

**The Robert Jones  
and Agnes Hunt  
Orthopaedic Hospital  
NHS Foundation  
Trust**

**Annual Report and  
Accounts 2021-2022**



# **The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust**

**Annual Report and Accounts for the  
period of 1 April 2021 to 31 March 2022**

**Presented to Parliament pursuant to  
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# Contents

CONTENTS.....	5
<b>ANNUAL REPORT.....</b>	<b>6</b>
<b>INTRODUCTION.....</b>	<b>7</b>
Statement of Chairman, Substantive and Acting Chief Executive Officer .....	7
Highlights of the year.....	9
The Trust.....	13
<b>ACCOUNTABILITY REPORT.....</b>	<b>17</b>
Directors' Report.....	18
Remuneration Report.....	40
<b>STATEMENT OF THE CHIEF EXECUTIVE OFFICER'S RESPONSIBILITIES AS THE ACCOUNTING OFFICER OF THE ROBERT JONES AND AGNES HUNT ORTHOPAEDIC HOSPITAL NHS FOUNDATION TRUST .....</b>	<b>68</b>
<b>ANNUAL GOVERNANCE STATEMENT 2020/21 .....</b>	<b>71</b>
<b>ANNUAL ACCOUNT 2020/21 .....</b>	<b>92</b>
<b>INDEPENDENT AUDITORS REPORT.....</b>	<b>196</b>
<b>AUDIT CERTIFICATE ON FINANCIAL STATEMENTS.....</b>	<b>197</b>

# ANNUAL REPORT

# INTRODUCTION

## Statement of Chairman, Substantive and Interim Chief Executive Officer

At The Robert Jones and Agnes Hunt (RJAH) NHS FT we aspire to deliver world-class patient care. As a high-quality specialist orthopaedic hospital our core purpose is to care for our patients, our staff and our finances. We are a leading orthopaedic centre of excellence with a reputation for innovation. Our staff pride themselves on the standards we achieve, and, in the feedback, we receive from our patients on the quality of the care and services that we provide.

The following Annual Report details our performance for the 2021/22 financial year. The report outlines our key objectives and how we have progressed against these; it describes our governance arrangements and provides detail on the important aspects of quality and finance which underpin our organisational achievements. The full performance report across all these areas is contained within this document.

It won't come as any surprise that we start by recognising the profound impact that the Covid-19 pandemic had on the NHS, the effects of which we are still experiencing. We would like to express our sincere thanks to all our staff for their continued hard work during the most difficult period our NHS has ever faced. Each and every member of our staff has worked tremendously hard to either care for our patients or support the delivery of care and we are both proud of their efforts and grateful for all that they have collectively achieved.

The focus has been – and will continue to be – the recovery and restoration of our services and tackling our waiting lists. This will be a challenge and will require our staff to be as well cared for as our patients. We must ensure our colleagues continue to be supported during this time of ongoing challenge. We are confident that, with the right support from colleagues and the understanding of our patients, we shall start to see the waiting times for treatment reduce as all of our staff work collectively and commit to getting them back to where they were in as short a period of time as possible. As a Board of Directors, we shall do all that we can to support our staff in this task.

The last year saw changes to our Board of Directors, with both Chief Executive Mark Brandreth and Chair Frank Collins stepping down from their positions at RJAH.

In July 2021, we said goodbye to Mark Brandreth, who took on a new role as Interim Accountable Officer for Shropshire, Telford and Wrekin Clinical Commissioning Group, while continuing his role as Executive Lead for Shropshire, Telford and Wrekin Integrated Care System. Mark was Chief Executive at RJAH for five years and we would like to thank Mark for his impact on the organisation in that time. Following Mark's departure Stacey Keegan, Chief Nurse and Patient Safety Officer, took on the role of Interim Chief Executive - it was the second time that Stacey has assumed this position, having led the organisation in the early months of the coronavirus pandemic in 2020 while Mark took up a national position to help shape the NHS response.

We also bid farewell to Frank Collins at the end of January 2021 who reached the end of his tenure after almost eight years as part of the organisation. We would like to put on record our thanks to Frank

for his leadership. He was succeeded by Harry Turner, who had been a Non-Executive Director at RJAH since the autumn of 2017 and more recently as Vice Chair and Senior Independent Director.

There are so many reasons to look back on this last year with pride.

On 5 August 2021, we celebrated 100 years of RJAH relocating to its current Gobowen base. RJAH, then known as the Shropshire Orthopaedic Hospital, was officially opened on 5 August 1921 by Margaret Cambridge, Marchioness of Cambridge in the presence of its founders, Sir Robert Jones and Dame Agnes Hunt. We marked the milestone with a special burial ceremony of a time capsule which included a variety of items that were included in the capsule, such as photos from over the past 100 years, video messages from current members of staff, and newspaper cuttings. A brick that was used to build the original hospital site in Baschurch was also included in the time capsule.

We were delighted with the excellent feedback we received from our patients over the past year. Overall patient experience at RJAH was rated as the best in the country compared to other NHS Trusts, according to the annual Adult Inpatient Survey carried out by the Care Quality Commission (CQC). As part of the survey results, RJAH was also named as one of just six organisations placed in the top band of Trusts delivering results that are considered “much better than expected”, delivering patient experience that is substantially better than elsewhere. The same survey also saw the food we prepare and serve at RJAH rated as the best in the country for the 15th time in 16 years, as well as the wards and rooms being highlighted as the cleanest in the country.

During an unprecedented year we continued to focus on delivery of safe, high-quality services for our patients, underpinned by robust business management. A key focus area for the Trust is the Infection, Prevention and Control Improvement plan. Following an MRSA outbreak\* during the Summer 2021, which involved hospital acquired MRSA for eight patients, the Trust continued to work hard to implement changes outlined by NHSE/I. Unfortunately, following a visit in February the Trust were in discussions with the regulators regarding a potential breach of licence. In May 2022 the breach of license was confirmed and Trust were to be moved to segment 3 on the single oversight framework (SOF3). The Trust have implemented a IPC Quality Assurance Committee which reports directly to the Board of Directors to enhance oversight over all aspects of IPC. The Trust is committed to implementing the improvements identified, along with welcoming support from NHSE/I and the System. The Board thank the staff for the continued hard work throughout a challenging time and noted the positive outcomes following the issues identified which has supported a improved direction of change for the organisation. It is important to note that no patients were harmed during the MRSA outbreak.

During 2021/22 the NHS continued to operate on a simplified Covid financial framework which set a fixed minimum level of income to simplify financial arrangements and support organisational responses to the pandemic

The Trust set a surplus target of £3.2m and out turned with a favourable variance of £2.7m delivering a total surplus of £5.9m. The strong performance was largely driven by a reduction in marginal costs linked to the variable restoration of services driven by peaks & troughs in Covid prevalence throughout the year, while this resulted in a favourable position to plan.

It is also important to note that the Shropshire, Telford and Wrekin Integrated Care System is in significant financial distress and is under formal recovery actions. As a partner in the system the Trust will continue to support improvement in the financial position across the county.



At the beginning of the 2021/22 financial year across the country and locally we have started to see the number of Covid-19 cases and Covid-19 related hospital admissions reduce. This comes as a great relief. During this difficult period the Trust played an integral part in the System's response and provided mutual aid through the release of its staff across a number of disciplines and this put pressure on both those staff required to work in different environments but also on those remaining at the Trust keeping services running. The Trust has thanked its staff for going above and beyond to ensure patients continued to receive the best care possible. However, our focus now is on tackling our waiting lists, which have almost doubled over the past year. The Trust has in place a clear plan to reduce waiting times and this is being closely monitored by the Board but will be a challenge and will require our staff to be as well cared for as our patients.

We have to ensure our colleagues continue to be supported during this time of ongoing challenge. We are confident, that with the right support from colleagues and the understanding of our patients, we shall start to see the waiting times for treatment reduce as all of our staff work collectively and commit to getting them back to where they were in as short a period of time as possible. As a Trust Board, we shall do all that we can to support our staff in this task.



**Harry Turner**  
Chairman

From 01 Feb. 2022



**Stacey Keegan**  
Interim Chief Executive  
Officer

From 01 Aug. 2021



**Frank Collins**  
Chairman

Until 31 Jan. 2022



**Mark Brandreth**  
Chief Executive Officer

Until 31 Jul. 2021

Footnote: \*outbreak NHS definition 'An outbreak is any two or more cases of an infection of the same type, where a common link can be established. A hospital outbreak simply reflects a link with the hospital'

## Highlights of the year

The Trust had plenty of reasons to celebrate in 2021/22. Here are just a few of our many achievements from the year:

- Patient experience at RJAH was rated as the best in the country, according to the annual Adult Inpatient Survey. RJAH was named as one of just six organisations placed in the top band of Trusts delivering results that are considered “much better than expected”, with patient experience that is substantially better than elsewhere.
- The Headley Court Veterans’ Orthopaedic Centre took a momentous leap forward as building work formally began in June with an official ground-breaking ceremony. The £6 million facility is the UK’s first dedicated orthopaedic centre for Armed Forces veterans.
- To celebrate 100 years of RJAH relocating to the current Gobowen site, a special burial ceremony of a time capsule took place on 5 August which included photos from the past 100 years, video messages from current members of staff, newspaper cuttings and a brick that was used to build the original hospital site in Baschurch.
- The RJAH vaccination centre team administered their 100,000<sup>th</sup> covid vaccination in just under 12 months since opening to patients.
- RJAH was awarded with the Centre of Excellence Award by RIWPOspine for Mr Birender Balain’s practice in minimally-invasive complex keyhole spinal surgery – known as Fully Endoscopic Spine Surgery – which is designed to provide quicker recovery times and less recurring pain than traditional spinal surgery.
- The main entrance windows were transformed as part of Pride Month celebrations to reflect the colours of the Pride flag, featuring six powerful pledges made by staff.
- RJAH welcomed its first cohort of international nurses in October who joined the Trust following an international recruitment drive in Africa, Asia and the Caribbean.
- The hard work and dedication of staff at RJAH was recognised and celebrated at the virtual Celebration of Achievements Awards – held virtually via a live event in collaboration with local events company Yarrington.
- RJAH was named as a National Joint Registry Quality Data Provider after successfully submitting a national programme of data audits.
- Three members of staff - Hayley Gingell, Infection Prevention Control Governance Lead; Joely Heighway, Occupational Therapist; and Ronnie Taylor, Healthcare Support Worker – were invited to a special afternoon tea at Buckingham Palace, hosted by The Duke of Cambridge, to celebrate the 73<sup>rd</sup> birthday of the NHS as well as thank NHS staff for their incredible work when tackling the covid-19 pandemic.
- A cutting-edge computer on wheels called SureWash Elite, costing £20,000, arrived at RJAH which uses augmented reality to assess hand hygiene techniques and infection control knowledge, as well as providing interactive training and quizzes to enhance hand hygiene training across staff.
- Sixteen runners – who took on the 2021 London Marathon in aid of the RJAH Charity – raised a staggering £30,000 which will be used to fund projects across the hospital to support patient care and improve staff services.

# PERFORMANCE REPORT

## Overview of Performance

### Statement from the Chief

#### Executive Officer

This section of the report provides an opportunity to highlight some of the considerable work that has been undertaken to enhance the Trust's services and to improve patient care and experience in the last year, centred on our key strategic themes. It also highlights the key risks to the achievement of the Trust's objectives.

We can be proud of the performance we have delivered in 2021/22. Below I have summarised some of our key items in terms of the impact on our patients, our staff and our finances.

There are some notable successes, and I am proud of each and every one. Across them all, however, is the quality of care we deliver.

#### Caring for Patients

Patient experience at RJAH was rated as the best in the country, according to the annual Adult Inpatient Survey. RJAH was named as one of just six organisations placed in the top band of Trusts delivering results that are considered "much better than expected", with patient experience that is substantially better than elsewhere.

The Headley Court Veterans' Orthopaedic Centre took a momentous leap forward as building work formally began in June with an official ground-breaking ceremony. The £6million facility is the UK's first dedicated orthopaedic centre for Armed Forces veterans.

The Trust has been found to be in breach of its license in relation to IPC and have been moved to segment 3 of the system oversight framework. The Trust are committed to implemented improvements and supporting staff.

#### Caring for Staff

The hard work and dedication of staff at RJAH was recognised and celebrated at the virtual Celebration of Achievements Awards – held

virtually via a live event in collaboration with local events company Yarrington.

Three members of staff - Hayley Gingell, Infection Prevention Control Governance Lead; Joely Heighway, Occupational Therapist; and Ronnie Taylor, Healthcare Support Worker – were invited to a special afternoon tea at Buckingham Palace, hosted by The Duke of Cambridge, to celebrate the 73rd birthday of the NHS as well as thank NHS staff for their incredible work when tackling the covid-19 pandemic.

#### Caring for Finances

During another unprecedented year the Trust has focused on restoration of services and minimising the impact of the Covid-19 pandemic to deliver safe, high quality services for our patients, underpinned by robust business management. During 2021/22 the NHS continued to operate on a simplified Covid financial framework which set a fixed minimum level of income to simplify financial arrangements and support organisational responses to the pandemic.

The Trust's annual accounts will provide full detail of the Trust's financial performance but to summarise; under the Covid financial framework the Trust was allocated a minimum level of clinical income with the expectation of managing the cost base within this allocation. The Trust set a surplus target of £3.2m and out turned with a favourable variance of £2.7m delivering a total surplus of £5.9m. The strong performance was largely driven by a reduction in marginal costs linked to the variable restoration of services driven by peaks & troughs in Covid prevalence throughout the year, while this resulted in a favourable position to plan, it should be noted significant non recurrent costs were incurred in response to the pandemic and to address patient safety.

This performance puts the Trust in a healthy position in terms of cash for 2022/23 and allows for additional investment in the capital programme to improve care for patients.

It is also important to note that the Shropshire, Telford and Wrekin Integrated Care System is in significant financial distress and is under formal recovery. As a partner in the system the Trust will continue to support improvement in the financial position across the county.

## Looking ahead

We have to keep improving and keep growing. We must think about how we can continue to flourish in what is a difficult time for the NHS, both locally and nationally.

We continue to focus on our strategic aims, which are:



Strategic Context

### Operational Excellence

- Getting a real grip on the operational things that will make a significant difference to our patients.

### Local Musculoskeletal Services

- Establishing RJAH as a central part of the local health system, rather than a fringe specialist provider.

### Specialist Work

- Being a national voice in our area of expertise, working in partnership with our specialist neighbours.

Underpinning the above outlined aims is one more important aim: **Culture and Leadership**. We must be a patient-focused, clinically-led organisation that is spoken of as an extraordinary place to work.

# The Trust

## Purpose and Activities

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust (RJAH) is one of the UK's five Specialist Orthopaedic Centres. It is a leading orthopaedic centre of excellence with a reputation for innovation.

The Trust provides both specialist and routine orthopaedic care to its local catchment area and nationally. It is a specialist centre for the treatment of spinal injuries and disorders and also provides specialist treatment for children with musculoskeletal disorders.

The hospital has nine inpatient wards including a private patient ward; 12 operating theatres, including a day case surgery unit; and full outpatient and diagnostic facilities.

In addition to the above, the Trust works with partner organisations to provide specialist treatment for bone tumours and community-based rheumatology services.

The Trust is based on a single site in Oswestry, close to the border with Wales. The surrounding geographical area includes Shropshire, Wales, Cheshire and the Midlands. As such, we serve the people of both England and Wales, as well as a wider national catchment. We also host some local services which support the communities in and around Oswestry. We value our links with the local community, who are strong supporters of the hospital. The Trust has contracts with a number of commissioners.

The largest English commissioner is the Shropshire Clinical Commissioning Group (Shropshire CCG). The Betsi Cadwaladr University Hospital Board is the largest Welsh Commissioner followed by Powys Teaching

Health Board. Commissioning for our specialised services is undertaken by NHS

England, which is represented locally by the Birmingham and Black Country Local Area Team.

## Brief History and Background

The Orthopaedic Hospital has been in existence as an independent hospital since 1900. It was taken into the NHS in 1948 and achieved NHS Trust status in 1994. In August 2011 the hospital was awarded NHS Foundation Trust status. This means that RJAH can better shape healthcare services around local needs and priorities and the requirements of commissioners of healthcare.




Sir Robert Jones



Dame Agnes Hunt

# The Vision and Goals of the Trust



<b>MISSION</b>	Our core purpose	Caring for Patients, Caring for Staff, Caring for Finances
<b>VISION</b>	What we aspire to achieve	Aspiring to deliver World Class Patient Care
<b>STRATEGY</b>	Our strategic priorities	Operational Excellence, Local Musculoskeletal Services, Specialist Work, Culture and Leadership
<b>ENABLING STRATEGIES</b>	Strategies to support delivery of our priorities	Quality Strategy, Finance Strategy, IT Strategy, Patient Experience Strategy, Organisational Development Strategy, Risk Management Strategy, Communication Strategy
<b>CORPORATE OBJECTIVES</b>	How we organise and monitor our day-to-day activities	Delivering timely access to patient care, Delivering outstanding outcomes and experience, Achieving outstanding patient safety, Being an extraordinary place to work, Spending our money wisely, Delivering undertakings and not being in breach of our licence
<b>VALUES and CULTURAL CHARACTERISTICS</b>	How we go about delivering our vision	 <p><b>Trust Values</b></p> <ol style="list-style-type: none"> <li>1. We respect people for their skills and devotion. Not their grade.</li> <li>2. Patient need over rules process.</li> <li>3. We choose positivity (we look for strength before weaknesses).</li> <li>4. The person who knows most about something is able to get on with it.</li> <li>5. Being humble is a sign of greatness, not weakness.</li> <li>6. People are aware of – and manage – the impact they have on others.</li> <li>7. We are honest and transparent in our dealings with each other.</li> <li>8. If we see a problem we can fix it, if we see an opportunity we can grasp it.</li> <li>9. We strive constantly to make things better for our patients, ourselves and the hospital.</li> <li>10. We know that our differences are valuable – we don't believe that our differences make us superior or inferior.</li> <li>11. We are do-ers not bystanders if we see something we don't like we say so (and do something about it), and if we see something we do like, we say so.</li> </ol>



## Key Issues and Risks

The Trust aims to deliver high quality healthcare services, however, it is recognised that there are inherent risks with providing these services.

The most significant risks are summarised in the Board Assurance Framework. The principle risks are collated the following themes:

- Caring for patients
- Caring for staff
- Caring for finances

During 2021/22 the key risks facing the Trust were in relation to restoration of its activity to 2019/20 levels, workforce, the pace of progress with the equality, diversity and inclusion agenda.

The key risks and issues facing the Trust for 2022/23 are reflective of the challenges facing the NHS as a whole in terms of the following:

- capacity to address the demand created as a result of the pause in services during the Covid-19 pandemic and the more complex nature of patients and the impact this is having on waiting times
- workforce challenges encompassing both resourcing and resilience
- regulatory challenges and in particular the work required to address the breach of licence identified by NHSE/I in relation to infection, prevention and control (further detail below)

With regard to financial risks, looking towards 2022/23 there is a system financial framework in place and measures are in place to ensure the going concern of the Trust, however it is anticipated that there will be challenges with the Trust being able to make required investments.

In May 2022 it was confirmed that the Trust was in breach of license in relation to Infection, Prevention and Control following an outbreak within the organisations relating to eight hospital acquired infections. The Trust has completed IPC, training and governance reviews along with receiving the undertakings letter from NHSE/I. Following these reviews, recommendations have been presented and therefore an improvement plan has been devised to ensure delivery of the areas of improvement. The improvement plan is continuously reviewed and monitored by the IPC Committee. An assurance progress report is reported to the IPC Quality Assurance Committee on a monthly basis before upward presentation to the Board of Directors.

## Risk Management

Risk management is an integral part of the Trust's approach to quality improvement and good governance and further it is a central part of the Trust's strategic and operational management. The Trust has in place a robust Risk Management Strategy which describes the systems that the Trust will use to embed risk management throughout the organisation in order to provide assurance that risks are managed and an effective internal control system is in place. The strategy is a Trust-wide document, and is applicable to employees, as well as seconded and sub-contracted staff at all levels of the organisation.

The Trust believes that effective risk management is imperative not only to provide a safe environment and improved quality of care for service users and staff, it is also significant in the business planning process. In light of this, the Trust is committed to working in partnership with staff to make risk

management a core organisational process and to ensure that it becomes an integral part of the Trust philosophy and activities.

The Trust's Risk Management Strategy is subject to review via the Risk Management Committee and approval at Trust Board and it was last reviewed in October 2019 and is next due for review in 2022.

## Going concern disclosure

In accordance with the requirements of the Department of Health and Social Care Group Accounting Manual (GAM), the Trust has prepared its accounts on a going concern basis, applying the 'continuing provision of services' approach, reflecting the anticipated continued provision of the Trust's services (rather than necessarily the financial position of the Trust as a legal entity).

The Trust's cash balances are expected to remain sufficient to meet its working capital requirements for 12 months from the date of the financial statements. The Trust's Board monitors the financial performance using the monthly performance report. The key risks to the Trust's financial stability are included in the Board Assurance Framework and are monitored at the Finance, Planning and Digital Committee and the Audit and Risk Committee.

The directors having taken assurance from this and, having reviewed future plans and financial forecasts for a period of at least one year from the date of the approval of the accounts, have agreed the following statement: "After making enquiries, the directors have a reasonable expectation that the NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts".

## Conclusion of the Performance Report

I have presented this report in my capacity as the Accounting Officer and confirm that the Trust's auditors have reviewed the Performance Report for consistency with the financial statements.



Stacey Keegan  
Interim Chief Executive Officer  
21 June 2022



# ACCOUNTABILITY REPORT

## Directors' Report

The report includes the following:

- Meet the Board
- Delivery of the 2021/22 strategic plan
- Looking ahead: vision for the Trust for 2022/23
- The strategic priorities for 2022/23
- Better payment practice code
- Quality governance
- Section 43(2A) NHS Act 2006 statement regarding income disclosures
- Statement of disclosure to auditors

## Meet the Board

The directors present their annual report together with the audited financial statements for the year 1 April 2021 to 31 March 2022. The directors' report incorporates an analysis of the delivery of the 2021/22 strategic plan during that period and the vision for 2022/23.

As can be seen from the directors' biographies below and from our compliance with the requirements of the Foundation Trust Code of Governance, the Board has an appropriate composition, balance of skills and depth of experience to lead the Trust for the good of patients, staff and the communities it serves.

Details of the directors who currently hold office are listed below and unless specified have held office for the full financial year. Any directors who held office during the financial year but have since left the Trust are cited later in the report:



**Harry Turner**  
Non-Executive  
Director/ Chairman

Between 2008 and 2016 Harry served as a Non-Executive Director and subsequently as the Chairman for the Worcestershire Acute NHS Trust before joining the

Trust in January 2017. Harry was appointed Chairman of RJAH on 1 February 2022.

Harry also took up the position of Chairman of the John Taylor Hospice in Birmingham in October 2016 and is also the Chairman of Dudley and Walsall Mental Health NHS Trust.

Harry has also been a Justice of the Peace in Worcestershire Courts for more than a decade and previously worked as an Operations Director in the hotel industry for businesses including Travel Inn and Marriott International.



**Stacey Keegan**  
Interim Chief Executive  
/ Chief Nurse

Stacey joined RJAH as Interim Chief Nurse in November 2019, before being appointed substantively in March 2020. In response to the Covid-19 pandemic Stacey

stepped in to act as Chief Executive Officer whilst Mark Brandreth, the substantive CEO, worked on the national response. Stacey was also appointed Interim CEO following Mark's departure in July 2021.

She joined from the Royal Orthopaedic Hospital Birmingham, where she held the position of Deputy Director of Nursing and Clinical Governance. A trauma and orthopaedic nurse by background, she has held various leadership and management roles including Matron and Divisional Head of Nursing positions.

Stacey has an MSc in Senior Healthcare Leadership and the Elizabeth Garrett Anderson Award in Senior Healthcare leadership. She has experience and interest in nursing workforce redesign, recruitment and retention and patient involvement



**Chris Beacock**  
Non-Executive Director

Mr Christopher Beacock lives in Shropshire and is a Foundation Trust member and takes a keen interest in the hospital.

He has 27 years clinical experience as a Consultant Urological Surgeon at the Shrewsbury and Telford Hospital NHS Trust. He formally retired in 2014 and has been re-employed on a part time contract since then.

He has worked across a wide range of acute trusts, integrated care organisations and community service providers. He has had a long standing interest in medical management and held various posts up to and including that of Deputy Medical Director. He has also served as Chair of the Risk Management Committee and Chairs the Trusts Quality and Safety Committee.



**Paul Kingston**  
**Non-Executive Director**  
 Paul joined the Trust in January 2019 and is the Chair of the Trust's newly founded People Committee. He is also a member of the Trust's Audit and Quality and Safety Committees.

Paul is a Professor of Ageing and Mental Health and the Director of the Centre for Ageing and Mental Health at the University of Chester. He has been one of the academic leads of the RAID evaluation team since its inception at City Hospital in Birmingham.



**Sarfraz Nawaz**  
**Non-Executive Director**  
 Sarfraz joined the Board of Directors at RJAHS on 1 October 2021.

A qualified Accountant with the Chartered Institute of Public Finance and Accountancy (CIPFA), he is currently the Director of Finance and Procurement for Ofwat, the regulator for the water industry in England and Wales. He has also held several financial leadership roles across the public sector including the NHS and Coventry City Council.



**David Gilbert**  
**Associate Non-Executive Director**  
 David is a member of the People Committee and of the Finance, Planning and Investment Committee. Previously, David was the Chair to the Audit and Risk Committee.

He is a qualified accountant and has worked as Director of Finance in roles across the NHS at Health Authority, Trust and Regional level.

More recently, David has worked as an independent consultant specialising in financial turnaround for NHS organisations in financial difficulty. In this capacity he worked at the Trust from June 2007 to July 2008 as interim Director of Finance & Turnaround.

David left the Trust in November 2021 but has since re-joined the organisation as an Associate Non-Executive Director.



**Craig Macbeth,**  
**Chief Finance and Planning Officer / Deputy CEO**

Craig joined the Trust in 2008 as Deputy Director of Finance having previously worked at Shrewsbury and Telford Hospitals.

Craig was instrumental in supporting the Trust's sustainable services programme taking the lead on the contracting and commissioning elements. He subsequently led the finance team through the Foundation Trust application process and has more recently been leading the business planning for the Trust.

He became Acting Director of Finance in October 2015. He was later named Associate Director of Finance, before becoming Director of Finance on 1 April 2017. Craig is also the Deputy CEO.



**Sara Ellis Anderson,**  
**Chief Nurse and Patient Safety Officer**

Sara was appointed Interim Chief Nurse and Patient Safety Officer in August 2021 having worked at RJAHS since 2016. She initially joined the Trust as a

Matron, supporting a number of the hospital's services including surgical wards, High Dependency Unit, paediatrics, outpatients, therapies and radiology. In 2020, she was successful in being appointed as Assistant Chief of Professions.

She brings a wealth of leadership experience to this the Board of Directors, having worked previously at Selly Oak Hospital and then University Hospitals Birmingham in Acute Medicine and A&E, before moving to the Royal Shrewsbury Hospital to manage the Acute Medical Unit and short stay medical wards and subsequently, the Royal Free Hospital to lead a Nurse-Led Patient Treatment Unit.



**Kerry Robinson**  
Chief Performance,  
Improvement and  
Organisational  
Development Officer

Kerry started at RJAH in July 2016 as Director of Strategy and Planning. Kerry joined from the Countess of Chester Hospital NHS Foundation Trust where she was Assistant Director of Planning. She began her NHS career in 2008 at the Countess of Chester Hospital, having trained as an accountant.

As of 1 April 2019, Kerry's role changed to become lead director of Performance as well as retaining her existing roles as lead director for Service Improvement alongside her responsibility of implementing the Trust's Organisational Development Strategy.

Kerry has a passionate belief in caring for staff to deliver patient focused service design through successful partnership working and clinical engagement at all levels.



**Ruth Longfellow**  
Chief Medical Officer

Ruth has been Chief Medical Officer at RJAH since April 2021.

Ruth graduated from the University of Edinburgh with her Bachelor of Medicine and Bachelor of Surgery (MB ChB) degree. She then completed her Fellow of the Royal College of Surgeons (FRCA) examination in 2006 and a Diploma in Medical Education at Nottingham University in 2011.

In 2011, she was appointed to RJAH as a Consultant Anaesthetist. In April 2019, she became the Associate Medical Director for the Trust.

Ruth's interests include patient safety and Human Factors, medical education and regional anaesthesia.

**Members of the Board who have joined in May 2022:**

**Martin Newsholme**  
Non-Executive Director

Martin was appointed as a Non-Executive Director for RJAH in 2022. A chartered accountant, Martin's career was primarily spent at KPMG where he was an audit partner for 15 years. He currently has a number of Trustee and Non-executive roles including Warrington Housing Association and Shropshire Doctors Co-operative.

In his role as Non-Executive Director, Martin looks forward to working with colleagues at RJAH to continue to provide outstanding care for patients and maintain a supportive working environment for staff.

**Penny Venables**  
Non-Executive Director

Penny joined the Board of Directors at RJAH in May 2022 as Non-Executive Director. Having almost 40 years' experience of working in NHS management, including previous experience at Executive Director and Chief Executive roles across the NHS, including in other specialist hospitals.

Penny is currently an Associate at In-Form Solutions. She has provided specialised support and expertise to the health, social care and non-for-profit sectors across Birmingham and Solihull.

During her time at RJAH, Penny looks to support RJAH in moving forward and developing services, both locally and nationally, in the overall health economy across Shropshire, Telford and Wrekin.

## Members of the Board who left the Trust throughout 2021/22:



**Frank Collins**  
Chairman

Frank was appointed as the Trust's Chairman in February 2015 and has extensive experience in healthcare leadership.

He spent his early career in the NHS culminating in Chief Executive posts at both Kettering General Hospital and Heatherwood and Wexham Park NHS Trust. Frank later moved into the private sector where he held Chief Executive posts at a private hospital, Hydron Ltd, (a manufacturer / supplier of contact lenses), and The Summit Medical Group (an international medical devices company), where he subsequently became Chairman.

Frank currently serves as Non-Executive Director/Chairman to a range of healthcare related companies and is a trustee of a local charity.

Frank left the Trust on 31 January 2022.



**Mark Brandreth,**  
Chief Executive Officer

Mark was appointed Chief Executive in April 2016. He joined the Trust from the Countess of Chester NHS Foundation Trust where he was Deputy Chief Executive and Director of Operations and Planning.

Prior to this he has worked in a number of senior NHS management posts. Mark has also worked in Wales and was invited to work for a period in a national role at the Department of Health.

Mark has a particular interest in improving services for patients and improving organisational culture.

In 2020, Mark went on a secondment to work for NHS England as part of the National Covid-19 Response Team.

In July 2021, Mark left the Trust after being appointed the Accountable Officer for the CCG.



**Alison Tumilty**  
Non-Executive Director

Alison joined the Board of the Directors as a Non-Executive Director in September 2021. She is also Chair of the Audit Committee at RJAH.

She is a chartered accountant and is the current Chair at Rochdale Boroughwide Housing as well as previously holding Non-Executive Director roles in other healthcare organisations

Alison left the Trust in March 2022.



**Rachel Hopwood**  
Non-Executive Director

Rachel joined the Board of Directors at RJAH in December 2019 and is Chair of the Finance, Planning and Digital Committee.

Prior to RJAH, Rachel was a Non-Executive Director and Deputy Chair of the Countess of Chester Hospital.

Rachel is a chartered accountant, qualifying with Ernst & Young, a major accounting and advisory firm. After a career in finance and investment banking in the City of London, latterly as an Executive Director at ABN AMRO, she relocated with her family back to Cheshire in 2008.

Prior to joining the Board, Rachel was a Non-Executive Director of Western Cheshire PCT and Lay Advisor to West Cheshire Clinical Commissioning Group. She is also a Director in a company providing risk, management and financial consultancy services in the region.

Rachel left the Trust in January 2022.



## Changes to the Board of Directors

During 2021/22 the following changes have been made to the Board of Directors:

### Starters

Director	Date of Change
Stacey Keegan, Interim Chief Executive Officer	01 August 2021
Sara Ellis Anderson, Interim Chief Nurse and Patient Safety Officer	01 August 2021
Ruth Longfellow, Chief Medical Officer	01 April 2021
Alison Tumilty, Non-Executive Director	01 September 2021
Harry Turner, Chairman	01 February 2022
Sarfraz Nawaz Non-Executive Director	01 February 2021

### Leavers

Director	Date of Change
Mark Brandreth, Chief Executive Officer	31 July 2021
David Gilbert Non-Executive Director	30 November 2021
Rachel Hopwood, Non-Executive Director	31 January 2022
Frank Collins, Chairman	31 January 2022
Alison Tumilty Non-Executive Director	31 March 2022

## Declarations of Interest of the Board of Directors

The Board undertakes an annual review of its Register of Declared Interests. At each meeting of the Board a standing agenda item also requires all directors to make known any interests in relation to the agenda.

The Register is available for inspection during normal office hours in the Trust Secretary's office and is also published on the Trust's website.

## Independence of Non-Executive Directors

The Trust assesses the independence of its Non-Executive Directors against the Foundation Trust (FT) Code of Governance.

## Cost allocation and charging guidance

The Trust has complied with the above guidance issued by HM Treasury.

## Modern Slavery Act 2015

In accordance with the Act, the Trust has agreed and published its statement. Further the Trust can confirm that no political donations were made in the current or prior year.



## Delivery of the 2020/21 Strategic Plan

During 2021/22 the Trust Board agreed seven key aims under the four headings Caring for Patients, Caring for Staff and Caring for Finances. These were translated into key objectives with clearly defined measurable targets for each. The table below provides a position statement against each of the objectives (as at 31 March 2022).

