all material respects with the sources specified in 2.1 of the NHS Improvement 2016/17 Detailed guidance for external assurance on quality reports; and
- the indicators in the quality report subject to limited assurance have not been reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual' and supporting guidance.



Deloitte LLP
Chartered Accountants
London
26 May 2017

Appendix 7

Glossary

Bacteraemia Having bacteria in the blood.

Care Quality Commission (CQC) The independent regulator of health and adult social care services in England, including those provided by the NHS, local authorities, private companies or voluntary organisations. They also protect the interests of people detained under the Mental Health Act.

Carbapenemase-producing Enterobacteriaceae (CPE) Screening for this ‘superbug’ that is resistant to most antibiotics.

Chemotherapy Treatment with anti-cancer drugs to destroy or control cancer cells.

Clinical coding Clinical coding is the process whereby information written in the patient notes is translated into codes and entered onto hospital information systems. This usually happens after the patient has been discharged from hospital, and must be completed within strict deadlines so hospitals can receive payments for their services.

Clinical commissioning groups (CCGs) NHS organisations set up by the Health and Social Care Act 2012 to organise the delivery of NHS services in England. They took over many of the functions of primary care trusts.

Clostridium difficile infection (C. diff) Bacteria that are a significant cause of infections arising in hospital.

CNS Clinical nurse specialist.

Commissioning for Quality and Innovation (CQUIN) A payment framework that lets commissioners link a proportion of a healthcare providers’ income to the achievement of local quality-improvement goals.

Customer Service Excellence (CSE) Standard The Government’s standard for customer service. This scheme replaced the Charter Mark.

Enhanced Recovery Programme A national scheme that places the patient at the centre of a multi-professional team to plan for greater partnership in care, improved quality of care and shorter lengths of stay in hospital.

EPR Electronic patient record.

Escherichia coli (E. coli) Bacteria that live in the intestines of humans and animals. Although most types are harmless, some cause sickness.

Foundation trust Foundation trusts have a significant amount of managerial and financial freedom when compared to NHS hospital trusts. They are considered to be like co-operatives, where local people, patients and staff can become members and governors and hold the trust to account.

Friends and Family Test (FFT) A simple questionnaire to get feedback about services. Patients are asked if they would recommend the services they have used and staff are asked if they would recommend the services offered at their workplace or if they would recommend it as a place to work.

Healthcare-associated infection An infection arising in a patient during the course of their treatment and care.

Healthwatch The new independent consumer champion to gather and represent the views of the public at a national and local level. Healthwatch England will work with local Healthwatch groups and has the power to recommend that the Care Quality Commission take action where there are concerns about health and social-care services.

Holistic needs assessment (HNA) A process of gathering information from the patient or carer in order to lead discussion and develop a deeper understanding of what the patient knows, understands and needs.

Information governance A process that makes sure that organisations achieve good practice relating to data protection and confidentiality.

Key performance indicators Organisations use key performance indicators to evaluate their success or the success of a particular activity.

Multidisciplinary team A team made up of healthcare professionals from different fields who work together.

Meticillin-resistant staphylococcus aureus (MRSA) Bacteria that are a significant cause of infections arising in hospital.

Meticillin-sensitive staphylococcus aureus (MSSA) Bacteria that are a significant cause of infections arising in hospital.

National Health Service Improvement (NHSI) The independent regulator of NHS foundation trusts.

National Institute for Health and Care Excellence (NICE) NICE reviews medicines, treatments and tests. It makes clinical guidelines and public-health recommendations.

PALS The Patient Advice and Liaison Service (PALS) provides information, advice and support to help patients, families and their carers. Each NHS trust has a PALS service.

Patient and Carer Advisory Group (PCAG) The Patient and Carer Advisory Group works to improve the experience of patients at The Royal Marsden. It is a self-managed group of patients, carers and members of the public who play a vital part in continually improving the care and services we provide.

Pressure ulcers Bed sores or pressure sores.

Prophylaxis A measure taken to prevent a disease or condition.

Radiotherapy The use of high-energy rays to destroy cancer cells. It may be used to cure some cancers, to reduce the chance of cancer returning, or to control symptoms.

Standardised mortality ratio An indicator of the quality of healthcare. It measures whether the death rate at a hospital is higher or lower than expected.

TTAs Discharge prescriptions – medicine ‘to take away’.

Vancomycin-resistant enterococci (VRE) Bacteria that are resistant to the antibiotic vancomycin and can cause infections arising in hospitals.

Venous thromboembolism (VTE) A blood clot, typically occurring in the leg but which can form in any blood vessel.

4. The Royal Marsden Cancer Charity

Supporters fund vital play service

Last summer, The Royal Marsden Cancer Charity launched the Play Specialist Appeal to fund this vital service in the Oak Centre for Children and Young People – one of the largest comprehensive children's cancer centres in Europe.

Thanks to the amazing support of The Royal Marsden Cancer Charity, the play specialist service can be funded until 2020, and the expert team can continue to help our young patients manage their fears and anxieties.

The Royal Marsden has four expert play specialists who meet every young patient to assess what support they need. They adapt activities to meet a child's individual needs whether it is in the play room, at their bedside or in isolation.

Play specialists use their understanding of child development, therapeutic play activities and distraction techniques to develop strategies to help young patients prepare and cope with painful or invasive procedures, scans and treatment.

Great year for The Clinical Care and Research Centre appeal

Since HRH The Duke of Cambridge launched The Royal Marsden Cancer Charity's £50 million appeal to build The Clinical Care and Research Centre (CCRC) at our Sutton hospital, fundraising has reached £6.5 million.

The Charity appointed Mr Michael Slade as the Appeal Board Chairman in December 2016, together with 15 members of the Appeal Board. The first Appeal Board meeting took place in March 2017.

The CCRC will help The Royal Marsden accelerate progress by providing researchers with collaborative spaces to share expertise. Placing truly world-leading researchers in the same space as patients, some of whom present the most challenging and rare cancer cases, will provide greater patient insight. Royal Marsden clinicians will have more space to treat the growing number of patients in new, ultra-modern environments.

The CCRC is critical to maintaining standards of excellence and The Royal Marsden's positioning as one of the top five cancer centres worldwide and it is supporters of The Royal Marsden Cancer Charity alone who will help us establish The Clinical Care and Research Centre.

Royal opening for the Ralph Lauren Centre for Breast Cancer Research

HRH The Duke of Cambridge, President of The Royal Marsden, officially opened the Ralph Lauren Centre for Breast Cancer Research in May 2016, alongside fashion designer and philanthropist Ralph Lauren, senior staff and donors.

A world-class facility for breast cancer research, the centre is staffed by a team of leading clinicians and scientists working with the latest technology to set a benchmark for cancer research around the world.

The new Ralph Lauren Centre for Breast Cancer Research has increased the number and size of studies and trials The Royal Marsden is able to run including the conduct of laboratory research on behalf of centres around the UK and the world. The centre incorporates four strands of pioneering research, drawing upon new technological advances to allow much more rapid and in depth analysis of patients' disease.

The impact of this centre's work will affect cancer patients of today and tomorrow and set a benchmark for global personalised breast cancer treatment.

Supporting paediatric drug development

The drug development team at the Oak Centre for Children and Young People prides itself on accessing the most promising and advanced novel drugs for the benefit of young patients and using them within the context of innovative international early-phase clinical trials.