Annual Objective		Key Measures	Q4 Progress
1.1	This objective can be broken down into four key components, developing and delivering an activity plan, management of the patient waiting backlog, full implementation of clinical prioritisation and harms review processes and sustaining clinical outcomes.	<ul style="list-style-type: none"> <li>✓ Modelling plan delivered to the Board</li> <li>✓ Response to planning requirements beyond half year</li> <li>✓ Accurate patient waiting data</li> <li>✓ Minimisation of patients waiting over 52 weeks</li> <li>✓ NJR outcomes</li> <li>✓ PROMs</li> <li>✓ KPI delivery within IPR</li> <li>✓ GIRFT reviews</li> <li>✓ Model hospital data top quartile performance for orthopaedic pathways</li> <li>✓ Participation in National Clinical Improvement Programme</li> <li>✓ Report on leadership arrangements for delayed discharges</li> <li>✓ Number of delayed discharges (without mitigations)</li> </ul>	<p>H1 and H2 plans were developed, and patient care activity was reported through Finance Planning and Digital Committee and the Board of Directors.</p> <p>The patient waiting backlog was monitored through the Finance Planning and Digital Committee including the monitoring of wait list size, clinical prioritisation groups, waiting time, referral rates. There was regular reporting to Trust Performance Board and SLG in place with regional benchmarking considered.</p> <p>Patients were managed in order of clinical priority and the Trust was working to a trajectory of zero non-spines patients waiting 104 weeks by March 22. Clinical prioritisation extended and to include both elective and diagnostic wait lists.</p> <p>The harms process was reported monthly to the Harms Group and Q&amp;S Committee.</p> <p>Delivery of activity plan was affected by covid outbreaks and staff sickness. All other elements of this objective were delivered.</p>
2.1	This objective will focus on minimising zero nosocomial infections with a focus on prevention and learning and ensuring that new or revised infection prevention and control guidance is implemented	<ul style="list-style-type: none"> <li>✓ Number of outbreaks</li> <li>✓ Compliance with the IPC Board Assurance Framework</li> <li>✓ Audit programme in place with % measures of compliance and regular reporting via the IPC Committee</li> <li>✓ Quarterly report to Quality and Safety Committee</li> </ul>	<p>MRSA outbreak declared and one staff covid outbreak with the Trust's SI and outbreak processes being followed. Full RCAs were submitted to the IPC Committee. In addition an IPC Governance review was undertaken and presented to the Quality and Safety Committee.</p> <p>Enhanced cleaning business case was approved internally and at system level with funding being explored within the system.</p> <p>Business case developed for increased IPC resource and this was approved through the Trust's internal processes.</p>
3.1	This objective will focus on seeking delivery of an ambition to operate as one orthopaedic system for the ICS, playing an active part in the ICS Board and	<ul style="list-style-type: none"> <li>✓ Attendance at ICS meetings</li> <li>✓ RJAH plan which supports the system plan</li> <li>✓ Single orthopaedic system proposal</li> </ul>	<p>The resetting of STW MSK Transformation programme has taken place, with year one of the programme identifying decision for one orthopaedic system in Q4. SRO is RJAH executive.</p> <p>A system orthopaedic PTL is in development, with a P2 and 104 week waits PTL already operational.</p>

	ICS Committee arrangements and supporting, and where appropriate, leading the mobilisation of the STW MSK Transformation	<ul style="list-style-type: none"> <li>✓ Reporting to Board on STW MSK Transformation</li> </ul>	<p>RJAH chair STW Planned Care Operational Delivery Board.</p> <p>RJAH is represented at all committees of the ICS and delivery groups as appropriate</p>
4.1	This objective will focus on commencing the work to deliver the Headley Court Veteran's Centre, specifying a microbiology service to support the work on infection control, preparing and (if commissioned) delivering the MDT knee revision service, deliver the next stages of the business case for the new EPR, introduction of the 'Perfect Ward' and ensuring stable and effective EPRR arrangements	<ul style="list-style-type: none"> <li>✓ Delivery of the veteran's service to time and budget</li> <li>✓ Production of the microbiology service specification in 2021/22</li> <li>✓ Reporting on the MDT knee revision service</li> <li>✓ Specified stages of the EPR Business case and delivery of these</li> <li>✓ Project plan for the Perfect Ward with full roll out by November 2021</li> <li>✓ Delivery of actions from the 2021 review into EPRR</li> </ul>	<p>Veteran's Centre on track and work on microbiology service ongoing. EPR Business Case progressing and being taken through Finance Digital and Planning Committee. Perfect Ward has been established. EPRR arrangements have been reviewed and recommendations taken forward.</p> <p>Perfect Ward has been rolled out and project closure report to go to Patient Safety Committee. The focus now is how this will be incorporated into committee reporting (green)</p>
5.1	This objective will focus on delivering a recruitment plan and new staffing models established from the recovery modelling option, improving staff wellbeing, addressing any system inequalities staff may be experiencing, ensuring a safe and Covid secure environment, delivering the milestones set out in the nursing workforce strategy	<ul style="list-style-type: none"> <li>✓ Staff survey results and sickness absence rates</li> <li>✓ Board report on staff risk assessments</li> <li>✓ Action plan to address any system inequalities</li> <li>✓ All staff to have access to PPE and relevant training</li> <li>✓ Recruitment of 15 IR nurses</li> <li>✓ 0 HCSW vacancies</li> <li>✓ Increase in student placements by 22</li> <li>✓ First cohort of Nursing Associates</li> <li>✓ Deliver an orthopaedic practice course</li> </ul>	<p>Promotion of sources of support for staff with psychological wellbeing. Worked as a system on four key themes of wellbeing for staff</p> <p>Consultant recruitment undertaken with staff expected in post in the next financial year as per the plan.</p> <p>Health care support worker recruitment was behind plan but all other aspects of the nursing workforce strategy are on track. High HCSW vacancy rate, all posts offered/recruited to awaiting start</p> <p>Issues with nursing staffing levels with an enhanced bank system being introduced to mitigate this.</p> <p>Nurse staffing vacancy rate lowest it's been</p> <p>Flexibility pledges launched</p>
6.1	This objective will focus on increasing the number of vaccinators and ensuring 100% of staff are offered the vaccine	<ul style="list-style-type: none"> <li>✓ 100% of staff offered vaccine</li> </ul>	<p>Flu vaccines started in September. 100% of staff have been offered the covid vaccine, booster and flu vaccine.</p> <p>Flu uptake 71% for 21/22. 95% covid double vaccinated and 84% double vaccinated with booster (data from Jan 22)</p>
7.1	This objective will focus on aligning the Trust's decision making policy with the revised System financial framework,	<ul style="list-style-type: none"> <li>✓ Deliver on budget by 31 March 2022</li> <li>✓ Deliver agreed activity within resources</li> </ul>	<p>H2 plan was developed and approved via the Finance Planning and Digital Committee</p> <p>Cash balances were above plan.</p>

delivering the efficiency programme, management of the activity plan within the available sources of funding, remove Covid driven costs in a timely manner, delivery of the agreed cost base, delivery of the agency control total and maintain cash balances at trajectory	<ul style="list-style-type: none"><li>✓ Board reporting</li><li>✓ Stabilising the recurrent financial position</li><li>✓ Delivering a 3% efficiency programme</li></ul>	
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## Looking ahead for 2022/23

Looking ahead the strategic priorities will continue to be based on the Trust's ambition to be the leading centre for high quality, sustainable orthopaedic and related care, achieving excellence in both experience and outcomes for our patients. The Trust aspires to deliver world-class patient care.

The next financial year will focus on building on the great work of the last three years. It will involve looking at those performance targets that have not been achieved in 2021/22 and what actions need to be taken to achieve these. The Trust will ensure that patient safety and quality standards are maintained and at the fore of its business.

In summary our current strategy is;

1. We will become the local system integrator for Musculoskeletal (MSK) services.
2. We will develop a specialist orthopaedic chain.
3. We will deliver operational excellence.

Operational Excellence	Culture and Leadership
<ul style="list-style-type: none"> <li>● Focus on the operational detail, using good data.</li> <li>● Embed and standardise safe processes.</li> <li>● Define data enabled transformation schemes.</li> <li>● Focus on unwarranted variation and waste, drive efficiency and value to ensure sustainability.</li> <li>● Be as safe as we can be Outstanding – CQC assessment.</li> </ul>	<ul style="list-style-type: none"> <li>● Clinically-led organisation.</li> <li>● Rebuilding Relationships.</li> <li>● Structured team development.</li> <li>● Investing in leaders and aspiring leaders.</li> <li>● Focused support for first line managers.</li> <li>● Refine service improvement method and capability.</li> </ul>
Specialist Orthopaedic	Local MSK Services
<ul style="list-style-type: none"> <li>● Explore new markets.</li> <li>● Leading work to develop a 'chain'</li> <li>● National voice on our area of expertise.</li> <li>● Maintain and secure our position as an excellent educator.</li> </ul>	<ul style="list-style-type: none"> <li>● Relevant.</li> <li>● Part of the system.</li> <li>● Management of Demand</li> <li>● Underwriter of quality of care in the system.</li> <li>● Long-term contractual model.</li> <li>● Long-term expert and partner.</li> <li>● MSK and Orthopaedic services.</li> <li>● Innovative and creative.</li> </ul>

It is recognised that the NHS as a whole is moving into a new era with ongoing challenges presented by Covid-19 and the impact of this on the work to recover and restore services. It is therefore anticipated that the Trust strategy may require review as events unfold and national requirements change to respond to the ongoing challenges.

# The Corporate Objectives for 2022/23

The Trust's overarching corporate objectives for 2022/23 are:

- Develop and maintain safe services
- Further develop the veterans service to ensure it is established as a centre of Excellence
- Support MSK integration across the system
- Optimise the potential of digital technologies to transform the care of patients and their outcomes
- Maintaining statutory and regulatory compliance

Each overarching corporate objective is underpinned by further, more detailed objectives and description of how success will be measured. The objectives will be monitored through a quarterly update to Board, together with the alignment of our key performance indicators within the integrated performance report, which is reported monthly to the Board. Assurance is managed through the board assurance framework.

1. Developing and Maintaining Safe Services		
Our Mission	How will we do it	Measure
Caring for Patients	Undertake full service reviews to include specialised commission to ensure we have the right services to serve our patients	<ul style="list-style-type: none"> <li>• Service review programme agreed by the end of Q1</li> <li>• Delivery of 2022/23 service reviews in line with agreed service review programme</li> </ul>
	Development of specialist revision knee service	<ul style="list-style-type: none"> <li>• Service specification and resource requirements present to FPD</li> <li>• Implementation of the service specification requirement agreed by March 2023</li> </ul>
	Securing robust and sustainable microbiology support	<ul style="list-style-type: none"> <li>• Service specification agreed with service provider</li> <li>• Trust membership on the N8 pathology network</li> </ul>
	Further developing equality and inclusion initiatives for patients	<ul style="list-style-type: none"> <li>• Delivery on inclusion action plan</li> </ul>
Caring for Staff	Recruiting and retaining staff to ensure we have the right staff, in the right place at the right time	Delivery of Key KPIs in our 2022/23 workforce plan: <ul style="list-style-type: none"> <li>○ Nursing vacancy rate: 7.2%</li> <li>○ Medical vacancy rate: 2.5%</li> <li>○ HCSW vacancy rate: 0%</li> <li>○ Staff Turnover rate: 8%</li> </ul>
	Further developing equality and inclusion initiatives for staff	<ul style="list-style-type: none"> <li>• Delivery of inclusion action plan</li> <li>• Staff survey results</li> </ul>
Caring for Finances	Review of funding models and service line reporting to ensure robust financial management	<ul style="list-style-type: none"> <li>• Service line reports presented to FPD Committee</li> </ul>
2. Develop our Veterans service to ensure it is established as a centre of excellence		
Our Mission	How will we do it	Measure
Caring for Patients	Develop a communications, marketing and branding strategy aimed at enhancing links with key stakeholders	<ul style="list-style-type: none"> <li>• Communication, marketing and branding in place</li> </ul>
	Maintain Veteran accreditation and explore other relevant accreditation opportunities	<ul style="list-style-type: none"> <li>• Veteran accreditation maintained</li> <li>• Additional accreditation application opportunities reviewed and progresses</li> </ul>
Caring for Staff	Identification and utilisation of key recruitment links for the Veterans service	<ul style="list-style-type: none"> <li>• Phase 2 business case has been supporting recruitment strategy in place</li> </ul>
	Roll out of Veterans awareness training	<ul style="list-style-type: none"> <li>• Staff training to include Veterans awareness training for relevant staff</li> </ul>
Caring for Finances	Sustainable funding model to be agreed to optimise further investment opportunities	<ul style="list-style-type: none"> <li>• Business case presented to FPD on phase 2 for the Veterans service</li> </ul>
	Programme of review to ensure best use of resource	<ul style="list-style-type: none"> <li>• Deliver to agreed timescales and budget</li> </ul>

### 3. Support MSK integration across the system

Our Mission	How will we do it	Measure
Caring for Patients	Leading the MSK Transformation Board and contributing to the delivery of the transformation programme	<ul style="list-style-type: none"> <li>MSK transformation board chair report presented to FPD Committee</li> </ul>
	Standardising pathways and access for patients	<ul style="list-style-type: none"> <li>Standardised pathways to be implemented in line with MSK transformation board implementation programme</li> </ul>
	Levelling up of outcomes for patients across all providers	<ul style="list-style-type: none"> <li>NJR outcomes</li> <li>PROMs</li> <li>GIRFT metrics</li> <li>Model Hospital Data</li> </ul>
Caring for Staff	Integrated OD solution for MSK providers in the system	<ul style="list-style-type: none"> <li>Agreed MSK OD strategy in place for system providers</li> <li>Standardised pathways for integrated care</li> </ul>
	Enhancement of non-medical roles	<ul style="list-style-type: none"> <li>Introduction of enhanced roles and new non-medical roles into MSK services</li> </ul>
Caring for Staff	Delivery of efficiencies outlined in the ICS plan	<ul style="list-style-type: none"> <li>Transformation programme delivered to timescales</li> <li>Achievement of 2022/23 efficiency target</li> </ul>

### 4. Optimise the potential of digital technologies to transform the care of patients and their outcomes

Our Mission	How will we do it	Measure
Caring for Patients	Continue to develop patient facing apps to optimise patient outcomes and explore the use of artificial intelligence	<ul style="list-style-type: none"> <li>Roll out My Recovery app to agreed clinical pathways</li> <li>Complete review of new technologies</li> <li>Business cases for investment presented to FPD as appropriate</li> </ul>
Caring for Staff	Programme of education for staff on digital awareness	<ul style="list-style-type: none"> <li>Development of appropriate training and awareness programme and demonstrate staff update and compliance</li> </ul>
Caring for Finances	Commence delivery of the next stages of the EPR programme, ensuring processes are reviewed to improve workflows and outcomes	<ul style="list-style-type: none"> <li>Deliver to agreed timescales and budget</li> <li>Reports and oversight through the FPD Committee</li> </ul>

### 5. Maintaining statutory and regulatory compliance

Our Mission	How will we do it	Measure
Caring for Patients	Progress toward full compliance with accessible information standard to coincide with EPR programme	<ul style="list-style-type: none"> <li>Accessible information standard compliance included in EPR implementation programme</li> </ul>
	Maintaining CQC rating	<ul style="list-style-type: none"> <li>Trust CQC action plan and preparedness plans monitored through QS Committee</li> <li>Trust CQC rating</li> </ul>
	Delivery of IPC Improvement programme	<ul style="list-style-type: none"> <li>Delivery of IPC improvement plan to agreed timescales</li> <li>Monitored through internal IPCC, IPC Quality Assurance Committee with system oversight at the STW System Quality Group</li> </ul>
Caring for Staff	Compliance with ED&I requirements	<ul style="list-style-type: none"> <li>Compliance with regulatory requirements evidenced through Trusts regulatory submissions and declarations report to the Trust Board</li> </ul>
Caring for Finances	Delivery of Financial plan	<ul style="list-style-type: none"> <li>Deliver Trust financial plan budget by 31 March 2023</li> <li>Deliver Trust efficiency programme</li> <li>Ensure activity delivery plan is managed within available sources of funding</li> </ul>
	Improve system oversight framework rating from SOF3 to SOF2	<ul style="list-style-type: none"> <li>Trust improvement plan in place and delivering to agreed timescales</li> </ul>

\*Footnote: the Trust will continue to work in partnership with the Integrated Care System and therefore all objectives will be aligned to supporting the System.

## Better Payment Practice Code

The Better Payment Practice Code requires the Trust to pay invoices within 30 days of receipt of the goods or receipt of the invoice, whichever is later, with performance being measured in terms of both number and value of invoices.

During 2021/22 the Trust paid 95% of the number of invoices and 97% of the value of invoices within the target. No late payment interest was due.

	2021/22		2020/21	
	Number of invoices	Value in £000s	Number of invoices	Value in £000s
Total invoices paid	38,159	90,403	33,429	74,634
Invoices paid within target	36,098	87,946	30,223	66,157
Percentage paid within target	95%	97%	90%	89%

## Quality Governance

Quality in the NHS encompasses three domains – Patient Safety, Patient Experience and Clinical Outcomes. The Trust's work in this area embraces a number of strands of work including complaints, clinical effectiveness and risk. All these elements are critical in ensuring our patients and their carers receive excellent care, and the Trust continues to meet its core values.

All staff have responsibility for safety and quality. There are, however, designated roles within the Trust who lead or are directly involved in these activities under the executive lead of the Chief Nurse and Patient Safety Officer, the Chief Medical Officer, with the Chief Executive Officer being ultimately responsible.

The Trust has in place a robust governance framework to underpin the delivery of enhanced quality and further detail on this framework is contained within the Trust's Annual Governance Statement which can be found at page 71 of the Annual Report.

### Quality Governance Framework

The Quality Governance framework has been further assessed and is part of the Quality account declaration. The Trust remains compliant with this framework and this is supported by internal audit reviews during 2021/22.

### Quality Outcomes

The Trust contributes to the National Registries to collect outcomes data. Currently these include:

- British Spine Registry
- National Ligament Registry
- UK Hand Registry
- Foot and Ankle Registry (BOFAS)
- British Hip Registry (NAHR)

The Trust also uses the National Joint Registry (NJR) to collect procedure details and the Trust's outcomes data is submitted directly by NHS Digital from data collected from the NHS PROMs Programme England.

The Quality Outcomes Manager and individual Consultants have access to the outcomes data held in registries and the individual consultant reports are used to inform their appraisals.

Results from surgical procedures are analysed in arrears. The latest results were released February 2022 from NHS Digital and presented the Trusts finalised Patient Reported Outcome Measures (PROMs) in England for hip and knee replacement procedures (April 2020 to March 2021). The Trusts PROMs performance is also reported by the National Joint Registry and HQIP, covering the period 2021/22 and previous years. We compare ourselves with our neighbouring Trust, Shrewsbury and Telford Hospital NHS Trust and with the other four Specialist Orthopaedic Providers, Wrightington, Wigan and Leigh, Oxford University Hospital, Royal Orthopaedic Hospital and The Royal National Orthopaedic Hospital.

For primary knee replacements our patients were the “most improved” at 97.5% rating themselves as having improved, with the highest average adjusted post op Q score 39.465, the highest adjusted average health gain 19.681 and the most consistent outcome with a standard deviation of adjusted health gain of 8.033.

For revision knee replacement our patients scored the highest for average post op Q score at 31.273, with a health gain of 13.273. 95.5% of our patients rated themselves as improving post-operation.

For primary hip replacements our patients were the most improved with 100% rating themselves as improved, with the highest average adjusted post op Q score 41.161, the highest adjusted average health gain 24.129 and the most consistent outcome with the standard deviation of adjusted health gain of 7.995.

For revision hip replacements our patients scored average post op Q scores at 33.273, the highest Health Gain at 16.636, the most improved patients at 100%.

Looking at the funnel plots provided, we are an outlier for better results in the adjusted primary knee replacements outcomes scores and have improved by 0.493 from 2019/20 results. We are scoring above the adjusted national average for revision knee replacement outcomes scores.

For primary hip replacement we are also an outlier for better results in the adjusted outcome scores and have a high improvement rate reported by our patients. For revision hip replacements we are also better than average of patients reporting they have improved after surgery.

In conclusion, we are a high volume provider of primary and revision knee and hip replacements, with outstanding results and, most importantly, with improving results on an annual basis.

## Patient Care Activities

We are aligned to the requirements of national strategy in that quality is at the core of all we do. Our aim is to continue delivering outstanding patient care to every patient every day. We pride ourselves in the standards we achieve and in the feedback from our patients on the quality of our services.

We aim to safeguard our patients, both adults and children, at all times. This is achieved through clear policies and procedures that protect and support patients and their families during their stay and beyond. This also means working in partnership with other agencies to get the right outcome for our patients.

For quality to flourish we need to recognise the need to change and to improve where systems and processes are hindering our staff to deliver high quality care to patients every day. We need to set a



clear vision so staff and patients understand what our aims and goals in delivering that high quality service look like and how they can contribute to enhancing our services.

There needs to be clear lines of responsibility for safety and quality from board to ward/departments with each person including those using our services understanding their roles and responsibilities in ensuring improvements are made. Even the smallest change can make a difference to the patient, carer or staff experience.

The quality of the services we provide to patients is routinely reviewed by our Commissioners as part of monthly performance reviews that consider summary dashboard reporting on Trust wide quality issues. These provide opportunity for any areas of concern to be discussed and reviewed.

Quality risks are identified from the Trust's risk management processes and are monitored, managed and mitigated at local, divisional and corporate levels. Each risk is clearly defined and includes clear action plans to control and mitigate the risk.

The corporate risk register and Board Assurance Framework are reviewed quarterly by the Board and identify the key quality risks for the organisation with clear mitigations and action plans.

During 2020/21 the Trust introduced Quality Reports to be produced by each Unit and these have provided a good basis for scrutiny and challenge of the quality performance at operational level. These have continued to evolve and have been aligned to the Trust's performance metrics and the CQC standards in order to provide a cohesive overview and response of quality performance with a focus on patient engagement.

### Performance Against Key Health Care Targets

The Trust has continued to make excellent progress in improving the quality of care for our patients; this is measured through the production of our integrated performance reports.

In September 2017 the Trust agreed its Quality Improvement Strategy. In this we set out our Quality aims for the next five Years and throughout 2020/21 the Trust has continued to work towards the delivery of these aims which informs the clinical priorities for the coming year. The performance against health care targets provides a platform in which the Trust is able to meet the recommendations contained within the long term plan. The Trust is currently working on it's Quality strategy for 2021/22 onwards.

The Trusts quality priorities are set every 12months under the headings, patient safety, clinical effectiveness and patient experience.

## Our Quality Aims

### Aim 1 – Reducing Patient Harm

- *Prevent avoidable deaths*
- *Managing the deteriorating patient*
- *Ensuring the safe transfer of patients to and from the hospital*

### Aim 3 – Improving Documentation

- *Audit Process*
- *Review of Pathways*
- *Improving consistency*

### Aim 2 – Reviewing leadership roles and accountability

- *Divisional Structure*
- *Performance Review Process*
- *Cultural Behavioural Characteristics*

### Aim 4 – Providing effective and reliable care

- *100% Delivery of WHO checklist*
- *Implementation of the Sepsis care bundle*
- *Continued development of the STAR accreditations process*

In addition the Trust has in place a Patient Experience Strategy. The Strategy outlines a number of Always events and also starts our journey on co-production with our patients.

## Always Events

### Always Event 1: [Improve the patient journey](#)

We will improve the experience of our patients and carers from their first contact with the Trust, through to their safe discharge from our care.

### Always Event 2: [Improving communication](#)

We will improve the information we provide to enhance communication between our staff, patients and carers.

### Always Event 3: [Meet care needs](#)

We will meet our patients' physical, emotional and spiritual needs while they are using our services, recognising that every patient is unique.

This strategy will underpin our efforts to achieve our Always Events with our staff, patients and the public, commissioners and partner organisations. An annual evaluation of progress towards our ambitions will be undertaken and published on the Trust's website.

## Listening to Patients and Carers

Collecting Patient experience data is an important part of monitoring the quality of care provided at the RJAH and helps promote an open learning culture by identifying and sharing examples of good complaints practice and learning that was identified through patient feedback.

The table below shows overall patient feedback in 2021/22 compared to 2020/21:

Feedback	2020/21	2021/22	Diff from 2020/21 to 2021/22	% Change
Complaints	71	115	44	61.9%
Local resolution	30	19	-11	-36.6%
PALS concerns	201	206	5	2.5%
PALS enquiries	2509	3667	1158	46.1%
Compliments	4937	6281	1344	27.2%

## Key Highlights

### CQC Action Plan

During December 2018, the CQC carried out an inspection of the Trust and the outcome of this inspection was published in February 2019. This showed the Trust to be 'Good' overall with 'Outstanding' achieved for caring. The breakdown of ratings is shown in the table below:

#### Ratings for The Robert Jones and Agnes Hunt Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Medical care (including older people's care)	Good ↑ Feb 2019	Good ↑ Feb 2019	Outstanding ↑ Feb 2019	Good ↑ Feb 2019	Good ↑ Feb 2019	Good ↑ Feb 2019
Surgery	Good ↑ Feb 2019	Good ↔ Feb 2019	Good ↔ Feb 2019	Good ↔ Feb 2019	Good ↔ Feb 2019	Good ↔ Feb 2019
Critical care	Requires improvement ↔ Feb 2019	Requires improvement ↔ Feb 2019	Good ↔ Feb 2019	Good ↑ Feb 2019	Requires improvement ↓ Feb 2019	Requires improvement ↔ Feb 2019
Services for children and young people	Good ↑ Feb 2019	Good ↑ Feb 2019	Outstanding ↑ Feb 2019	Good ↔ Feb 2019	Good ↑ Feb 2019	Good ↑ Feb 2019
Outpatients	Good Feb 2019	N/A	Good Feb 2019	Good Feb 2019	Good Feb 2019	Good Feb 2019
Diagnostic imaging	Good Feb 2019	N/A	Good Feb 2019	Good Feb 2019	Good Feb 2019	Good Feb 2019
<b>Overall*</b>	Good ↑ Feb 2019	Good ↑ Feb 2019	Outstanding ↑ Feb 2019	Good ↑ Feb 2019	Good ↑ Feb 2019	Good ↑ Feb 2019

In response to the inspection report the Trust put in place a robust action plan to address the areas for improvement highlighted by the CQC. Completion of this action plan has been monitored via the Quality and Safety Committee with all actions except one completed. The ongoing action relates to the Trust's system for robust implementation of the accessible information standard and this is being progressed as part of the Trust's electronic patient record programme. The general themes for the actions that have been undertaken can be categorised as follows:

- Ensuring robust policy management
- Monitoring of staff training compliance down to departmental level
- Review of the High Dependency Unit against the Critical Care Standards
- Continued addressing of staff bullying and harassment in known pockets of the organisation

The Trust was due to undergo a further inspection in Quarter 4 of 2019/20 however, this was paused in light of the Covid-19 pandemic and further information regarding a future inspection is awaited. The Trust is expecting a CQC inspection shortly.

## **Patient Feedback**

The Trust aspires to provide patients with world class care which includes providing patient with the best experience of care possible at each phase of their pathways and interaction with our staff.

The Trust has refreshed the Patient Experience Strategy 2021-2024 which builds upon the strategy from 2017-2020, setting out the Trust ambitions for the next three years supporting staff to continue to put patient experience at the heart of everything we do.

The Strategy that we focus on a number of areas to achieve excellence in patient experience.

These include:

- collecting feedback: capacity and capability to effectively collect feedback
- analysis and triangulation: the use of quality intelligence systems to make sense of feedback and to triangulate it with other quality measures
- reporting and publication: patient feedback to drive quality improvement and learning: the ability to use feedback effectively and systematically for quality improvement and organisational learning

Insight from Patient feedback helps to monitor the quality of care and provides an important “health check” of the services we provide as well as promoting a strong culture of listening to patients and improving services.

The Trust offers patients many mediums for patients and carers to give their feedback including Trust email, Twitter and Facebook, local and national patient feedback surveys, Friends and Family Test (FFT) survey, patient stories, patient forums, Trust Governor forums and comments received on NHS website. All feedback is shared with the clinical areas and is responded to by the Communications Team or the Patient Advice and Liaison Service (PALS) Team.

In addition, the Trust has robust processes in place which enables patients to raise their concerns formally via the Complaints process and informally via the Patient Advice and Liaison Service (PALS).

These concerns are all investigated in line with the Trust’s complaints policy and action plans put in place, where applicable, to ensure learning and improvement.

## **Friends and Family Question**

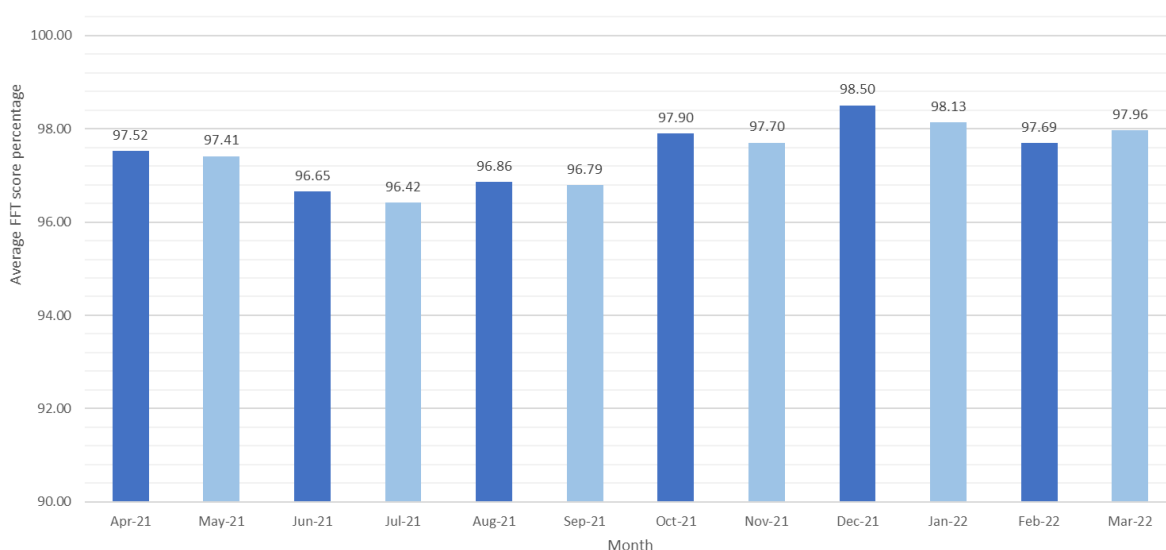
The Friends and Family Test (FFT) is an important feedback tool that provides a measure of patient experience that is used alongside other sources of patient insight data. Listening to the views of patients helps identify what is working well, what can be improved and also informs patient choice.

The FFT question “Overall, how was your experience of our service” was updated nationally in April 2020 and was designed to be a quick and simple mechanism for patients and other people who use NHS services to give their feedback.

FFT data is collected in real time using the IQVIA patient feedback system and patients are sent a text to invite them to complete a FFT survey electronically (after discharge or clinic appointment). The Trust has re-introduced paper comments cards and iPads to collect this data for those patients wanting to give their feedback whilst still on the ward or in clinic. A message has been added to the SMS text a patient receives to advise that if they need help to access the link to contact PALS so that their feedback can be captured.

For 2021/22, 17,501 patients completed a FFT survey and 97.5% of patients (inpatients and outpatients) said they would rate their experience as good or very good. The response rate has increased when compared to 2020/21 due to FFT data collection being paused from April 2020-Dec 2020 and also extra clinics and areas added to the SMS texting process including Radiology.

The chart below shows the average FFT score per month:



The Trust is committed to improving the percentage of patients who would rate their experience as good or very good.

Staff are sent an email alert in real time as soon as a low FFT score is received, and comments are immediately uploaded into IQVIA for staff to respond to within department.

The FFT results are shared in Unit, department and Speciality level Governance Quality reports with trends of low scores monitored on a monthly basis.

The results for the Trust over the last five years are as follows based on the average percentage of FFT score (inpatients and outpatients).

	2017/18	2018/19	2019/20	2020/21	2021/22
National Average	96%	96%	96%	94%*	94%
Highest Score	100%	100%	100%	100%*	100%
Lowest Score	64%	76%	73%	65%*	73%
The Robert Jones and Agnes Hunt	99%	99%	99%	98%	98%

\*For 2020/2021 national data collection for FFT was paused from April 20 - November 20, so data only available for December 2020- March 2021

## Stakeholder Relations

Stakeholder relationships have continued to be supportive and positive during 2021/22. We meet with commissioners from the various commissioning parties throughout the year and Shropshire CCG has undertaken a number of visits to the Trust in their role as the commissioning body. Members of the CCG have been in attendance at the Trust's Quality and Safety Committee which has supported live discussions and real time assurance progress.

We have an excellent relationship with our local Health Watch and have regular meetings in place to share intelligence regarding their consultation events.

In addition to this, the Trust has been working as part of the Shropshire, Telford and Wrekin Integrated Care System (STW ICS) therefore we have an improved relationship with local healthcare organisations as well as local authorities. Members of the Trust have supported the System in its infancy by taking on the lead in roles as the ICB becomes established and continue to play integral role within the System as it is established from 1 July 2022.

## NHS Improvement's Well Led Framework

The Trust's work on well led is outlined in the Trust's Annual Governance Statement which is included in this report.

## Section 43 (2A) NHS Act 2006 Statements Regarding Income Disclosures

The Trust has fulfilled its principal purpose as its total income from the provision of goods and services for the purposes of the health service in England has been greater than its total income for the provision of goods and services for any other purposes.

Private practice complements the NHS services provided by the Trust and makes up a very small amount of our overall activity. Private patients only use facilities when they are not required for the NHS and this generates extra income which is used to enhance services and, in turn, benefits NHS patients every year.

### Statement as to disclosure to auditors

For each individual director who was a director at the time this report was approved:

- So far as the director is aware there is no relevant audit information of which the Trust's auditor is unaware; and
- The director has taken all the steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

A director is regarded as having taken all these steps that they ought reasonably to have taken as a director in order to do the things mentioned above and:

- Made such enquiries of his/her fellow directors and of the Trust's auditors for that purpose; and
- Taken such steps (if any) for that purpose, as are required by his/her duty as a director of the Trust to exercise reasonable care, skill and diligence.



Stacey Keegan  
Interim Chief Executive Officer  
21 June 2022

## Remuneration Report

This report contains the annual statement from the Chair of the Remuneration Committee and includes details regarding “senior manager’s” remuneration in accordance with the following:

- Sections 420 to 422 of the Companies Act 2006 as they apply to foundation trusts;
- Regulation 11 and Parts 3 and 5 of Schedule 87 of Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI2008/410);
- Parts 2 and 4 of Schedule 8 of the Regulations as adopted by Monitor and
- Elements of the NHS Foundation Trust Code of Governance.

The Trust considers that disclosures in this report and the staff report meet the requirements of the NHS Act 2006 on the work of the Trust’s Remuneration Committee.



## Annual Statement on Remuneration by the Chairman of the Nomination and Remuneration Committee (Trust Chairman, Mr Harry Turner)

The membership of the Nomination and Remuneration Committee is as follows:

- Frank Collins, Chairman (until 31 January 2022)
- Chris Beacock, Non-Executive Director
- Rachel Hopwood, Non-Executive Director (until 31 January 2022)
- David Gilbert, Non-Executive Director (until 30 November 2022)
- Harry Turner, Non-Executive Director
- Paul Kingston, Non-Executive Director
- Alison Tumilty, Non-Executive Director (from 1 September 2022)
- Sarfraz Nawaz, Non-Executive Director (from 1 February 2022)

In addition the Chief Executive Officer and Chief People Officer have been in attendance as requested by the Committee.

The Nomination and Remuneration Committee met two times during the year (July and February), and approved changes to the senior management structure to strengthen the Board of Directors as follows:

- Proposal to recruit for a full time Chief Operating Officer
- Proposal to recruit for a full time Chief People Officer
- Recruitment of the Chairman

All of the members of the Committee attended all meetings with the following exception; Harry Turner and David Gilbert's apologies were recorded in July 2021.

### Senior Managers' Remuneration Policy

The remuneration of the Chief Executive Officer and Executives directly accountable to the Chief Executive Officer is determined by the Remuneration Committee. Details of the membership of this Committee and attendance at its meetings are set out above and in the Foundation Trust Governance section of the report.

The Executive and Associate Directors' Remuneration framework, which was not subject to formal consultation, is agreed by the Committee and determines remuneration of the Chief Executive Officer and Executives directly accountable to the Chief Executive Officer. This Framework was last reviewed and updated at the Remuneration Committee in July 2020.

### National Context

The Committee will take into consideration any guidance given from the Department of Health regarding public sector pay including the inflation uplifts.

### Pay Comparators

Salaries are benchmarked against the NHS Chief Executives and Directors Salary Surveys and NHS Improvement Pay Comparators. Further in November 2020 a review of the Chief Executive and

Director's salaries was undertaken by the Midlands Commissioning Support Unit, this review also gave consideration to those receiving salaries in excess of £150k.

Ranges for each post are agreed based on this information.

## Performance-Related Pay and Assessment Process

The Executive and Associate Directors Remuneration Framework policy states that Directors may earn a maximum of 3% Performance-Related Pay annually.

Directors will be set annual objectives which address the following six areas:

- Annual Corporate Objectives
- Corporate Risks
- Supporting Strategies
- Other e.g. legislative
- Standards of Business Conduct & Trust Values
- Personal Development

Performance-related pay will not be consolidated for a period of 12 months, and is not therefore pensionable for this period. After 12 months, performance-related pay will be consolidated into the director's salary subject to sustained full-year financial performance and subject to upper salary limits based on benchmarking information.

There is no provision for the recovery of sums paid to a Director following confirmation of sustained performance.

The directors all hold permanent contracts, which include a six months' notice period.

None of the directors' contracts include any provision for compensation for early termination of employment.

The full Council of Governors determined the remuneration for Non-Executive Directors in 2011 and review remuneration levels periodically via the Council of Governors Remuneration Committee.

During 2021/22 the Council of Governors approved the recommendation to a 12 month extension to the tenure of the existing Chair of the Quality and Safety Committee/Non-Executive Director. This was to enable stability of the Trust's leadership and effective and robust recruitment of a replacement once the national crisis eases.

## Future Policy

The Trust's future policy is as outlined in the table below:

Item	Salary/Fees	Taxable Benefits	Annual Performance Related Bonus	Long Term Related Bonus	Pension Related Benefits
<b>Support for the short and long term objectives of the Foundation Trust</b>	Ensure the recruitment and retention of directors of sufficient calibre to deliver the Trust's objectives	All payments made relate to car lease or car allowance for staff with significant travel requirements for their role	As per the Performance Related Pay and Assessment Process section above	None paid	Ensure the recruitment and retention of directors of sufficient calibre to deliver the Trust's objectives
<b>How the component operates</b>	Paid in even twelfths	Paid in even twelfths	As per the Performance Related Pay and Assessment Process section above	None paid	Employee and employer contributions
<b>Maximum payment</b>	As set out in Senior Managers' Remuneration Table	As set out in Senior Managers' Remuneration Table	As per the Performance Related Pay and Assessment Process section above	None paid	As set out in Senior Managers' Remuneration Table
<b>Framework used to assess performance</b>	Trust appraisal system	Not applicable	As per the Performance Related Pay and Assessment Process section above	None paid	Not applicable
<b>Performance measures</b>	Tailored to individual posts	Not applicable	As per the Performance Related Pay and Assessment Process section above	None paid	Not applicable
<b>Amount paid for minimum level of performance and any further level of performance</b>	Salaries are agreed on appointment and set out in the contract of employment	Not applicable	As per the Performance Related Pay and Assessment Process section above	None paid	Not applicable

Item	Salary/Fees	Taxable Benefits	Annual Performance Related Bonus	Long Term Related Bonus	Pension Related Benefits
<b>Explanation of whether there are any provisions for recovery of sums paid to directors or provisions for withholding payments</b>	Any overpayments may be recovered	Any overpayments may be recovered	Any overpayments may be recovered	None paid	Any overpayments may be recovered

Non-Executive Directors are appointed on fixed terms contracts, normally three or four years in length, and they do not gain access to the Pension Scheme as a result of this engagement. The fee payable to Non-executive Directors is set out in the tables on the next pages. They do not receive any other payments from the Trust.