The team's outstanding work in leading and initiating trials, much of which is generously funded through a grant from valued major donor to The Royal Marsden Cancer Charity, the Oak Foundation, was awarded a top score by the Innovative Therapies for Children with Cancer consortium in 2015. This prestigious designation recognises the OCCYP's drug development programme as one of Europe's best and reflects the team's growth.

The paediatric team has built on the expertise and success of the Trust's well established adult facility: the Oak Foundation Drug Development Unit, also funded through an Oak Foundation grant.

The future of radiotherapy

The Royal Marsden Cancer Charity has helped radiotherapy remain at the forefront of The Royal Marsden's pioneering research by funding many advanced radiotherapy systems and research projects.

In November 2016, the UK's first MR Linac, the latest state-of-the-art radiotherapy machine at The Royal Marsden, was opened by Mayor for London Sadiq Khan.

The Royal Marsden Cancer Charity helped fund the advanced technology, alongside a £10 million grant from the Medical Research Council, and it is being tested by physicists and clinical teams at The Royal Marsden and the ICR.

The MR Linac combines two technologies – an MRI scanner and a state-of-the-art Linear Accelerator (called a linac for short) – to precisely locate tumours and tailor the shape of the radiation beams in real time.

Later that year, in December 2016, a new linear accelerator was also installed at The Royal Marsden in Chelsea, offering patients the most up-to-date radiotherapy techniques.

Funded by The Royal Marsden Cancer Charity, the £2.3-million Varian TrueBeam machine, known as the Franklin can enable the teams to treat up to 40 patients a day across a variety of tumour types, including breast, lung, head and neck, prostate, gastrointestinal and gynaecological cancers.

Thanks to the support of The Royal Marsden Cancer Charity, patients at The Royal Marsden have access to the latest equipment, world-leading staff, and clinical trials for new radiotherapy treatments, with many national trials being instigated here.



5. Annual Accounts for the year ended 31 March 2017

Foreword to the accounts The Royal Marsden NHS Foundation Trust

These accounts for the year ended 31 March 2017 have been prepared by The Royal Marsden NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006.



Cally Palmer CBE
Chief Executive Officer
26 May 2017

Independent Auditor's Report to the Board of Governors and Board of Directors of The Royal Marsden NHS Foundation Trust

Opinion on financial statements of The Royal Marsden NHS Foundation Trust

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2017 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

The financial statements that we have audited comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Taxpayers' Equity;
- the Statement of Cash Flows;
- the Accounting Policies and other information; and
- the related notes 1 to 25.

The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts.

Certificate

We certify that we have completed the audit of the accounts in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Summary of our audit approach

Key risks	The key risks that we identified in the current year were: – NHS revenue recognition – Valuation of the Trust's estate Last year our report included capital expenditure as a risk which is not included in our report this year (due to the reduction in size of the capital programme this year and there being no history of error).
Materiality	The materiality that we used in the current year was £7.38m which was determined on the basis of approximately 2% of the Trust's total revenue recognised in the year to 2016/17.
Scoping	Audit work was performed at the Trust's head offices directly by the audit engagement team, led by the senior statutory auditor.
Significant changes in our approach	Other than the changes to key risks as described above, there have been no significant changes in our approach to the audit in 2016/17 compared to 2015/16.

Going concern

We have reviewed the Accounting Officer's statement contained within the Statement of the chief executive's responsibilities as the accounting officer of The Royal Marsden NHS Foundation Trust on page 55, the going concern disclosure within the Performance Report at page 9 and the going concern disclosure in note 1 of the financial statements on page 173 that the Trust is a going concern.

We confirm that:

- we have concluded that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified any material uncertainties that may cast significant doubt on the Trust's ability to continue as a going concern.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust's ability to continue as a going concern.

Independence

We are required to comply with the Code of Audit Practice and Financial Reporting Council's Ethical Standards for Auditors, and confirm that we are independent of the Trust and we have fulfilled our other ethical responsibilities in accordance with those standards.

We confirm that we are independent of the Trust and we have fulfilled our other ethical responsibilities in accordance with those standards. We also confirm we have not provided any of the prohibited non-audit services referred to in those standards.

Our assessment of risks of material misstatement

The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

NHS revenue recognition	
Risk description	In 2015/16 we referred to our presumed fraud risk related to revenue recognition as the 'recoverability of NHS receivables'. In 2016/17, we have focused the risk on whether NHS revenue that is unsettled at the year-end (and therefore is a receivable), is valid, accurate and valued appropriately. In 2016/17, this revenue includes new funding from the Trust referred to as Sustainability and Transformation Funding (STF). As described in note 1.19 Key Areas of Estimation and Judgement, there are significant judgements in recognition of revenue from care of NHS patients and in provisioning for disputes with commissioners this is due to: – the judgements taken in evaluating Commissioning for Quality and Innovation ("CQUIN") income; – the judgemental nature of provisions for disputes with commissioners; and – the Sustainability and Transformation Funding (STF) which is dependent on the Trust meeting certain financial performance targets and therefore recognition of this funding is affected by other accounting estimates. Details of the Trust's income, including £195.1m of Commissioner Requested Services and £5.4m of Sustainability and Transformation Funding (STF), are shown in note 3.1 and note 3.3 to the financial statements. NHS debtors of £21.7m are shown in note 13.1 to the financial statements. The Trust earns revenue from a wide range of commissioners, increasing the complexity of agreeing a final year-end position.
How the scope of our audit responded to the risk	We evaluated the design and implementation of key controls for recording and reporting income. Where we identify significant management estimates, for example with respect to over-performance income accrued, that involve judgement in respect of recognition of unsettled revenue, we assessed the design and implementation of the Trust's controls around the preparation and review of those estimates. In particular, we have considered the Trust's performance against its control total and the management estimates that impact that performance, and therefore the eligibility of the Trust in recognising the STF funding. We have reviewed the Trust's correspondence with NHS Improvement, regarding the STF, to validate the amounts of STF recognised in the Financial Statements. We have held discussions with the finance team and contracts team and understand that there are no material unresolved commissioner challenges. We have challenged and corroborated management's explanation through procedures such as review of minutes and where relevant, we have also consider the Trust's history of settling similar matters. We have selected a sample of unsettled NHS revenue at year-end and sought evidence that cash has been received post year-end, where cash has not been received post year-end we have sought further evidence to support the validity and accuracy of the unsettled amounts. We have selected a sample of differences between the amounts that the Trust reports as receivable from commissioners, and the amounts that commissioners report that they owe the Trust, in the agreement of balances ("mismatch") report. For this sample, we have sought explanations from management for the variances together with documentary evidence to corroborate those explanations.
Key observations	We did not identify any material misstatements through our procedures in respect of this risk, and we considered the estimates made by the Trust in respect to their recognition of NHS revenue to be within an acceptable range.

Valuation of the Trust's Estate	
Risk description	As described in note 1.5 the Trust is required to hold property assets within Property, Plant and Equipment at valuation, which will usually be on a modern equivalent use basis. As described in note 10.1 the net book value of the Trust's Land and Buildings is £133.9m. As detailed in our Audit Plan, valuations are by nature significant estimates which are based on specialist and management assumptions and which can be subject to material changes in value. The Trust has had an independent valuation carried out by Montagu Evans for the purposes of the 31 March 2017 financial statements. The Trust's revaluation has decreased land values by £15.2m (52.43%), and buildings by £32.9m (21.94%). The impact of this will be to decrease PDC dividends payable in the coming year by £1.6m. The Trust has made a number of changes to its valuation assumptions this year, including: – in conjunction with its Valuer, revisiting the floor areas assumed as required to re-provide an asset with equivalent service potential as a Modern Equivalent Asset; – categorisation of assets as "specialised" or "non-specialised"; – valuation of "non specialised" non-medical elements at each site by reference to Existing Use Value; and – reducing the assumed land area by infilling void areas, excluding land relating to assets deemed non specialised and excluding all onsite car parking.
How the scope of our audit responded to the risk	We evaluated the design and implementation of controls over property valuations, and tested the accuracy and completeness of data provided by the Trust to the Valuer. We used Deloitte internal valuation specialists to review and challenge the appropriateness of the key assumptions used in the valuation of the Trust's properties, including the evaluation of changes in valuation assumptions and benchmarking the Trust's valuation against revaluations performed by other Trusts at 31 March 2017.
Key observations	We did not identify any material misstatements through our procedures in respect of the Trust's revaluation of their estate but we note that it is at the more prudent end of an acceptable range.

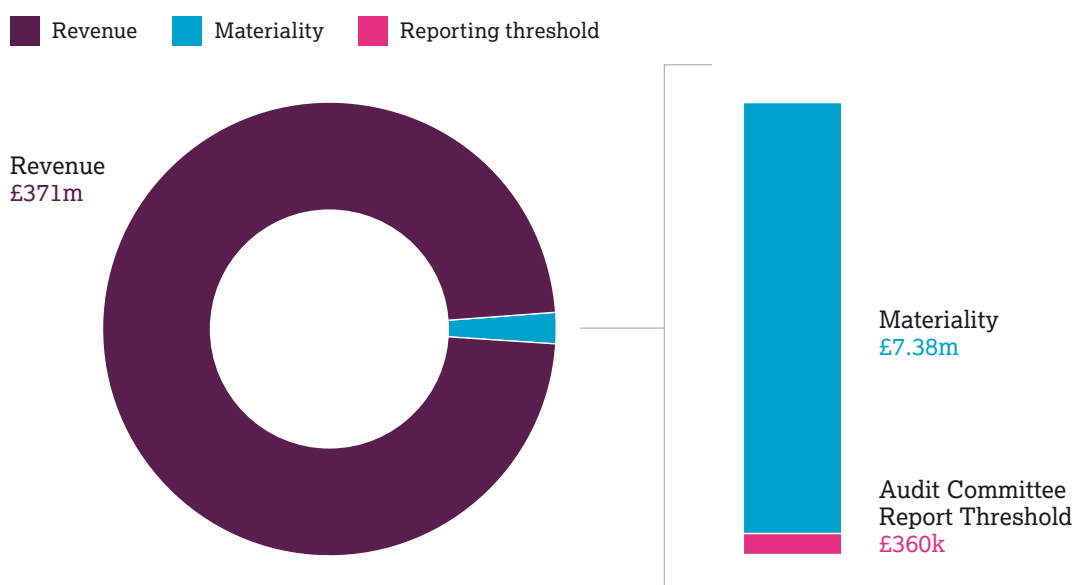
These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

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

Materiality	£7.38m (2015/16: £3.4m)
Basis for determining materiality	Approximately 2% of revenue (2015/16: 1% of revenue)
Rationale for the benchmark applied	Revenue was chosen as a benchmark as the Trust is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements. We have changed the percentage applied from 2015/16 as a result of a review of appropriate benchmarks to better reflect the nature of the entity.



We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £360k (2016/17: £170k), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement. Audit work was performed at the Trust's head offices directly by the audit engagement team, led by the senior statutory auditor.

The audit team included integrated Deloitte specialists bringing specialist skills and experience in property valuations and information technology systems. Data analytic techniques were used as part of the audit testing, in particular to support profiling of populations to identify items of audit interest.

Opinion on other matters prescribed by the National Health Service Act 2006

In our opinion:

- the parts of the Directors' Remuneration Report and Staff Report to be audited have been properly prepared in accordance with the National Health Service Act 2006; and
- the information given in the Performance Report and the Accountability 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

Annual Governance Statement, use of resources, and compilation of financial statements

Under the Code of Audit Practice, we are required to report to you if, in our opinion:

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with information of which we are aware from our audit;
- the NHS foundation trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or
- proper practices have not been observed in the compilation of the financial statements.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in respect of these matters.

Reports in the public interest or to the regulator

Under the Code of Audit Practice, we are also required to report to you if:

- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit; or
- any reports to the regulator have been made 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 involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency.

We have nothing to report in respect of these matters.

Our duty to read other information in the Annual Report

Under International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Trust acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed.

We confirm that we have not identified any such inconsistencies or misleading statements.

Respective responsibilities of Accounting Officer and auditor

As explained more fully in the Accounting Officer's Responsibilities Statement, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Code of Audit Practice and International Standards on Auditing (UK and Ireland). We also comply with International Standard on Quality Control 1 (UK and Ireland). Our audit methodology and tools aim to ensure that our quality control procedures are effective, understood and applied. Our quality controls and systems include our dedicated professional standards review team.

This report is made solely to the Board of Governors and Board of Directors ("the Boards") of The Royal Marsden NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Boards as a body, for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accounting Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Jonathan Gooding FCA
 Senior Statutory Auditor
 for and on behalf of Deloitte LLP
 Chartered Accountants and Statutory Auditor
 St. Albans, United Kingdom
 26th May 2017

Statement of comprehensive income for the year ended 31 March 2017

	Note	2016/17	2015/16
		£000	£000
Income from activities	3	292,758	301,137
Other operating income	3	77,901	71,601
Operating expenses	4	(387,235)	(368,888)
Operating (deficit)/surplus		(16,576)	3,850
Finance costs			
Finance income	7	36	85
Finance expense	8	(251)	(272)
Public Dividend Capital dividends payable		(4,488)	(4,537)
Net finance costs		(4,703)	(4,724)
Loss on disposal of plant, property and equipment	6	(164)	(98)
Share of profit in joint venture	11	271	191
(Deficit) for the year		(21,172)	(781)
Other comprehensive (losses)/income			
Revaluation (losses)/gains on land and buildings	10	(29,276)	9,853
Total comprehensive (expense)/income for the year		(50,448)	9,072

	Note	2016/17	2015/16
		£000	£000
Surplus for the year pre impairment and adjustments relating to capital charitable donations			
(Deficit) for the year		(21,172)	(781)
Donated capital income	10	(5,922)	(5,801)
Depreciation on donated assets		3,983	4,253
Impairment	4	28,514	3,444
Loss on disposal	6	164	98
Surplus for the year pre loss on disposal and adjustments relating to capital charitable donations		5,567	1,213