Any changes to the future policy will be discussed by the Remuneration Committee taking account of national arrangements.

### Service Contract Obligations

There are no obligations on the Trust which could give rise to, or impact on, remuneration payments or payments for loss of office but which are not disclosed elsewhere in the remuneration report.

### Policy on Payment for Loss of Office

Notice periods for all Executive Directors are set at six months. Any payments for loss of office will be made in accordance with NHS Terms and Conditions of Service and HM Treasury guidance 'Managing Public Money' where appropriate.

### Statement of Consideration of Employment Conditions

Employment conditions for Senior Managers mirrors those set out in Agenda for Change. The remuneration policy takes account of national pay comparators provided by NHS Improvement and the scale of any inflationary pay award.

## Annual Report on Remuneration

### Service Contracts

For each senior manager who has served during the year, the date of their service contract, the unexpired term and details of the notice period are set out below:

Officer	Start date	Unexpired term	Notice period
Collins, F Chairman	1 February 2015	31 January 2022 <i>left 31 January 2021</i>	N/A
Turner, H Chairman	1 February 2022	31 January 2025	N/A
Beacock, C Non-Executive Director	4 July 2016	3 July 2023	N/A
Hopwood, R Non-Executive Director	1 December 2019	30 November 2021 – <i>resigned 31 January 2021</i>	N/A
Gilbert, D Non-Executive Director	1 December 2015	30 November 2021	N/A
Turner, H Non-Executive Director	1 January 2017	31 December 2022 <i>Chair as of 1 Feb 2022</i>	N/A
Kingston, P Non-Executive Director	1 January 2019	31 December 2024	N/A
Tumilty A, Non-Executive Director	1 September 2021	31 August 2024 <i>resigned 31 March 2021</i>	N/A
Nawaz, S Non-Executive Director	1 February 2022	31 January 2025	N/A
Brandreth, M Chief Executive Officer	1 April 2016	N/A <i>resigned 31 July 2021</i>	6 months
Longfellow, R Chief Medical Officer	1 April 2021	N/A	6 months
Macbeth, C Chief Finance and Planning Officer	1 April 2017	N/A	6 months
Robinson, K Chief Performance, Improvement and OD Officer	1 November 2019	N/A	6 months
Keegan, S Chief Nurse and Patient Safety Officer And Interim Chief Executive Officer	18 November 2019 (Interim) 1 February 2020 (Substantive) 1 August 2021 (CEO)	N/A	6 months
Ellis Anderson, S Interim Chief Nurse	1 August 2021	N/A	6 months

## Disclosures Required by Health and Social Care Act

The following information is required by section 156 (1) of the Health and Social Care Act 2012, which amended paragraph 26 of Schedule 7 to the NHS Act 2006

### Senior Managers' Remuneration

For the purposes of this report 'senior managers' are defined as 'those persons in senior positions having authority or responsibility for directing the major activity of the Trust. The Trust's Chief Executive has agreed the definition.

The value of pension related benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. This derived value does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide. The pension entitlement table provides further information on the pension benefits accruing to the individual.

Senior Managers Remuneration 2021/22 (subject to audit)						
Name and Job Title	Salary & fees (bands of £5,000) £'000	Taxable benefits (to nearest £100) Note 1 £	Annual performance related bonuses (bands of £5,000) £'000	Sub total of remuneration paid by the Trust (bands of £5,000) £'000	All pension- related benefits (bands of £2,500) Note 2 £'000	Total (bands of £5,000) £'000
Frank Collins Chair (to Jan 22)	30 - 35			30 - 35		30 - 35
Harry Turner Non Executive Director (to Jan 22) & Chair (from Feb 22)	15 - 20			15 - 20		15 - 20
Chris Beacock Non Executive Director	10 - 15			10 - 15		10 - 15
David Gilbert Non Executive Director (to Nov 21)	5 - 10			5 - 10		5 - 10
Rachel Hopwood Non Executive Director (to Jan 22)	10 - 15			10 - 15		10 - 15
Paul Kingston Non Executive Director	10 - 15			10 - 15		10 - 15
Alison Tumilty Non Executive Director (from Sep 21)	5 - 10			5 - 10		5 - 10
Mark Brandreth Chief Executive (to Aug 21)	70 - 75	2,500	0 - 5	80 - 85	32.5 - 35	110 - 115

Stacey Keegan Chief Nurse (to Jul 21) & Acting Chief Executive (from Aug 21)	120 - 125	4,600	0 - 5	125 - 130	52.5 - 55	180 - 185
Sara Ellis-Anderson Acting Chief Nurse (from Aug 21)	55 - 60	0	0	55 - 60	50 - 52.5	105 - 110
Craig Macbeth Chief Finance Officer	105 - 110	4,600	0 - 5	115 - 120	25 - 27.5	140 - 145
Kerry Robinson Chief of Improvement, Performance & OD	95 - 97.5	4,600	0 - 5	100 - 105	22.5 - 25	125 - 130
Steve White Chief Medical Officer (to Apr 21)	10 - 15	0	0	10 - 15	0	10 - 15
Ruth Longfellow Chief Medical Officer	170 - 175	0	5 - 10	175 - 180	295 - 297.5	470 - 475

#### Notes

1. Taxable benefits relate to a car allowance.
2. Pension related benefits are based on the HMRC approved calculation and assume a pension will be drawn for 20 years from retirement. This excludes employee contributions.
3. The Chief Medical Officer's salary includes payments relating to clinical duties.

<b>Senior Managers Remuneration 2020/21</b>						
<b>Name and Job Title</b>	<b>Salary &amp; fees (bands of £5,000) £'000</b>	<b>Taxable benefits (to nearest £100) Note 1 £</b>	<b>Annual performance related bonuses (bands of £5,000) £'000</b>	<b>Sub total of remuneration paid by the Trust (bands of £5,000) £'000</b>	<b>All pension- related benefits (bands of £2,500) Note 2 £'000</b>	<b>Total (bands of £5,000) £'000</b>
Frank Collins Chairman	35 - 40			35 - 40		35 - 40
Chris Beacock Non Executive Director	10 - 15			10 - 15		10 - 15
David Gilbert Non Executive Director	10 - 15			10 - 15		10 - 15
Rachel Hopwood Non Executive Director	10 - 15			10 - 15		10 - 15
Paul Kingston Non Executive Director	10 - 15			10 - 15		10 - 15
Harry Turner Non Executive Director	10 - 15			10 - 15		10 - 15
Mark Brandreth Chief Executive (From Oct 20)	85 - 90	3,000	0 - 5	85 - 90	82.5 - 85	170 - 175

Craig Macbeth Chief Finance Officer	105 - 110	4,600	0 - 5	115 - 120	55 - 57.5	170 - 175
Stacey Keegan Acting Chief Executive (to Sep 20) & Chief Nurse (from Oct 20)	110 - 115	4,900	0	115 - 120	205 - 207.5	325 - 330
Chris Morris Acting Chief Nurse (to Sep 20)	25 -30	0	0	25 -30	0	25 -30
Kerry Robinson Chief of Improvement, Performance & OD	90 - 95	4,600	0 - 5	100 -105	32.5 - 35	130 - 135
Steve White Chief Medical Officer	145 - 150	0	0	145 - 150	0	145 - 150

#### Notes

1. Taxable benefits relate to a car allowance.
2. Pension related benefits are based on the HMRC approved calculation and assume a pension will be drawn for 20 years from retirement. This excludes employee contributions.

## Governor and Director Expenses

The following table provides details of expenses claimed by either Directors or Governors during the reporting period and provides comparative data for the previous year. All expenses relate to travel. Due to Covid, there are no expenses for governors as meetings have not been on-site.

Name	Role	2021/22	2020/21
<b>Directors</b>			
Frank Collins	Chairman	£1,558	£1,357
Chris Beacock	Non Executive Director	£0	£281
David Gilbert	Non Executive Director	£0	£337
Harry Turner	Non Executive Director / Chairman	£809	£157
Mark Brandreth	Chief Executive	£0	£300
Craig Macbeth	Director of Finance	£11	£11
Kerry Robinson	Director of Performance	£21	£55
<b>Governors</b>			
None		£0	£0
<b>Total</b>		<b>£2,399</b>	<b>£2,498</b>

## Fair Pay Multiple

NHS Foundation Trusts are required to disclose the relationship between the remuneration of the highest paid director and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

The remuneration figures include salary, non-consolidated performance related pay and benefits in kind, but not employer pension contributions and the cash equivalent transfer value of pensions.



The banded remuneration of the highest paid director in 2021/22 was £177,500 (2020/21 was £147,500). This is a change between years of 20%. This is due to the highest paid director being a different person in each year and the figures include work as other than a director, which differed between the two.

For employees of the Trust as a whole, the range of remuneration in 2021/22 was from £7,500 to £222,500 (2020/21 was from £7,500 to £202,500).

The percentage change in average employee remuneration (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 2.8%.

4 employees received remuneration in excess of the highest paid director in 2021/22.

The remuneration of the employee at the 25<sup>th</sup> percentile, median and 75<sup>th</sup> percentile is set out below. The pay ratio shows the relationship between the total pay and benefits of the highest paid director (excluding pension benefits) and each point in the remuneration range for the organisation's workforce.

The calculation is based on annualised full-time equivalent pay and benefits of all staff at the reporting period end date.

<b>2021/22</b>	<b>25th percentile</b>	<b>Median</b>	<b>75th percentile</b>
Total pay & benefits (excluding pension benefits)	19,918	25,655	39,027
Pay & benefits (excluding pension) : pay ratio for highest paid director	8.9	6.9	4.5

<b>2020/21</b>	<b>25th percentile</b>	<b>Median</b>	<b>75th percentile</b>
Total pay & benefits (excluding pension benefits)	19,337	26,970	37,890
Pay & benefits (excluding pension) : pay ratio for highest paid director	10.0	7.1	5.1

This calculation excludes agency workers as the Trust does not have sufficient data to provide a fair comparison to substantive staff pay. Agency worker costs vary by a number of factors including hourly rate, agency fees and on-costs with significant monthly movements driven by number of hours worked to support live workforce gaps. The Trust has reviewed agency workers as at 31<sup>st</sup> March and on an annualised basis there are 2 workers who could potentially receive remuneration in excess of the highest paid director in 21/22.

## Pension Entitlement

The CETV in the table below is the actuarially assessed capitalised value of the pension scheme benefits accumulated by a member at a particular point in time. The benefits valued are the member's accumulated benefits and any contingent spouse's pension payable from the scheme. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

The disclosures include accrued benefits derived from the member's purchase of added years of service and any "transferred-in" service.

<b>Senior Managers Pension Entitlement 2021/22</b>							
<b>Name and Job Title</b>	<b>Real increase in pension at pension age (bands of £2,500) £'000</b>	<b>Real increase in pension lump sum at pension age (bands of £2,500) £'000</b>	<b>Total accrued pension at pension age at 31 March 2022 (bands of £5,000) £'000</b>	<b>Lump sum at pension age related to accrued pension at 31 March 2022 (bands of £5,000) £'000</b>	<b>Cash Equivalent Transfer Value at 31 March 2022 £'000</b>	<b>Cash Equivalent Transfer Value at 31 March 2021 £'000</b>	<b>Real increase in Cash Equivalent Transfer Value £'000</b>
Mark Brandreth Chief Executive (to Aug 21)	2.0 - 2.5	0 - 2.5	65 - 70	135 - 140	1,165	1108	51
Stacey Keegan Chief Nurse (to Jul 21) & Acting Chief Executive (from Aug 21)	2.5 - 5	2.5 - 5	30 - 35	65 - 70	517	457	58
Sara Ellis-Anderson Acting Chief Nurse (from Aug 21)	2.5 - 5	2.5 - 5	10 - 15	20 - 25	181	143	37
Craig Macbeth Chief Finance Officer	0.0 - 2.5	0	40 - 45	85 - 90	795	749	42
Kerry Robinson Chief of Improvement, Performance & OD	0.0 - 2.5	0	20 - 25	0	250	223	25
Ruth Longfellow Chief Medical Officer	12.5 - 15	32.5 - 35	45 - 50	100 - 105	831	569	259

Information provided by the NHS Pensions Agency

<b>Senior Managers Pension Entitlement 2020/21</b>							
<b>Name and Job Title</b>	<b>Real increase in pension at pension age (bands of £2,500) £'000</b>	<b>Real increase in pension lump sum at pension age (bands of £2,500) £'000</b>	<b>Total accrued pension at pension age at 31 March 2021 (bands of £5,000) £'000</b>	<b>Lump sum at pension age related to accrued pension at 31 March 2021 (bands of £5,000) £'000</b>	<b>Cash Equivalent Transfer Value at 31 March 2021 £'000</b>	<b>Cash Equivalent Transfer Value at 31 March 2020 £'000</b>	<b>Real increase in Cash Equivalent Transfer Value £'000</b>
Mark Brandreth Chief Executive (From Oct 20)	5.0 - 7.5	5.0 - 7.5	60 - 65	135 - 140	1,108	989	103
Craig Macbeth Chief Finance Officer	2.5 - 5.0	2.5 - 5.0	40 - 45	85 - 90	749	669	69

Stacey Keegan Acting Chief Executive (to Sep 20) & Chief Nurse (from Oct 20)	7.5 - 10.0	22.5 - 25.0	25 - 30	60 - 65	457	283	169
Kerry Robinson Chief of Improvement, Performance & OD	0.0 - 2.5	0	20 - 25	0	223	190	30

Information provided by the NHS Pensions Agency

## Payments for Loss of Office

There were no payments for loss of office recorded in 2021/22.

## Payments to Past Senior Managers

No payments have been made to past senior managers during in 2021/22.

## Staff Report

### Staff Costs

Staff costs are shown in the table below. Costs have increased mainly due to pay awards and incremental drift.

	2021/22			2020/21
	Permanent £'000	Other £'000	Total £'000	Total £'000
Salaries & wages	58,171	351	58,522	57,509
Social security costs	5,686	-	5,686	5,150
Apprenticeship levy	285	-	285	253
Employer's contributions to NHS pensions	10,135	-	10,135	9,318
Pension cost - other	29	-	29	21
Termination benefits	123	-	123	21
Temporary staff		2,209	2,209	988
<b>Total gross staff costs</b>	<b>74,429</b>	<b>2,560</b>	<b>76,989</b>	<b>73,260</b>
Recoveries in respect of seconded staff	-868	-	-868	-1,399
<b>Total staff costs</b>	<b>73,561</b>	<b>2,560</b>	<b>76,121</b>	<b>71,861</b>
<i>Of which:</i>				
<i>Costs capitalised as part of assets</i>	117	-	117	146

### Average number of employees

The average number of employees on a whole time equivalent basis (WTE) is shown in the table below, analysed over professional groupings.

	2021/22			2020/21
	Permanent Number	Other Number	Total Number	Total Number
Medical & dental	141	2	143	139
Administration & estates	530	17	547	525
Healthcare assistants & other support staff	231	19	250	242
Nursing, midwifery & health visiting staff	293	12	305	301

Scientific, therapeutic & technical staff	200	8	208	192
Healthcare science staff	6	-	6	7
<b>Total average numbers</b>	<b>1,401</b>	<b>58</b>	<b>1,459</b>	<b>1,406</b>

## Exit packages

All exit packages agreed in 2021/22 and 2020/21 are shown in the table below.

Exit package cost band	2021/22			2020/21		
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
<£10,000	-	4	4	-	4	4
£10,001 - £25,000	-	-	-	-	-	-
<b>Total number</b>	<b>0</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>4</b>	<b>4</b>
<b>Total cost</b>	<b>£0</b>	<b>£22,000</b>	<b>£22,000</b>	<b>£0</b>	<b>£21,000</b>	<b>£21,000</b>

Analysis of the non-compulsory payments:

Exit package cost band	2021/22		2020/21	
	Number of agreements	Value of agreements	Number of agreements	Value of agreements
Contractual payments in lieu of notice	3	£14,000	4	£21,000
Non-contractual payments requiring HMT approval	1	£8,000	-	-
<b>Total number of exit packages</b>	<b>4</b>	<b>£22,000</b>	<b>4</b>	<b>£21,000</b>

## Trade Union Facility

Through our Recognition Agreement, we recognise a number of Trade Unions and Professional Associations for the purpose of collective bargaining on behalf of **all employees** who are directly employed by the Trust, whether full time or part time, permanent or temporary.

The members of each of these organisations elect representatives who work with us to represent their members. They can be carrying out union duties, which means that under legislation, employers are obliged to pay elected representatives to carry it out. They can also be carrying out union activities – which means that employers are not legislatively obliged to provide paid time to elected representatives.

The overarching term 'facility time' covers both union duties and activities.

Where facility time is paid, payment is made at the amount the representative would otherwise have received had they been at work. Where union duties are in addition to the normal contracted hours of the individual accredited representative, payment is made at single time or the equivalent time off given – no overtime pay is applicable.

It is our statutory duty to publish this information for the previous financial year by the end of July each year and our publications can be found via the following link: <https://www.rjah.nhs.uk/About-Us/Publications/Corporate-Documents/Facility-Time.aspx>

### Staff gender distribution

A breakdown of the number of persons who were directors of the Trust, senior managers and other employees during 2021/22 is shown below:

	Male	Female
Executive Directors	1	3
Non-executive Directors	6	2
Other senior managers	6	11
Other employees	438	1438
<b>Total</b>	<b>451</b>	<b>1454</b>

### Staff Sickness Absence

The sickness absence figures in the table below are provided to the Trust, calculated from statistics published by NHS Digital. They are for the year January – December 2021, due to timing difficulties with financial year data. The Department of Health & Social Care considers the figures to be a reasonable proxy for the financial year.

2021		
Average FTE 2021	FTE Days Lost 2021	Average Sick Days per FTE 2021
1,398	13,057	9.3

Note: FTE = Full Time Equivalent

### Staff Equality and Diversity

The age, ethnic breakdown, staff gender distribution and number of staff with recorded disabilities is shown below:

The trust employed 1905 staff at 31<sup>st</sup> March 2022. There has been a notable reduction in staff numbers since previous report due to the transfer of Vaccination Centre staff to Shropshire Community Trust who are now the lead employer for the service.

The demographic profiles of our staff are shown below:

Age Range	Headcount	% Headcount
19 and below	23	1%
20 - 29 Years	237	12%
30 - 39 Years	429	23%

40 - 49 Years	425	22%
50 - 59 Years	522	27%
60 and above	269	14%
<b>Total</b>	<b>1905</b>	

Gender	Headcount	% Headcount
Female	1454	76%
Male	451	24%
<b>Total</b>	<b>1905</b>	

Ethnicity	Headcount	% Headcount
Any Other Ethnic Group	13	0.68%
Asian or Asian British	62	3.26%
Black or Black British	19	1.00%
Chinese	5	0.26%
Mixed - Any mixed background	12	0.63%
Not stated	106	5.56%
White - British	1595	83.73%
White - Other	93	4.88%
<b>Total</b>	<b>1905</b>	

Part Time/Full Time	Full Time	Part Time	% of Gender Full Time	Total
Female	573	881	39.4%	1454
Male	342	109	75.8%	451
<b>Total</b>	<b>864</b>	<b>1649</b>		<b>1905</b>

## Staff Turnover

Staff turnover continues to be monitored by the Trust Board, through the Integrated Performance Report.

The Trust maintained voluntary turnover below the threshold until quarter 3. We will continue to reduce avoidable turnover through actions in response to our staff survey, in particular developing our people's potential and their careers and supporting work-life balance.

## Supporting Staff with Disabilities

The Trust's policies ensure full and fair consideration is given to all job applications from people with a disability and ensures adaptations and support are available to facilitate the continued employment and training of staff with a disability.

Recruitment data is collected and analysed to ensure applicants to the Trust are free from any form of discrimination. Candidates who declare themselves as having a disability and who meet the essential requirements of the job description and person specification are guaranteed an interview by the Trust.

In the event that a staff member becomes disabled while employed by the Trust, the Trust's policies ensure support, reasonable adjustments to the role or alternative roles are offered to enable them to remain in employment.

## Health and Safety

Health and Safety incidents were monitored on an ongoing basis throughout the year. All incidents were investigated, and remedial actions taken to prevent or reduce the likelihood of reoccurrence.

Those incidents reported involving specified injuries, dangerous occurrences or resulting in a member of staff taking more than seven days off work as a result of a work-related accident were also reported to the Health and Safety Executive (HSE) under the Reporting of Injuries Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR).

During 2021-22 there were seven incidents reported to the HSE under the requirements of the RIDDOR regulations, compared with eight in 2020-21 and five in 2019-20. No regulatory action or sanction was received in respect of the reported incidents.

The Chief Nurse retained Board-level responsibility for health and safety until December 2021 when responsibility transferred to the Chief Finance Officer. The Trust employed a 0.4 WTE Health and Safety Manager to comply with the requirement to appoint a competent person under section 7(1) of the Management of Health and Safety Regulations 1999.

A Health and Safety Committee met bi-monthly, chaired by the Director of Estates and Facilities, and included health and safety representatives from staff side unions in compliance with the Safety Representatives and Safety Committees Regulations, 1977.

## Staff Engagement

Culture and Leadership is one of the four strategic themes and its work streams underpin the five year People Plan: Make the Difference which has the objective: "To continuously improve our performance through consistently bettering our employee experience" and ambition: "to be an extraordinary place to work" and cultural aim: "to move from 'Rebuilding Relationships' to everyone wanting to 'Make the Difference'".

## Countering fraud and corruption

The Trust has in place a Local Counter Fraud Specialist team who oversee any investigations of potential fraud. On an annual basis the Trust assesses the effectiveness of its counter fraud service and this is reported to the Audit Committee. Both Lead and Support Local Counter Fraud Specialists

at the Trust have access to the new fraud case management system, CLUE, which will assist them in the investigation and reporting of allegations.

The Trust has in place security and counter fraud policies to ensure compliance with NHS Counter Fraud Authority guidance. The Trust has an established Counter Fraud Protocol which outlines the role of the Local Counter Fraud Specialist and the cross over and interaction with the Trust's Local Security Management Specialist.

The Trust has transitioned to the Government Functional Standard for Fraud, Bribery and Corruption recently introduced by the Cabinet Office to help ensure consistency of approach across the public sector.

In line with national guidance the Trust employs a Managing Conflicts of Interest Policy in order to provide a clear outline of the Trust's position on issues where there is the potential for conflict to arise such as through the acceptance of gifts and hospitality. The policy also outlines the requirements on senior staff, consultants and approvers on the Trust's procurement system with regard to the declaration of interests.

In 2021, the counter fraud team conducted a review of the Trust's processes around Covid-19 related procurement and were able to provide positive post-event assurance.

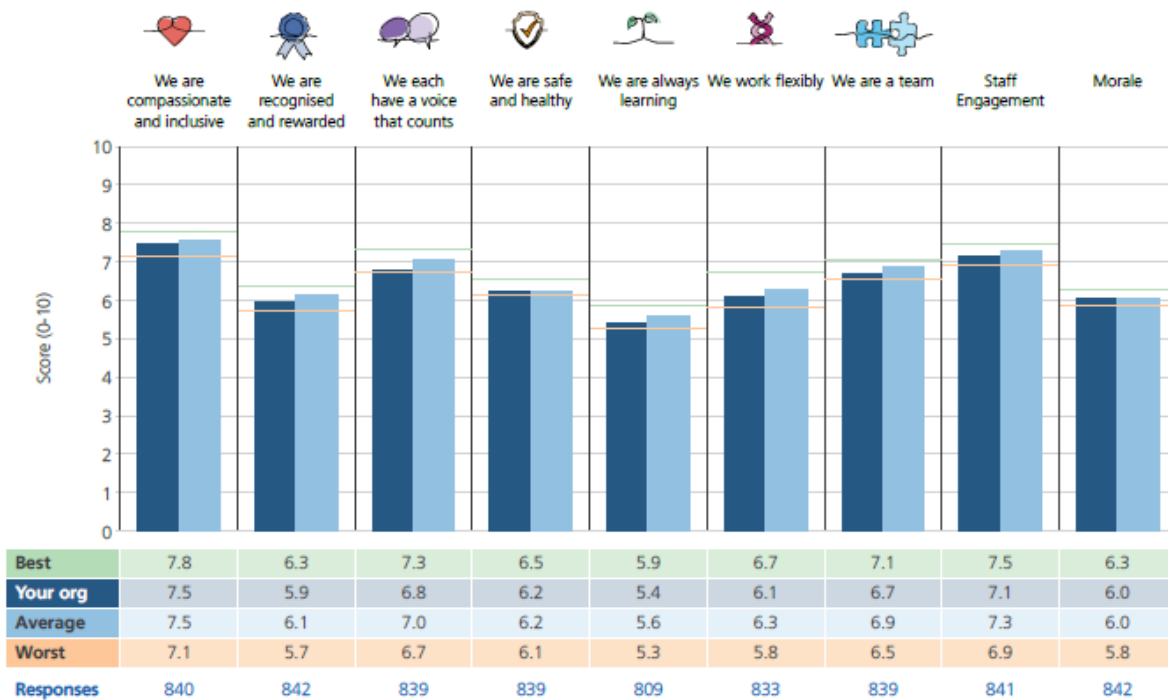
### Staff Survey Results

All RJAH colleagues were invited to participate in the National NHS Staff Survey between October and November 2021. The survey results are reported in a benchmark format, with our organisation benchmarked against 13 other Acute Specialist Trusts. 52% of our people participated in the 2021 survey, which was slightly below the median response rate in our benchmark group.

We are proud that that our organisation remains best in our benchmark group when responding to the question if a friend or relative needed treatment staff would be happy with the standard of care provided by the organisation and we have been best scoring organisation in our benchmark group for each of the last 5 years.

For the 2021 survey, questions were aligned to the People Promise (which sets out in the words of NHS staff, the things that would most improve their working experience).





Our scores demonstrates that within our benchmark group we were average in the following People Promise Themes:

- **We are compassionate and inclusive.** We saw an improvement in percentage of respondents who said the organisation acts fairly about career progression/promotion regardless of ethnic background, gender, religion, sexual orientation, disability or age.
- **We are safe and healthy.** Our scores showed a reduction in the percentage of staff saying they had experienced at least one incident of bullying or abuse from managers compared to last year
- **Morale.** We scored best within the benchmark group with the lowest percentages of staff agreeing that they would probably look for a job at a new organisation in the next 12 months or staff agreeing that as soon as they can find another job, they would leave this organisation. These were however a deterioration in comparison to the views of staff last year.

We recognise from our results this year that further work is required to ensure improvements in recognition and value of our people; developing their potential and careers; supporting their work-life balance and enabling our teams through autonomy and freedom in how they work.

Question	Historic Scores				2021	Benchmark comparison		
	2017	2018	2019	2020		2021 Worst	2021 Average	2021 Best
The extent to which my organisational values my work	43.3%	55.0%	53.3%	53.5%	42.1%	42.1%	47.5%	52.4%
There are opportunities for me to develop my career in this organisation					46.2%	46.2%	55.7%	60.6%
I have opportunities to improve my knowledge and skills					64.6%	64.3%	60.2%	75.3%

I feel supported to develop my potential					51.6%	51.6%	56.6%	62.7%
Satisfaction with the opportunities for flexible working patterns	48%	56.3%	58%	61%	51.4%	50.4%	56.6%	65.2%
My team has enough freedom in how to do its work					56.2%	56.2%	62.6%	65.3%
Teams within this organisation work well together to achieve their objectives					52.2%	52.2%	55.6%	68.3%

## Expenditure on consultancy - Off-payroll arrangements

The table below provides details of the Trust's off payroll engagements during 2021/22 and comparator data for the previous years.

Off- payroll engagements as at 31 March 2022, for more than £220 per day and lasting more than six months	2021-22	2020-21	2019-20	2018-19
Number of existing engagements as at 31 March 2022	12	2	13	13
Of which				
have existed for less than one year at the time of reporting	9	1	8	7
have existed for between one and two years at the time of reporting	2	1	2	4
have existed for between two and three years at the time of reporting	1	0	1	2
have existed for between three and four years at the time of reporting	0	0	2	0
have existed for four or more years at the time of reporting	0	0	0	0
<b>Assurance has been sought and received from all of the individuals above that they have made appropriate arrangements for the payment of their tax liabilities</b>				
New Off- payroll engagements or those that reached six months duration between 1 April and 31 March 2022, for more than £220 per day and lasting more than six months	2021-22	2020-21	2019-20	2018-19
New Off- payroll engagements or those that reached six months duration between 1 April and 31 March 2022, for more than £220 per day and lasting more than six months	9	1	8	7
Number of the above which include contractual clauses giving the Trust the right to request assurance in relation to Income tax and National Insurance obligations	9	1	8	5
Number of whom assurance has been requested	9	1	8	0
Of which				
Assurance has been received	9	1	8	
Assurance has not been received	-	-	-	-
have been terminated as a result of assurance not being received	-	-	-	-
Off- payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April and 31 March 2022	2021-22	2020-21	2019-20	2018-19
Off- payroll engagements of board members, and/or senior officials with significant financial responsibility during the financial year	0	0	0	-
Number of individuals that have been deemed board members, and/or senior officials with significant financial responsibility during the financial year. NB includes both off-payroll and on-payroll engagements	0	0	0	1



Stacey Keegan  
Interim Chief Executive Officer  
21 June 2021

## NHS Foundation Trust Code of Governance Disclosures

### Statement of compliance with the NHS Foundation Trust Code of Governance

The Robert Jones and Agnes Hunt Orthopaedic NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

The Trust is a public benefit corporation established under Section 35 of the National Health Service Act 2006. The Board attaches great importance to ensuring that the Trust operates to high ethical and compliance standards. In addition it seeks to observe the principles set out in the NHS Foundation Trust Code of Governance.

The Board is responsible for the management of the Trust and for ensuring proper standards of corporate governance are maintained. The Board accounts for the performance of the hospital and consults on its future strategy with its members through the Council of Governors.

The Council of Governors' role is to influence the strategic direction of the Trust to take into account the needs and views of the members, local community and key stakeholders, to hold the Board to account for its performance, to develop a representative, diverse and well-involved membership and to make a noticeable improvement to the patient experience. It also has to undertake other statutory and formal duties, including the appointment of the Chairman and Non-Executive Directors of the Trust and appointment of the external auditors.

In the event of a dispute between the Board and the Council a disputes procedure is described in the Constitution.

In accordance with its Licence, the Trust has in place mechanisms in its Constitution to ensure that no person who is an unfit person may become or continue as a governor, except with the approval in writing of NHS Improvement.

The Board has established governance policies that reflect the principles of the NHS Foundation Trust Code of Governance; these include:

- Corporate Governance Framework incorporating the Standing Orders of the Board of Directors, Standing Orders of the Council of Governors, Scheme of Reservation and Delegation of Powers, and Standing Financial Instructions.
- Established role of Senior Independent Director.
- Regular private meetings between the Chair and the Non-Executive Directors.
- Performance Appraisal Process for all Non-Executive Directors, including the Chairman, developed and approved by the Council of Governors.
- Attendance records for directors and governors at key meetings.
- Register of Interests – directors, governors and senior staff.
- Established role of Lead Governor.
- Regular communication between the Chair and governors to advise matters reviewed at Board meetings.

## Trust Code of Governance Continued

- Effective Council of Governors' sub-committee structure with quarterly meetings of the Council of Governors
- Council of Governors' agenda-setting process.
- Board Review and Remuneration Committee of the Board.
- Nominations Committee of the Council of Governors.
- Agreed recruitment process for Non-Executive Directors.
- High quality reports to the Board and Council of Governors.
- Council of Governors' presentation of performance and achievement at Annual Members Meeting.
- Code of conduct for governors.
- Quarterly review of the Trust's membership
- Robust Audit Committee arrangements.
- Ensuring robust governance arrangements are in place supported by an effective assurance framework that supports sound systems of internal control.
- Ensuring rigorous performance management which ensures that the Trust continues to achieve all local and national targets.
- Seeking continuous improvement and innovation.
- Measure and monitor the Trust's effectiveness and efficiency.
- Ensuring that the Trust, at all times, is compliant with its Licence, as issued by the sector regulator NHS Improvement.
- Exercising the powers of the Trust established under statute, as described within the Trust's Constitution

## Meet the Trust's Council of Governors

The Council of Governors consists of nine Public Governors, three Staff Governors and three Stakeholder Governors. The Trust's Governor can be contacted via the following email address: [rjah.governors@nhs.net](mailto:rjah.governors@nhs.net)



**Katrina Morphet**  
Public Governor – Cheshire and Merseyside



**Phil White**  
Public Governor - Rest of England & Wales



**Kate Betts**  
Staff Governor



**Allen Edwards**  
Staff Governor



**Kate Chaffey**  
Staff Governor



**Peter David**  
Stakeholder Governor



**Tony Wright**  
Public Governor - West Midlands



**Sue Nassar**  
Public Governor - Shropshire



**Victoria Sugden**  
Public Governor - Shropshire



**Colin Chapman**  
Public Governor - Shropshire



**William Greenwood**  
**Lead Governor** - Public Governor - Powys



**Colette Gribble**  
Public Governor – North Wales



**Simon Jones**  
Stakeholder Governor



**Karina Wright**  
Stakeholder Governor

## Council of Governors Terms of Office and Elections

Type of Governor	Constituency	Term of Office Years	Appointed / Elected	Date Term in Office Ends
<b>Stakeholder Governors (Appointed)</b>				
Karen Calder	Shropshire Council	-	-	-
Karina Wright	Keele University	-	-	-
Peter David	Voluntary Services Committee	-	-	-
<b>Staff Governors (Elected)</b>				
Kate Chaffey	Staff	3	30 Jun 21	30 Jun 24
Allen Edwards	Staff	3	30 Jun 21	30 Jun 24
Kate Betts	Staff	3	11 Apr 19	10 Apr 22
<b>Public Governors (Elected)</b>				
Colin Chapman	Shropshire	3	30 Jun 21	30 Jun 24
Jan Greasley	North Wales	1	28 Jun 19	29 July 21*
Tony Wright	West Midlands	3	6 Oct 21	6 Oct 24
Sue Nassar	Shropshire	3	7 Aug 19	6 Aug 22
Victoria Sugden	Shropshire	3	7 Aug 19	6 Aug 22
Phil White	Rest of England and Wales	3	30 Jun 21	30 Jun 24
Colette Gribble	North Wales	3	30 Jun 21	30 Jun 24
William Greenwood	Powys	3	11 Apr 19	10 Apr 22
Katrina Morphet	Cheshire and Merseyside	3	30 Jun 21	30 Jun 24

\* Governor tenures extended with Council of Governor agreement due to Covid-19 situation

The Council approved an extension of the tenure of the previous Lead Governor; Jan Greasley. Jan's role to July 2021 in order to maintain stability of the leadership of the Council of Governors. William Greenwood was appointed Jan's successor.

## Council of Governor Meetings

During 2021/22 the Trust held four meetings of the Council of Governors. The Trust recognises the importance of these meetings in ensuring that the members of the Board of Directors, and in particular the Non-Executive Directors, develop an understanding of the views of the Governors and it's members.

Attendance at the Council of Governors meetings by the Executive and Non-Executive Directors is outlined below. It should be noted that the Executive Directors are not members of the Council and therefore attendance is not a requirement but on an adhoc basis to support specific agenda items:

Name	Council of Governors
<b>Total 2021/22</b>	<b>4</b>
Frank Collins, Chairman	3
Hilary Pepler, Board Advisor	3
Sarfraz Narwaz, Associate Board Advisor	2
Harry Turner, Non-Executive Director	3
Chris Beacock, Non-Executive Director	3
David Gilburt, Non-Executive Director	1
Paul Kingston, Non-Executive Director	3
Rachel Hopwood, Non-Executive Director	1
Alison Tumilty, Non-Executive Director	1
Mark Brandreth, Chief Executive Officer	2
Craig Macbeth, Chief Finance and Planning Officer	1
Shelley Ramtuhul, Trust Secretary	4
Stacey Lea Keegan, Chief Nurse and Patient Safety Officer	4

## Membership

The Trust reviews its membership on a quarterly basis at the Council of Governors meeting. This review looks at the number of members and analyses the demographic information to ensure that, as far as possible, the membership remains representative of the community the Trust serves. The table below provides a breakdown of the membership by constituency for the financial year 2021/22. In addition there were 1,198 staff members at the end of March 2022.