Statement of financial position as at 31 March 2017

	Note	31 March 2017	31 March 2016
		£000	£000
Non-current assets			
Intangible assets	9	1,529	414
Tangible assets	10	181,522	236,647
Investment in Joint Venture	11	2,097	1,826
Total non-current assets		185,148	238,887
Current assets			
Inventories	12	4,255	4,350
Trade and other receivables	13	75,883	69,403
Cash and cash equivalents	16	21,096	24,055
Total current assets		101,234	97,808
Current liabilities			
Trade and other payables	14	(44,631)	(52,486)
Provisions	15	(20)	(96)
Borrowings	15	(2,477)	(2,477)
Deferred income and other liabilities	14	(37,088)	(27,160)
Tax payable	14	(4,369)	(4,021)
Total current liabilities		(88,585)	(86,240)
Non-current liabilities			
Borrowings	15	(13,632)	(16,109)
Total non-current liabilities		(13,632)	(16,109)
Total assets employed		184,165	234,346
Financed by taxpayers' equity			
Public Dividend Capital	SoCTE	101,446	101,179
Revaluation reserve	SoCTE	8,024	37,300
Income and expenditure reserve	SoCTE	74,695	95,867
Total taxpayers' equity		184,165	234,346

These financial statements have been approved by the board and authorised for issue on 24 May 2017 and signed on its behalf by



Cally Palmer CBE
Chief Executive Officer
26 May 2017



Marcus Thorman
Chief Financial Officer
26 May 2017

Statement of changes to taxpayers' equity for the year ended 31 March 2017

	Total taxpayers' equity	Public Dividend Capital	Revaluation reserve	Income and expenditure reserve
	£000	£000	£000	£000
Taxpayers' equity at 1 April 2015	228,376	104,281	17,954	106,141
Deficit for the year	(781)	–	–	(781)
Revaluation gains on property, plant and equipment	9,853	–	9,853	–
Transfers	–	–	9,493	(9,493)
Public Dividend Capital received	298	298	–	–
Public Dividend Capital repaid	(3,400)	(3,400)	–	–
Taxpayers' equity at 31 March 2016	234,346	101,179	37,300	95,867
Taxpayers' equity at 1 April 2016	234,346	101,179	37,300	95,867
Deficit for the year	(21,172)	–	–	(21,172)
Revaluation losses on property, plant and equipment	(29,276)	–	(29,276)	–
Public Dividend Capital received	267	267	–	–
Taxpayers' equity at 31 March 2017	184,165	101,446	8,024	74,695

Statement of cash flows for the year ended 31 March 2017

	Note	2016/17	2015/16
		£000	£000
Cash flows from operating activities			
Net cash generated from operations	16.1	21,168	21,278
Cash flows used in investing activities			
Interest received		36	85
Purchase of property, plant and equipment		(17,384)	(21,478)
Proceeds from sale of property, plant and equipment		2	22
Net cash used in investing activities		(17,346)	(21,371)
Cash flow from financing activities			
Public Dividend Capital received		267	298
Loan received		–	5,500
Interest paid		(257)	(264)
Loan repaid		(2,477)	(2,414)
Public Dividend Capital dividends paid		(4,314)	(5,151)
Public Dividend Capital repaid		–	(3,400)
Net cash used in financing activities		(6,781)	(5,431)
Decrease in cash and cash equivalents		(2,959)	(5,524)
Cash and cash equivalents at 1 April		24,055	29,579
Cash and cash equivalents at 31 March		21,096	24,055

1. Accounting Policies

NHS Improvement, in exercising the statutory functions conferred on Monitor, is responsible for issuing an accounts direction to NHS foundation trusts under the NHS Act 2006. NHS Improvement has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the Department of Health Group Accounting Manual (DH GAM) which shall be agreed with the Secretary of State. Consequently, the following financial statements have been prepared in accordance with the DH GAM 2016/17 issued by the Department of Health. The accounting policies contained in that manual follow IFRS and HM Treasury's Financial Reporting Manual (FReM) to the extent that they are meaningful and appropriate to the NHS. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

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.

Going concern

These accounts have been prepared on a going concern basis.

After making enquiries, the Board of Directors have a reasonable expectation that the NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. They have not identified any material uncertainties that may cast significant doubt on the Trust's ability to continue as a going concern. For this reason, they continue to adopt the going concern basis in preparing the accounts.

1.1 Consolidation

NHS Charitable Fund

The Trust is the corporate trustee to The Royal Marsden Hospital Charity (RMHC) NHS charitable fund (Charity no. 1050537). The foundation trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the foundation trust is

exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund. The assets and activities of RMHC however, were transferred to the Royal Marsden Cancer Charity (RMCC) on 1 September 2011 and the Trust has determined not to consolidate RMHC on the grounds of materiality.

The Royal Marsden Cancer Charity (RMCC) (Charity no. 1095197) is a registered charity and a company limited by guarantee (Company no. 04615761) with a Board of individual trustee directors, which has a wholly owned subsidiary trading company. The RMCC is not an NHS linked charity and therefore does not fall within the definition of a subsidiary. As such the RMCC has not been consolidated into the financial statements of the Trust.

Joint Ventures

Joint ventures are arrangements in which the Trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method. The investment is initially recognised at cost. It is increased or decreased subsequently to reflect the Trust's share of the entity's profit or loss or other gains and losses (e.g. revaluation gains on the entity's property, plant and equipment) following acquisition. It is also reduced when any distribution, such as share dividends, are received by the Trust from the joint venture.

1.2 Income recognition

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of healthcare services. Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred. Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

NHS Improvement's guidance states that there should be no netting off of income and expenditure. There are a number of employees of the Trust that perform work for other organisations, who in turn reimburse the Trust for this work. The accounts show the income and expense from these arrangements under the headings 'Other income' and 'Staff costs' respectively.

An estimate of the value of partially completed patient episodes is included in Accrued Income. This estimate has been derived by assessing the patient episodes that span both sides of the year end, and estimating the unbilled value of these episodes by pro-rating the number of days spent as an inpatient pre and post year-end.

Additional contributions from central bodies (such as the Department of Health) designated as revenue contributions are recognised as revenue when received or receivable, and are separately disclosed, in accordance with the requirements of the DH GAM 2016/17.

1.3 Expenditure on employee benefits

Short term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

Long term employee benefits

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. It is not possible for the Trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

Employers pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

National Employment Savings Scheme (NEST pension scheme)

Employees of the Trust who are not eligible for the NHS Pension scheme are automatically enrolled into NEST, a defined contribution pension scheme. The amounts charged to the Income and Expenditure account represent the contributions payable by the Trust during the year. Please refer to Note 5.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Under defined contribution plans the entity's legal or constructive obligation is limited to the amount that it agrees to contribute to the fund.

1.4 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is not recognised in operating expenses where it results in the creation of non-current assets such as property, plant and equipment.

NHS Improvement's guidance states that there should be no netting off of income and expenditure. There are a number of employees of the Trust that perform work for other organisations, who in turn reimburse the Trust for this work. The accounts show the income and expense from these arrangements under the headings 'Other income' and 'Staff costs' respectively.

1.5 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Measurement

Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the assets and bringing them to the location and condition necessary for them to be capable of operating in the manner intended by management.

All assets are measured subsequently at valuation.

All land and buildings are revalued every five years with an interim valuation in the third year or more frequently if it is felt that the market is subject to significant volatility.

Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

Valuations are carried out primarily on the basis of Modern Equivalent asset value (MEV) for specialised operational property and fair value for non-specialised operational property.

Assets in the course of construction are valued at cost and are valued by professional valuers as part of the five or three-yearly valuation upon completion.

A land and buildings valuation was undertaken by Montagu Evans LLP as at 31 December 2016. This valuation forms the basis of the land and buildings values on the balance sheet as at 31 March 2017.

Operational equipment is valued at net current replacement cost. Equipment surplus to requirements is valued at net recoverable amount.

An item of PPE which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

Subsequent Expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively

Assets in the course of construction are not depreciated until the asset is brought into use.

Buildings and dwellings are depreciated on their current value over the estimated remaining life of the asset as advised by the Trust's professional valuer (3 – 78 years). Leaseholds are depreciated over the primary lease term.

Equipment is depreciated on cost, including historic indexation, evenly over the estimated remaining life of the asset. These are estimated as follows:

Plant and machinery	5-15 years straight line
Transport equipment	7 years straight line
Information technology	5-11 years straight line
Furniture and fittings	10 years straight line

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 netted off operating expenses.

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'.

Impairments

In accordance with the DH 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 arising from a loss of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss are reversed. Reversals are netted off 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.

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales
- the sale must be highly probable i.e.:
 - management are committed to a plan to sell the asset
 - an active programme has begun to find a buyer and complete the sale
 - the asset is being actively marketed at a reasonable price
 - the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
 - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated, Government Grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

1.6 Intangible fixed assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use
- the Trust intends to complete the asset and sell or use it

- the Trust has the ability to sell or use the asset
- how the intangible asset will generate probable future economic or service delivery benefits, e.g., the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset and
- the Trust can measure reliably the expenses attributable to the asset during development.

Software

Software which is integral to the operation of hardware e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

Amortisation

Intangible assets are amortised over their expected useful life in a manner consistent with the consumption of economic or service delivery benefits.

1.7 Revenue government and other grants

Government grants are grants from Government bodies other than income from Clinical Commissioning Groups or NHS trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

1.8 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the First In, First Out (FIFO) method.

1.9 Financial Instruments and Financial Liabilities

Financial instruments are defined as contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Trust will commonly have the following financial assets and liabilities: trade debtors (but not prepayments), current asset investments, cash at bank and in hand, trade creditors (but not deferred income), finance lease obligations, loans and provisions.

Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent that, performance occurs i.e. when receipt or delivery of the goods or services is made.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

Regular way purchases or sales are recognised and de-recognised, as applicable, using the trade date.

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risk and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement

Financial assets are classified into the following specified categories:

- financial assets 'at fair value through income and expenditure' or
- 'loans and receivables'.

Financial liabilities are classified as either:

- financial liabilities 'at fair value through income and expenditure' or
- 'other financial liabilities'.

Financial assets and financial liabilities at "fair value through income and expenditure"

Financial assets and financial liabilities at "fair value through income and expenditure" are financial assets or financial liabilities held for trading. A financial asset or financial liability is classified in this category if 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.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The Trust's loans and receivables comprise: cash at bank and in hand, NHS receivables, accrued income and 'other receivables'.

Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income except for short-term receivables when the recognition of interest would be immaterial. Loans from the Department of Health are not held for trading and are measured at historic cost with any unpaid interest accrued separately.

Other financial liabilities

All 'other' financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the balance sheet date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest in financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the costs of those assets.

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from quoted market prices/independent appraisals/discounted cash flow analysis.

Impairment of financial assets

At the statement of financial position date, the Trust assesses whether any financial assets other than those held at 'fair value through income and expenditure' are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced through the use of a bad debt provision.

Provision for impairment of receivables

The Trust provides for the impairment of its receivables based on the age and type of each debt. The percentages applied reflect an assessment of the recoverability of each class of debt. During 2016/17 the method was reviewed and the percentages amended based on historical recovery and write off levels. Provisions are charged to operating expenditure.

1.10 Cash and cash equivalents

Cash, bank and overdraft balances are recorded at the current values of these balances in the Trust's cash book. Overdrafts are disclosed within creditors. Interest earned on bank accounts and interest charged on overdrafts is recorded as, respectively, 'finance income' and 'finance expenses' in the periods to which they relate. Bank charges are recorded as operating expenditure in the periods to which they relate.

1.11 Leases

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the NHS foundation trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

1.12 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 15 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHS Litigation Authority and in return receives assistance with the costs of claims arising. The annual membership contributions and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

Other insurance

The Trust holds commercial insurance for a range of risks in excess of those covered by the non-clinical risk pooling scheme. This includes cover for property damage and increased costs of working.

1.13 Contingencies

Contingent assets are assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control. These are not recognised as assets, but are disclosed in note 18 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 18, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.14 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.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities except for: (i) donated assets (including lottery funded assets); (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility; and (iii) any PDC dividend balance receivable or payable. 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 occur as a result the audit of the annual accounts.

1.15 Value added tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.16 Corporation Tax

Health service bodies, including Foundation Trusts are exempt from tax on their principal health care income.

The Trust has determined that there is no corporation tax liability due for 2016/17.

1.17 Foreign exchange

The functional and presentational currencies of the Trust are sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

1.18 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 a separate note (Note 23) to the accounts in accordance with the requirement of HM Treasury’s Financial Reporting Manual.

1.19 Key areas of estimation and judgement

In the application of the Trust’s accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The key areas of estimation and judgement used in the preparation of the accounts have been disclosed within other sections of the accounting policy notes. These include provisions for impairment of receivables (note 1.9), estimates of partially complete patient episodes (note 1.2), provisions (note 1.12), valuation of land and buildings (note 1.5), and depreciation rates applied to property, plant and equipment (note 1.5).

1.20 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 Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

The losses and special payments note, note 19.2, is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

1.21 Limitation on auditor’s liability

Limitation on auditor’s liability for external audit work carried out for the financial year 2016/17 is £2,000,000.

2. Segmental analysis

	2016/17	2015/16
	£000	£000
Income	370,659	372,738
Operating (deficit)/surplus	(16,576)	3,850
Total assets employed	184,165	234,346

The Trust has only one segment of business which is the provision of healthcare. The segment has been identified with reference to how the Trust is organised and the way in which the chief operating decision maker (determined to be the Board of Directors) runs the Trust.

The geographical and regulatory environment and the nature of services provided are consistent across the organisation and are therefore presented in one segment. The necessary information to develop detailed income and expenditure for each product and service provided by the Trust is currently not discretely available and the cost to develop this information would be excessive.

Significant amounts of income are received from transactions with the Department of Health and other NHS bodies. Disclosure of all material transactions with related parties is included in note 21 to these financial statements. There are no other parties that account for more than 10% of total income.

3. Operating income

3.1 Income from activities by source

	2016/17	2015/16
	£000	£000
Commissioner Requested Services		
CCGs and NHS England	193,455	206,286
Department of Health	–	3,400
Other NHS	1,640	4,380
Non-Commissioner Requested Services		
Local Authority	5,807	3,923
Private care	91,856	83,148
	292,758	301,137

The above analysis classifies income from activities arising into Commissioner Requested and Non-Commissioner Requested Services as set out in the Trust's New Provider License.