	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
<b>Cheshire &amp; Merseyside</b>	352	353	353	353	350	350	355	355	357	357	357	357
<b>North Wales</b>	933	932	927	928	926	927	930	929	931	927	928	926
<b>Powys</b>	536	536	535	535	535	533	537	537	536	534	537	537
<b>Shropshire</b>	2,700	2,698	2,700	2,699	2,699	2,700	2,744	2,748	2,748	2,752	2,750	2,750
<b>West Midlands</b>	525	522	522	521	519	519	531	529	529	528	528	529
<b>Rest of England &amp; Wales</b>	246	245	245	246	246	245	248	249	249	249	249	249
<b>Out of Trust Area</b>	64	77	79	88	98	105	64	76	80	96	98	118
<b>Total</b>	5,356	5,363	5,361	5,370	5,373	5,379	5,409	5,423	5,430	5,443	5,447	5,466

In 2015 the Trust set its Membership Strategy which aimed to achieve a 5% increase year on year. This was reviewed in July 2020 when it was agreed that the Trust had a stable membership profile and that a year on year increase rather than a specific % increase would be more appropriate.

For 2021/22 the Trust achieved a membership of 6644 compared to 6504 in 2020/21 and therefore there has been an increase in membership of 2.2%.

## NHS Improvement's System Oversight Framework

NHS England and NHS Improvements' NHS system Oversight Framework provides the framework for overseeing systems including providers and identifying potential support needs. The framework looks at five national themes:

- Quality of care, access and outcomes
- Preventing ill health and reducing inequalities
- Finance and use of resources
- People
- Leadership and capability

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.

In summer 2021, the Trust had an MRSA outbreak. As part of the process, several reviews were undertaken by our internal teams at the hospital, colleagues from the wider healthcare system in Shropshire, Telford and Wrekin, and by our regulators including NHS England and Improvement (NHSEI). These reviews identified various improvements that needed to be made, and actions were taken to improve our cleanliness standards and storage.

Following this, the Trust had two further inspections from NHSE/I in October 2021 and February 2022, which acknowledged the improvements which had been made, but also identified further improvements required relating to cleanliness, assurance and governance arrangements for infection prevention and control (IPC), as well as areas of the Trusts estate.

In May 2022 the Trust received confirmation from NHSE/I that the organisation would be moved from segment 2 to segment 3 on the System Oversight Framework (SOF3).

Some of the actions and improvements implemented as part of the improvement plan include:

- Completion and implementation of the six immediate actions identified by NHS E/I in February
- Significant work has been completed on wards to improve the estate
- An IPC improvement plan has been devised which cover 9 key themes:
  - Leadership and culture
  - Workforce
  - Governance
  - Cleanliness
  - Estates
  - Equipment and storage
  - Hand Hygiene/Bare Below the Elbow
  - Training
- Communications and Trust-wide learning
- Additional Executive and Board oversight has been implemented including an IPC Quality Assurance Committee chaired by a Non-Executive Director which reports directly to the Board of Directors on a monthly basis

- NHSE/I has supported the Trust by appointing an Improvement Director to work with the senior leadership team.

## Segmentation

This segmentation information is the Trust's position as at 16 May 2022. Current segmentation information for the Trust is published on the NHS England and NHS improvement website: <https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/>

## Governance using the Well-Led Framework

The Board of Directors ensures that the principles set out in the Well-Led Framework not only inform their work, but are also embedded across the organisation. For example, the Board receives regular reports on all aspects Trust performance, and ensures that these address each of the eight Key Lines of Enquiry as set out in the Framework. Further detail about the Trust's approach to ensure that its services are Well-Led is set out in the Annual Governance Statement later on in this report.

**STATEMENT OF THE CHIEF  
EXECUTIVE'S RESPONSIBILITIES  
AS THE ACCOUNTING OFFICER OF  
THE ROBERT JONES AND AGNES  
HUNT ORTHOPAEDIC HOSPITAL  
NHS FOUNDATION TRUST**

## Statement of the Chief Executive Officer's Responsibilities as the Accounting Officer of The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust

The NHS Act 2006 states that the Chief Executive Officer 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 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 Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

In preparing the accounts and overseeing the use of public funds, the Accounting Officer is required to comply with the requirements of the Department of Health and Social Care's 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 and Social Care 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
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the Foundation Trust's performance, business model and strategy, and
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation Trust and to enable them 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 Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as I am aware, there is no relevant audit information of which the Foundation Trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

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

A handwritten signature in black ink, appearing to read 'SK', with a long horizontal flourish extending to the right.

Stacey Keegan  
Interim Chief Executive Officer  
21 June 2022

# ANNUAL GOVERNANCE STATEMENT 2021/22

### Scope of responsibility

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

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust "(the 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 Trust for the year ended 31 March 2022 and up to the date of approval of the annual report and accounts.

### Capacity to handle risk

The Trust considers that risk management is everyone's business ranging from staff taking individual responsibility for the safety of themselves, their colleagues or patients to Executive Director responsibility for strategic risks or the Non-Executive responsibilities for robust challenge of effective risk management and assurance of adequate control.

The Trust has in place a robust Risk Management Strategy which outlines its vision for risk management and defines the Trust's approach, as endorsed by the Board of Directors. This strategy was last reviewed in 2019 and is due for further review in 2022. The strategy has been distributed throughout the Trust and is available to staff on the Trust intranet. As part of the strategy the Trust Board agrees its Risk Appetite and Tolerance on an annual basis and this was last reviewed in May 2022.

The Risk Management Strategy delegates leadership and responsibilities for risk management to the following senior managers and Executive Directors:

### Chief Executive Officer

- Accounting Officer
- Maintain a sound system of internal control
- Prudent and economic administration of the organisation
- Strategic leadership for the Trust's Information Management and Technology infrastructure and services



### **Chief Finance and Planning Officer**

- Advise Board on Financial Strategy and Management
- Ensure sound financial management, including compliance with SFIs
- Ensure that external financial reporting complies with the relevant standards
- Ensure that there are systems in place to meet the Trust's operational targets and objectives
- Ensure sound financial management of the Capital Programme

### **Chief Nurse and Patient Safety Officer**

- Board lead for Quality and Safety (in conjunction with the Chief Medical Officer)
- Sound Clinical Governance
- Professional Leadership of Nursing Staff and Allied Health Professionals
- Patient and Public involvement
- DIPC (Director of Infection Prevention and Control)
- Information Governance, Caldicott Guardian
- Oversight of risk management process
- Accountable Officer for controlled drugs
- Health and Safety management and compliance with statutory requirements

### **Chief Medical Officer**

- Responsible Officer including the appraisal, revalidation and performance management of medical staff
- Professional Leadership of Medical Staff
- Ensure that medical staff have the requisite skills to provide high quality medical care
- Lead on clinical governance, accountability and quality (in conjunction with the Chief Nurse and Patient Safety Officer)
- Lead for the Clinical Services Strategy (in conjunction with the Director of Strategy and Planning)
- Leading the Trust's relationships with General Practitioners and Medical Schools
- Lead medical input into litigation and claims management
- Ensure that sound governance arrangements are in place for research

### **Chief People Officer**

- Effective matching of workforce to activity
- Leading and facilitating continuous professional development
- Develop the leadership capacity and capability

### **Chief Improvement, Organisational Development and Performance Officer**

- Ensuring the Trust has adequate oversight of its performance.
- Strategic leadership for the Trust's service improvement framework and agenda
- Ensuring the development and implementation of the Organisational Development Strategy
- Design and ensure the effective operation of the Trust's process of continuous improvement

### **Trust Secretary/Director of Governance**

- Provide central support and advice to the Board regarding the establishment of an effective system of internal control

- Develop and maintain the Trust's Board Assurance Framework
- Senior lead for risk management, patient experience, health and safety and clinical audit and reporting to the Chief Nurse and Patient Safety Officer for these aspects of the role
- The Trust's Data Protection Officer in accordance with the General Data Protection Regulation (GDPR)

### Clinical Chairs / Managing Directors / Assistant Chief Nurses and Chief of Professions

- Manage risks at a local level and developing an environment where staff are encouraged to identify and report risk issues proactively
- Maintain a risk register and presenting key risks to the Risk Management Committee on a bi-monthly basis
- Ensure that their staff report immediately any near-miss incidents, adverse incidents and serious incidents, using the Trust's incident reporting procedure
- Provide appropriate feedback regarding specific incidents reported and implement recommendations following investigations to reduce the likelihood of recurrence
- Efficient delivery of operational and clinical support services
- Implementation of national policy on waiting list targets
- Ensure that there are systems in place to meet the Trust's operational targets and objectives

### Director of Digital

- As Senior Information Risk Owner (SIRO) ensuring that risks to data security are recognised and managed
- Lead Executive for Cyber Security

Risk awareness is promoted throughout the organisation with all staff expected to have an understanding of the Trust's incident reporting procedure and knowledge of the process for escalating risks. Staff are trained in risk management awareness both at induction for new starters and as refresher training; in addition drop-in sessions are held every month for staff.

## The Risk and Control Framework

### Risk Management Strategy

The Trust's Risk Management Strategy sets out the framework and systems for implementation of risk management and governance in the Trust. This strategy was reviewed and updated by the Board of Directors in October 2019 and is next due for review in 2022.

The strategy clearly defines how risks are identified, reviewed, managed and, where appropriate, escalated. Further, it sets out individual and committee roles and responsibilities and defines the levels of authority for the management of identified levels of risk. It also describes the Trust's interpretation and definition of 'acceptable risk'.

The Trust's approach to risk management is one of proactive identification, mitigation and monitoring with oversight at divisional level through governance meetings, at a corporate level through the Risk Management Committee and at Board level through use of the Board Assurance Framework.

The Trust utilises an online risk management database to escalate risks up and down through the organisation in accordance with the matrix outlined in the Risk Management Strategy.

The strategy includes the following key elements:

- It describes what is meant by 'risk management'
- It identifies the roles and responsibilities of all staff within the Trust
- It clearly describes the roles and responsibilities of the key accountable officers
- The training requirements for staff
- It sets out the process of risk management as follows:
  - i. Risk identification
  - ii. Risk evaluation
  - iii. Risk recording
  - iv. Risk treatment and escalation

The Board of Directors is responsible for setting the Trust's risk appetite on an annual basis according to its present position and anticipated direction of travel for the financial year ahead. The defined appetite is then applied through implementation of the Trust's Risk Management Strategy.

The Board Assurance Framework is the key tool used by the Board of Directors to assure itself of the efficacy of the control framework. This sets out the principal risks to delivery of the Trust's strategic objectives. An Executive Director is identified as the lead for each risk and attends the monthly Risk Management Committee which reports to the Board of Directors. This Committee has oversight of the effectiveness of the operational management of risk with the Audit and Risk Committee overseeing the effectiveness of the governance framework and controls.

In addition there are several internal and external assurances gained throughout the year through sources such as:

Internal
<ul style="list-style-type: none"><li>• Strategic and business planning</li><li>• Adverse incident analysis</li><li>• Complaints</li><li>• Claims</li><li>• Analysis of compliance with statutory duties and guidance</li><li>• Intelligence from internal health and safety, fire or security inspections</li><li>• Internal Audit</li></ul>

## External

- Safety alerts or hazard warnings
- External body recommendations
- New legislation
- External inspections or assessments
- External Audit
- Regulatory reviews

The Trust utilises a risk assessment matrix to ensure a consistent approach is taken to assessing the potential consequences and likelihoods of risks and furthermore that appropriate action is taken to address each risk based on the resulting risk score. This process of assessment is conducted via the online risk management system referenced previously.

The Trust is committed to ensuring that any potential risks are mitigated to the lowest possible level and where possible negated altogether and uses both internal and external expertise, as required, to decide on the most appropriate treatment of identified risks.

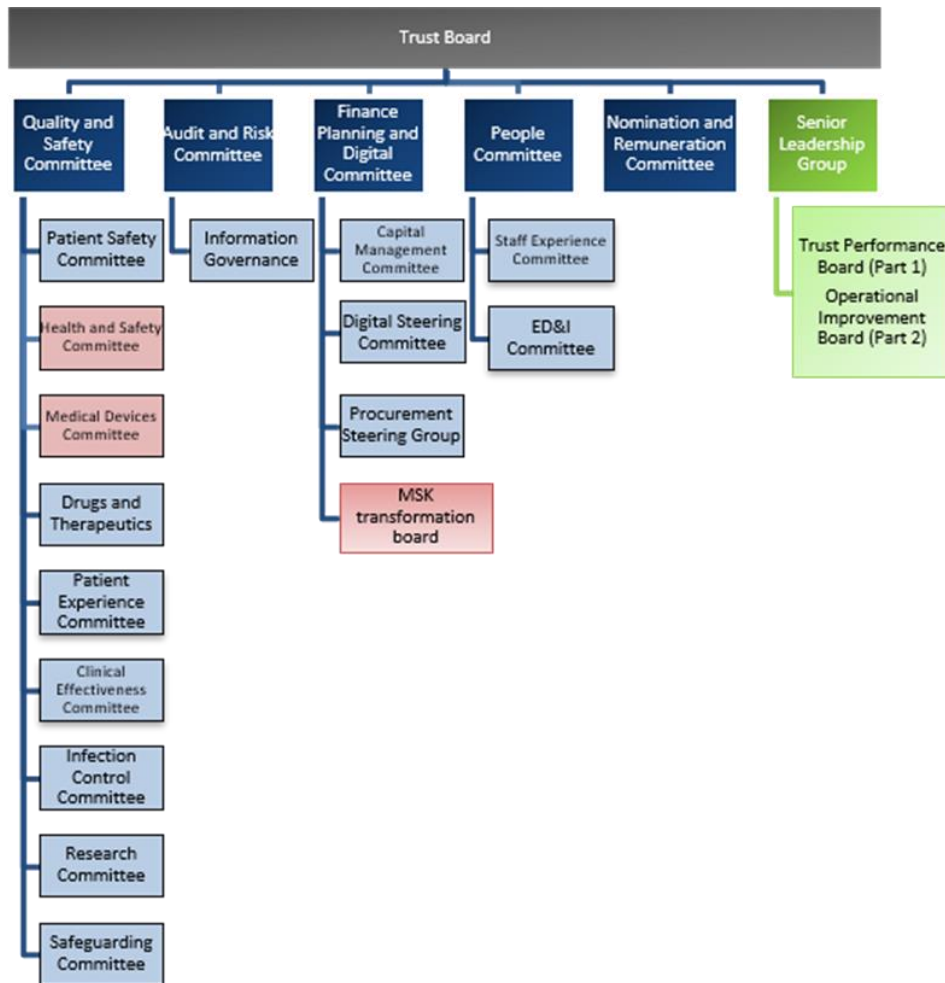
### Governance Framework of the Organisation

The Trust has continued to develop its governance structures over the last 12 months in line with internal and external audit recommendations. The structures in place are aimed at delivering an integrated governance agenda. Integrated governance is the combination of systems, processes and behaviours which the Trust uses to lead, direct and control its functions in order to achieve its organisational objectives.

During the initial period of the first wave of the pandemic and during the second wave the Trust evaluated its governance framework and reduced the frequency of meetings for a short period where possible in order to release management capacity. The meetings were however replaced with informal briefings with the Non-Executive Directors to ensure that independent oversight and scrutiny remained. The meetings have since been re-instated and the Trust continue to work toward reverting back to pre-pandemic ways of working whilst adhering to national guidelines.

### Board Assurance Structure

The Board of Directors leads on integrated governance and delegates key duties and functions to its committees whilst retaining certain decision-making powers on strategy and aspects of financial management. The diagram below sets out the committee structure for 2021/22:



Footnote:

1. Green                    Operational meeting
2. Navy                    Assurance meetings reporting directly to the Board
3. Pink                    Changes which have been established in 2021/22.
4. The Trust will schedule Joint Audit & Risk and Quality and Safety Meeting as and when required, this has strengthened governance across the Board.
5. The Trust agreed to amalgamate the Audit and Risk Management Committees in October 2022, therefore the Medical Devices Committee, MSK Transformation Board and the Health and Safety Committee were realigned to other assurance committees

The roles and responsibilities of the Board Committees are described more fully below and performance of these committees is evaluated on an annual basis with onward reports to the Audit and Risk Committee. During the pandemic all meetings were held virtually but the Trust has since reverted to face to face Board meetings and has plans to further re-instate face to face meetings as the assessment of risk allows.

### Board of Directors

The Board meets regularly to discuss an agenda based on four key elements:

- Strategy and Policy
- Performance and Governance
- Quality and Safety
- People and Workforce

The Board is responsible for setting the organisation’s strategy and for ensuring that the Trust meets its statutory duties and effectively manages risk. The Board gains assurance through the Board Assurance Framework. The Board holds prime responsibility for corporate governance and the

development of systems and processes for internal control, including risk management, the Board Assurance Framework and compliance with Care Quality Commission (CQC) regulations. The Board Assurance Framework is tabled for discussion at each of the assurance Committees meetings for consideration and approval. The Committees have the opportunity to reflect on the risks aligned to their remit and recommend any amendments to the Audit and Risk Committee before presentation to the Board of Directors on a quarterly basis.

The Board maintains responsibility for setting and approving work plans and monitoring the delivery of planned objectives. The Board of Directors regularly receives reports from its committees on the business covered, risks identified, and action taken as well as regular performance related reports.

The Board is responsible for ensuring the financial viability through the establishment of effective financial stewardship.

Membership of the Board comprises the Trust Chairman, Chief Executive, Non-Executives and Executive Directors with attendance from non-voting Directors and the Trust Secretary.

### *Audit and Risk Committee*

The Audit and Risk Committee is accountable to the Board and is responsible for ensuring there is an effective system of risk management and internal control across the Trust. In October 2021, the operational management of risk was aligned with the Audit Committee to streamline oversight and assurance of the processes and systems. The Committee has since been named the Audit and Risk Committee. The Committee provides an oversight of the activities of internal audit, external audit, the local counter fraud service and the assurance on internal control, including compliance with the law and regulations governing the Trust's activities.

The Audit and Risk Committee is chaired by a Non-Executive Director and membership consists solely of Non-Executive Directors with Board Executives invited to attend.

The Audit and Risk Committee oversees the annual audit programme for the Trust. This includes verifying that the Trust has suitable and effective systems of internal control with respect to risk management in place. An annual Head of Internal Audit Report is presented to the Audit and Risk Committee.

### *Quality and Safety Committee*

The Quality and Safety Committee is accountable to the Board and is responsible for ensuring effective clinical governance throughout the Trust. It assists the Board in obtaining assurance that high standards of care are provided and any risks to quality identified and robustly addressed at an early stage. It works with the Audit and Risk Committee to ensure that there are adequate and appropriate quality governance structures, processes and controls in place throughout the Trust to:

- promote safety and excellence in patient care
- identify, prioritise and manage risk arising from clinical care
- ensure efficient and effective use of resources through evidence-based clinical practice

The Quality and Safety Committee is chaired by a Non-Executive Director and is attended by a further two Non-Executive Directors and members of the Executive Team.

### *IPC Quality Assurance Committee (established by the Board in March 2022)*

The IPC Quality Assurance Committee is accountable to the Board and responsible for advising the Board on all aspects of IPC. Infection, Prevention and Control is usually aligned to the Quality and Safety Committee however, as a key priority and focus area of the Trust all IPC agenda items will be reported to the IPC Quality Assurance Committee until further notice.

The Committee is responsible for the following aspect of Quality:

- Promote safety and excellence in patient care
- Identify, prioritise and manage risk arising from clinical care
- Ensure efficient and effective use of resources through evidence based clinical practice
- To ensure the Trust is meeting core standards and is compliant with national guidelines and regulatory requirements in relation to prevention and control of infection
- To oversee the delivery of the infection prevention and control improvement plan and provide appropriate assurances to the Board and escalate any areas of concern.

This Committee is chaired by a Non-Executive Director and attended by a further Non-Executive Director and members of the Executive Team.

### *Finance, Planning and Digital Committee*

The Finance Planning and Digital Committee is accountable to the Board and responsible for advising the Board on all aspects of the Trust's Annual and Long Term Financial Plans and recommending adoption of the plans to the Board of Directors.

The Committee is responsible for the following aspect of Risk Management:

- To oversee Financial Risk Assessment and Financial Risk Management
- To oversee the business and performance risk
- To oversee the Trust's digital risks
- To oversee the Trust's operational performance delivery

This Committee is chaired by a Non-Executive Director and attended by a further Non-Executive Director and members of the Executive Team.

### *Risk Management Committee (April 2021 – October 2021)*

The Risk Management Committee was accountable to the Board and has overall responsibility for establishing a strategic approach to risk management across the organisation, ensuring there is a proactive approach. In addition to reporting to the Board, the committee provided reports to the Audit Committee on assurances relating to the effective operation of controls.

The committee is responsible for the following aspects of Risk Management:

- Championing and promoting highly effective risk management practices and ensuring that the risk management process and culture are embedded throughout the organisation
- Maximising the delivery of objectives through an effective control system
- Improving the standard of decision making on risk management
- Receiving and reviewing the BAF and making recommendations regarding this to the Board
- Reviewing risk management practices at divisional level and the effectiveness of risk mitigation action plans



- Developing and embedding an effective reporting mechanism to allow for the escalation of risk and governance issues from divisional level to the appropriate level.
- Providing the Executive Team and ultimately the Board of Directors with assurance that effective governance processes are in place across the organisation
- Providing the Audit Committee with assurance around the Trust's risk assurance framework and the controls in place.
- Overseeing the Trust's strategy for clinical risk management.

### *People Committee*

The People Committee is accountable to the Board and has overall responsibility for establishing a strategic approach to the management and development of the Trust's workforce. In addition to reporting to the Board, the committee provides reports to the Audit and Risk Committee on assurances relating to the effective operation of controls.

The committee is responsible for the following aspects of Risk Management:

- Maximising the delivery of workforce objectives through an effective control system
- Overseeing the management of risks relating to the workforce and its development and sustainability

### *Council of Governors*

The Trust's governors are elected representatives of the local communities the Trust serves and together they form the Council of Governors which is an integral part of the Trust's governance framework. They are not responsible for the operational management of the Trust but rather are responsible for challenging and holding to account the Board of Directors.

They plan an active role in the development of the Trust and its activities and are included in the initiatives and collaborative committees run throughout the year. The statutory powers and duties of the Council of Governors include:

- To appoint, remove and decide upon the terms of office of the Chair and Non-Executive Directors of the Trust
- To determine the remuneration of the Chair and Non-Executive Directors
- To appoint or remove the Trust's auditor
- To approve or not approve the appointment of the Trust's Chief Executive
- To receive the annual report and accounts and auditor's report at a general meeting
- To hold the Non-Executive Directors to account for the performance of the Board
- To represent the interests of members and the public
- To approve or not approve increases to non-NHS income of more than 5% of total income
- To approve or not approve acquisitions, mergers, separations and dissolutions
- To jointly approve changes to the Trust's constitution with the Board
- To express a view on the Board's plans for the Trust in advance of the Trust's submission to NHS Improvement
- To consider a report from the Board each year on the use of income from the provision of goods and services from sources other than the NHS in England.

The Trust has a duty to ensure that governors are equipped with the skills to perform this role. As required by the Health and Social Care Act 2012 and would usually run a number of workshops, these



were however paused due to the pandemic with arrangement underway for the year ahead for a programme of virtual sessions.

The Board works closely with the Council of Governors. The Trusts Chairman is also the Chair of the Council of Governors meetings and is supported at each meeting by other members of the Board. The Chairman works closely with the nominated Lead and Co-ordinating Governors. Governors meet prior to each meeting of the Council of Governors to agree items to be discussed and review key issues.

Attendance at the Trust's Board of Directors and Board level committees is monitored on a monthly basis and the table below outlines the attendance for the year. In the event that attendance fell below expected levels this would be addressed on an individual basis.

Name	Board of Directors	Council of Governors	Quality and Safety Committee	Risk Management Committee	Audit Committee	Finance Planning and Digital Committee	People Committee	Audit & Risk Committee (Oct. 22)
<b>Total 2021/22</b>	<b>11</b>	<b>4</b>	<b>10</b>	<b>2</b>	<b>2</b>	<b>10</b>	<b>9</b>	<b>2</b>
Frank Collins, Chairman (until 31 January 2022)	8	3	*	*	*	*	*	*
Harry Turner, Non-Executive Director	10	2	*	2	2	*	6	2
Chris Beacock, Non-Executive Director	9	3	10	2	*	*	9	*
David Gilbert, Non-Executive Director (until 30 Nov. 2022)	7	1	2	*	2	3	*	1
Paul Kingston, Non-Executive Director	10	4	8	*	2	*	8	2
Rachel Hopwood, Non-Executive Director (until 31 January 2022)	6	1	*	*	*	7	*	*
Alison Tumilty, Non-Executive Director (from 1 September 2022)	5	1	*	*	*	5	*	2
Sarfraz Nawaz, Non-Executive Director (from 1 February 2022)	2	1	*	*	*	2	*	*
Mark Brandreth, Chief Executive Officer (until 31 July 2022)	4	2	3	1	*	2	1	*
Stacey Keegan, Interim CEO (from 91 August 2022)	7	2	5	0	*	5	6	2
Kerry Robinson, Chief Improvement, Performance and Organisational Development Officer	9	*	*	1	*	8	5	*
Craig Macbeth, Chief Finance and Planning Officer	11	*	*	1	0	10	*	2
Ruth Longfellow, Chief Medical Officer	8	*	9	*	*	*	6	*
Stacey Keegan, Chief Nurse and Patient Safety Officer	4	*	3	1	*	*	3	*

Sara Ellis Anderson, Interim Chief Nurse and Patient Safety Officer (from 1 August 2022)	7	*	5	0	*	*	3	*
Sarah Sheppard, Chief People Officer	8	*	*	*	*	*	7	*
Shelley Ramtuhul, Trust Secretary	10	4	10	2	2	5	5	2

Footnote: \* not required to attend the meeting

### Internal Audit

The Trust's internal auditors are BDO who met mandatory NHS Internal Audit Standards and provided appropriate independent assurance to the Audit and Risk Committee, Chief Executive and Board. They primarily provide an independent and objective opinion to the Trust on the degree to which risk management, control and governance processes support the achievement of the Trust's objectives. The contract with BDO expired on 31 March 2022. Following a rigorous assessment process the recommendation to appoint Mersey Internal Audit as the Trusts new internal audit and counter fraud provider for 3 years from the 1st April 2022 was approved by the Board of Directors.

### External Audit

The Trust's external auditors are Deloitte LLP. External audit is an essential element of corporate governance, contributing to the stewardship and process of accountability for use of resources. The scope of audits is extended to cover not just financial statements but the arrangements to secure value for money. The Trust's external auditors report into the Audit and Risk Committee.

### Quality Governance

The Board is responsible for ensuring that the Trust has sound Quality Governance arrangements in place. It is supported in this by the Quality and Safety Committee which reviews evidence from a number of sources including, specialist committees, clinical audit reports and patients stories. It receives reports and reviews in full all serious incident root-cause analysis reports and any actions taken in response to them.

The Trust updated its Quality Strategy in 2017 following consultation with key stakeholders on the priorities to be included and the Board is regularly updated on progress against the key quality initiatives. The Trust is currently refreshing its Quality Strategy, and this will be taken through the Quality and Safety Committee in the first instance in June 2022.

Staff are required to report all untoward incidents through a formal system and these are reviewed by the Clinical Governance Team who are responsible for ensuring that all learning is shared and actions agreed and implemented as per the Trust's Incident Management and Serious Incident Management Policies.

The Trust reviews all of the complaints it receives and the results of this review are reported to the Quality and Safety Committee and the Board.

The Trust has a well-established openness policy, which includes whistle-blowing. Whistle-blowing is included on the staff induction training which all staff are required to attend. In addition, the Trust has in place three Freedom to Speak Up Guardians.

A rigorous process is in place for doctors appraisals, supported by the production of a comprehensive data set for each doctor. In addition, the Trust is compliant with the doctors revalidation programme.

During 2021-22 the Trust experienced an MRSA outbreak which has prompted a review of the Trust's internal governance arrangements around infection prevention and control and scrutiny from the regulator which resulted in the Trust being put into breach of its licence in May 2022. The Trust has an improvement plan in place to address this with includes strengthening its quality governance.

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission (CQC)

The Trust was subject to a planned inspection by the CQC in December 2018 following which it received an overall rating of 'Good' with findings of 'Good' for well led and 'Outstanding' for caring. Notwithstanding the significantly improved ratings, the Trust devised an action plan to address the CQC recommendations and observations. Completion of this action plan has been overseen by the Quality and Safety Committee on a monthly basis with quarterly updates to the Board of Directors with all but one action fully completed as referenced in the Annual Report. The outstanding actions relate to the introduction of an integrated electronic patient record which is being progressed during 2022/23. In preparation for future inspection the Trust has been completing mock inspections, provided a CQC toolkit as a guide for staff, reviewing and testing the actions implemented following the previous inspections. The Trust has also commissioned the Good Governance Institute to provide support with being a well-led organisation.

### Performance Data Quality

The Trust Board and each of its Committees reviews quality performance at each meeting and a data quality rating for each KPI is included within the 'heatmap' section of the performance report.

The indicator score is based on audits undertaken by the Data Quality Team and are further validated as part of the audit assurance programme.

Blue	No improvement required to comply with the dimensions of data quality
Green	Satisfactory – minor issues only
Amber	Requires improvement
Red	Significant improvement required

During 2021-22 the Trust reviewed the format of its integrated performance report (IPR) and received a detailed 'Making Data Count' presentation from NHSE/I. The IPR is now presented using SPC charts which are supported by two icons: variation and assurance. The icons have been designed to give an overview of how each measuring is performing at a glance. The variation icon is used to show whether the latest month is of a concerning or improving nature by using SPC rules, and the assurance icon shows whether we can reliably hit the target or not.

### Use of the Well-Led Framework

In December 2018 the Trust underwent a well led assessment as part of a CQC inspection. The outcome of this was a 'good' rating for well-led. An action plan was developed to address all recommendations made by the CQC. The well-led elements were particularly focused on policy management and staff training and these actions have been completed.

In June 2020 the Trust commenced a well led review however due to the Covid-19 pandemic, it was recognised that this was not a typical period for review and a supplementary review was undertaken

in early 2021. The Board received developmental feedback regarding its well led arrangements and took these through its Public Board in September 2021 with a full action plan developed in response.

In preparation for the CQC inspection, the Board have received a presentation from Good Governance Institute to support and enhance governance across the organisation and they are providing ongoing coaching to the Executive Leadership Team.

### Corporate Governance Statement

The Trust confirms compliance with the Corporate Governance Statement on an annual basis. It gains assurance on compliance in a number of ways:

- Consideration of governance risks as set out above.
- The maintenance of a Board governance pack detailing the key governance structures and their inter-relationships. This was reviewed by the Board in March 2021 and is currently being updated for review in 2022.
- The Internal Auditors have undertaken the following specific reviews linked to governance:

#### Summary of Key Findings / Recommendations

##### Planned Care

Overall, the Trust has controls in place that are designed effectively to determine planned care, rescheduling of appointments, demand and capacity within both Theatres and the Outpatient Services. This includes a comprehensive Patient Access Policy, and supporting Statements Of Practice which outline the step-by-step process for booking clerks. Through the use of daily PTLs, theatre and outpatient sessions are booked and rescheduled in a consistent manner, with appropriate monitoring. An area of improvement has been identified relating to consultants carrying over their annual leave in line with the Trust's policy, in particular ensuring that all required approvals have been gained and evidenced appropriately before processing. The auditors provided a substantial assurance conclusion for both.

##### Main Financial Systems

Overall, the Trust have effective controls in place to support its management of key financial systems and ensure that transactions are processed accurately and in line with the Scheme of Delegation. We tested procedures including; income collection, expenditure, month-end financial reporting, capital asset additions and disposals, it was identified that controls are consistently applied. No issues were found in these areas and there was compliance with the Scheme of Delegations. However, an exception was identified in relation to cash management. An instance was identified where the pharmacy cash count was not reconciled against the cash register which was previously not working properly and there were small variances identified on three occasions due to human error in the Denbighs restaurant. The auditor's provided a rating of substantial assurance for both control design and effectiveness.

##### Delayed Discharges

Overall, the Trust has controls in place that are designed to ensure that there is adequate management of delayed discharges. This includes a robust process of daily State of Play and Safety Huddle meetings, which is supported by the PSAG system to record all patient EDDs and delays. We have noted some areas for improvement, such as using this data to inform action plans. However, there are gaps in the documentation of processes with an out-of-date policy, a communication protocol, and a documented escalation process internally or with external stakeholders is not in place.

Therefore, the overall rating is a Moderate opinion on both the design and effectiveness of the system.

##### \*Infection Control

Overall, the Trust has controls in place that are designed to ensure that there is adequate management of infection prevention and control. This includes a robust governance structure from the regular IPC Working Group up to the Trust Board for appropriate oversight. The QMS dashboard ensures that all data and information is held centrally by the IPC team which allows for consistent monitoring of all aspects of infection prevention and control, from training compliance to audit completion. We have noted some areas for improvement, such as clearer action planning. The recent MRSA outbreak at the Trust has highlighted gaps in the effectiveness of cleaning, and the subsequent cleanliness audits that did not identify the non-compliance. Therefore, the overall rating is a Moderate opinion on both the design and effectiveness of the system.

### Temporary Staffing

Overall the Trust has adequate controls in place that are designed to manage temporary staffing. Policies, procedures and forms are in place to authorise bank and agency staff but were not always completed and approval was not always obtained at an appropriate level. Furthermore, the Trust did not always comply with its policies regarding the management of long-term agency staff which could result in higher staff costs. Whilst financial reporting on temporary staff to the NHSI and the Executive Team was robust, the Board and its sub-committees did not always receive adequate details about the proportion of shifts undertaken by temporary staff and expenditure. Therefore, the overall rating is a Moderate opinion on both the design and effectiveness of the system.

### Equality, Diversity and Inclusion (ED&I)

There is scope for improvement in relation to the Trust's EDI approach. It was noted that the Trust does not have a formal EDI strategy in place and key policies and procedures did not explicitly address 'just culture' principles. However, it was recognised that there is some activity taking place at the Trust, for example, staff networks, WRES and WDES data being monitored, and EDI being formally recognised in the BAF. We have reported two high, two medium and one low priority findings. These are mainly focused on the design of controls, eg the lack of a strategy and appropriate policies. Therefore, limited assurance over the control design and moderate assurance over control effectiveness for the EDI framework at the Trust was provided.

### Unit Governance Review

The Trust has a clear governance structure in place to manage the operational performance of Units. Whilst the CS and the MSK Delivery Units demonstrate effective reporting on their performance, we have identified exceptions in relation to risk monitoring and maintaining clear records of the Management Group meetings and noted that meetings within the MSK delivery Unit were not always quorate. Therefore, moderate assurance over control design and operational effectiveness was provided.

### Recruitment and Retention

Overall, the Trust has an effective TRAC system which allows each phase of the recruitment process to be documented and requires evidence to satisfy the six NHS employment standards prior to a formal offer of employment being made. However, noted delays throughout various stages of the recruitment process and reasons for these delays were not established. In addition, there was no data regarding the number of exit surveys completed monthly within IPR reports nor the reasons for leaving. Therefore, we have provided a Substantial opinion on design and Moderate opinion on effectiveness.

### DSP Toolkit

Based on our review of the assertions included in our sample and using the risk and confidence evaluation methodology provided in NHS Digital's independent assessment guide, there is an overall moderate risk to the Trust's data security and protection control environment. The auditors rated confidence in the Trust's DSP Toolkit return as high because we noted that the work completed on the DSP Toolkit has been in line with the requirements of the DSP Toolkit, with some minor deviations, and the Trust's latest self-assessment was 'Standards Met'. In order to comply with the DSP Toolkit, the Trust is required to meet all mandatory sub-assertions, therefore further work will be required ahead of the year-end submission to address the areas of non-compliance identified as part of this audit.

### IT Asset Management

The auditors raised three medium priority and one low priority recommendations to improve the Trust's arrangements for IT asset management. The Trust has an overall robust control environment, derived primarily from clear processes for tracking a lost or stolen device and or disposing of IT assets. However, gaps were identified in the Trust's IT asset register, newly provisioned IT assets and the Trust's documentation of asset management procedures and asset refresh procedure. Consequently, the overall rating concluded in a moderate assurance over both the design and operational effectiveness of the Trust's IT asset management controls.

\* Footnote: IPC Audit -The text submitted is the conclusion which was reported via Internal Audit at the time of the audit being completed and does not reflect the later findings which have been reporting by NHSE/I

Following each Internal Audit review, a management action plan is agreed in order to respond to areas for improvement. These action plans are overseen by the relevant assurance Committee and reviewed/tracked via the Audit and Risk Committee through the Internal Audit progress reports.

## Principal Risks

The principal risks to the Trust's objectives are included on the Board Assurance Framework and are allocated to a Board Assurance Committee for scrutiny at each meeting. In addition, the Audit and

Risk Committee review these risks on a quarterly basis before onward presentation at the Board of Directors.

Other corporate risks are included on the corporate risk register and allocated to a Board committee and reviewed by the Senior Leader Group. The Audit and Risk Committee has oversight of the corporate risks with input sought from the appropriate Board committee as required.

A key focus area for the Trust is IPC. In summer 2021, the Trust had an MRSA outbreak. As part of the process, several reviews were undertaken by our internal teams at the hospital, colleagues from the wider healthcare system in Shropshire, Telford and Wrekin, and by our regulators including NHS England and Improvement (NHSEI). These reviews identified various improvements that needed to be made, and actions were taken to improve our cleanliness standards and storage.

Following this, the Trust had two further inspections from NHSEI in October 2021 and February 2022, which acknowledged the improvements which had been made, but also identified further improvements required relating to cleanliness, assurance and governance arrangements for infection prevention and control (IPC), as well as areas of the Trusts estate.

In May 2022 the Trust received confirmation from NHSE/I that the organisation would be moved from segment 2 to segment 3 on the System Oversight Framework (SOF3).

Some of the actions and improvements implemented as part of the improvement plan include:

- Completion and implementation of the six immediate actions identified by NHS E/I in February
- Significant work has been completed on wards to improve the estate
- An IPC improvement plan has been devised which cover 9 key themes:
  - Leadership and culture
  - Workforce
  - Governance
  - Cleanliness
  - Estates
  - Equipment and storage
  - Hand Hygiene/Bare Below the Elbow
  - Training
- Communications and Trust-wide learning
- Additional Executive and Board oversight has been implemented including an IPC Quality Assurance Committee chaired by a Non-Executive Director which reports directly to the Board of Directors on a monthly basis
- NHSE/I has supported the Trust by appointing an Improvement Director to work with the senior leaders team

### Risks 2021/22

During 2021/22 the following risks were identified and cited on the Board Assurance Framework, these were closely associated with the challenges of Covid-19:

#### *Caring for Patients*

- Insufficient core capacity to meet demand
- Potential for increased harm to patients as waiting times increase
- Inability to benchmark outcomes across all specialties
- Management capacity inhibits engagement
- Lack of designated EPRR resource



### *Caring for Staff*

- Failure to improve staff engagement linked to communication between managers and the workforce
- Potential inability to have the right workforce in the right place at the right time
- Impact of Covid-19 on the workforce
- Lack of dedicated ED&I resource and expertise

### *Caring for Finances*

- Failure to achieve activity and income within planned cost base
- Inability to meet baseline activity due to heavy reliance on high proportions of out of job plan work
- Impact of new system financial framework

### *Risks 2022/23*

The Trust has established its strategy for 2022/23 to support its desired direction of travel over the next five years. The four key strategic aims for 2022/23 remain as follows:

- Musculo-Skeletal Services(MSK)
- Specialist Services
- Operational Excellence
- Culture and Leadership

It is however recognised that the key objectives identified for 2021/22 to underpin the strategy will require ongoing review to take into account the changing NHS landscape as the country hopefully moves out of Covid-19.

The key risks and issues facing the Trust for 2022/23 are reflective of the challenges the NHS is facing across the country. As part of the NHS response to the pandemic all elective activity was ceased and working practices had to change significantly in order to socially distance. These challenges are not over and the risks for the forthcoming year will be focussed on the delivery of the following objectives:

- Developing and Maintaining Safe Services
- Develop our Veterans Service to ensure it is established as a centre of excellence
- Support MSK Integrated across the system
- Optimise the potential of digital technologies to transform the care of patients and their outcomes
- Maintaining statutory and regulatory compliance

The above are underpinned by the need to develop and implement new ways of working and it is recognised that risks relating to this will need to be considered and managed.

The sub-set of risks linked to the above are detailed on the Trust's Board Assurance Framework and Trust-wide Risk Register for ongoing review and management through the year. At the time of writing these are considered to be as follows:

### *Caring for Patients*

- Insufficient core capacity to meet demand
- Inability to benchmark outcomes across all specialties
- Maintain high infection control standards to support the restoration of activity
- Play an active part in the wider healthcare system
- Continuously improve the delivery of services

### *Caring for Staff*

- Focus on providing an environment for our workforce to 'flourish at work'
- Failure to improve staff engagement linked to communication between managers and the workforce
- Potential inability to have the right workforce in the right place at the right time
- Lack of dedicated ED&I resource and expertise

### *Caring for Finances*

- Failure to achieve activity and income target within planned cost base

As described in the sections above, the Trust has in place effective governance structures with clear responsibilities delegated to each Executive Director and Board Committee. Furthermore, within the Risk Management Strategy and the Terms of Reference for each Board Committee, the Trust has clear reporting lines between the Board, its sub committees, and the Senior Leader Team to ensure an integrated approach is maintained.

The Trust's Board of Directors sets key performance indicators against a range of areas under the headings; Caring for Patients, Caring for Staff and Caring for Finances. Performance against these indicators is tracked and reported to the Board on a monthly basis. In addition to this, the Trust sets annual corporate objectives and progress against these is tracked and reported to the Board.

### **NHS Pension Scheme**

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

### **Equality, Diversity and Human Rights**

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

### **Emergency Preparedness and Civil Contingency**

The foundation trust has undertaken risk assessments and has plans in place which take account of the 'Delivering a Net Zero Health Service' report under the Greener NHS programme. The trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

### **Workforce Strategies and Safeguards**

The Trust ensures that short, medium and long-term workforce strategies and staffing systems are in place which assure the Board that staffing processes are safe, sustainable and effective. This assurance is obtained in a number of ways:



- The development and implementation of a People Plan
- Regular reporting on safe staffing and junior doctor working to the Quality and Safety Committee and Board of Directors
- Staff survey results
- Internal audit

The Trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the trust with reference to the guidance) within the past twelve months as required by the Managing Conflicts of Interest in the NHS guidance.

### Sustainable Development Management

The Trust has undertaken risk assessments and has a Green Plan aligned to the NHSEI 'Delivering a Net Zero NHS' and Climate Change Adaptation Plan in place which takes account of UK Climate Projections 2018 (UKCP18). The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

### Review of economy, efficiency and effectiveness of the use of resources

The Trust sets targets for improvements of economy, efficiency and effectiveness in its Operational Plan and these are reflected in its Quality, Innovation, Productivity and Prevention (QIPP) and Cost Improvement Programmes (CIPs). All targets are agreed by Unit Managing Directors and monitored as part of the Board performance report and the system of divisional performance reviews. These programmes are also approved by the Medical and Nursing Directors to ensure that they have no adverse effect on quality. The Trust's CIP process has been benchmarked against national guidance on sustainable CIPs and the principles of the Carter Review recommendations.

During 2021/22 the Trust tracked its financial performance, including the economic, efficient and effective use of resources via the Finance Planning and Digital Committee and further the Board receives a monthly update on the Trust's financial performance.

### Overview of Financial Performance

During another unprecedented year the Trust has focused on restoration of services and minimising the impact of the Covid-19 pandemic to deliver safe, high quality services for our patients, underpinned by robust business management. During 2021/22 the NHS continued to operate on a simplified Covid financial framework which set a fixed minimum level of income to simplify financial arrangements and support organisational responses to the pandemic.

The Trust's annual accounts provide full detail of the Trust's financial performance but to summarise; under the Covid financial framework the Trust was allocated a minimum level of clinical income with the expectation of managing the cost base within this allocation. The Trust set a surplus target of £3.2m and out turned with a favourable variance of £2.7m delivering a total surplus of £5.9m. The strong performance was largely driven by a reduction in marginal costs linked to the variable restoration of services driven by peaks & troughs in Covid prevalence throughout the year, while this resulted in a favourable position to plan, it should be noted significant non recurrent costs were incurred in response to the pandemic and to address patient safety.

This performance puts the Trust in a healthy position in terms of cash for 2022/23 and allows for additional investment in the capital programme to improve care for patients.

It is also important to note that the Shropshire, Telford, and Wrekin Integrated Care System is in significant financial distress and is under formal recovery. As a partner in the system the Trust will continue to support improvement in the financial position across the County. As of 16 May 2022 the System was noted as segment 4 on the single oversight framework and as a result of the breach of licence in relation to infection, prevention and control the Trust was placed in segment 3 of the single oversight framework with a clear improvement plan in place addressing cleaning and estate standards and governance. The improvement plan is overseen by a newly established IPC Quality Assurance Committee which reports directly to the Board as well as regular progress updates presented to the Trust's Public Board.

## Information Governance

The NHS Information Governance Framework sets the processes and procedures by which the NHS handles information about patients and employees, in particular personal identifiable information. The NHS Information Governance Framework is supported by a data security and protection toolkit and the annual submission process provides assurances to the Trust, other organisations and to individuals that personal information is dealt with legally, securely, efficiently and effectively.

The Trust has an established information governance management framework and continues to develop information governance processes and procedures in line with the information governance toolkit. The Trust's Information Governance status is the subject of ongoing review by the Information Governance Committee which is responsible for reviewing policy and monitoring compliance with Department of Health Guidelines. This process is overseen by the Audit and Risk Committee which also has a role in ensuring that all serious data governance risks or incidents are brought to the attention of the appropriate Board Committee. The Trust has in place the Chief Nurse as the Caldicott Guardian, and the Director of Digital as the Senior Information Risk Owner (SIRO). Further, the Trust Secretary is the Data Protection Officer.

The requirements of the Data Security and Protection Toolkit (DSPT) are designed to encompass the National Data Guardian review's 10 data security standards.

The Robert Jones and Agnes Hunt Orthopaedic NHS Foundation Trust's Information Governance DSPT score overall for 2021/22 has not yet been determined as the final submission date is 30 June 2022. For 2020/21 the Trust's score was **STANDARDS MET.**

During 2021/22 the Trust identified and reported no serious IG breaches.

## Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the Annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit and Risk Committee and other Board Committees and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Trust's Head of Internal Audit provides an annual opinion on the assurance framework and for the financial year to 31 March 2022 this can be summarised as follows:

'Overall, we are able to provide **moderate assurance** that there is a sound system of internal control, designed to meet the Trust's objectives and that controls are being applied consistently'.

In addition to this, the Trust has in place a robust governance structure with clear responsibilities delegated to Board Committees and Executive Directors. There is a process in place to assess the effectiveness of the Board Committees and this is overseen by the Audit and Risk Committee and reported to the Board for assurance.

During 2021/22 all the Executive Directors have completed appraisals which have included reflections on the discharging of their duties as Directors.

### Conclusion

My review confirms that notwithstanding the challenges Covid-19 presented and the Infection, Prevention and Control issues identified within 2021/22, The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust has a generally sound system of internal control that supports the achievement of its policies, aims and objectives.

I can confirm that notwithstanding the IPC issues, there are no other significant internal control issues identified. To the best of my knowledge and belief I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.



Stacey Keegan  
Interim Chief Executive Officer  
21 June 2022

# **ANNUAL ACCOUNTS**

## **2021/22**



**The Robert Jones and Agnes Hunt  
Orthopaedic Hospital**  
NHS Foundation Trust

**Annual Accounts**

**for the year ended 31 March 2022**



# The Robert Jones and Agnes Hunt Orthopaedic Hospital

NHS Foundation Trust

## Foreword to the Accounts

These accounts, for the year ended 31 March 2022, have been prepared by the Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust Group, comprising the Foundation Trust and the related hospital charity. They have been prepared in accordance with paragraphs 24 and 25 of Schedule 7 within the National Health Service Act 2006.

**Signed** 

**Name** **Stacey Keegan**

**Job title** **Chief Executive & Accounting Officer**

**Date** **13 June 2022**

## Consolidated Statement of Comprehensive Income

	Note	Group		Foundation Trust	
		2021/22 £000	2020/21 £000	2021/22 £000	2020/21 £000
Operating income from patient care activities	3	124,814	106,855	124,814	106,855
Other operating income	4	9,928	12,418	9,891	12,127
Operating expenses	7	(125,087)	(112,870)	(124,885)	(112,686)
<b>Operating surplus from continuing operations</b>		<b>9,655</b>	<b>6,403</b>	<b>9,820</b>	<b>6,296</b>
Finance income	12	27	-	26	-
Finance expenses	13	(82)	(105)	(82)	(105)
PDC dividends payable		(1,737)	(1,502)	(1,737)	(1,502)
<b>Net finance costs</b>		<b>(1,792)</b>	<b>(1,607)</b>	<b>(1,793)</b>	<b>(1,607)</b>
Other gains	14	174	4	174	4
<b>Surplus for the year from continuing operations</b>		<b>8,037</b>	<b>4,800</b>	<b>8,201</b>	<b>4,693</b>
<b>Other comprehensive income</b>					
<b>Will not be reclassified to income and expenditure:</b>					
Revaluations	18	4,726	2,775	4,726	2,775
<b>Total other comprehensive income for the period</b>		<b>4,726</b>	<b>2,775</b>	<b>4,726</b>	<b>2,775</b>
<b>Total comprehensive income for the period</b>		<b>12,763</b>	<b>7,575</b>	<b>12,927</b>	<b>7,468</b>

All income and expenditure is derived from continuing operations and there are no minority interests in the Group.

## Statement of Financial Position

	Note	Group		Foundation Trust	
		31 March 2022 £000	31 March 2021 £000	31 March 2022 £000	31 March 2021 £000
<b>Non-current assets</b>					
Intangible assets	15	1,798	2,717	1,798	2,717
Property, plant and equipment	16	86,201	77,229	86,201	77,229
Receivables	21	1,348	1,245	1,348	1,245
<b>Total non-current assets</b>		<b>89,347</b>	<b>81,191</b>	<b>89,347</b>	<b>81,191</b>
<b>Current assets</b>					
Inventories	20	1,334	1,389	1,334	1,389
Receivables	21	4,531	7,582	4,436	7,473
Cash and cash equivalents	23	26,175	17,417	25,024	16,136
<b>Total current assets</b>		<b>32,040</b>	<b>26,388</b>	<b>30,794</b>	<b>24,998</b>
<b>Current liabilities</b>					
Trade and other payables	25	(16,203)	(14,195)	(16,173)	(14,185)
Borrowings	27	(1,461)	(1,428)	(1,461)	(1,428)
Provisions	29	(336)	(712)	(336)	(712)
Other liabilities	26	(1,169)	(1,072)	(1,169)	(1,072)
<b>Total current liabilities</b>		<b>(19,169)</b>	<b>(17,407)</b>	<b>(19,139)</b>	<b>(17,397)</b>
<b>Total assets less current liabilities</b>		<b>102,218</b>	<b>90,172</b>	<b>101,002</b>	<b>88,792</b>
<b>Non-current liabilities</b>					
Borrowings	27	(3,327)	(4,349)	(3,327)	(4,349)
Provisions	29	(1,060)	(1,001)	(1,060)	(1,001)
<b>Total non-current liabilities</b>		<b>(4,387)</b>	<b>(5,350)</b>	<b>(4,387)</b>	<b>(5,350)</b>
<b>Total assets employed</b>		<b>97,831</b>	<b>84,822</b>	<b>96,615</b>	<b>83,442</b>
<b>Financed by</b>					
Public dividend capital		36,354	36,108	36,354	36,108
Revaluation reserve		29,664	24,938	29,664	24,938
Income and expenditure reserve		30,597	22,396	30,597	22,396
Charitable fund reserve	19	1,216	1,380	-	-
<b>Total taxpayers' equity</b>		<b>97,831</b>	<b>84,822</b>	<b>96,615</b>	<b>83,442</b>

The notes on pages 8 to 47 form part of these accounts.

The financial statements on pages 3 to 7 were approved by the Board and signed on its behalf by:

Signed:



Name:

Stacey Keegan

Position:

Chief Executive & Accounting Officer

Date:

13 June 2022



## Statement of Changes in Equity - Group

For year ended 31 March 2022	Group				
	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000
<b>Taxpayers' and others' equity at 1 April 2021 - brought forward</b>	<b>36,108</b>	<b>24,938</b>	<b>22,396</b>	<b>1,380</b>	<b>84,822</b>
Surplus for the year	-	-	8,103	(66)	<b>8,037</b>
Revaluations	-	4,726	-	-	<b>4,726</b>
Public dividend capital received	246	-	-	-	<b>246</b>
Other reserve movements	-	-	98	(98)	-
<b>Taxpayers' and others' equity at 31 March 2022</b>	<b>36,354</b>	<b>29,664</b>	<b>30,597</b>	<b>1,216</b>	<b>97,831</b>

For year ended 31 March 2021	Group				
	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000
<b>Taxpayers' and others' equity at 1 April 2020 - brought forward</b>	<b>35,467</b>	<b>22,163</b>	<b>17,703</b>	<b>1,273</b>	<b>76,606</b>
Surplus for the year	-	-	4,631	169	<b>4,800</b>
Revaluations	-	2,775	-	-	<b>2,775</b>
Public dividend capital received	641	-	-	-	<b>641</b>
Other reserve movements	-	-	62	(62)	-
<b>Taxpayers' and others' equity at 31 March 2021</b>	<b>36,108</b>	<b>24,938</b>	<b>22,396</b>	<b>1,380</b>	<b>84,822</b>

## Statement of Changes in Equity - Trust

For year ended 31 March 2022

	Foundation Trust			
	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
<b>Taxpayers' and others' equity at 1 April 2021 - brought forward</b>	<b>36,108</b>	<b>24,938</b>	<b>22,396</b>	<b>83,442</b>
Surplus/(deficit) for the year	-	-	8,201	8,201
Revaluations	-	4,726	-	4,726
Public dividend capital received	246	-	-	246
<b>Taxpayers' and others' equity at 31 March 2022</b>	<b>36,354</b>	<b>29,664</b>	<b>30,597</b>	<b>96,615</b>

For year ended 31 March 2021

	Foundation Trust			
	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
<b>Taxpayers' and others' equity at 1 April 2020 - brought forward</b>	<b>35,467</b>	<b>22,163</b>	<b>17,703</b>	<b>75,333</b>
Surplus/(deficit) for the year	-	-	4,693	4,693
Revaluations	-	2,775	-	2,775
Public dividend capital received	641	-	-	641
<b>Taxpayers' and others' equity at 31 March 2021</b>	<b>36,108</b>	<b>24,938</b>	<b>22,396</b>	<b>83,442</b>

## Information on reserves

### 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 organisation. Additional PDC may also be issued to Trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health and Social Care as the public dividend capital dividend.

### Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

### Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the Trust.

### Charitable funds reserve

This reserve comprises the ring-fenced funds held by the NHS charitable funds consolidated within these financial statements. These reserves are classified as restricted or unrestricted; a breakdown is provided in Note 19.

## Statement of Cash Flows

	Note	Group		Foundation Trust	
		2021/22 £000	2020/21 £000	2021/22 £000	2020/21 £000
<b>Cash flows from operating activities</b>					
Operating surplus		9,655	6,403	9,820	6,296
<b>Non-cash income and expense:</b>					
Depreciation and amortisation	7	4,798	4,298	4,798	4,298
Income recognised in respect of capital donations	4	(2,841)	(547)	(2,939)	(552)
(Increase) / decrease in receivables and other assets		3,155	(1,892)	3,144	(1,864)
(Increase) / decrease in inventories		55	7	55	7
Increase / (decrease) in payables and other liabilities		2,344	5,553	2,344	5,553
Increase / (decrease) in provisions		(317)	603	(317)	603
Movements in charitable fund working capital		23	15	-	-
<b>Net cash flows from operating activities</b>		<b>16,872</b>	<b>14,440</b>	<b>16,905</b>	<b>14,341</b>
<b>Cash flows from investing activities</b>					
Interest received		14	6	14	6
Purchase of intangible assets		(235)	(832)	(235)	(832)
Purchase of property, plant & equipment		(8,228)	(5,134)	(8,228)	(5,134)
Sales of property, plant & equipment		42	124	42	124
Receipt of cash donations to purchase assets		2,841	467	2,939	472
Net cash flows from charitable fund investing activities		1	-	-	-
<b>Net cash flows used in investing activities</b>		<b>(5,565)</b>	<b>(5,369)</b>	<b>(5,468)</b>	<b>(5,364)</b>
<b>Cash flows from financing activities</b>					
Public dividend capital received		246	641	246	641
Movement on loans from DHSC		(1,176)	(1,176)	(1,176)	(1,176)
Movement on other loans		189	1,059	189	1,059
Interest on loans		(84)	(108)	(84)	(108)
PDC dividend paid		(1,724)	(1,507)	(1,724)	(1,507)
<b>Net cash flows used in financing activities</b>		<b>(2,549)</b>	<b>(1,091)</b>	<b>(2,549)</b>	<b>(1,091)</b>
<b>Increase in cash and cash equivalents</b>		<b>8,758</b>	<b>7,980</b>	<b>8,888</b>	<b>7,886</b>
<b>Cash and cash equivalents at 1 April - brought forward</b>		<b>17,417</b>	<b>9,437</b>	<b>16,136</b>	<b>8,250</b>
<b>Cash and cash equivalents at 31 March</b>	23	<b>26,175</b>	<b>17,417</b>	<b>25,024</b>	<b>16,136</b>

## Notes to the Accounts

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### Note 1 : Accounting Policies

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#### 1.0 **Accounting Policies**

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health & Social Care Group Accounting Manual (GAM) which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2021/22, issued by the Department of Health & Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards (IFRS) to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected.

The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

#### 1.1 **Going Concern**

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The directors have a reasonable expectation that this will continue to be the case.

#### 1.2 **Accounting Convention**

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of property, plant and equipment.

#### 1.3 **Consolidation**

##### **Subsidiaries**

Subsidiary entities are those over which the Trust has the power to exercise control or a dominant influence so as to gain economic or other benefits. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to minority interests are included as a separate item in the Statement of Financial Position.

##### **Robert Jones & Agnes Hunt Orthopaedic Hospital Charity**

The Trust is the corporate Trustee to the Robert Jones & Agnes Hunt Orthopaedic Hospital Charity, which is registered with the Charity Commission under registration number 1058878. The Trust has assessed its relationship to the charity and determined it to be a subsidiary because the Trust is exposed to, or has the rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charity, and has the ability to affect those returns and other benefits through its power over the fund.

## Note 1 : Accounting Policies (continued)

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The charity's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- Recognise and measure them in accordance with the Trust's accounting policies; and
- Eliminate intra-group transactions, balances, gains and losses.

Details of the charity's key accounting policies and potential variances to IFRS treatment:

- Incoming resources – legacy income – under the SORP the charity recognises revenue when its receipt is probable which is in line with IAS 18.
- Resources expended or provided for – grants made or accrued for. Under the SORP the charity accrues for expenditure when a past event has triggered a requirement to pay, in line with the requirements of IAS 37.

The Trust accounts for no other subsidiaries or any associates, joint ventures or joint operations.

### 1.4 **Income**

#### **Revenue from contracts with customers**

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enable an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

In the adoption of IFRS 15 a number of practical expedients offered in the Standard were employed. These are as follows:

- As per paragraph 121 of the Standard the Trust does not disclose information regarding performance obligations part of a contract that has an original expected duration of 1 year or less.
- The Trust does not disclose information where revenue is recognised in line with the practical expedient offered in paragraph B16 of the Standard where the right to consideration corresponds directly with value of the performance completed to date.
- The GAM has mandated the exercise of the practical expedient offered in C7(a) of the Standard that requires the Trust to reflect the aggregate effect of all contracts modified before the date of initial application.

## Note 1 : Accounting Policies (continued)

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### Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. In 2021/22 and 2020/21, the majority of the trust's income from NHS commissioners was in the form of block contract arrangements. The Trust receives block funding from its commissioners, where funding envelopes are set at an Integrated Care System level. For the first half of the 2020/21 comparative year these blocks were set for individual NHS providers directly, but the revenue recognition principles are the same. The related performance obligation is the delivery of healthcare and related services during the period, with the trust's entitlement to consideration not varying based on the levels of activity performed.

The Trust also receives additional income outside of the block payments to reimburse specific costs incurred and, in 2020/21, other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

In 2021/22, the Elective Recovery Fund enabled systems to earn income linked to the achievement of elective activity targets including funding any increased use of independent sector capacity. Income earned by the system is distributed between individual entities by local agreement. Income earned from the fund is accounted for as variable consideration.

### Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases, it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

### NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme (ICR), designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form, and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts, in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

### Grants and donations

Government grants are grants from government bodies other than income from commissioners or Trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grant is used to fund capital expenditure, it is credited to the Statement of Comprehensive Income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

### Apprenticeship service income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition of the benefit.

## Note 1 : Accounting Policies (continued)

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### 1.5 Employee Benefits

#### Short-term employee benefits

Salaries, wages and employment-related payments, such as social security costs and the apprenticeship levy, 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.

#### Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. The schemes are not designed in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the schemes are accounted for as though they are defined contribution schemes: the cost to the Trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as 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 operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

### 1.6 Other Expenses

Other operating expenses are recognised when, and to the extent that, they have been received, and are measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

### 1.7 Property, Plant & 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; and either
- the item has a cost of at least £5,000; or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their individual useful lives.



## Note 1 : Accounting Policies (continued)

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### Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance is charged to the Statement of Comprehensive Income in the period in which it is incurred.

### Measurement

All property, plant and equipment is measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (i.e. operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus, with no plan to bring them back into use, are measured at fair value where there are no restrictions on sale at the reporting date, and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use;
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and location requirements of the service being provided. Assets held at DRC can be valued on an alternative site basis where this would meet the location requirements. The Trust has elected to use an optimised approach for a modern equivalent asset valuation at its current site.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowing costs. Assets are revalued and depreciation commences when they are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Income.



## Note 1 : Accounting Policies (continued)

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### 1.8 **Intangible 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, where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Software which is integral to the operation of hardware, for example 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, for example application software, is capitalised as an intangible asset.

Expenditure on research is not capitalised. It is recognised as an operating expense in the period in which it is incurred.

Expenditure on development is capitalised when it meets the requirements set out in IAS 38.

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

#### **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 where there are no restrictions on sale at the reporting date, and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations and impairments are treated in the same manner as for property, plant and equipment.

### 1.9 **Depreciation & Amortisation**

Freehold land (as it is considered to have an infinite life), assets under construction/development, and assets held for sale are not depreciated/amortised.

Otherwise, depreciation or amortisation is charged to write off the costs or valuation of property, plant and equipment and intangible assets, less any residual value, on a straight line basis over their estimated useful lives. The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. This is specific to the Trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis.

Assets held under finance leases are depreciated over the shorter of the lease term and the estimated useful life, unless the Trust expects to acquire the asset at the end of the lease term, in which case the asset is depreciated in the same manner as for owned assets.

## Note 1 : Accounting Policies (continued)

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### 1.10 Impairments

At each financial year end, the Trust checks whether there is any indication that any of its property, plant and equipment or intangible non-current assets have suffered an impairment loss. If there is an indication of such an impairment, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually at the financial year end.

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of:

- The impairment charged to operating expenses; and
- The balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenses 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.

### 1.11 Non-Current Assets Held for Sale

Non-current assets intended for disposal are re-classified as Held for Sale once all of the following criteria are met:

- The sale must be highly probable; and
- The asset is available for immediate sale in its present condition.

Following re-classification, the assets are measured at the lower of their existing carrying amount and their "fair value less costs to sell". Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as Held for Sale. Instead, it is retained as an operational asset and its useful life is adjusted. The asset is de-recognised when it is scrapped or demolished.

### 1.12 Donated & Grant Funded Assets

Donated and grant funded non-current 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 purchased assets.

## Note 1 : Accounting Policies (continued)

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This includes assets donated to the Trust by the Department of Health and Social Care as part of the response to the coronavirus pandemic. As defined in the GAM, the Trust applies the principle of donated asset accounting to assets that the Trust controls and is obtaining economic benefits from at the year end.

### 1.13 **Leases**

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

#### **The Trust as lessee**

Assets held under finance leases are initially recognised at the commencement of the lease. The asset is recorded as property, plant and equipment, with a corresponding liability for the obligation to the lessor. 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 implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

Thereafter, the asset is accounted for as an item of property, plant and equipment.

The annual rental charge 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.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially in other liabilities on the Statement of Financial Position, and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

#### **The Trust as lessor**

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

### 1.14 **Inventories**

Inventories are valued at the lower of cost and net realisable value using the First In First Out (FIFO) method.

Inventory stocks are valued at current prices as, due to the high turnover of stocks, this is considered by the Trust to be a reasonable approximation to fair value using the FIFO method.

The Trust does not consider it appropriate to account for inventory stocks where their total value is less than £10k, so their transactions are accounted for in revenue.

## Note 1 : Accounting Policies (continued)

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In 2020/21 and 2021/22, the Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

### 1.15 **Cash & Cash Equivalents**

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

### 1.16 **Financial Assets & Financial Liabilities**

#### **Recognition**

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes 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 and are recognised when, and to the extent which, performance occurs, i.e. when receipt or delivery of the goods or services is made.

#### **Classification and measurement**

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs, except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

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 above.

Financial assets and financial liabilities are classified as subsequently measured at amortised cost, fair value through income and expenditure or fair value through other comprehensive income. The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition. All the Trust's financial assets and liabilities are measured at amortised cost.

#### **Financial assets and financial liabilities at amortised cost**

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

## Note 1 : Accounting Policies (continued)

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After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income as a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

### Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses.

Receivables are assessed and expected credit losses determined, so a provision for impairment can be made, based on the following criteria:

- A provision for impairment for outstanding Injury Cost Recovery (ICR) notifications of 23.76% as notified by the Compensation Recovery Unit. This has been reviewed and judged as a reasonable estimate against local claim withdrawal history.
- Receivables relating to invoices raised by the Trust to Welsh, Scottish and Northern Irish NHS bodies are discussed with these bodies and specific provisions made where required.
- All other receivables relating to invoices raised by the Trust are reviewed and specific provisions made where applicable with the remainder provided for on the basis of customer type and local receipting history.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

### De-recognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

## 1.17 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rates.

## Note 1 : Accounting Policies (continued)

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The Trust has not applied HM Treasury's discount rates because either settlement is expected within one year and/or the impact of discounting is not material.

A restructuring provision is recognised when the Trust has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

### **Clinical negligence costs**

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to them, and in return they settle all clinical negligence claims. The contribution is charged to expenditure. Although NHS Resolution is administratively responsible for all clinical negligence cases the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at Note 29 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 NHS Resolution and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

## **1.18 Contingencies**

A contingent liability is:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust; or
- a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably.

A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

## **1.19 Public Dividend Capital (PDC) & PDC Dividend**

Public dividend capital (PDC) is a type of public sector equity finance, which represents the Department of Health & Social Care's investment in the Trust. It was originally based on the excess of assets over liabilities at the time of establishment of the predecessor NHS Trust. HM Treasury has determined that, being issued under statutory authority rather than under contract, PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

## Note 1 : Accounting Policies (continued)

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An annual charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health & Social Care as PDC dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less all liabilities, with certain additions and deductions as defined in the PDC dividend policy issued by the Department of Health and Social Care. This policy is available at <https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts>.

In accordance with the requirements laid down by the Department of Health & Social Care (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 calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

### 1.20 Value Added Tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

### 1.21 Corporation Tax

The Trust has determined that it has no corporation tax liability as its income generation activities are all ancillary to its core health objectives and not in competition with the private sector.

### 1.22 Foreign Currencies

The functional and presentational currency of the Trust is pounds sterling, and figures are presented in thousands of pounds unless expressly stated otherwise.

A transaction which is denominated in a foreign currency is translated into sterling at the spot exchange rate on the date of the transaction. At the end of the reporting period, monetary items denominated in foreign currencies are re-translated at the spot exchange rate on 31 March.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in the Statement of Comprehensive Income in the period in which they arise.

### 1.23 Third Party Assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. If there are any at 31 March, they are disclosed in a separate note to the accounts.

### 1.24 Losses & 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.



## Note 1 : Accounting Policies (continued)

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Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

### 1.25 **Gifts**

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

### 1.26 **Critical Accounting Judgements and Key Sources of Estimation Uncertainty**

In the application of the Trust's accounting policies, management is required to make various judgements, estimates and assumptions. These are regularly reviewed.

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.

#### **Critical accounting judgements**

The following are the critical judgements, apart from those involving estimations (see below) that management has made in the process of applying the Trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

1. **Charitable funds** – determining whether charitable funds are a subsidiary of the Trust, and whether they are material, to determine whether or not to consolidate (see Note 1.3).

#### **Key sources of estimation uncertainty**

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year.

1. **Property valuations** – as detailed in Note 18, Avison Young provided the Trust with a desk-top valuation as at 31 March 2022 of land and building assets (estimated fair value and remaining useful life), based on depreciated replacement value, using the modern equivalent asset method of valuation. This valuation, which is based on estimates, led to an increase in the carrying value of the Trust's land and buildings of £4.7m.

### 1.27 **Early adoption of standards, amendments & interpretations**

No new accounting standards or revisions to existing standards have been early adopted in 2021/22.



## Note 1 : Accounting Policies (continued)

### 1.28 **Standards, amendments & interpretations in issue but not yet effective or adopted**

#### **IFRS 16 Leases**

IFRS 16 Leases replaces IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations, and is applicable in the public sector from 1 April 2022. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the Statement of Financial Position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the Statement of Financial Position, the standard also requires the re-measurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

IFRS 16 changes the definition of a lease compared to IAS 17 and IFRIC 4. The Trust will apply this definition to new leases only, and will grandfather its assessments made under the old standards of whether existing contracts contain a lease.

On transition to IFRS 16 on 1 April 2022, the Trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the Income and Expenditure Reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the Trust's incremental borrowing rate. The Trust's incremental borrowing rate will be a rate defined by HM Treasury. Currently this rate is 0.95% but this may change between now and adoption of the standard. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments.

For leases commencing in 2022/23, the Trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

The estimated impact of applying IFRS 16 on the opening Statement of Financial Position and the in-year impact on the Statement of Comprehensive Income and capital additions is as follows:

<b>Estimated impact on 1 April 2022 Statement of Financial Position</b>	<b>£000</b>
Additional right of use assets recognised for existing operating leases	2,262
Additional lease obligations recognised for existing operating leases	(2,065)
Changes to other Statement of Financial Position line items	(197)
<b>Net impact on net assets on 1 April 2022</b>	<b>0</b>
<b>Estimated in-year impact in 2022/23</b>	<b>£000</b>
Additional depreciation on right of use assets	(555)
Additional finance costs on lease liabilities	(20)
Lease rentals no longer charged to operating expenditure	562
<b>Estimated impact on surplus / deficit in 2022/23</b>	<b>(13)</b>
<b>Estimated increase in capital additions for new leases commencing in 2022/23</b>	<b>149</b>

#### **Other standards, amendments & interpretations**

IFRS 17 Insurance Contracts – application will be required from 2023/24, but has not yet been adopted by the FReM. This is not expected to have an effect on the financial statements.

## Note 2 : Operating Segments

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust Group consists of the Foundation Trust and the related NHS charity. The segmental analysis based on the Group entities is shown below.

	Group	
	2021/22 £000	2020/21 £000
Foundation Trust income attributable to the Group	134,607	118,920
Charity income attributable to the Group	135	353
<b>Total RJAH Group operating income</b>	<b>134,742</b>	<b>119,273</b>
Foundation Trust surplus attributable to the Group	8,201	4,693
Charity surplus/(deficit) attributable to the Group	(164)	107
<b>Total RJAH Group operating surplus</b>	<b>8,037</b>	<b>4,800</b>
Foundation Trust net assets attributable to the Group	96,615	83,442
Charity net assets attributable to the Group	1,216	1,380
<b>Total RJAH net assets</b>	<b>97,831</b>	<b>84,822</b>

No material income attributable to the Group was received by the Charity from any single source during 2021/22 or 2020/21.

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust is a specialist hospital with only one business element of healthcare. Reports to the Board (the Chief Operating Decision Maker as defined by IFRS 8 Operating Segments) are on this basis.

Therefore no further analysis is required for the Foundation Trust.

## Note 3 : Operating Income From Patient Care Activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4.

Commissioner requested services are defined within the Foundation Trust's provider licence and are services that commissioners believe would need to be protected in the event of provider failure. All the acute services income in the table below is derived from commissioner requested services.

No income for healthcare is received by the charity, so the income below relates solely to the Foundation Trust.

### Note 3.1 : Income from patient care activities (by nature)

	Group & Foundation Trust	
	2021/22 £000	2020/21 £000
<b>Acute services</b> (note 1)		
Block contract / system envelope income	110,073	99,035
High cost drugs income from commissioners (excluding pass-through costs)	2,291	1,162
Other NHS clinical income (note 2)	1,522	27
<b>All services</b>		
Private patient income (note 3)	6,593	1,467
Elective recovery fund	323	-
Additional pension contribution central funding (note 4)	3,095	2,825
Other clinical income (includes injury cost recovery scheme) (note 5)	917	2,339
<b>Total income from activities</b>	<b>124,814</b>	<b>106,855</b>

Note 1 - The analysis of the acute services income between the 3 lines has been re-stated to reflect more accurate apportionments.