3.2 Analysis of income from activities by type

	2016/17	2015/16
	£000	£000
Elective income	36,958	37,926
Non-elective income	6,273	6,696
Outpatient income	24,387	22,995
Other types of activity income	133,284	150,372
Private patient income	91,856	83,148
	292,758	301,137

3.3 Other operating income

	2016/17	2015/16
	£000	£000
Research and development	18,610	18,722
Commercial trials income	11,101	8,961
Education and training	6,169	6,751
Charitable and other contributions to expenditure	15,780	15,237
Non-patient care services to other bodies	6,700	6,230
Services provided to associated charities	2,092	2,292
Sustainability and transformation fund income	5,491	–
Other income includes:		
Salaries and wages recharged to other organisations	4,210	3,993
Hosted IT services	1,963	1,664
Car parking	582	570
Catering	1,494	1,251
Other	3,709	5,930
	77,901	71,601

Other operating income for the year 2015/16 has been re-stated following a re-analysis of income allocation between classes. Total other operating income for the year 2015/16 is unchanged.

3.4 Analysis of income from activities by type

During 2016/17 income from overseas visitors where the patient is charged directly by the trust was £189,981 (2015/16 £360,257). Cash payments received in year relating to invoices raised in the current and prior years totalled £20,457 (2015/16 £19,542). Amounts added to the provision for impairment of receivables was £237,452 (2015/16 £161,916). Amounts written off in year was £49,526 (2015/16 £632).

4. Operating expenses

4.1 Analysis of operating expenses

	2016/17	2015/16
	£000	£000
Staff costs	202,770	205,918
Executive Directors' costs	881	887
Non-Executive Directors' costs	128	129
Drug costs	65,502	66,078
Supplies and services – clinical	34,976	32,801
Supplies and services – general	6,506	6,973
Establishment	3,582	3,349
Transport	2,048	2,436
Premises	15,103	18,013
Bad debts	1,652	371
Depreciation and amortisation	13,614	13,143
Property, plant and equipment impairment	28,514	3,444
Consultancy	1,078	1,022
Audit services – statutory audit	67	67
Other services: audit-related assurance services	24	24
Internal audit and Local Counter Fraud Service	94	109
Clinical negligence	587	502
Training, courses and conferences	1,466	1,744
Patient travel	849	692
Other services from NHS Foundation Trusts	706	351
Other services from NHS Trusts	458	468
Other services from other NHS bodies	179	266
Other operating expenses	6,451	10,101
	387,235	368,888

Operating expenses for the year 2015/16 have been re-stated following a re-analysis of cost allocation between expenditure classes. Total operating expenses for the year 2015/16 are £98,000 less than previously stated as losses on disposal of plant, property and equipment have been reclassified as a non-operating expense and are shown separately on the Statement of Comprehensive Income in accordance with the updated Department of Health Group Accounting Manual.

4.2 Operating leases

Operating lease rentals include:

Minimum lease payments	2016/17	2015/16
	£000	£000
Plant and machinery	163	110
Buildings	3,205	708
	3,368	818

Operating lease commitments include:

Minimum lease payments		2016/17	2015/16
		£000	£000
Total commitments on leases expiring			
Not later than one year	Buildings	459	181
	Other	66	12
Between one and five years	Buildings	987	472
	Other	16	–
After more than five years	Buildings	1,224	1,296
	Other	–	–
		2,752	1,961

5. Employee expenses and numbers

5.1 Employee expenses

	Permanently employed	Temporary and contract staff	2016/17 total	2015/16 total
	£000	£000	£000	£000
Salaries and wages	153,701	6,659	160,360	162,299
Social security costs	15,867	711	16,578	13,558
Employer contributions to NHS Pensions Agency & NEST	18,399	553	18,952	19,295
Agency staff	–	7,761	7,761	11,653
	187,967	15,684	203,651	206,805

5.2 Average number of persons employed (full time equivalent)

	Permanently employed number	Temporary and contract staff number	2016/17 total number	2015/16 total number
Medical and dental	383	–	383	362
Administration and estates	1,046	–	1,046	1,035
Healthcare assistants and other support staff	311	–	311	488
Nursing, midwifery and health visiting staff	1,021	–	1,021	1,101
Scientific, therapeutic and technical staff	661	–	661	573
Healthcare science staff	193	–	193	189
Agency and contract staff	–	110	110	182
Bank staff	–	203	203	126
	3,615	313	3,928	4,056

5.3 Median Pay

The Trust is required to disclose the relationship between the remuneration of the highest-paid director in the Trust and the median remuneration of the Trust's workforce. The mid-point of the banded remuneration of the highest-paid director in the Trust in the financial year 2016/17 was £257,500 (2015/16 £252,500). This was 7.1 (2015/16 7.2) times the median remuneration of the workforce, which was £36,362 (2015/16 £34,852). The median has been calculated to include London-weighting, as the highest paid director is London-based.

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

5.4 Retirement due to ill-health

During 2016/17 there was one early retirement from the Trust agreed on the grounds of ill-health (2015/16 four). The estimated additional pension liability of this ill-health retirement will be £28,994 (2015/16 £88,188). The cost of ill-health retirements is borne by the NHS Pensions Agency.

6. Profit/(Loss) on disposal of plant, property and equipment

	2016/17	2015/16
	£000	£000
Loss on disposal of plant and equipment	(164)	(98)
	(164)	(98)

7. Financing income

	2016/17	2015/16
	£000	£000
Interest receivable	36	85
	36	85

8. Finance expense

	2016/17	2015/16
	£000	£000
On loans from the Independent Trust Financing Facility	(251)	(272)
	(251)	(272)

9. Intangible assets

	Software licences
	£000
Cost at 1 April 2016	746
Additions purchased	1,380
Disposals	–
Cost at 31 March 2017	2,126
Accumulated depreciation at 1 April 2016	(332)
Provided during the year	(265)
Disposals	–
Depreciation at 31 March 2017	(597)
Purchased	1,342
Donated	187
Net book value at 31 March 2017	1,529
Cost at 1 April 2015	751
Additions purchased	281
Disposals	(286)
Cost at 31 March 2016	746
Accumulated depreciation at 1 April 2015	(347)
Provided during the year	(108)
Disposals	123
Depreciation at 31 March 2016	(332)
Purchased	351
Donated	63
Net book value at 31 March 2016	414

10. Property, plant and equipment

10.1 Property, plant and equipment at the balance sheet date comprise the following elements:

	Land	Buildings excluding dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost at 1 April 2016	29,075	155,358	9,972	68,624	20	16,788	2,294	282,131
Additions purchased	–	–	10,260	–	–	–	–	10,260
Additions donated	–	–	5,922	–	–	–	–	5,922
Reclassifications	–	14,601	(20,639)	3,939	–	2,099	–	–
Revaluation	(15,710)	(18,488)	–	–	–	–	–	(34,198)
Impairment	–	(28,514)	–	–	–	–	–	(28,514)
Disposals	–	(19)	–	(4,011)	(20)	(967)	(85)	(5,102)
Cost at 31 March 2017	13,365	122,938	5,515	68,552	–	17,920	2,209	230,499
Depreciation at 1 April 2016	–	(1,872)	–	(33,235)	(20)	(9,225)	(1,137)	(45,489)
Provided during the year	–	(5,458)	–	(5,279)	–	(2,391)	(219)	(13,347)
Revaluation	–	4,922	–	–	–	–	–	4,922
Impairment	–	–	–	–	–	–	–	–
Disposals	–	19	–	3,845	20	968	85	4,937
Depreciation at 31 March 2017	–	(2,389)	–	(34,669)	–	(10,648)	(1,270)	(48,977)
Net book value at 31 March 2017	13,365	120,549	5,515	33,883	–	7,271	939	181,522
Cost at 1 April 2015	26,975	141,419	11,254	66,551	20	24,010	2,275	272,504
Additions purchased	–	–	12,289	–	–	–	–	12,289
Additions donated	–	–	5,801	–	–	–	–	5,801
Reclassifications	–	11,840	(19,207)	6,051	–	1,297	19	–
Revaluation	2,100	2,603	–	–	–	–	–	4,703
Impairment	–	(504)	(165)	–	–	(8)	–	(677)
Disposals	–	–	–	(3,978)	–	(8,511)	–	(12,489)
Cost at 31 March 2016	29,075	155,358	9,972	68,624	20	16,788	2,294	282,131
Depreciation at 1 April 2015	–	(427)	–	(31,918)	(18)	(12,450)	(917)	(45,730)
Provided during the year	–	(5,226)	–	(5,175)	(2)	(2,414)	(218)	(13,035)
Revaluation	–	5,150	–	–	–	–	–	5,150
Impairment	–	(1,366)	–	–	–	(1,401)	–	(2,767)
Disposals	–	–	–	3,858	–	7,040	–	10,898
Depreciation at 31 March 2016	–	(1,869)	–	(33,235)	(20)	(9,225)	(1,135)	(45,484)
Net book value at 31 March 2016	29,075	153,489	9,972	35,389	–	7,563	1,159	236,647