Note 2 - The increase in other NHS clinical income is due to additional funding from NHS England relating to specialised services developments and Welsh elective recovery fund (ERF) income.

Note 3 - The low level of private patient income in 20/21 was due to activity being paused due to the pandemic. The Trust was reimbursed by NHS England for this lost income - see note 4 of the accounts.

Note 4 - The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. Since 2019/20, NHS providers have continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

Note 5 - The decrease in other clinical income is due to funding in 2020/21 from NHS England for increased annual leave carried forward to the following year.

## Note 3.2 : Income from patient care activities (by source)

	Group & Foundation Trust	
	2021/22 £000	2020/21 £000
<b>Income from patient care activities received from:</b>		
NHS England	26,330	26,242
Clinical commissioning groups	61,468	53,302
Other NHS providers	100	43
Local authorities	1	1
Non-NHS: private patients	6,593	1,467
Non-NHS: overseas patients (chargeable to patient)	-	7
Injury cost recovery scheme (note 1)	804	778
Non-NHS: other (note 2)	29,518	25,015
<b>Total income from activities</b>	<b>124,814</b>	<b>106,855</b>

Note 1 - injury costs recovery scheme income is subject to a provision for impairment of receivables of 23.76% to reflect expected rates of collection.

Note 2 - the majority of the non-NHS other income is from Welsh NHS bodies for patients referred by Welsh GPs, not necessarily living in Wales, and with a Welsh postcode (2021/22: £29,410k and 2020/21: £24,999k).

## Note 3.3 : Overseas visitors (relating to patients charged directly)

	Group & Foundation Trust	
	2021/22 £000	2020/21 £000
Income recognised this year	-	7
Amounts written off in-year	-	7

## Note 4 : Other Operating Income

	Group		Foundation Trust	
	2021/22 £000	2020/21 £000	2021/22 £000	2020/21 £000
<b>Contract income</b>				
Research and development	450	449	450	449
Education & training (excl. notional apprenticeship levy income)	1,924	1,764	1,924	1,764
Non-patient care services to other bodies	-	45	-	45
Reimbursement and top up funding (note 1)	32	5,200	32	5,200
Sale of goods & services	772	443	1,148	443
Catering	265	153	265	153
Car parking	165	57	165	57
Other contract income (note 2)	2,572	1,631	2,196	1,631
<b>Non-contract income</b>				
Education & training - notional apprenticeship fund income	171	178	171	178
Receipt of capital grants and donations (note 3)	2,841	547	2,939	552
Charitable and other contributions to expenditure	87	-	87	57
Consumables donated from DHSC for Covid response	213	1,296	213	1,296
Rental revenue from operating leases	301	302	301	302
Charitable fund incoming resources	135	353	-	-
<b>Total other operating income</b>	<b>9,928</b>	<b>12,418</b>	<b>9,891</b>	<b>12,127</b>

Note 1 - under the Covid financial framework for 2020/21, the Trust received £5.2m funding to address the variable expenditure pressures of the initial pandemic response and to compensate for the loss of non-NHS income.

Note 2 - other contract income includes contributions to services, sponsorship income, and accommodation/room rental. In addition, funding for I/T schemes was received - £800k in 2021/22 and £663k in 2020/21.

Note 3 - the receipt of capital grants and donations for 2021/22 includes the £2,658k donation from the Headley Court Charity for the building of the Veterans' Centre (total donation £6m spread over 3 financial years).

## Note 5 : Additional Information on Contract Revenue Recognised In The Period

	Group & Foundation Trust	
	2021/22 £000	2020/21 £000
Revenue recognised in the reporting period that was included within contract liabilities at the previous period end (i.e. release of deferred income)	977	28

## Note 6 : Fees & Charges

There are no fees or charges where individually the full costs exceed £1m.

## Note 7 : Operating Expenses

### Note 7.1 : Analysis of operating expenses

	Group	
	2021/22 £000	2020/21 £000
Staff and executive directors costs	75,270	71,091
Remuneration of non-executive directors	137	120
Supplies and services - clinical (excluding drugs costs) (note 1)	19,066	13,926
Supplies and services - general (note 1)	1,684	1,335
Drug costs (drugs inventory consumed and purchase of non-inventory drugs) (note 1)	7,945	6,292
Inventories written down	152	207
Consultancy costs	797	817
Establishment (note 1)	1,603	1,127
Premises (note 1)	7,550	6,426
Transport (including patient travel)	466	566
Depreciation on property, plant and equipment	3,787	3,333
Amortisation on intangible assets	1,011	965
Movement in credit loss allowance: contract receivables / contract assets	118	231
Increase/(decrease) in other provisions	(398)	582
Audit fees payable to the external auditor		
audit services- statutory audit	89	94
other auditor remuneration (external auditor only)	1	-
Internal audit costs	63	63
Clinical negligence	2,030	2,281
Legal fees	167	151
Insurance	176	105
Research and development	652	654
Education and training	632	487
Rentals under operating leases	841	919
Redundancy	109	-
Car parking & security	77	48
Losses, ex gratia & special payments	1	5
Other support services (note 2)	546	552
Other NHS charitable fund resources expended	197	179
Other	318	314
<b>Total</b>	<b>125,087</b>	<b>112,870</b>

Note 1 - several lines show significant increases from 2020/21 to 2021/22 due to restoration of elective services after a reduction/pause in 2020/21 due to the Covid-19 pandemic.

Note 2 - other support services includes, payroll, procurement and occupational health.

Note 3 - operating expenses figures relating to the charity are the "Other NHS charitable fund resources expended" line above and £5k (2021/22 and 2020/21) of the "Audit services - statutory audit" line.

## Note 7.2 : Other auditor remuneration

	Group	
	2021/22 £000	2020/21 £000
<b>Other auditor remuneration paid to the external auditor:</b>		
Expenses	1	-
<b>Total</b>	<b>1</b>	<b>-</b>

The limitation on auditor's liability for external audit work, in accordance with their engagement letter, is £1m (2020/21: £1m).

## Note 8 : Impairment of Assets

There was no impairment of assets.

## Note 9 : Employee Benefits

### Note 9.1 : Staff costs

	Group & Foundation Trust	
	2021/22 £000	2020/21 £000
Salaries and wages	58,522	57,509
Social security costs	5,686	5,150
Apprenticeship levy	285	253
Employer's contributions to NHS pensions	10,135	9,318
Pension cost - other	29	21
Termination benefits	123	21
Temporary staff (including agency)	2,209	988
<b>Total gross staff costs</b>	<b>76,989</b>	<b>73,260</b>
Recoveries in respect of seconded staff	(868)	(1,399)
<b>Total staff costs</b>	<b>76,121</b>	<b>71,861</b>
<b>Of which</b>		
Costs capitalised as part of assets	117	146

### Note 9.2 : Retirements due to ill-health

During 2021/22 there was 1 early retirement from the Trust agreed on the grounds of ill-health (1 for 2020/21). The estimated additional pension liability of this ill-health retirement is £9k (£9k for 2020/21).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

## Note 10 : Pension Costs

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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](http://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 is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as at 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

### b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 at 20.6% of pensionable pay.

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at <https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports>.

The Group also makes contributions to the National Employment Savings Trust (NEST) pension scheme. This is a defined contribution scheme that was created as part of the government's workplace pensions reforms under the Pensions Act 2008.



## Note 11 : Operating Leases

### Note 11.1 : Trust as a lessor

This note discloses income generated in operating lease agreements where the Trust is the lessor.

The Trust rents out a small proportion of the hospital buildings to partner organisations which complement the service it provides.

	Group & Foundation Trust	
	2021/22 £000	2020/21 £000
<b>Operating lease revenue</b>		
Minimum lease receipts	301	302
<b>Total</b>	<b>301</b>	<b>302</b>
<b>Future minimum lease receipts due:</b>		
- not later than one year;	250	307
- later than one year and not later than five years	-	24
<b>Total</b>	<b>250</b>	<b>331</b>

### Note 11.2 : Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where the Trust is the lessee.

The Trust has one significant operating lease for an operating theatre modular building (Menzies Day Case Unit) at a cost of £445k for 2021/22 (£433k in 2020/21). Other smaller leases relate to medical equipment (including a CT scanner and theatre equipment) I/T equipment and lease cars.

	Group & Foundation Trust	
	2021/22 £000	2020/21 £000
<b>Operating lease expense</b>		
Minimum lease payments	841	919
<b>Total</b>	<b>841</b>	<b>919</b>
<b>Future minimum lease payments due:</b>		
- not later than one year;	817	811
- later than one year and not later than five years;	2,093	2,485
- later than five years.	-	218
<b>Total</b>	<b>2,910</b>	<b>3,514</b>

*The future minimum lease payments represent the remaining contractual obligations. The remaining duration of contracts will vary as leases reach maturity at different dates.*

## Note 12 : Finance Income

Finance income represents interest received on assets and investments in the period.

	Group & Foundation Trust	
	2021/22 £000	2020/21 £000
Interest on bank accounts	26	-
NHS charitable fund investment income	1	-
<b>Total finance income</b>	<b>27</b>	<b>-</b>

## Note 13 : Finance Expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	Group & Foundation Trust	
	2021/22 £000	2020/21 £000
<b>Interest expense:</b>		
Loans from the Department of Health and Social Care	82	105
<b>Total finance costs</b>	<b>82</b>	<b>105</b>

There was no interest payable in 2021/22 or 2020/21 under the Late Payment of Commercial Debts (Interest) Act 1998 / Public Contract Regulations 2015.

## Note 14 : Other Net Gains

	Group & Foundation Trust	
	2021/22 £000	2020/21 £000
Gains on disposal of assets (note 1)	179	4
Losses on disposal of assets	(5)	-
<b>Net gains on disposal of assets</b>	<b>174</b>	<b>4</b>

Note 1 - the gain in 2021/22 relates mainly to the disposal of the old MRI scanner.

## Note 15 : Intangible Assets

All intangible assets are held by the Foundation Trust.

### Note 15.1 : Intangible assets - 2021/22

	Group & Foundation Trust		
	Software licences £000	Intangible assets under construction £000	Total £000
<b>Valuation / gross cost at 1 April 2021 - brought forward</b>	<b>4,130</b>	<b>4</b>	<b>4,134</b>
Additions	92	-	92
Reclassifications	4	(4)	-
<b>Valuation / gross cost at 31 March 2022</b>	<b>4,226</b>	<b>-</b>	<b>4,226</b>
<b>Amortisation at 1 April 2021 - brought forward</b>	<b>1,417</b>	<b>-</b>	<b>1,417</b>
Provided during the year	1,011	-	1,011
<b>Amortisation at 31 March 2022</b>	<b>2,428</b>	<b>-</b>	<b>2,428</b>
<b>Net book value at 31 March 2022</b>	<b>1,798</b>	<b>-</b>	<b>1,798</b>
<b>Net book value at 1 April 2021</b>	<b>2,713</b>	<b>4</b>	<b>2,717</b>

The minimum and maximum useful economic lives of the software licences are 2 years and 9 years respectively. Useful economic lives reflect the total life of an asset, not the remaining life.

### Note 15.2 : Intangible assets - 2020/21

	Group & Foundation Trust		
	Software licences £000	Intangible assets under construction £000	Total £000
<b>Valuation / gross cost at 1 April 2020 - brought forward</b>	<b>3,923</b>	<b>132</b>	<b>4,055</b>
Additions	140	-	140
Reclassifications	128	(128)	-
Disposals / derecognition	(61)	-	(61)
<b>Valuation / gross cost at 31 March 2021</b>	<b>4,130</b>	<b>4</b>	<b>4,134</b>
<b>Amortisation at 1 April 2020 - brought forward</b>	<b>513</b>	<b>-</b>	<b>513</b>
Provided during the year	965	-	965
Disposals / derecognition	(61)	-	(61)
<b>Amortisation at 31 March 2021</b>	<b>1,417</b>	<b>-</b>	<b>1,417</b>
<b>Net book value at 31 March 2021</b>	<b>2,713</b>	<b>4</b>	<b>2,717</b>
<b>Net book value at 1 April 2020</b>	<b>3,410</b>	<b>132</b>	<b>3,542</b>

## Note 16 : Property, Plant & Equipment

All property, plant and equipment is held by the Foundation Trust.

### Note 16.1 : Property, plant & equipment - 2021/22

	Group & Foundation Trust								
	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
<b>Valuation/gross cost at 1 April 2021 - brought forward</b>	<b>1,623</b>	<b>67,389</b>	<b>268</b>	<b>667</b>	<b>11,987</b>	<b>25</b>	<b>2,382</b>	<b>337</b>	<b>84,678</b>
Additions	-	1,401	-	5,073	1,331	-	299	-	8,104
Revaluations ( <i>note 1</i> )	270	2,034	4	-	-	-	-	-	2,308
Reclassifications	-	-	-	(356)	356	-	-	-	-
Disposals / derecognition	-	-	-	-	(1,050)	-	-	-	(1,050)
<b>Valuation/gross cost at 31 March 2022</b>	<b>1,893</b>	<b>70,824</b>	<b>272</b>	<b>5,384</b>	<b>12,624</b>	<b>25</b>	<b>2,681</b>	<b>337</b>	<b>94,040</b>
<b>Accumulated depreciation at 1 April 2021 - brought forward</b>	-	<b>43</b>	<b>9</b>	-	<b>5,927</b>	<b>25</b>	<b>1,174</b>	<b>271</b>	<b>7,449</b>
Provided during the year	-	2,363	12	-	1,102	-	298	12	3,787
Revaluations ( <i>note 1</i> )	-	(2,397)	(21)	-	-	-	-	-	(2,418)
Disposals / derecognition	-	-	-	-	(979)	-	-	-	(979)
<b>Accumulated depreciation at 31 March 2022</b>	-	<b>9</b>	-	-	<b>6,050</b>	<b>25</b>	<b>1,472</b>	<b>283</b>	<b>7,839</b>
<b>Net book value at 31 March 2022</b>	<b>1,893</b>	<b>70,815</b>	<b>272</b>	<b>5,384</b>	<b>6,574</b>	-	<b>1,209</b>	<b>54</b>	<b>86,201</b>
<b>Net book value at 1 April 2021</b>	<b>1,623</b>	<b>67,346</b>	<b>259</b>	<b>667</b>	<b>6,060</b>	-	<b>1,208</b>	<b>66</b>	<b>77,229</b>

Note 1 - the revaluation is as a result of a desk-top revaluation of land and buildings by Avison Young.

## Note 16.2 : Property, plant & equipment - 2020/21

	Group & Foundation Trust								
	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Valuation / gross cost at 1 April 2020 - brought forward</b>	<b>1,623</b>	<b>64,158</b>	<b>220</b>	<b>1,319</b>	<b>9,038</b>	<b>25</b>	<b>2,872</b>	<b>337</b>	<b>79,592</b>
Additions	-	2,497	-	721	1,874	-	219	-	5,311
Revaluations ( <i>note 1</i> )	-	560	(6)	-	-	-	-	-	554
Reclassifications	-	174	54	(1,373)	1,145	-	-	-	-
Disposals / derecognition	-	-	-	-	(70)	-	(709)	-	(779)
<b>Valuation/gross cost at 31 March 2021</b>	<b>1,623</b>	<b>67,389</b>	<b>268</b>	<b>667</b>	<b>11,987</b>	<b>25</b>	<b>2,382</b>	<b>337</b>	<b>84,678</b>
<b>Accumulated depreciation at 1 April 2020 - brought forward</b>	-	<b>159</b>	<b>10</b>	-	<b>5,107</b>	<b>25</b>	<b>1,556</b>	<b>259</b>	<b>7,116</b>
Provided during the year	-	2,092	12	-	890	-	327	12	3,333
Revaluations ( <i>note 1</i> )	-	(2,208)	(13)	-	-	-	-	-	(2,221)
Disposals / derecognition	-	-	-	-	(70)	-	(709)	-	(779)
<b>Accumulated depreciation at 31 March 2021</b>	-	<b>43</b>	<b>9</b>	-	<b>5,927</b>	<b>25</b>	<b>1,174</b>	<b>271</b>	<b>7,449</b>
<b>Net book value at 31 March 2021</b>	<b>1,623</b>	<b>67,346</b>	<b>259</b>	<b>667</b>	<b>6,060</b>	-	<b>1,208</b>	<b>66</b>	<b>77,229</b>
<b>Net book value at 1 April 2020</b>	<b>1,623</b>	<b>63,999</b>	<b>210</b>	<b>1,319</b>	<b>3,931</b>	-	<b>1,316</b>	<b>78</b>	<b>72,476</b>

Note 1 - the revaluation is as a result of a desk-top revaluation of land and buildings by Avison Young.

## Note 16.3 : Property, plant & equipment financing - 2021/22

	Group & Foundation Trust								
	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
<b>Net book value at 31 March 2022</b>									
Owned - purchased	1,893	55,996	272	2,422	5,978	-	1,209	37	<b>67,807</b>
Owned - donated	-	14,819	-	2,962	596	-	-	17	<b>18,394</b>
<b>Net book value total at 31 March 2022</b>	<b>1,893</b>	<b>70,815</b>	<b>272</b>	<b>5,384</b>	<b>6,574</b>	<b>-</b>	<b>1,209</b>	<b>54</b>	<b>86,201</b>

## Note 16.4 : Property, plant & equipment financing - 2020/21

	Group & Foundation Trust								
	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
<b>Net book value at 31 March 2021</b>									
Owned - purchased	1,623	53,368	259	363	5,523	-	1,208	45	<b>62,389</b>
Owned - donated	-	13,978	-	304	537	-	-	21	<b>14,840</b>
<b>Net book value total at 31 March 2021</b>	<b>1,623</b>	<b>67,346</b>	<b>259</b>	<b>667</b>	<b>6,060</b>	<b>-</b>	<b>1,208</b>	<b>66</b>	<b>77,229</b>

## Note 16.5 : Economic lives of property, plant & equipment

The minimum and maximum useful economic lives of each class of asset are given in the table below. Useful economic lives reflect the total life of an asset, not the remaining life.

	Group & Foundation Trust	
	Min Life Years	Max Life Years
Land	N/A	N/A
Buildings excluding dwellings	5	67
Dwellings	8	48
Plant & machinery	5	31
Transport equipment	7	7
Information technology	3	10
Furniture & fittings	5	35

## Note 17 : Donations of Property, Plant & Equipment

Cash donations were received by the Foundation Trust for building refurbishments and to purchase medical equipment. All cash received was utilised for this purpose. Donations were received from:

The Headley Court Charity - £2,658k (part of a £6m donation for the Veterans' Centre appeal)

The League of Friends - £111k

The RJAH charity - £98k

National Pathology Imaging Co-Operative - £46k

The Orthopaedic Institute - £26k

## Note 18 : Revaluations of Property, Plant & Equipment

For 2021/22, a desk-top revaluation of land and buildings was undertaken by Avison Young with an effective date of 31 March 2022. This resulted in an overall increase in value of £4,726k.

The valuations were undertaken in accordance with International Financial Reporting Standards (IFRS) as interpreted and applied by the NHS, and the requirements of the RICS Valuation Professional Standards.

The valuations are carried out on a Modern Equivalent Asset (MEA) basis, using an optimised approach to land and building constitution.

## Note 19 : Analysis of Charitable Fund Reserves

The Robert Jones and Agnes Hunt Orthopaedic Hospital Charity accounts are consolidated within these accounts. The charity is fully controlled by the Foundation Trust as its corporate trustee, and is therefore consolidated in full into the Group.

The charitable fund reserves can be made up of 2 types of funds:

**Unrestricted income funds** are accumulated income funds that are expendable at the discretion of the trustees in furtherance of the charity's objects. Unrestricted funds may be earmarked or designated for specific future purposes which reduces the amount that is readily available to the charity.

**Restricted funds** may be accumulated income funds which are expendable at the trustee's discretion only in furtherance of the specified conditions of the donor and the objects of the charity. They may also be capital funds (e.g. endowments) where the assets are required to be invested, or retained for use rather than expended.

Currently there are both unrestricted and restricted funds held by the charity. Balances are:

	Group	
	31 March 2022 £000	31 March 2021 £000
<b>Unrestricted funds:</b>		
Unrestricted income funds	973	1,140
<b>Restricted funds:</b>		
Other restricted income funds	243	240
	<u>1,216</u>	<u>1,380</u>

## Note 20 : Inventories

All inventories are finished goods.

	Group & Foundation Trust	
	31 March 2022 £000	31 March 2021 £000
Drugs	133	145
Consumables	1,135	1,191
Energy	66	53
<b>Total inventories</b>	<u>1,334</u>	<u>1,389</u>

Inventories recognised in expenses for the year were £9,774k (2020/21: £6,069k). Write-down of inventories recognised as expenses for the year were £152k (2020/21: £207k).

In response to the Covid-19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2021/22 the Trust received £213k of items purchased by DHSC (2020/21: £1,296k). These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses shown above.



## Note 21 : Receivables

### Note 21.1 : Analysis of receivables

	Group		Foundation Trust	
	31 March 2022 £000	31 March 2021 £000	31 March 2022 £000	31 March 2021 £000
<b>Current</b>				
Contract receivables (note 1)	3,708	7,143	3,708	7,143
Capital receivables	203	-	203	-
Allowance for impaired contract receivables	(615)	(696)	(615)	(696)
Prepayments	972	844	972	844
Interest receivable	12	-	12	-
PDC dividend receivable	-	5	-	5
VAT receivable	119	124	119	124
Other receivables	24	51	37	53
NHS charitable funds receivables	108	111	-	-
<b>Total current receivables</b>	<b>4,531</b>	<b>7,582</b>	<b>4,436</b>	<b>7,473</b>
<b>Non-current</b>				
Contract receivables	1,125	1,084	1,125	1,084
Allowance for impaired contract receivables	(267)	(243)	(267)	(243)
Prepayments (non-PFI)	29	51	29	51
Other receivables	461	353	461	353
<b>Total non-current receivables</b>	<b>1,348</b>	<b>1,245</b>	<b>1,348</b>	<b>1,245</b>
<b>Of which receivable from NHS and DHSC group bodies:</b>				
Current	636	4,240		
Non-current	461	353		

Note 1 - in 2020/21 contract receivables included £3,188k funding due to cover lost non-NHS income during the year.

### Note 21.2 : Allowances for credit losses

All credit losses relate to contract receivables.

	Group & Foundation Trust	
	31 March 2022 £000	31 March 2021 £000
<b>Allowances as at 1 April - brought forward</b>	<b>939</b>	<b>725</b>
New allowances arising	3	211
Changes in existing allowances	127	51
Reversals of allowances	(12)	(31)
Utilisation of allowances (write offs)	(175)	(17)
<b>Allowances as at 31 March</b>	<b>882</b>	<b>939</b>

## Note 22 : Non-Current Assets Held for Sale

There were no non-current assets held for sale in either 2021/22 or 2020/21.

## Note 23 : Cash & Cash Equivalents

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	Group		Foundation Trust	
	2021/22 £000	2020/21 £000	2021/22 £000	2020/21 £000
<b>At 1 April</b>	<b>17,417</b>	<b>9,437</b>	<b>16,136</b>	<b>8,250</b>
Net change in year	8,758	7,980	8,888	7,886
<b>At 31 March</b>	<b>26,175</b>	<b>17,417</b>	<b>25,024</b>	<b>16,136</b>
<b>Broken down into:</b>				
Cash at commercial banks and in hand	16	14	6	4
Cash with the Government Banking Service	26,159	17,403	25,018	16,132
<b>Total cash and cash equivalents</b>	<b>26,175</b>	<b>17,417</b>	<b>25,024</b>	<b>16,136</b>

## Note 24 : Third Party Assets Held by the Trust

There were no third party assets held in either 2021/22 or 2020/21.

## Note 25 : Trade & Other Payables

	Group		Foundation Trust	
	31 March 2022 £000	31 March 2021 £000	31 March 2022 £000	31 March 2021 £000
<b>Current</b>				
Trade payables	2,333	1,119	2,333	1,119
Capital payables	634	901	634	901
Annual leave accrual	1,489	1,688	1,489	1,688
Other accruals	5,208	5,873	5,208	5,873
Receipts in advance and payments on account	1,038	-	1,038	-
Social security costs	898	804	898	804
Other taxes payable	890	738	890	738
PDC dividend payable	8	-	8	-
Other payables (note 1)	3,675	3,062	3,675	3,062
NHS charitable funds: trade and other payables	30	10	-	-
<b>Total current trade and other payables</b>	<b>16,203</b>	<b>14,195</b>	<b>16,173</b>	<b>14,185</b>
Of which payables from NHS and DHSC group bodies:	516	1,437		

Note 1 - other payables mainly includes outstanding pension contributions and payments to staff.

## Note 26 : Other Liabilities

	Group & Foundation Trust	
	31 March 2022 £000	31 March 2021 £000
<b>Current</b>		
Deferred income: contract liabilities	1,162	1,061
Deferred grants	7	11
<b>Total other current liabilities</b>	<b>1,169</b>	<b>1,072</b>

The majority of these liabilities relate to funding received too late in the year to be spent and fees received from private patients in advance of treatment.

## Note 27 : Borrowings

### Note 27.1 : Analysis of borrowings

	Group & Foundation Trust	
	31 March 2022 £000	31 March 2021 £000
<b>Current</b>		
Loan from DHSC (note 1)	1,184	1,186
Salix loan (note 2)	277	242
<b>Total current borrowings</b>	<b>1,461</b>	<b>1,428</b>
<b>Non-current</b>		
Loan from DHSC (note 1)	2,356	3,532
Salix loan (note 2)	971	817
<b>Total non-current borrowings</b>	<b>3,327</b>	<b>4,349</b>

Note 1 - the outstanding DHSC loan is a £10m capital investment loan taken out in August 2015, repayable over 10 years at an interest rate of 1.92%. The principal is repaid at 6 monthly intervals until February 2025. The loan was used to finance the building of the Theatre and Tumour Unit.

Note 2 - Salix is a government-funded organisation which provides interest-free loans to the public sector to improve energy efficiency. The principal is repaid over 5 years at 6 monthly intervals until September 2026.

## Note 27.2 : Reconciliation of liabilities from financing activities

2021/22	Group & Foundation Trust		
	Loans from DHSC	Other loans	Total
	£000	£000	£000
<b>Carrying value at 1 April 2021</b>	<b>4,718</b>	<b>1,059</b>	<b>5,777</b>
<b>Cash movements:</b>			
Financing cash flows - payments and receipts of principal	(1,176)	189	(987)
Financing cash flows - payments of interest	(84)	-	(84)
<b>Non-cash movements:</b>			
Application of effective interest rate	82	-	82
<b>Carrying value at 31 March 2022</b>	<b>3,540</b>	<b>1,248</b>	<b>4,788</b>

2020/21	Group & Foundation Trust		
	Loans from DHSC	Other loans	Total
	£000	£000	£000
<b>Carrying value at 1 April 2020</b>	<b>5,897</b>	<b>-</b>	<b>5,897</b>
<b>Cash movements:</b>			
Financing cash flows - payments and receipts of principal	(1,176)	1,059	(117)
Financing cash flows - payments of interest	(108)	-	(108)
<b>Non-cash movements:</b>			
Application of effective interest rate	105	-	105
<b>Carrying value at 31 March 2021</b>	<b>4,718</b>	<b>1,059</b>	<b>5,777</b>

## Note 28 : Finance Leases

There were no finance leases held in either 2021/22 or 2020/21.

## Note 29 : Provisions for Liabilities & Charges

	Group & Foundation Trust					
	Pensions: early departure costs £000	Pensions: injury benefits £000	Legal claims £000	Re- structuring £000	Other £000	Total £000
<b>At 1 April 2021</b>	<b>116</b>	<b>469</b>	<b>26</b>	<b>-</b>	<b>1,102</b>	<b>1,713</b>
<b>At start of period for new FTs</b>	-	-	-	-	-	-
Arising during the year	3	-	13	109	235	<b>360</b>
Utilised during the year	(35)	(20)	(15)	-	(281)	<b>(351)</b>
Reversed unused	-	-	(6)	-	(320)	<b>(326)</b>
<b>At 31 March 2022</b>	<b>84</b>	<b>449</b>	<b>18</b>	<b>109</b>	<b>736</b>	<b>1,396</b>
<b>Expected timing of cash flows:</b>						
- not later than one year;	34	20	18	109	155	<b>336</b>
- later than one year and not later than five years;	48	80	-	-	14	<b>142</b>
- later than five years.	2	349	-	-	567	<b>918</b>
<b>Total</b>	<b>84</b>	<b>449</b>	<b>18</b>	<b>109</b>	<b>736</b>	<b>1,396</b>

The pensions relate to NHS pensions payable to staff given early retirement prior to 1995, and an injury benefit for a previous employee of the Trust. These are administered and invoiced for by the NHS Business Services Agency Pensions Division with total liability estimated based on life expectancy.

The legal claims relate to employer's and public liability claims handled by NHS Resolution. Liability is limited to the scheme excess.

"Other" relates to clinician pension tax reimbursement, employment tribunal claims, and the dismantling charges for the day case unit at the end of the lease.

At 31 March 2022, £14,400k was included in the provisions of NHS Resolution in respect of clinical negligence liabilities of the Trust (31 March 2021: £12,503k).

## Note 30 : Contingent Assets & Liabilities

There were no contingent assets in 2021/22 or 2020/21.

	Group & Foundation Trust	
	31 March 2022 £000	31 March 2021 £000
<b>Value of contingent liabilities</b>		
NHS Resolution legal claims	(12)	(11)
<b>Total value of contingent liabilities</b>	<b>(12)</b>	<b>(11)</b>

## Note 31 : Contractual Capital Commitments

	Group & Foundation Trust	
	31 March 2022 £000	31 March 2021 £000
Property, plant and equipment	3,177	187
<b>Total</b>	<b>3,177</b>	<b>187</b>

## Note 32 : Other Financial Commitments

The Group is committed to making payments under non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangement), analysed by the period during which the payment is made:

	Group & Foundation Trust	
	31 March 2022 £000	31 March 2021 £000
Not later than 1 year	788	764
After 1 year and not later than 5 years	729	853
<b>Total</b>	<b>1,517</b>	<b>1,617</b>

## Note 33 : Financial Instruments

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### Note 33.1 : Financial risk management

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Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Foundation Trust has with commissioners and the way those commissioners are financed, the Group is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Foundation Trust's investment policy limits the investment of surplus funds to institutions with a low risk rating. The charity's investment policy is consistent with that of the Foundation Trust. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Group in undertaking its activities.

The Group's treasury management operations are carried out by the finance department. For the Foundation Trust, this is within parameters defined formally within its Standing Financial Instructions and policies agreed by the board of directors. For the charity, this is within parameters defined formally within the charity's governing document and the Charitable Funds Committee terms of reference. Treasury activity is subject to review by the Group's internal auditors.

#### **Currency risk**

The Group is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. There are no overseas operations. The Group therefore has low exposure to currency rate fluctuations.

#### **Interest rate risk**

The Foundation Trust holds a DHSC loan, with interest charged at the prevailing National Loans Fund rate when the loan was taken out. The Salix loan is interest free. The Foundation Trust therefore has low exposure to interest rate fluctuations. The charity has no borrowings.

#### **Credit risk**

As the majority of the Foundation Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2022 are in receivables from customers, as disclosed in the receivables note. The charity does not hold material receivables balances. With its income coming from voluntary donations and legacies, the charity is also considered to have a low exposure to risk.

#### **Liquidity risk**

The Group's operating costs are incurred under contracts with commissioning organisations, which are financed from resources voted annually by Parliament. The Foundation Trust funds its capital expenditure from resources voted annually by parliament, internally generated surpluses, donations, and through borrowing via the National Loans Fund. The Group is not, therefore, exposed to significant liquidity risks.



## Note 33.2 Carrying values of financial assets

All at amortised cost under IFRS 9	Group		Foundation Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Trade & other receivables (excl. non-financial assets)	4,651	7,692	4,664	7,692
Cash & cash equivalents	25,024	16,136	25,024	16,136
Consolidated NHS Charitable fund financial assets	1,246	1,392	-	-
<b>Total</b>	<b>30,921</b>	<b>25,220</b>	<b>29,688</b>	<b>23,828</b>

Carrying value (book value) of these financial assets is assumed to be a reasonable approximation of fair value.

## Note 33.3 Carrying values of financial liabilities

All at amortised cost under IFRS 9	Group		Foundation Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Loans from the Department of Health & Social Care	3,540	4,718	3,540	4,718
Other borrowings	1,248	1,059	1,248	1,059
Trade & other payables (excl. non-financial liabilities)	13,339	12,643	13,339	12,643
Provisions under contract	120	120	120	120
Consolidated NHS charitable fund financial liabilities	30	10	-	-
<b>Total</b>	<b>18,277</b>	<b>18,550</b>	<b>18,247</b>	<b>18,540</b>

Carrying value (book value) of these financial liabilities is assumed to be a reasonable approximation of fair value.

## Note 33.4 : Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This may differ to the amounts recognised in the Statement of Financial Position which are discounted to present value.

	Group		Foundation Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
In 1 year or less	14,884	14,035	14,854	14,025
In more than 1 year but not more than 5 years	3,503	4,709	3,503	4,709
	<b>18,387</b>	<b>18,744</b>	<b>18,357</b>	<b>18,734</b>

## Note 34 : Losses & Special Payments

	Group & Foundation Trust			
	2021/22		2020/21	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
<b>Losses</b>				
Cash losses	-	-	1	-
Fruitless payments and constructive losses	-	-	1	4
Bad debts and claims abandoned	27	1	40	16
Stores losses and damage to property	2	152	3	167
<b>Total losses</b>	<b>29</b>	<b>153</b>	<b>45</b>	<b>187</b>
<b>Special payments</b>				
Nationally funded overtime corrective payments (note 2)	1	136	-	-
Other ex-gratia payments	68	16	39	40
Special severance payments	1	8	-	-
<b>Total special payments</b>	<b>70</b>	<b>160</b>	<b>39</b>	<b>40</b>
<b>Total losses and special payments</b>	<b>99</b>	<b>313</b>	<b>84</b>	<b>227</b>

Note 1 - losses and special payments are accounted for on an accruals basis, excluding provisions for future losses.

Note 2 - the nationally funded overtime corrective payment relates to backpay to staff going back a number of years as a result of the Flowers legal case. Payments were made in 2021/22.

## Note 35 : Related Parties

During the year no Department of Health & Social Care ministers, Trust board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with the Group.

The Department of Health is regarded as a related party. During the year the Group has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. The most significant are:

- Cheshire CCG
- Herefordshire & Worcestershire CCG
- NHS England
- NHS Resolution
- Shrewsbury & Telford Hospitals NHS Trust
- Shropshire, Telford & Wrekin CCG

The Group has had a number of material transactions with UK devolved governments. These transactions have been for the provision of healthcare, mainly with Welsh NHS bodies which are funded by the Welsh Assembly.

- Betsi Cadwaladr University LHB
- Powys LHB
- Public Health Wales NHS Trust

The Group has also had a number of material transactions with other government departments and other central and local government bodies. Most of these have been with Shropshire Council in respect of non-domestic rates.

## Note 36 : Events After the Reporting Date

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There were no events after the reporting date.

## Note 37 : Adjusted Financial Performance

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The table below shows the Foundation Trust's adjusted financial performance.

	Foundation Trust	
	2021/22 £000	2020/21 £000
<b>Retained surplus for the year</b>	<b>8,201</b>	<b>4,693</b>
Remove capital donations I&E impact	(2,377)	(15)
Remove net impact of consumables donated from other DHSC bodies	73	(129)
<b>Adjusted financial performance surplus</b>	<b>5,897</b>	<b>4,549</b>
Less gains on disposal of assets	(179)	-
Plus annual leave accrual not funded	-	328
<b>Adjusted financial performance surplus for the purposes of system achievement</b>	<b>5,718</b>	<b>4,877</b>

# Quality Account 2021/22

# INTRODUCTION

The safety and quality of the care that we deliver at Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust is our utmost priority. We therefore value the opportunity to review the quality of our services each year and outline the progress we have made against our set quality priorities. This is as well as acknowledging the challenges that we have faced in some areas in delivering care to the standard that we aspire.

Each NHS Trust is required to produce an annual report on quality as outlined in the National Health Service (Quality Account) Regulations 2010. The quality account is the vehicle by which we, as providers, inform the public about the quality of the services we provide. The quality account enables us to explain our progress to the public and allows leaders, clinicians, governors and staff to demonstrate their commitment to continuous, evidence based quality improvement.

Through increased patient choice and scrutiny of healthcare service, patients have rightfully come to expect a higher standard of care and accountability from the providers of NHS services. Therefore a key part of the scrutiny process is the involvement of relevant stakeholders. To that end, one of the requirements for inclusion with the quality account is a statement of assurance from these key stakeholders and evidence of how the stakeholders have been engaged.

In addition, NHS Foundation Trusts are required to follow the guidance set out by NHS Improvement with regard to the quality account and there are a number of national targets set each year by the Department of Health against which we monitor the quality of the services we provide.

Through this quality account, we aim to show how we have performed against these national targets. We will also report on a number of locally set targets and describe how we intend to improve the quality and safety of our services going forward.

## Foreword from the Chief Nurse and Patient Safety Office, Chief Medical Officer and Chair of Quality and Safety Committee

The Trust's aspiration is to provide world class care and quality and patient experience sits firmly at the core of this.

The Trust has continued to experience a challenging and pressured 2021-22 as with many other organisations across the country who have been impacted by the COVID-19 pandemic. We continued to work to support the response to the pandemic within our System, whilst maintaining our critical services.

Despite these challenges the organisation continues to deliver high quality patient care with committed and passionate staff. The strength, resolve and commitment shown by all of our colleagues across the organisation has not surprised us or the Board and we are all humbled by their unwavering support to our patients.

As we move into 2022-23 our focus will be to build on the significant improvements seen in previous years and to ensure that providing quality care remains at the heart of everything we do, every day.



**Sara Ellis Anderson**  
Chief Nurse and Patient  
Safety Officer (Interim)



**Dr. Ruth Longfellow**  
Chief Medical Officer



**Chris Beacock**  
Quality and Safety  
Committee Chair

# PART 1

## Statement on Quality from the Chief Executive



The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust has a clear vision statement – that we aspire to deliver world class patient care. This is an ambitious goal, but also an achievable one. It is supported by our Quality Strategy, which ensures that quality and patient safety are at the heart of everything we do.

These Quality Accounts set out our key achievements in 2021/22, as well as sharing our priorities for 2022/23. The Covid-19 pandemic has obviously had a significant impact on the NHS and the need to focus on maintaining high quality standards has never been more important. We hope this will provide patients, their families and carers with confidence in the quality of their services.

During 2018-19, we were inspected by the Care Quality Commission, who rated the Trust as 'Good' overall and 'Outstanding' for care. We were also rated as 'Good' for safety. The Trust had expected an inspection in 2019-20 and would have welcomed the opportunity to showcase its services again, however, this was postponed due to Covid-19. The Trust has continued to work towards achieving outstanding against the CQCs standards and despite the fantastic work set out in this report which indicates we are heading in the right direction; we know there is still more to do if we are to deliver on our world class vision.

The Trust has maintained low infection rates. We ensure ongoing monitoring and surveillance of all infections, as well as regular monitoring of ward and department level practices. During an unprecedented year we continued to focus on delivery of safe, high-quality services for our patients, underpinned by robust business management. A key focus area for the Trust is the Infection, Prevention and Control Improvement plan. Following an MRSA outbreak\* during the Summer 2021, which involved eight hospital acquired infections, the Trust continued to work hard to implement changes outlined by NHSE/I. Unfortunately, following a visit in February the Trust were in discussions with the regulators regarding a potential breach of licence. In May 2022 the breach of license was confirmed and Trust were to be moved to segment 3 on the single oversight framework (SOF3). The Trust have implemented a IPC Quality Assurance Committee which reports directly to the Board of Directors to enhance oversight over all aspects of IPC. The Trust is committed to implementing the improvements identified, along with welcoming support from NHSE/I and the System. The Board thank the staff for the continued hard work throughout a challenging time and noted the positive outcomes following the issues identified which has supported a improved direction of change for the organisation. It is important to note that no patients were harmed during the MRSA outbreak.

Learning from all patient safety incidents is promoted throughout the Trust with examples of good practice shared at a variety of meetings. Over the last year the Trust has worked hard to enrich incident investigations by increasing the multi-disciplinary approach and this is evident

in the rich action plans being developed and taken forward with oversight from the Trust's Quality and Safety Committee. The Quality and Safety governance structure can be found on page 77 of the report.

The National NHS Staff Survey which is undertaken by more than 300 NHS organisations again provided very positive feedback with 52% of staff completing the survey. Our organisation remains best in our benchmark group when responding to the question if a friend or relative needed treatment staff would be happy with the standard of care provided by the organisation. We have seen an improvement in this score for the last 4 years. The percentage of staff agreeing that they were confident that the organisation would address concerns about unsafe clinical practice also improved.

Overall patient experience at RJAH was rated as the best in the country compared to other NHS Trusts, according to the annual Adult Inpatient Survey carried out by the CQC. RJAH has been named by the CQC as one of just six organisations placed in the top band of Trusts delivering results that are considered "much better than expected", with patient experience that is substantially better than elsewhere. It is also classed as "much better" in both medical care and surgery. The same survey also included top scoring for overall patient experience with an average mark of 9.54 out of 10, and doctors were rated as the best in the country and its nurses also came out on top for inspiring confidence and trust.

At the beginning of the 2021/22 financial year across the country and locally we have started to see the number of Covid-19 cases and Covid-19 related hospital admissions reduce. This comes as a great relief. During this difficult period the Trust played an integral part in the System's response and provided mutual aid through the release of its staff across a number of disciplines and this put pressure on both those staff required to work in different environments but also on those remaining at the Trust keeping services running. The Trust has thanked its staff for going above and beyond to ensure patients continued to receive the best care possible. However, our focus now is on tackling our waiting lists, which have almost doubled over the past year. The Trust has in place a clear plan to reduce waiting times and this is being closely monitored by the Board but will be a challenge and will require our staff to be as well cared for as our patients.

The Trust remains committed to promoting equality and inclusion for both its staff and patients and in June 2020 the NHS Rainbow Badge was launched. The badge provides staff with a way to show that their place of work offers open, non-judgemental and inclusive care for all who identify as LGBTQ+ and acts as visual symbol identifying the person wearing it as someone who is there to listen.

Quality is at the heart of every decision we take and, with the significant contribution of staff from across the hospital, we will strive to keep improving in 2022/23 to deliver ever higher levels of patient experience and care despite the continuing challenges of Covid-19.

I confirm that to the best of my knowledge the information outlined in this document is accurate.



Stacey Keegan, Chief Executive Officer (Interim)  
21 June 2022



# PART 2

## Priorities for improvement

### Our Quality Priorities for 2022/23

#### Deciding on our quality priorities for the coming year

This part of the report describes the areas for improvement that the Trust identified for the year 2022-23. The quality priorities have been derived from a range of information sources consulting with key staff and including our Council of Governors. We have also been guided by our performance in the previous year and the areas of performance that did not meet the quality standard to which we aspire.

In choosing our priorities, we considered the quality issues raised about the Trust through the various feedback mechanisms available to our staff and patients and our commissioners. We also took account of the national and local system landscape at the time and shaped our priorities to align with emerging local and national quality priorities.

Each of the quality priorities outlined below will be monitored throughout the year via existing governance structures which will be described in more detail below. In addition, we will facilitate stakeholder engagement workshops where we will chart our progress and discuss any challenges to implement the quality improvement priorities as agreed.

## Our Quality Priorities for 2022/23

Priority	Objective	Key areas of focus	Measure of Success
<b>PATIENT SAFETY</b>			
1. End of Life Care and the ReSPECT Process	Ensure patients receive good quality and safe care at the end of their life by ensuring staff have the correct skills and training	<ul style="list-style-type: none"> <li>Ensure staff have access to end of life resources</li> <li>Ensure staff receive appropriate training</li> <li>Audit of ReSPECT forms</li> <li>Collection of patient and relative feedback</li> <li>Ensure there is an organisational lead for End of Life Care</li> <li>Further training on advanced communication</li> </ul>	<ul style="list-style-type: none"> <li>Increased levels of training</li> <li>Increased quality of documentation on ReSPECT forms</li> <li>Organisational lead in place</li> <li>Increased availability of resources</li> </ul>
2. VTE – Prevention and management	Ensure compliance against Trust VTE policy to reduce risk of VTE incidence	<ul style="list-style-type: none"> <li>Improved learning from RJAH acquired VTE incidents</li> <li>Thematic analysis of incidents monitoring themes/trends</li> <li>Audit of compliance against policy</li> <li>Review ward to board reporting and data collection</li> </ul>	<ul style="list-style-type: none"> <li>Decrease in VTE incidents resulting in harm</li> <li>Evidence of shared learning</li> </ul>
<b>CLINICAL EFFECTIVENESS</b>			
3. Enhanced Recovery – supporting patients to eat drink and mobilise after surgery	Decrease length of stay in primary arthroplasty surgery	<ul style="list-style-type: none"> <li>Adopt “DrEaMing” (Drink, Eat and Mobilise) across surgical wards</li> <li>Implementation of enhanced recovery business case</li> <li>Implement criteria led discharge as part of enhanced recovery pathway</li> </ul>	<ul style="list-style-type: none"> <li>Reduced Length of Stay</li> <li>Increased positive patient experience scores</li> </ul>
4. Reduction in delayed discharges	Achieve the Trust KPI of less than 5.24% of all patients delayed	<ul style="list-style-type: none"> <li>Ensure that all patients are aware of their expected discharge date</li> <li>Early discharge planning needs to commence on arrival at the Trust or pre-operatively for elective admissions</li> <li>Mini MADE events</li> <li>Review MDT Board rounds</li> <li>Ensure escalation flowchart as part of discharge policy is followed and good communication with system partners</li> </ul>	<ul style="list-style-type: none"> <li>Achieve % improvements towards trust target of 5.24% delayed discharges</li> <li>Increased positive patient experience scores</li> </ul>
<b>PATIENT EXPERIENCE</b>			
5. Waiting well initiative	Ensure patients are communicated with effectively whilst on the waiting list	<ul style="list-style-type: none"> <li>Ensure effective communication and information available to patients waiting</li> <li>Promote pre-rehabilitation using My Recovery app</li> <li>Ensure robust clinical prioritisation and harms review process is in place and monitored</li> </ul>	<ul style="list-style-type: none"> <li>Reduced patient contact/complaints relating to waiting times</li> </ul>
6. Progress against NHS Learning Disability standards	Improve patient experience with patients with learning disabilities and autism who access our services	<ul style="list-style-type: none"> <li>Continue Learning Disabilities and Autism improvement group with patient involvement</li> <li>Improved communication across the patient pathway</li> <li>Review of national benchmarking data</li> <li>Improved compliance with tier 1 LD and Autism training for all staff to increase awareness</li> </ul>	<ul style="list-style-type: none"> <li>Improved % with training compliance</li> <li>Increased patient satisfaction</li> <li>Increased access to resources for staff caring for patients with LD and autism</li> </ul>

## Statements of Assurance from the Board

In this section we report on matters relating to the quality of NHS services provided as stipulated in regulations. The content is common to all providers so that as can be compared across NHS Trusts.

### Review of Services

During 2021-22, The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust provided three NHS services, in musculo-skeletal surgery, medicine and rehabilitation.

The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust has reviewed all the data available to them on the quality of care in all of these health services.

The income generated by the relevant health services reviewed in 2020-21 represents 100% of the total income generated from the provision of NHS services by The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust for 2020-21

### Participation in Clinical Audit

During 2021-22, 11 National clinical audits and 0 national confidential enquiries covered NHS services that the Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust provides.

During that period, The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust participated in 9 (82%) National Clinical Audits that it was eligible to participate in.

The national clinical audits and national confidential enquiries that The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust participated in during 2021-22 were as follows:

- Serious Hazards of Transfusion (SHOT): UK National haemovigilance scheme
- Mandatory Surveillance of HCAI
- National Early Inflammatory Arthritis Audit (NEIAA)
- National Joint Registry (NJR)
- National Comparative Audit of Blood Transfusion programme
- Case Mix Programme
- British Spine Registry
- National Diabetes Inpatient Audit
- Elective Surgery (National PROMS Programme)
- National Diabetes Audit - Adults
- Perioperative Quality Improvement Programme (PQIP)
- Surgical Site Infection Surveillance
- Falls and Fragility Fracture Audit Programme (FFFAP)

The national clinical audits and national confidential enquiries that The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust was eligible to participate in during 2021-22 are as follows:

- Mandatory Surveillance of HCAI
- National Early Inflammatory Arthritis Audit (NEIAA)
- National Joint Registry (NJR)
- Case Mix Programme
- British Spine Registry
- Elective Surgery (National PROMS Programme)
- Perioperative Quality Improvement Programme (PQIP)
- Surgical Site Infection Surveillance
- Falls and Fragility Fracture Audit Programme (FFFAP)

The national clinical audits and national confidential enquiry that The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust was eligible to participate in and for which data collection was completed during 2021-22 are listed below alongside that number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry:

Audit	Eligible to participate	% cases submitted
Mandatory Surveillance of HCAI	All patients within that criterion	Total of 9 submitted – (7 RJAH Acquired)
National Early Inflammatory Arthritis Audit (NEIAA)	All patients within that criterion	All patients who were eligible were recruited total of 96 patients for 2021-22
National Joint Registry (NJR)	All patients within that criterion	Unable to identify all eligible procedures submitted however compliance is 100% for 2021/22
Case Mix Programme	All patients within that criterion	1 <sup>st</sup> April 2021 - 28 <sup>th</sup> March 2022 703 patients admitted
British Spine Registry	All patients within that criterion	230 patient consent forms were completed with 197 patients being contactable during 2021/22. All patients who were eligible have been submitted into BSR
Elective Surgery (National PROMS Programme)	All patients within that criterion	2020-21 Figures: (2021-22 figures not available yet) All Knee Replacement: 84.6% All Hip Replacement: 83.7%
Perioperative Quality Improvement Programme (PQIP)	All patients within that criterion	143 patients were enrolled into the audit in which the target was 150
Surgical Site Infection Surveillance	All patients within that criterion	28 surgical site infections
Falls and Fragility Fracture Audit Programme (FFFAP)	All patients within that criterion	No eligible cases were submitted as the Trust sustained no neck of femur or hip fractures from a fall

The reports of 18 local clinical audits were reviewed by the provider in 2021-22 and The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust intends to take the actions set out in below to improve the quality of healthcare provided.

Audit Number	Title of Audit	Action Points
15/16_055	The effectiveness of track and trigger systems in identifying deteriorating patients	<ol style="list-style-type: none"> <li>1. Defined ceiling of treatment, ceiling of treatment plan trust-wide 2020 ReSPECT process implemented October 2019.</li> <li>2. NEWS 2 implementation of NEWS2 and upgrading of e-observation software IT 2020 upgrade of VitalPAC e-observation software completed.</li> <li>3. Spinal patient monitoring. Monitoring plan MCSI 2020.</li> </ol>
19/20_035	Osteoporosis screening in patients receiving surgical fixation for distal radial fractures	<ol style="list-style-type: none"> <li>1. Double check that the fracture liaison service is effective.</li> <li>2. Use osteoporosis patient information leaflets.</li> <li>3. Concern about those patients already missed in the audit therefore letter to patients to be sent to missed patients.</li> </ol>
21/22_016	MCA/DOLs Audit – CCG Recommended	<ol style="list-style-type: none"> <li>1. Improve staff level of knowledge and competence review level of staff competence with external provider who delivers MCA and DOLs training.</li> <li>2. Continual assessment of level of knowledge and competence development of quality standard audit to measure staff knowledge and competence.</li> <li>3. To provide guidance to help improve level of staff competence.</li> <li>4. Improve level of staff knowledge and competence.</li> <li>5. Ask patients key questions at pre op and follow up on admission.</li> <li>6. Share and improve information resources in relation to MCA, DOLs and LPS information.</li> </ol>
21/22_005	Audit of emergency referrals to spinal dept on EPR for CES patients	<ol style="list-style-type: none"> <li>1. Presentation at Quality Forum and invite SaTH surgical and A&amp;E junior doctors and orthopaedic consultants to attend.</li> <li>2. Share this report with the five main referring hospitals and ask them to distribute amongst orthopaedic teams.</li> <li>3. Make changes to Referral. Patient to put emphasis on the fact a referring consultant must be involved.</li> </ol>
21/22_007	Correct completion of imaging referrals audit	<ol style="list-style-type: none"> <li>1. Regular review of referral forms and for them to be controlled documents and uploaded to SharePoint.</li> <li>2. All essential fields to be completed on electronic referrals. Electronic imaging referrals will have mandatory fields for completion before sending a referral.</li> </ol>
21/22_009	Orthotic Provision for paediatric patients with Idiopathic Flatfoot Project	<ol style="list-style-type: none"> <li>1. Better patient communication with regards to insole management for paediatric patients leaflet to be created advises parents suitable shoes and how to check growth leaflet to be uploaded.</li> <li>2. Explore the value of stock insoles for paediatric patients with a further study proposal submission.</li> </ol>
21/22_012	Reaudit of Radiographic x-ray marker compliance audit	<ol style="list-style-type: none"> <li>1. Share results of audit in the Newsletter, provide paper copies, poster and power point presentation.</li> <li>2. Ask other hospitals how they stick the markers to the image receptors.</li> </ol>

		<ol style="list-style-type: none"> <li>3. Identify a staff member who excels in using markers on static grids and ask them to provide a tutorial on their practice.</li> <li>4. Undertake a side audit of use the ROP to see the incidence of markers outside of the primary beam.</li> <li>5. Undertake a side audit – relevance of body part to marker use.</li> <li>6. Provide staff with clear standards for anatomical markers.</li> </ol>
<b>21/22_017</b>	Perioperative Management of Children with Cerebral Palsy undergoing Major Surgery	<ol style="list-style-type: none"> <li>1. Education of ward staff who complete STAMP tool.</li> <li>2. Increase input of dietitian review of high-risk patients.</li> <li>3. Amended STAMP guidance to permit professional judgement in medium risk category patients and variance to guidance incorporated into STAMP tool and Guidance.</li> </ol>
<b>21/22_024</b>	Audit of compliance with the Faster Diagnosis Standard – A retrospective review	<ol style="list-style-type: none"> <li>1. Process map the referral process between the Montgomery Unit and the Imaging department to identify areas for improvement.</li> <li>2. A management review of the consultant led US guided biopsy service including all US guided biopsies requested.</li> <li>3. Consider conducting clinical assessment via telephone or virtual clinics at an earlier day in the pathway.</li> <li>4. Review the imaging booking pathway to look at decoupling the process from appointment day where possible.</li> <li>5. Additional standard added to the prosed timed pathway for the time taken to schedule and perform a US biopsy from the receipt of referral.</li> <li>6. Scope out and trial an IT tool that captures accurate and real time data of patients on the 28-day FDS that can be accessed by both the imaging department, Montgomery Unit, and information department within the Trust.</li> </ol>
<b>21/22_025</b>	Paediatric Pre-op Assessment Audit	<ol style="list-style-type: none"> <li>1. Standardise the process for the pre-operative nurse to highlight and document a risk and a documented method of acknowledgment and action from the anaesthetic.</li> <li>2. Standardise the process of adolescent surgical pathway so that all 16- and 17-year-olds follow the same pathway and are in the same system.</li> </ol>
<b>21/22_030</b>	An audit of post-operative opioid Prescribing Practices	<ol style="list-style-type: none"> <li>1. Laminated information to go alongside current Trust Guidance's relating to the frequency of vital in the post operative phase.</li> <li>2. Feedback results to anaesthetists reinforcing the importance of an end date for long-acting opioids.</li> <li>3. Addition of questions relating to sedation and frequency of observations added to the ward-based audit system Tendable.</li> <li>4. Improve communication on anaesthetics chart directing clinicians to instructions for respiratory and sedation observations (as required).</li> <li>5. Disseminate evidence-based practice guidelines (levy et al 2021) with surgical registrars.</li> <li>6. Education for staff involved in caring for any patient receiving opioid including intrathecal route.</li> </ol>
<b>21/22_032</b>	Reaudit of the use of a safety	<ol style="list-style-type: none"> <li>1. Audit added to digital audit tool question sets written and provided to Tendable production of question set.</li> </ol>

	checklist for interventional procedures in radiology	<ol style="list-style-type: none"> <li>2. Training of staff in using Tendable information and training video emailed to staff in addition to 1:1 training.</li> <li>3. Review of induction information for radiography and RDA/Nursing staff.</li> </ol>
21/22_041	Management of constipation in elective cerebral palsy hip reconstruction	<ol style="list-style-type: none"> <li>1. Raise awareness of constipation issues in relation to CP complex surgery and the relevant guidelines.</li> <li>2. Improve documentation of bowel habits and laxative use by reviewing the inpatient pathway to identify how this may be better documented.</li> <li>3. Increase prescription of laxatives pre-admission, during admission and on discharge by creating a standardised protocol for constipation management in relation to major CP surgery.</li> </ol>
19/20_024	Audit of Anaesthetic Handover Documentation in HDU	<ol style="list-style-type: none"> <li>1. Share audit results with anaesthetics team.</li> <li>2. Questions around anaesthetic handover in HDU are to be added to Tendable for monthly monitoring.</li> </ol>
20/21_042	Audit on the surgical management of ACL injuries	<ol style="list-style-type: none"> <li>1. Audit presentation at the Sports Knee Research meeting to ensure future comprehensive documentation as per the BOAST guidelines for ACL surgery.</li> </ol>
21/22_004	Harms Review Audit	<ol style="list-style-type: none"> <li>1. No action plan required as activities already undertaken via sources not involved with this audit.</li> </ol>
21/22_015	Elbow Arthroscopy Scores Outcomes Audit	<ol style="list-style-type: none"> <li>1. Reaudit annually.</li> <li>2. Reaudit to include 'specify the components of the score such as reduction in pain level, pre and post surgery'.</li> <li>3. Contacted Outcomes Manager to ensure elbow PROMs continue to be collected.</li> </ol>
21/22_036	Reaudit of CTPA Studies	<ol style="list-style-type: none"> <li>1. No actions required – Our positive diagnosis rate for Pulmonary Embolus meets the local and National Standards.</li> </ol>

9 Service Evaluation projects were reviewed by the provider in 2021-22 and The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust intends to take the actions set out in below to improve the quality of healthcare provided.

Project Number	Project Title	Action Plans
21/22_003	Ward staff perception of nerve block education provided by the Acute Pain Service	<ol style="list-style-type: none"> <li>1. Review of technology and its use in education by meeting with appropriate staff members.</li> <li>2. Review of information dissemination and methods that was discussed at Quality Forum.</li> <li>3. Review of link nurse role to discuss at Senior Nurse Meeting.</li> </ol>
21/22_021	Treatment rates for DDH in the neonatal hip ultrasound clinic	<ol style="list-style-type: none"> <li>1. Check that partner Hospital is using correct criteria for screening.</li> </ol>
19/20_019	Service Evaluation of mobile muscle service	<ol style="list-style-type: none"> <li>1. None required.</li> </ol>
19/20_041	Outcomes following complete cartilage treatment for osteochondral lesions of the talus	<ol style="list-style-type: none"> <li>1. None required – patients with primary and non-primary OLT can be treated with CCR using bone marrow concentrate. The procedure is safe, and results improved outcomes for patients.</li> </ol>
20/21_007	Do socioeconomic factors affect clinical	<ol style="list-style-type: none"> <li>1. No actions following presentation at the Cartilage Group Meeting at RJAH.</li> </ol>

	outcomes of ACI surgery?	
<b>20/21_045</b>	Leg Length Discrepancy Outcomes in THR Surgery	1. The addition of the jig tool is valuable for surgery and accepted by other consultants therefore no action required from this evaluation.
<b>21/22_008</b>	Evaluation of pre and post operative x-rays in hip replacement	1. Standardising the radiology process for lateral/HBL images.
<b>21/22_019</b>	Outcomes of paediatric patients undergoing ACL reconstruction	1. No actions required – The trans-epiphyseal technique using hamstring autograft is a safe and reproducible technique with good outcomes.
<b>21/22_020</b>	Trochleoplasty improves the Quality of Life for patients	1. No actions required – Trochleoplasty is an effective surgical technique which improves the QoL in patients suffering from patella instability secondary to severe trochlear dysplasia. Presented in April BASK meeting.



## Participation in Clinical Research

Clinical research at The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust (RJAH) continues to grow despite the continued challenges of the COVID pandemic on the clinical services and ability to manage research alongside the day-to-day activity. The total number of active studies at the Trust during 2021-22 was 68 of which 48 were adopted onto the National Institute for Health Research (NIHR) portfolio, covering several of the 30 Clinical Research Network speciality areas including cancer, musculoskeletal disorders, surgery, neurological disorders and anaesthesia, perioperative medicine and pain management. Active studies included commercial, academic and RJAH-sponsored studies.

The number of participants enrolled in research eligible for inclusion in the NIHR portfolio was 449. Research participation opportunities are wide ranging and open to all, as demonstrated by the age range of the participants - less than 12 months to 90 years. Recruitment grew by 53% compared to last year, indicating the return of clinical research activity within the NHS, but remains challenged when compared to pre-pandemic activity.

Delivery of the Trust's five-year research strategy continues, with over 70% of the actions due for completion by end 2021-22 completed. Workload and alternative working practices being the main reason for delay.

## CQUIN framework

During 2021-22 none of The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust income was conditional on achieving quality improvement and innovation goals agreed between the Trust and its Commissioners through the CQUIN (Commissioning for Quality and Innovation) payment. This was because the schemes were paused nationally due to the pressures of COVID-19.

## CQC registration

The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust is required to register with the Care Quality Commission and its current registration is without conditions. The Care Quality Commission has not taken any enforcement action against The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust in 2021-22.

During December 2018, the CQC carried out an inspection of the Trust and at this time, the Trust was given an overall rating of 'Good' with care found to be 'Outstanding', with the breakdown of ratings show in the table below:

### Ratings for The Robert Jones and Agnes Hunt Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Medical care (including older people's care)	Good ↑ Feb 2019	Good ↑ Feb 2019	Outstanding ↑ Feb 2019	Good ↑ Feb 2019	Good ↑ Feb 2019	Good ↑ Feb 2019
Surgery	Good ↑ Feb 2019	Good ↔ Feb 2019	Good ↔ Feb 2019	Good ↔ Feb 2019	Good ↔ Feb 2019	Good ↔ Feb 2019
Critical care	Requires improvement ↔ Feb 2019	Requires improvement ↔ Feb 2019	Good ↔ Feb 2019	Good ↑ Feb 2019	Requires improvement ↓ Feb 2019	Requires improvement ↔ Feb 2019
Services for children and young people	Good ↑ Feb 2019	Good ↑ Feb 2019	Outstanding ↑ Feb 2019	Good ↔ Feb 2019	Good ↑ Feb 2019	Good ↑ Feb 2019
Outpatients	Good Feb 2019	N/A	Good Feb 2019	Good Feb 2019	Good Feb 2019	Good Feb 2019
Diagnostic imaging	Good Feb 2019	N/A	Good Feb 2019	Good Feb 2019	Good Feb 2019	Good Feb 2019
<b>Overall*</b>	Good ↑ Feb 2019	Good ↑ Feb 2019	Outstanding ↑ Feb 2019	Good ↑ Feb 2019	Good ↑ Feb 2019	Good ↑ Feb 2019

The full CQC inspection report can be found at the following link: <https://www.cqc.org.uk/provider/RL1/services>

In response to the inspection report from February 2019, the Trust put in place and completed a robust action plan to address the areas for improvement highlighted by the CQC. A further inspection was planned during 2020 but this was deferred by the CQC due to COVID-19.

The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust has not participated in any special reviews or investigations by the CQC during 2021-22.

### Secondary Uses Service Submission

The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust submitted records during 2021-22 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics. The latest published data for CDS Data Quality Dashboard is for the period April 21 – Feb 22. The percentage of records in this published data included the patient's valid NHS number was:

- 100.00% for admitted patients care
- 100.00% for outpatient care

The percentage of records in the published data which included the patient's valid General Medical Practice Code was:

- 99.5% for admitted patients care
- 99.7% for outpatient care

The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust will be taking the following actions to improve data quality:

- Raise the awareness and profile of data quality, developing within the Trust a positive culture, through encouraging best practise and promoting new processes, and

ensuring that all staff recognises that they have a responsibility for ensuring a high standard of Data Quality.

- Maintain a robust Audit framework that provides assurance for key performance indicators as reported in the Trust's Integrated Performance Report (IPR).
- To monitor and review a set of data quality KPI's focussing on any areas of concern.
- Improve the Data Quality in relation to 18 week referral to treatment time (RTT) through audit, validation and education of both clinical and non-clinical teams, providing support and advice when needed.
- To ensure compliance with all data quality standards as specified within the Data Security and Protection Toolkit.

## Information Governance

The NHS Information Governance Framework sets the processes and procedures by which the NHS handles information about patients and employees, in particular personal identifiable information. The NHS Information Governance Framework is supported by a data security and protection toolkit and the annual submission process provides assurances to the Trust, other organisations and to individuals that personal information is dealt with legally, securely, efficiently and effectively.

The NHS Information Governance Framework sets the processes and procedures by which the NHS handles information about patients and employees, in particular personal identifiable information. The NHS Information Governance Framework is supported by a data security and protection toolkit and the annual submission process provides assurances to the Trust, other organisations and to individuals that personal information is dealt with legally, securely, efficiently and effectively.

The Trust has an established information governance management framework and continues to develop information governance processes and procedures in line with the information governance toolkit. The Trust's Information Governance status is the subject of ongoing review by the Information Governance Committee which is responsible for reviewing policy and monitoring compliance with Department of Health Guidelines. This process is overseen by the Audit Committee which also has a role in ensuring that all serious data governance risks or incidents are brought to the attention of the appropriate Board Committee. The Trust has in place the Chief Nurse as the Caldicott Guardian, and the Director of Digital as the Senior Information Risk Owner (SIRO). Further, the Trust Secretary is the Data Protection Officer.

The requirements of the Data Security and Protection Toolkit (DSPT) are designed to encompass the National Data Guardian review's 10 data security standards.

The Robert Jones and Agnes Hunt Orthopaedic NHS Foundation Trust's Information Governance DSPT score overall for 2021-22 has not yet been determined as the final submission date is 30 June 2022. For 2020-21 the Trust's score was STANDARDS MET.

During 2020-21 the Trust identified and reported no serious IG breaches.

## Clinical coding error rate

The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust was not subject to the Audit Commission's Payment by Results clinical coding audit during 2021-22 As The Audit Commission Payment by Results Audits ceased several years ago.

### DSPT Audit Results October 2021

Primary diagnosis correct	Secondary diagnosis correct	Primary procedures correct	Secondary procedures correct
97.50%	97.97%	98.94%	98.46%

## Seven Day Working

The seven day services programme has been designed to ensure patients receive high quality consistent care across all seven days of the week. As an elective centre, the Trust does not receive emergency admissions in the same way as an acute hospital, being aware of emergency admissions in advance which enable the Trust to ensure appropriate multi-disciplinary teams are in place. The Trust offers a number of seven day services appropriate to the service requirements of an orthopaedic elective centre. This is regularly reviewed based upon patient requirements and feedback, to ensure our services reflect the needs of our patients.

## NHS Outcomes Framework: Review of performance against mandated indicators

The NHS Outcomes Framework sets out high level national outcomes which the NHS should be aiming to improve. The Framework provides indicators which have been chosen to measure these outcomes and stipulates the methodology to be used in order to enable accurate benchmarking.

An overview of the indicators is provided in the table below and the data provided has been calculated using the specified methodology. It is important to note that, whilst these indicators must be included in the Quality Accounts, the most recent available national data for the reporting period is not always for the most recent financial year. Where this is the case, an \* is included next to the indicator. The following data has been taken from the HSIC website and is based on the most up to date data available at the time of writing.

### Mortality

During 2017-18 the Trust put in place a Learning from Deaths Policy in line with national requirements. This policy ensures that the Trust reviews all deaths in line with the NHSE/NHSI framework. We record all of our expected and unexpected deaths and all have a mortality review completed. These results are reviewed through the Trust mortality group. We have a lead consultant who chairs this committee and reports to the Patient Safety Committee chaired by our Chief Nurse.

Because of the low numbers of deaths across the organisation the HSMR and SHIMI are not monitored by the Trust. Further, the standardised mortality rates for hospitals, produced nationally by Dr Foster are not applicable to small specialist Trusts like The Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust, again because the numbers of deaths that occur are too small for change to be statistically significant. However, there is ongoing monitoring of all deaths which occur within the Trust with oversight by the Quality and Safety Committee and reporting to the Board.

During 2021-22 the Robert Jones and Agnes Hunt Orthopaedic Hospital recorded 9 patient deaths. This comprised the following number of deaths which occurred in each quarter of that reporting period: None in the first quarter; one in the second quarter; three in the third quarter and five in the fourth quarter.

By 31 March 2022, seven case record reviews and two coroner's investigations have been carried out (coroner raised no concerns) in relation to the nine deaths.

In two cases a death was subjected to both a case record review and an investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out was: None in the first quarter; one in the second quarter; three in the third quarter and three in the fourth quarter (Two outstanding).

No patient deaths, representing 0% of the patient deaths during the reporting period, are judged to be more likely than not to have been due to problems in the care provided to the patient. In relation to each quarter, this consisted of: 0 representing 0% for the first quarter; 0 representing 0% for the second quarter; 0 representing 0% for the third quarter; 0 representing 0% for the fourth quarter.

Due to the low number of deaths that occur in the hospital, it is possible for each and every death to be tracked and reviewed and the data provided above is therefore accurate.

### **COVID Deaths**

During 2021/22 there were two deaths where COVID appeared on the death certificate both of which were hospital acquired.

Notwithstanding the information above, through the case record reviews and investigations the Trust identified an opportunity to improve liaison between the wards and critical care around the planning of limits for treatment this has prompted discussion between the MCSI lead and HDU lead for providing opinion on treatment limits planned.

There is work ongoing with our local acute trust for us to become a satellite of their Medical Examiner service, which will further improve the process of bereavement, and the liaison with families.

There were no case record reviews and no investigations completed which related to deaths which took place before the start of the reporting period.

0 representing 0% of the patient deaths before the reporting period, are judged to be more likely than not to have been due to problems in the care provided to the patient. This number has been estimated using the structured judgement review methodology in the last quarter and the Trust's serious incident process or learning from deaths review method before that.

0 representing 0% of the patient deaths during 2021-22 are judged to be more likely than not to have been due to problems in the patient care.

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust considers that this data is as described for the following reasons:

- Due to the small numbers of death that occur at the hospital it is possible for every death to be reviewed in detail.

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust has continued with the implementation of the ongoing Learning from Deaths Policy introduced during 2017-18.

## Helping people recover from episodes of ill health or following injury

### Readmission Rates

During 2021-22 the percentage of patients aged 0-15 years old, readmitted to the hospital within 28 days of discharge was 0% and for 16+ years old it was 0.95%.

	Readmission rate for 0-15 year olds	Readmission rate for 16+ years old
2015-16	0.17	0.76
2016-17	0.78	0.63
2018-19	0.19	1.0
2019-20	0	0.93
2020-21	0	1.57
2021-22	0	0.95

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust considers that this data is as described for the following reasons:

- No comparative data is now available
- Data is submitted and checked on a monthly basis as part of regular performance reporting.
- The data has been subject to external audit

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust will take action to improve this percentage by:

- Improving understanding of readmission rates linked to infection
- Continuing discharge planning at pre-operative appointments

## PROMS data

Patient Reported Outcome Measures (PROMS) measures health gain in patients undergoing hip replacement and, knee replacement surgery in England, based on responses to a questionnaire before and after surgery.

PROMs measure a patient's health status or health-related quality of life at a single point in time, and are collected through short, self-completed questionnaires. This health status information is collected before and after a procedure and provides an indication of the outcomes or quality of care delivered to NHS patients. The responses are combined to provide a single score.

PROMS collect information on the effectiveness of care delivered to NHS patients, as perceived by the patients themselves, making it a particularly important indicator which adds to the wealth of information available on the care delivered to NHS funded patients to complement existing information on the quality of services.

This report shows the NHS Digital data presented to the public and is based on the improvement seen in joint replacement six months after the operation. The data is currently published quarterly and shows where NHS England have both pre-operative and 6 month follow-up scores available so this does mean that the number of modelled records is less than the number of procedures actually carried out in that period. The number of modelled records will always lag the number of procedures by 6 months. Four areas are reported on by NHS

England, Primary Hip replacements, Revision Hip replacements, Primary Knee replacements and Revision Knee replacements.

The table below summarises the Trust’s performance as reported in the year 2020-21 for hip and knee replacements and provides a comparator to the national average and the highest and lowest scores nationally. Data is also provided for previous years from 2015-16. This report includes the most recent performance figures for the last 5 years with the publication dates as follows:

- 2016-17 Final Release - August 2018
- 2017-18 Final Release – February 2019
- 2018-19 Final Release - February 2020
- 2019-20 Final Release – February 2021
- 2020-21 Final Release – February 2022

The Trust’s data published in February 2022 shows that the Trust achieves good outcomes for its patients, particularly given the complex nature of the procedures it carries out. Due to a low number of revision procedures taking place for the financial year of 2020-21 the adjusted figures are unavailable.