None of the land or buildings were held under finance leases or hire purchase contracts at either 31 March 2017 or 31 March 2016.

10.2 Property, plant and equipment by funding source

	Land	Buildings excluding dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Purchased	13,365	72,732	4,587	21,684	–	7,203	361	119,932
Donated	–	47,817	928	12,199	–	68	578	61,590
Net book value at 31 March 2017	13,365	120,549	5,515	33,883	–	7,271	939	181,522
Purchased	29,075	99,671	5,748	24,498	–	7,500	447	166,939
Donated	–	53,818	4,224	10,891	–	63	712	69,708
Net book value at 31 March 2016	29,075	153,489	9,972	35,389	–	7,563	1,159	236,647

10.3 The net book value of land and buildings comprises:

	31 March 2017	31 March 2016
	£000	£000
Freehold	133,914	182,564
	133,914	182,564

11. Investments in joint ventures

	2016/17	2015/16
	£000	£000
Value at 01 April	1,826	–
Acquisitions in year	–	1,635
Share of profit	271	191
Value at 31 March	2,097	1,826

During the year 2015/16 the Trust undertook the joint venture arrangement 'Systems Powering Healthcare Limited' with Chelsea and Westminster NHS Foundation Trust, which manages the IT service provision for both Trusts. Each Trust owns 50% and the company is incorporated in the UK.

12. Inventories

	2016/17	2015/16
	£000	£000
Raw materials and consumables	4,255	4,350
	4,255	4,350

13. Trade receivables and other receivables

13.1 Current

	2016/17	2015/16
	£000	£000
NHS trade receivables	21,652	16,307
Provision for impaired receivables	(7,404)	(6,553)
Prepayments	5,871	8,049
Accrued income	15,114	17,299
Other receivables	40,650	34,301
	75,883	69,403

13.2 Provision for impairment of receivables

	2016/17	2015/16
	£000	£000
At 1 April	6,553	6,280
Increase in provision	1,652	371
Amount utilised	(801)	(98)
At 31 March	7,404	6,553

13.3 Analysis of impaired trade and other receivables

	2016/17	2015/16
	£000	£000
Ageing of impaired receivables		
Up to three months	335	306
In three to six months	851	1,543
Over six months	6,218	4,704
	7,404	6,553
Ageing of non-impaired receivables past their due date		
Up to three months	14,686	13,331
In three to six months	6,952	8,798
Over six months	10,068	5,484
	31,706	27,613

14. Current liabilities

	2016/17	2015/16
	£000	£000
NHS payables	7,939	6,450
Trade and other payables	13,637	17,356
Provisions	20	96
Accruals	23,055	28,680
Borrowings	2,477	2,477
Tax payable	4,369	4,021
Deferred income	28,313	19,228
Other liabilities	8,775	7,932
	88,585	86,240

15. Non-current liabilities

15.1 Provisions for liabilities and charges

	Total
	£000
At 1 April 2015	(55)
Utilised during the year	–
Released to operating expenses during the year	–
Provided in year	(41)
At 31 March 2016	(96)
At 1 April 2016	(96)
Utilised during the year	32
Released to operating expenses during the year	44
Provided in year	–
At 31 March 2017	(20)
Expected timing of cash flows	
Less than one year	(20)
Between one and five years	–
	(20)

Clinical negligence

£2,413,003 is included in the provisions of the NHS Litigation Authority at 31 March 2017 in respect of clinical negligence liabilities of the Trust (31 March 2016 £4,270,735).

15.2 Borrowings

Current	2016/17	2015/16
	£000	£000
Loans from the Independent Trust Financing Facility	2,477	2,477
	2,477	2,477
Non-current	2016/17	2015/16
	£000	£000
Loans from the Independent Trust Financing Facility	13,632	16,109
	13,632	16,109

The Trust has a fully drawn down loan facility of £21m from the Independent Trust Financing Facility. The principal is repayable in 17 equal instalments. This began in August 2015 and will end in August 2023. Interest is payable at a fixed rate of 1.42% for the duration of the loan.

16. Notes to the cash flow statement

16.1 Reconciliation of operating surplus to net cash flow from operating activities

	2016/17	2015/16
	£000	£000
Total operating surplus	(16,576)	3,850
Non-cash income and expenses		
Depreciation and amortisation	13,614	13,143
Impairment	28,514	3,444
Decrease in inventories	94	2,168
(Increase) in receivables	(6,650)	(13,107)
(Decrease)/increase in trade and other payables	(7,680)	10,893
Increase in deferred income	9,085	82
Increase in other liabilities	843	764
(Decrease)/Increase in provisions	(76)	41
Net cash inflow from activities	21,168	21,278

16.2 Reconciliation of net cash flow to movement in net funds

	2016/17	2015/16
	£000	£000
(Decrease)/Increase in cash in the period	(2,959)	(5,524)
Net funds at 1 April	24,055	29,579
Net funds at 31 March	21,096	24,055

16.3 Analysis of changes in net funds/(debt)

	At 31 March 2017	Changes in cash in year	At 1 April 2016
	£000	£000	£000
Government Banking Service cash at bank	20,677	(3,210)	23,887
Commercial cash at bank and in hand	419	251	168
Cash and cash equivalents	21,096	(2,959)	24,055

17. Capital commitments

Commitments under capital expenditure contracts at the balance sheet date were £1,731,004 (2015/16 £4,665,805). There is £0 (2015/16 £1,191,855) capital expenditure is committed to be funded by The Royal Marsden Cancer Charity. All Capital Commitments relate to property, plant and equipment.

18. Contingencies

There are no contingent assets or liabilities at the balance sheet date.

19. Financial performance targets

19.1 Public dividend capital (PDC)

The Trust is required to demonstrate that the PDC dividend paid is in line with the actual rate of 3.5% of average relevant net assets. The actual dividend rate is the dividend payable figure in the Statement of Comprehensive Income, £4,488,000 (2015/16 £4,537,000), divided by the average of relevant opening and closing net assets, £127,876,940 (2015/16 £129,624,305), expressed as a percentage. This gives an actual dividend rate for 2016/17 of 3.5% (2015/16 3.5%).

19.2 Losses and special payments

There were 327 cases of losses and special payments (2015/16 724) totalling £815,950 (2015/16 £98,863). Losses and special payments are reported on an accrual basis with the exception of provisions for future losses.

There were no clinical negligence, fraud, personal injury, compensation under legal obligation or fruitless payment cases where the net payment exceeded £250,000 (2015/16 £nil).

	2016/17	2016/17	2015/16	2015/16
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000's	Number	£000's
Losses of cash due to:				
Salary overpayments	21	45	33	19
Bad debts and claims abandoned in relation to Private Patients	206	651	655	76
Bad debts and claims abandoned in relation to Overseas Visitors	9	50	2	1
Bad debts and claims abandoned in relation to Other	89	55	32	2
Damage to building, property etc. due to stores losses	0	0	–	–
	325	801	722	98
Special payments:				
Special severance payments	1	15	–	–
Other	1	0	2	1
	2	15	2	1
Total losses and special payments	327	816	724	99
Of which, cases of £250,000 or more:	–	–	–	–

20. 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 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 are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2017, is based on valuation data as 31 March 2016, updated to 31 March 2017 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b. Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account their recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2016. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this ‘employer cost cap’ assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

21. Related party transactions

The Trust is a public benefit corporation and has been authorised pursuant to Section 6 of the Health and Social Care (Community Health and Standards) Act 2003.

During the year none of the Board Members or members of the senior management team or parties related to them has undertaken any material transactions with the Trust.

During the year the Trust has had a significant number of material transactions with the following NHS bodies:

- NHS England
- NHS Clinical Commissioning Groups
- NHS Foundation Trusts
- NHS Trusts
- Department of Health
- Community Health Partnership
- Health Education England
- NHS Pension Scheme
- NHS Property Services
- NHS Blood and Transplant

The Trust has also had a number of transactions with Government departments and other central and local Government bodies. These include transactions with the Royal Borough of Kensington and Chelsea and the London Borough of Sutton relating to business rates. In addition the Trust had transactions with the Royal Marsden Cancer Charity which is an independent registered charity (Charity no 1095197) and a company limited by guarantee. Up to four Board members of the Trust, including the Chairman and the Chief Executive, are Trustees of The Royal Marsden Cancer Charity. The Trust has also had transactions with its joint venture, Systems Powering Healthcare Limited.

The Trust has entered into the following material transactions with related parties:

Income	2016/17
	£000
NHS England	144,440
NHS Sutton CCG	23,785
Royal Marsden Cancer Charity	17,556
Department of Health	16,037
Health Education England	6,471
Sutton London Borough Council	5,807
NHS Surrey Downs CCG	5,520
NHS Croydon CCG	3,669
Guy's and St Thomas' NHS Foundation Trust	2,657
NHS Lambeth CCG	2,264
NHS Kingston CCG	1,946
NHS Trafford CCG	1,835
NHS Richmond CCG	1,807
NHS West London CCG	1,384
NHS Merton CCG	1,360
NHS Wandsworth CCG	1,349
NHS Central London CCG	1,155
NHS Hounslow CCG	1,015
	240,057

Expenditure	2016/17
	£000
NHS Pension Scheme	18,952
HM Revenue & Customs	16,578
Systems Powering Healthcare Limited	4,440
NHS Blood and Transplant	2,287
NHS Property Services	1,992
Kingston Hospital NHS Foundation Trust	1,118
	45,368

Receivables	2016/17
	£000
NHS England	20,101
Sutton London Borough Council	1,891
Systems Powering Healthcare Limited	1,777
NHS Merton CCG	1,585
St George's University Hospitals NHS Foundation Trust	1,046
Epsom and St Helier University Hospitals NHS Trust	1,007
NHS Sutton CCG	1,004
	28,411

Payables	2016/17
	£000
HM Revenue & Customs	4,369
NHS Pension Scheme	2,807
NHS Property Services	2,533
	9,709

22. Financial instruments

IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. The Trust does not have any complex financial instruments and does not hold or issue financial instruments for speculative trading purposes. Because of the continuing service provider relationship the Trust has with NHS England and Clinical Commissioning Groups (CCGs) and the way that NHS England and CCGs are financed, the Trust is not exposed to the degree of financial risk faced by business entities.

Financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Trust's financial instruments comprise loans, finance lease obligations, provisions, cash at bank and in hand and various items, such as trade debtors and trade creditors, that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Trust's operations.

22.1 Categories of financial instruments

	2016/17	2015/16
	£000	£000
Financial assets		
Loans and receivables (including cash)	91,108	85,410
Financial liabilities		
Other financial liabilities (amortised cost)	73,883	83,121

22.2 Fair values

	31 March 2017	31 March 2017	31 March 2016	31 March 2016
	Book value	Fair value	Book value	Fair value
	£000	£000	£000	£000
Financial liabilities				
Provision under contract	(20)	(20)	(96)	(96)

As allowed by IFRS 7, short term trade debtors and creditors measured at amortised cost may be excluded from the above disclosure as their book values reasonably approximate their fair values.

22.3 Liquidity and interest risk tables

	Weighted av. interest rate %	Less than 1 year	Total
		£000	£000
Financial assets			
Non-interest bearing		70,012	70,012
Variable interest rate instrument	0.25%	21,096	21,096
Gross financial assets at 31 March 2017		91,108	91,108
Non-interest bearing		53,307	53,307
Variable interest rate instrument	0.25%	29,579	29,579
Gross financial assets at 31 March 2016		82,886	82,886

23. Third party assets

The Trust held nil cash at bank and negligible cash in hand at 31 March 2017 (31 March 2016 – nil) which relates to monies held by the Trust on behalf of patients.

24. Events after the reporting period

There have been no material events after the reporting period.

25. Accounting standards that have been issued but have not yet been adopted

The DH GAM does not require the following Standards and Interpretations to be applied in 2016/17. These standards are still subject to HM Treasury FReM adoption, with IFRS 9 and IFRS 15 being for implementation in 2018/19, and the government implementation date for IFRS 16 still subject to HM Treasury consideration.

IFRS 9 Financial Instruments

Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted

IFRS 15 Revenue from Contracts with Customers

Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted

IFRS 16 Leases

Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted.

IFRIC 22 Foreign Currency Transactions and Advance Consideration

Application required for accounting periods beginning on or after 1 January 2018.

The Trust does not expect that the adoption of these standards and interpretations in future periods will have a material impact on the financial statements of the Trust.

Life demands excellence

At The Royal Marsden, we deal with cancer every day so we understand how valuable life is. And when people entrust their lives to us, they have the right to demand the very best.

That's why the pursuit of excellence lies at the heart of everything we do. No matter what we achieve, we're always striving to do more. No matter how much we exceed expectations, we believe we can exceed them still further.

We will never stop looking for ways to improve the lives of people affected by cancer. This attitude defines us all, and is an inseparable part of the way we work. It's The Royal Marsden way.

You can visit, write to or call The Royal Marsden using the following details:

Chelsea, London

The Royal Marsden
Fulham Road
London SW3 6JJ
Tel 020 7352 8171

Sutton, Surrey

The Royal Marsden
Downs Road, Sutton
Surrey SM2 5PT
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www.royalmarsden.nhs.uk

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