### Primary Hip Replacement

	EQ5D Index					Oxford Score				
	2016 /17	2017 /18	2018 /19	2019 /20	2020 /21	2016 /17	2017 /18	2018 /19	2019 /20	2020 /21
National Average	0.445	0.468	0.465	0.459	0.472	21.8	22.68	22.68	22.687	22.981
Highest Score	0.537	0.566	0.557	0.539	0.574	25.123	26.299	25.376	25.547	25.702
Lowest Score	0.310	0.376	0.348	0.352	0.393	16.428	18.871	18.752	17.059	17.335
Robert Jones and Agnes Hunt	0.453	0.489	0.496	0.468	0.470	22.211	23.574	24.429	24.135	24.129

### Revision Hip Replacement

	EQ5D Index					Oxford Score				
	2016 /17	2017 /18	2018 /19	2019 /20	2020 /21	2016 /17	2017 /18	2018 /19	2019 /20	2020 /21
National Average	0.290	0.289	0.287	0.307	0.336	13.512	13.901	13.864	14.065	15.445
Highest Score	0.362	0.322	0.396	0.38	0.413	16.504	17.664	18.961	16.130	17.328
Lowest Score	0.239	0.142	0.206	0.238	0.253	10.253	10.735	7.853	10.648	13.338
Robert Jones and Agnes Hunt	0.334	0.298	0.248	0.297	*	13.719	15.912	10.387	14.177	*

\* Case-mix adjusted figures not calculated where there are fewer than 30 modelled records



## Primary Knee Replacement

	EQ5D Index					Oxford Score				
	2016 /17	2017 /18	2018 /19	2019 /20	2020 /21	2016 /17	2017 /18	2018 /19	2019 /20	2020 /21
National Average	0.325	0.338	0.338	0.335	0.315	16.546	17.259	17.330	17.486	16.886
Highest Score	0.404	0.417	0.405	0.419	0.403	19.884	20.635	20.011	20.688	20.25
Lowest Score	0.242	0.234	0.266	0.215	0.181	12.335	13.156	13.774	12.622	11.916
Robert Jones and Agnes Hunt	0.318	0.354	0.361	0.364	0.358	17.843	18.541	17.74	19.188	19.681

## Revision Knee Replacement

	EQ5D Index					Oxford Score				
	2016 /17	2017 /18	2018 /19	2019 /20	2020 /21	2016 /17	2017 /18	2018 /19	2019 /20	2020 /21
National Average	0.273	0.292	0.288	0.295	0.299	12.346	13.124	13.598	13.840	13.499
Highest Score	0.296	0.328	0.297	0.394	0.230	13.781	15.444	15.784	16.384	12.425
Lowest Score	0.156	0.196	0.196	0.168	0.207	8.602	9.374	9.014	8.650	8.701
Robert Jones and Agnes Hunt	0.251	0.328	0.279	0.326	*	10.946	14.392	15.113	12.439	*

\* Case-mix adjusted figures not calculated where there are fewer than 30 modelled records

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust considers that this data is as described for the following reasons:

- The Trust is a specialist orthopaedic hospital that continually monitors patient outcomes and best practice to ensure the outstanding patient care and achievements

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust has taken the following actions to improve this score and so the quality of its services, by

- Continuing to review both national and local data to identify any areas where improvements can be made.
- Internally collecting and monitoring of PROMs in other specialities not currently covered by the national programme.

## Staff Survey

The principal aim of the staff survey is to gather information which will help the Trust to improve the working lives of our staff and so help to provide better care for patients. The staff survey provides the Trust with a wealth of information detailing staff views about working at the Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust.

In response to the question “If a relative needed treatment, I would be happy with the standard of care provided by this organisation, the Trust remained best within our benchmark group

	2017	2018	2019	2020	2021
<b>Best</b>	93.1%	94.8%	94.9%	95.5%	94.0%
<b>Your org</b>	93.1%	94.6%	94.9%	95.5%	94.0%
<b>Average</b>	89.9%	90.1%	90.0%	91.7%	89.6%
<b>Worst</b>	80.0%	77.7%	80.9%	82.0%	69.1%
<b>Responses</b>	561	646	929	893	838

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust considers that this data is as described for the following reasons:

- The Trust continues to participate and improve the Staff survey results

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust has taken the following actions to improve this score and so the quality of its services, by

- An ongoing annual objective for 2021-22 aimed at enabling staff to flourish at work
- Implementation of the people plan

## Ensuring that people have a positive experience of care

### Responsiveness to Inpatient’s Personal Needs

Patient experience measured by scoring the results of a selection of questions from the National Inpatient Survey focussing on the responsiveness to personal needs.

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
National Average	68.7	68.9	69.6	68.1	68.6	67.2	67.1	74.5	To be released 2022
<b>ROBERT JONES AND AGNES HUNT ORTHOPAEDIC HOSPITAL NHS TRUST</b>	81.6	79.8	82.0	82.5	81.7	83.8	83.1	85.4	
Highest	84.2	86.1	86.2	85.2	85.0	85	84.2	85.4	
Lowest	54.4	59.1	58.9	60.0	60.5	58.9	59.5	67.3	

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust considers that this data is as described for the following reasons:

- The Trust has a robust patient experience programme in place that facilitates learning and implementing changes based on patient experience

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust has taken the following actions to improve its performance:

- Renewal of the Patient Experience Strategy
- Continued use of real time feedback on patient experiences
- Improved patient involvement in the investigation of its incidents
- The production and completion of action plans in response to complaints

## Patient Friends and Family Test

The Friends and Family Test (FFT) is 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. Patients are asked to answer the following question: "How likely are you to recommend our organisation to friends and family if they needed similar care or treatment" on the day of discharge or after they have had a clinic appointment. They are invited to respond to the question by choosing one of six options, ranging from "extremely likely" to "extremely unlikely".

	2017/18	2018/19	2019/20	2020/21	2021/22
National Average	96%	96%	96%	94%*	94%
Highest Score	100%	100%	100%	100%*	100%
Lowest Score	64%	76%	73%	65%*	64%
The Robert Jones and Agnes Hunt	99%	99%	99%	98%	98%

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust considers that this data is as described for the following reasons:

- The Trust has a robust patient experience programme in place, that facilitates learning and implementing changes based on patient experience

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust has taken the following actions to improve this percentage:

- Continued patient engagement via the Patient Panel
- Renewal of its Patient Experience Strategy

Treating and caring for people in a safe environment and protecting them from avoidable harm

## VTE Assessment

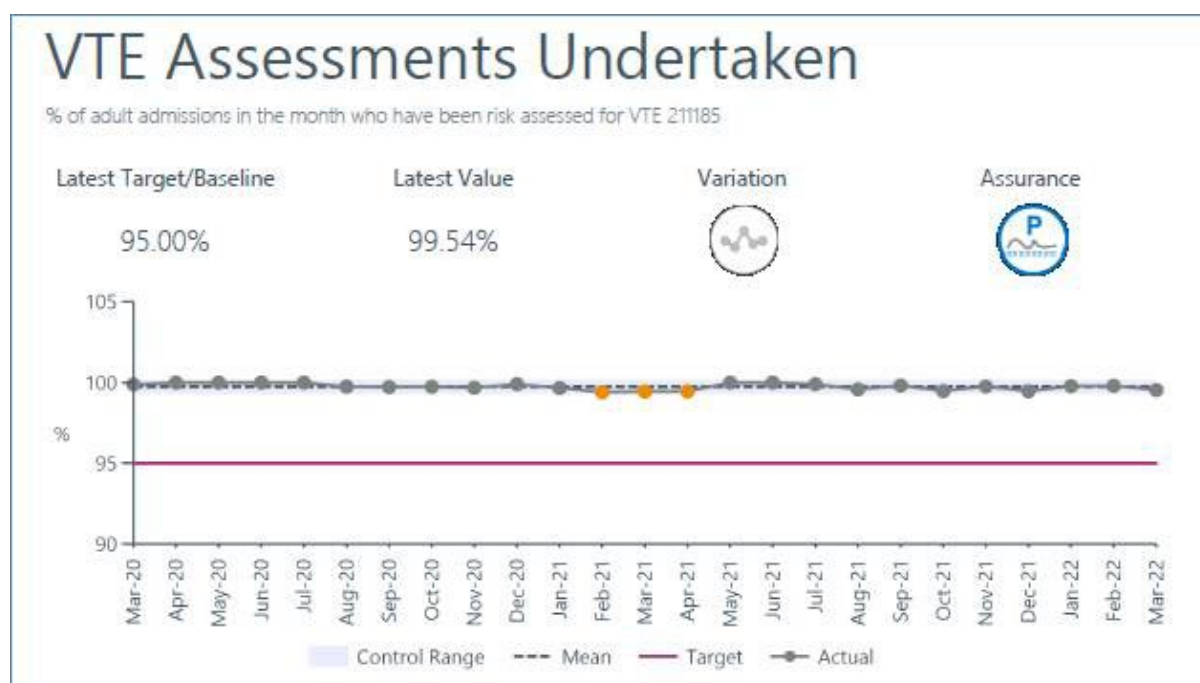
Our patients often have difficulties mobilising which places them at an increased risk DVT or PE and as such the Trust's VTE assessment is of utmost importance to ensure that patients do not suffer avoidable DVT or PE.

The Trust has in place a robust system of audit to measure compliance with the VTE assessment process. Further, any incidence of DVT or PE is subject to a full root cause analysis review to ensure that learning is taken. The Quality and Safety Committee receives regular reports on the Trust's work on VTE prevention.

The chart below outlines the percentage compliance for VTE assessments for the year (up to Mar 2020) and the preceding three years. It is noted that the benchmarking data is not available since the beginning of the Corona Virus pandemic.

	2016-17	2017-18	2018-19	2019-20	2020-21
National Average	95.75%	95.3%	95.6%	95.5%	
<b>ROBERT JONES AND AGNES HUNT ORTHOPAEDIC HOSPITAL NHS TRUST</b>	100%	99.9%	99.9%	99.9%	99.7%
<b>HIGHEST PERFORMER</b>	100%	100%	100%	100%	
<b>LOWEST PERFORMER</b>	71.42%	64.3%	63.2%	67.5%	

Performance for 2021/22 by month was as follows:



RJAH has maintained the required percentage of VTE assessments completed. The Trust monitors this through the monthly performance reports. During 2018-19 the Trust

implemented recommendations from the internal auditors regarding the capture of the data in order to improve the VTE data quality and this has continued.

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust considers that this data is as described for the following reasons:

- The Trust has in place a clinical lead for VTE who champions the VTE process amongst the clinical staff
- Regular audits are undertaken to check compliance with follow up actions where required
- The Quality and Safety Committee receives regular reports on compliance with VTE assessments.

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by:

- Ongoing documentation audits to ensure the completion of the necessary risk assessments are further implemented

### C.difficile Infections

The Trust measures infection control performance as a rate of Trust apportioned cases per 100,000 bed days of cases amongst patients aged 2+.

The Trust has had 3 cases of C-diff (2 of which were the same patient) against a tolerance target of 1 for the year 2020-21.

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
<b>ROBERT JONES AND AGNES HUNT ORTHOPAEDIC HOSPITAL NHS TRUST</b>	1.9	3.8	2.0	0.0	2.2	6.2	0	0
<b>HIGHEST PERFORMER</b>	37.1	62.2	24.3	82.7	91.0	39.8	37.1	44.3
<b>LOWEST PERFORMER</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

\* Benchmark data not yet available

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust considers that this data is as described for the following reasons:

- Data is reported and monitored on a monthly basis.

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust has taken the following actions to improve this rate and so the quality of its services, by:

- Continuing to carry out regular audits and monitoring instances of non-compliance with the Trust infection control and prevention practices

### Number of patient safety incidents and % resulting in severe harm/death

The hospital has a robust and established incident management process in place. The Trust utilises an electronic reporting system which enables all incidents to be tracked from the point of reporting and on-going monitoring until closure of an incident, therefore promoting timely response to serious incidents.

The tables below show the number of patient safety incidents reported each month during the reporting period and a breakdown by severity grading for these, including the proportion of incidents resulting in severe harm or death.

#### Patient Safety Incidents Reported per 1000 Bed Days

Period of Coverage	Rate of incidents	Number of incidents
Apr 20 – Mar 21	38	1231
Oct 19 – Mar 20	37.5	884
Apr 18 – Sep 19	39.50	911
Oct 18 - Mar 19	42.00	987
Apr 18 – Sep 18	39.00	898
Oct 17 – Mar 18	37.40	900
Apr 17 – Sep 17	38.30	820
Oct 16 – Mar 17	36.90	797
Apr 16 – Sep 16	31.90	704
Oct 15 - Mar 16	36.80	871
Apr 15 - Sep 15	29.60	752
Oct 14 - Mar 15	29.00	761
Apr 14 - Sep 14	26.3	684
Oct 13 - Mar 14	9.70	689
Apr 13 - Sep 13	7.20	510

#### Patient Safety - Severe Harm / Death

Period of Coverage	Rate of incidents	Number of incidents
Apr 20 – Mar 21	0.15	5
Oct 19 - Mar 20	0.00	0
Apr 19 - Sep 19	0.04	1
Oct 18 - Mar 19	0.04	1
Apr 18 - Sep 18	0.04	1
Oct 17 - Mar 18	0.00	0
Apr 17 - Sep 17	0.09	2
Oct 16 - Mar 17	0.14	3
Apr 16 - Sep 16	0.00	0
Oct 15 - Mar 16	0.04	1
Apr 15 - Sep 15	0.08	5
Oct 14 - Mar 15	0	0
Apr 14 - Sep 14	0.12	3
Oct 13 - Mar 14	0.07	5

### Serious Incidents

In 2021-22 the Trust reported seven serious incidents as defined by the NHS England Serious Incident Framework. All of these incidents have had Root Cause Analysis completed and reports prepared for presentation and agreement at Quality and Safety Committee. In addition, all our serious incidents have been reviewed by the Clinical Commissioning Group to ensure they are in line with the NHSE Framework.

Incidents that have been reported and investigated relate to the following areas:

- Unexpected deterioration of a paediatric patient
- Deterioration due to delay
- 3 HCAI/Infection control incident meeting SI criteria
- 2 Surgical/invasive procedure incidents meeting SI criteria

In comparison, during 2020-21 the Trust reported six serious incidents.

#### *Never Events*

These are defined as serious, largely preventable patient safety incidents. All never events have a Root Cause Analysis completed which is presented and agreed at the Quality and Safety Committee as per the Trust's Serious Incident Management Policy.

In 2021-22 there were 3 never events reported. This compares to 0 never events reported in 2020-21.

Never events that have been reported and investigated relate to the following areas:

- Never Event Patient given injection into wrong hand
- Never Event Wrong sided anaesthetic block
- Never Event Wrong (wrong implant/ prosthesis)

All Never Events had a robust action plan implemented for shared learning and to avoid the event reoccurring.

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust considers that this data is as described for the following reasons:

- The Trust has continued to undertake reconfiguration work on Datix to ensure more accurate capture of themes and trends in the categories of incident
- The Trust introduced Quality Reports to provide an overview of incident management within its Units

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust has taken the following actions to improve this rate and so the quality of its services, by:

- Benchmarking of incident reporting against other Specialist Trusts
- Continuing to promote a no blame culture to encourage incident reporting
- Inclusion of patient safety incidents in the Multi-Disciplinary Clinical Audit Meeting attending by a cross section of clinical staff
- Human Factors featured as a contributory factor in all three investigations. A bespoke human factors training course in the 5 steps to safer surgery has been implemented and available to all Theatre staff. A 'Stop before you Block' reminder has been put in every anaesthetic room and there has been improved storage and labelling of implants within the Theatre department.

# PART 3

## Review of Quality

### Summary of Performance Status for Quality Priorities Set for 2021/22

In line with the Trust's Quality Improvement Strategy, and in discussion with the Board of Directors, Council of Governors and other relevant stakeholders, the Trust identified the following key priorities for 2021/22:

- **Safety:** Enhanced patient safety in Theatres & Diagnostics
- **Safety:** Improve detection and escalation of the deteriorating patient in line with national guidance
- **Clinical Effectiveness:** Provide an effective, safe and healthy working environment to promote staff wellbeing
- **Clinical Effectiveness:** Increasing awareness of non-medical research in practice
- **Patient Experience:** Reduction in delayed discharges and improved patient communication
- **Patient Experience:** Improved communication to patients accessing outpatient services

### Progress made for quality priorities 2021/22

The following table gives an overview of the progress we have made for each of the priority areas and how the improvement work will be maintained in the coming year.

It is important to remember that even though some priorities may be retired, this is not to say that the work ceases, but rather that the processes and systems for continued management of the improvement goal are well established and can be maintained outside of the Quality Account process.



Priority	Metric	Objective	Measure of Success	Actions completed/taken	Achieved
<b>PATIENT SAFETY</b>					
1. Enhanced patient safety in Theatres & Diagnostics	Reduce number of patient safety incidents in Theatres and Diagnostics	<p>To determine if the 5 steps to safer surgery is embedded in practice, in line with AfPP good practice guidance. Complete observational audits of completion of the WHO process.</p> <p>Review theatre and diagnostic incidents that could be linked into non-adherence with WHO and Safety Pause processes to establish any themes and trends.</p> <p>To strengthen the process for the MDT to learn from incidents including near misses.</p> <p>Development of multi-disciplinary safety champions within Theatre and Imaging departments.</p> <p>Ensure adequate levels of training in Human Factors and the expected level 1 module of the HEE Patient Safety Syllabus.</p>	<p>Improvements in the audited compliance against the 5 steps to safer surgery (using an observational model).</p> <p>Multi-disciplinary Safety Champion role embedded within the departments.</p> <p>Increased levels of associated training compliance.</p> <p>Reduction in theatre and diagnostic incidents related to non-adherence with WHO process.</p>	<ul style="list-style-type: none"> <li>5 steps to safer surgery - Visible posters in relevant rooms are now displayed, these will form part of 'Matron checks' in Perfect Ward/Tendable audits.</li> <li>Compliance with sign out of 5SSS - Spot checks with Band 7's. Audit of the new stickers that have been added into patient notes indicating that sign out has been completed.</li> <li>Compliance with stop before you block</li> <li>Documentary evidence of refreshed LOCCSIP and ratification</li> <li>Documentation of 5 stage WHO process - Sticker has been produced and is used for every patient. Completion forms part of ongoing audits Spot checks with Band 7's will form part of 'Matron checks' in Perfect Ward/Tendable.</li> <li>Audit WHO compliance - Audit results (with associated action plan) are now produced monthly.</li> <li>SBYB visual reminders - Spot checks from Band 7s. Will be part of Band 7 Assurance Audits on perfect ward.</li> <li>Staff responsibility re Safety culture - letter sent to all staff.</li> <li>Human factors training continues.</li> </ul>	Fully achieved – WHO reporting through Q&S committee for ongoing oversight.

Priority	Metric	Objective	Measure of Success	Actions completed/taken	Achieved
2. Improve detection and escalation of the deteriorating patient	Reduce number of un-expected admissions to HDU	<p>Audit of NEWS escalation triggers to identify any themes and trends and areas for improvements.</p> <p>Short RCA to be conducted for all transfers out of the Trust and for unexpected admissions to HDU. Ensuring themes and learning from RCAs is shared across the MDT.</p> <p>Implement 24/7 Critical Care Outreach services and collect National Outreach Forum Minimum Dataset.</p> <p>Complete self-assessment tool against the Quality and Operational Standards for Critical Care Outreach Services.</p>	<p>Improvements in NEWS audits to demonstrate 90% compliance in line with deteriorating patient policy.</p> <p>Reduced number of un-expected admissions to HDU monitored via Datix.</p> <p>Critical Care Outreach service available 24/7.</p>	<ul style="list-style-type: none"> <li>NEWS2 observation audit and Sepsis screening audit complete</li> <li>Short RCA completed for all patients described as part of the objective and is reported to the newly combined resus/deteriorating patient committee. Any learning is directly communicated to the relevant teams.</li> <li>24/7 Outreach - The staff consultation process related to implementation of Outreach 24/7 has recently concluded, and the 24/7 service commenced during early November.</li> <li>Self assessment against standards - Completion of this tool has been completed and will be reported through the HDU well led meetings and consequently MSK board.</li> </ul>	Fully achieved with ongoing oversight through Patient Safety Committee.

Priority	Metric	Objective	Measure of Success	Actions completed/taken	Achieved
<b>PATIENT EFFECTIVENESS</b>					
3. Provide an effective, safe and healthy working environment to promote staff wellbeing	<p>Improvements in staff survey in two primary themes resulting from the Staff Survey 2020-21:</p> <p>Communications with Senior Management</p> <p>Workplace health and wellbeing</p>	<p>Establishment on Staff Experience and Improvement Group.</p> <p>Hold a series of staff focus groups, across all Units and from all (staff) levels. From the insight gained develop an action and improvement plan co-produced with staff.</p> <p>Re-launch quarterly pulse checks to monitor progress.</p> <p>Trial digital wellbeing innovations.</p> <p>Develop safe spaces for staff.</p> <p>Develop organisational approach to further enriching and ingraining the benefits of civility and respect.</p>	<p>Improved responses to staff survey.</p> <p>Increased response rates and engagement with internal quarterly pulse checks.</p> <p>Reduction in incidents reporting incivility.</p>	<ul style="list-style-type: none"> <li>• Staff Networks: All 4 staff networks (People of Colour, LGBTQ+, Women's, Staff Experience) now in place and actively progressing well with actions to address identified opportunities. A 5<sup>th</sup> network (disability and hidden disabilities) is looking to start.</li> <li>• Civility: Peer Messenger draft process now completed, and active collaboration with Kettering General Hospital to share learning agreed.</li> <li>• Doctors Focus Groups: 3 cohorts of focus groups for doctors now completed. A report is now being finalised (with recommendations) for the improvements to be embedded.</li> <li>• Virtual safe spaces: A test of using MS Teams as a virtual safe space is actively being pursued with the LGBTQ+ network.</li> <li>• Schwartz Round: A mental health focussed Schwartz round titled "It's okay not to be okay".</li> <li>• Cultural Ambassadors: 4 Cultural Ambassadors are now in place in RJAH. An ICS Task and Finish Group has been established to standardise a pathway to effectively commission and deploy the Ambassadors in formal relations processes to impart equity and fairness.</li> <li>• We are ensuring that staff have access to psychological support through the Shropshire, Telford and Wrekin Mental Health hub, which is being regularly promoted. We have also developed a resource "Caring for those that care" that captures all national, system and local sources support.</li> <li>• The organisation has appointed a Wellbeing Guardian.</li> </ul>	<p>Partially achieved with further recommendation to take forward following staff survey 2021-22.</p> <p>People Committee to have continued oversight of the People Plan.</p>

Priority	Metric	Objective	Measure of Success	Actions completed/taken	Achieved
4. Increasing awareness of non-medical research in practice	Improvements in Research awareness survey	<p>Improve the visibility of research within the Trust through various communication methods including social media to staff and patients.</p> <p>To conduct a survey amongst RJAH staff to assess research awareness and engagement.</p> <p>Launch of Nursing Strategy to include focus on non-medical research practice.</p> <p>Develop Research Champions for each unit and or department and offer shadow-working in the research department to enhance links.</p> <p>Develop academic non-medical posts to grow the research agenda.</p>	<p>Research champions in ward and departments.</p> <p>Improvements in Research awareness survey.</p>	<ul style="list-style-type: none"> <li>• Research Champions identified and in post for each ward and department complete.</li> <li>• RJAH Nursing Strategy includes importance and benefits of research.</li> <li>• Publication in November 2021 of "Making research matter"</li> <li>• Chief Nursing Officer for England's strategic plan for research.</li> <li>• Number of non-medical principle investigators (researchers) increased to 4 during 2020 and 2021 from 0 in 2019.</li> <li>• Further non-medical PI studies set to open during 2022.</li> <li>• All research training opportunities and study participation disseminated via RJAH Communications and social media. Further work to be completed to develop a monthly research update newsletter.</li> </ul>	Fully achieved with further recommendation outlined in Trust Research Strategy.
<b>PATIENT EXPERIENCE</b>					

Priority	Metric	Objective	Measure of Success	Actions completed/taken	Achieved
5. Reduction in delayed discharges and improved patient communication	Achieve the Trust KPI of less than 5.24% of all patients delayed	<p>Ensure that all patients are aware of their expected discharge date.</p> <p>Early discharge planning needs to commence on arrival at the Trust or pre-operatively for elective admissions.</p> <p>Patients are included into all discussions and goal planning for discharge. Patients are kept fully informed of the reasons for delay and this is documented in the patient's electronic record.</p>	<p>Reduction of delayed transfers of care to the Trust KPI metric.</p> <p>Patient feedback regarding communication and inclusion.</p>	<ul style="list-style-type: none"> <li>Internal audit carried out on delayed discharges.</li> <li>Audit completed in relation to patient engagement in discharge planning.</li> <li>Weekly meetings with NHS England to discuss complex discharges and expedite.</li> <li>Weekly meetings commenced with NHS Wales to discuss complex discharges and expedite.</li> <li>Resettlement team identify discharge routes on admission and work up plan.</li> <li>Discharge policy revised and ratified, including escalation of delays at day 7, 14 and 21.</li> <li>Daily link with Shropshire for 10 am delays.</li> <li>Patients given letter on admission of EDD.</li> </ul>	Partially achieved and will continue as a quality priority for 2022-23 for further focus.
6. Improved communication to patients accessing outpatient services	Reduced number of negative comments relating to outpatient waits as a % of attendances	<p>Establish working group to map current process and review current data sets.</p> <p>Conduct observational audit to establish reasons for increased waiting times and to establish a mean waiting time within the department.</p> <p>Develop KPI for outpatient waiting times based on the observational audit.</p> <p>To review and improve current methods of communication with patients during their visit.</p> <p>Consider digital solutions for implementation in 2022-23.</p>	<p>Reduction in number of negative comments relating to outpatient waits.</p> <p>Development of a KPI for ongoing monitoring.</p>	<ul style="list-style-type: none"> <li>OPD task and finish group formed and meet 2 weekly.</li> <li>Current FFT data reviewed monthly, quarterly analysis presented at CSU governance. Themes from FFT responses monitored via Patient safety committee.</li> <li>Observational audits completed by patient panel members and feedback provided to department.</li> <li>Additional CQC mock inspection completed in Main OPD.</li> <li>Mapping exercise of clinics completed.</li> <li>Clinic templates adjustment to 3 clinics that were oversubscribed and had the longest waits.</li> <li>Posters displayed in OPD re potential waits.</li> </ul>	<p>Fully achieved with recommendation to pursue in-touch upgrade and patient calling system in outpatients.</p> <p>Continued oversight at Patient Experience Committee.</p>

## Local Quality Indicators \*

In addition to the Quality Priorities for 2021-22 the Trust has selected a number of local quality indicators that have continued to be monitored throughout the year and continued to embed the national Patient Safety Strategy.

### Patient Safety Strategy

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust is committed to continuously improve patient safety and delivering the NHS Patient Safety Strategy.

The NHS Patient Safety Strategy describes how the NHS will continuously improve patient safety, building on the foundations of a safer culture and safer systems. RJAH have identified three members of staff to adopt the role of patient safety specialist, allowing them to oversee and support patient safety activities across our organisation. The patient safety specialists will help embed the strategy providing dynamic, senior leadership, visibility and expert support to the patient safety work at RJAH. They will support the development of a patient safety culture and ensure that systems thinking, human factors understanding and just culture principles are embedded in all patient safety processes. Training in the essentials of patient safety level one is available to all staff.

A Patient Safety Committee has been established and is led by the Chief Nurse and Patient Safety Officer; this is multi-disciplinary and monitors patient safety improvement action plans, risks and associated policies. The Patient Safety Committee receives upward reports from the Patient Harms Group which conducts deep dive analysis on patient safety incidents to determine themes, trends and areas for improvement.

We recognise that at the heart of our approach to quality and safety improvement, there needs to be awareness of the interactions between people, and between people and non-human elements involved in complex systems. Human Factors is not a stand-alone solution, but rather a broad approach that ensures that people have a better understanding of how people are affected by the teams they work with, the systems they operate, and the environment they work within. It ensures that people know how the combination of the factors affects patient safety and wellbeing so that consistently safe and reliable care can be provided to our patients.

### Patient Harm reviews

The Trust has established a robust harms review process for our patients waiting over 52 weeks in selected specialties. A harms review is required when the Trust has not been able to provide care and treatment within the expected timeframes as specified by national guidance. The outcomes of the harms reviews conducted are monitored at Quality and Safety Committee.

### Safeguarding

At RJAH we take our safeguarding responsibilities very seriously and discharge our duties fully in complying with national and local legislation, policy and guidance. Our work is underpinned by the Children's Act (2004), Working Together to Safeguard Children Statutory Guidance (2006, 2015 and 2018) and the Care Act (2014) in relation to safeguarding adults.

We contribute to a range of performance and quality measures as required by CQC, Shropshire Safeguarding Community Partnership (SSCP) and our local CCG.

Improvements were seen within the Trust safeguarding priorities for 21/22 with improved compliance with level 3 safeguarding training, improved pre-op pathway communication to identify safeguarding concerns and monitoring of our 'was not brought' policy for children.

## Medication Incidents

Medication errors are patient safety incidents (PSIs) where there has been an error in the process of prescribing, preparing, dispensing, and administering, monitoring or providing advice on medicines. These PSIs can be divided into two categories: errors of commission or errors of omission. The former includes, for example, wrong medicine or wrong dose. The latter include, for example, omitted dose or a failure to monitor, such as review of appropriate blood results when using vancomycin.

The Trust have continued to monitor the level of harm experienced from patient medication incidents together with monitoring the total number of incidents amongst all clinical areas of the organisation. The reporting of harms has been reviewed and information shared with staff groups as to what the levels of harm are. This was completed to ensure we report on actual harms and not the potential for harm of the incident reported.

We have a medication safety group in place chaired by our Chief Pharmacist. Both the Chief Pharmacist the Medicines Safety Officer and the clinical teams work together to ensure that medication incidents are reported and learning occurs. Work continues to support the attendance of Nursing staff at these meetings.

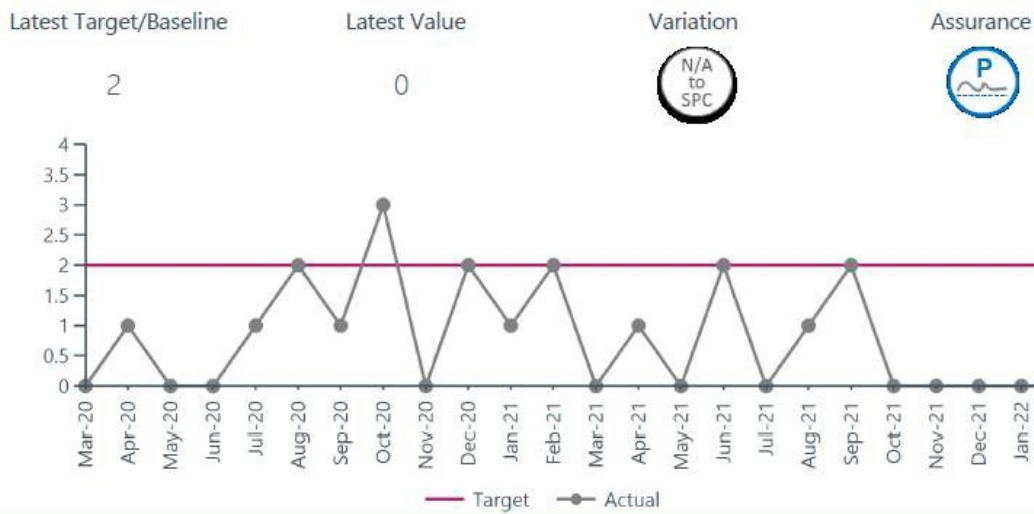
Pharmacy have supported the development of the Integrated Care System (ICS) medicines safety group. Where lessons learnt from incidents across the ICS are now being shared. This group is also well placed to support the national agenda for the reduction of medication harm with a focus around opioid prescribing and safe management of anticoagulants and transfer of information upon discharge from secondary care.

Ward walkabouts have remained limited in 2021-22 due to COVID but regular monthly reports continue to be shared. We continue to see a good level of reporting of medication incidents with the harms continuing to remain low. Key lessons learnt from the incidents reported continue to be shared within this report.

The chart below tracks our progress across twenty four months in relation to the number of medication errors with harm.

# Medication Errors with Harm

Total number of medication errors, and those with harm 211088



## Learning Lessons from incidents

- Serious incident reports and learning from the investigations are shared widely across the Trust via relevant committees such as the Patient Safety Committee and at all Unit Governance meetings ensuring that shared learning and awareness of issues is cascaded across all areas. These are also discussed at band 6 training days with a review of each SI presented to promote learning amongst our nursing staff.
- The Trust continues to involve patients in serious incident investigations with a nominated Patient/Family Liaison person for each investigation. The investigation reports are shared with patients and where applicable their families and opportunities are provided for the investigation to be discussed with clinical and governance staff.
- The Trust holds serious incident debrief meetings with relevant teams and support from the Governance Team in which the reports are shared with the staff involved. These are conducted in a blame-free way with the focus being on the learning. Areas of good practice are also highlighted during this process.
- The introduction of a Datix category that reports the area that incident originate from has been implemented and the Governance Team are raising these incidents alongside incidents that are reported with the Unit for learning and improvement. This also provides opportunity for learning to be shared across the Units.
- Over the last year there has been an increased focus on improving the quality of the incident investigations and a review of closed incidents is being undertaken by the Governance Lead external to the reporting Units each month. Findings of these reviews are reported back to Patient Safety Committee, this includes both good practice and areas that require improvement.



## Effectiveness

### The National Institute for Health & Clinical Excellence (NICE) guidance

In 2021-22 NICE published 251 Guidance's to which there were:

- 9 clinical guidelines
- 54 National Guidelines
- 32 Interventional procedures
- 117 Technology appraisals
- 15 Medical Technologies guidance's
- 4 Diagnostic Guidance's
- 4 Highly Specialised Technology Guidance's

NICE also produced 44 advice/recommendations to which there were:

- 3 Evidence Summaries
- 26 MedTech innovation briefings
- 15 Quality Standards

A baseline assessment was carried out for guidance's relevant to the Trust and where appropriate audits were undertaken to measure compliance are put in place. Audits that are being carried out or have been carried out in 2021/22 in relation to NICE guidance include:

- National Rheumatology Audit CG 79 and QS 33
- Audit of Acute Upper GI bleed among in-patients NICE CG 141
- Evaluation into incidents of pressure ulcers during acute stage in SCI patients NICE CG 179
- Audit of clinical management of patients with DMD according to standard of care NICE HST 3
- Reaudit of botox administration in children with cerebral palsy NICE CG 145
- An audit to determine whether the Sepsis 6 pathway is being implemented and adhered to NICE NG 51
- The effectiveness of track and trigger systems in identifying deteriorating patients NICE CG 50
- Ward staff perception of nerve block education provided by the Acute Pain Service NICE NG 124
- Perioperative Management of children with cerebral palsy undergoing major surgery NICE NG 62
- Audit of compliance with the faster diagnosis standard – a retrospective review NICE NG 12

## Health and Safety

Health and Safety incidents are monitored on an ongoing basis throughout the year. All incidents are investigated and remedial actions taken to prevent or reduce the likelihood of reoccurrence. Those incidents reported that involve specified injuries, dangerous occurrences or result in a member of staff taking more than seven days off work as a result of a work-related accident are also reported to the Health and Safety Executive (HSE) under the Reporting of Injuries Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR).

During 2020-21 there were 8 incidents reported to the HSE under the requirements of the Health and Safety incidents were monitored on an ongoing basis throughout the year. All incidents were investigated, and remedial actions taken to prevent or reduce the likelihood of reoccurrence.

Those incidents reported involving specified injuries, dangerous occurrences or resulting in a member of staff taking more than seven days off work as a result of a work-related accident were also reported to the Health and Safety Executive (HSE) under the Reporting of Injuries Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR).

During 2021-22 there were seven incidents reported to the HSE under the requirements of the RIDDOR regulations, compared with eight in 2020-21 and five in 2019-20. No regulatory action or sanction was received in respect of the reported incidents.

The Chief Nurse retained Board-level responsibility for health and safety until December 2021 when responsibility transferred to the Chief Finance Officer. The Trust employed a 0.4 WTE Health and Safety Manager to comply with the requirement to appoint a competent person under section 7(1) of the Management of Health and Safety Regulations 1999.

A Health and Safety Committee met bi-monthly, chaired by the Director of Estates and Facilities, and included health and safety representatives from staff side unions in compliance with the Safety Representatives and Safety Committees Regulations, 1977.

## Experience

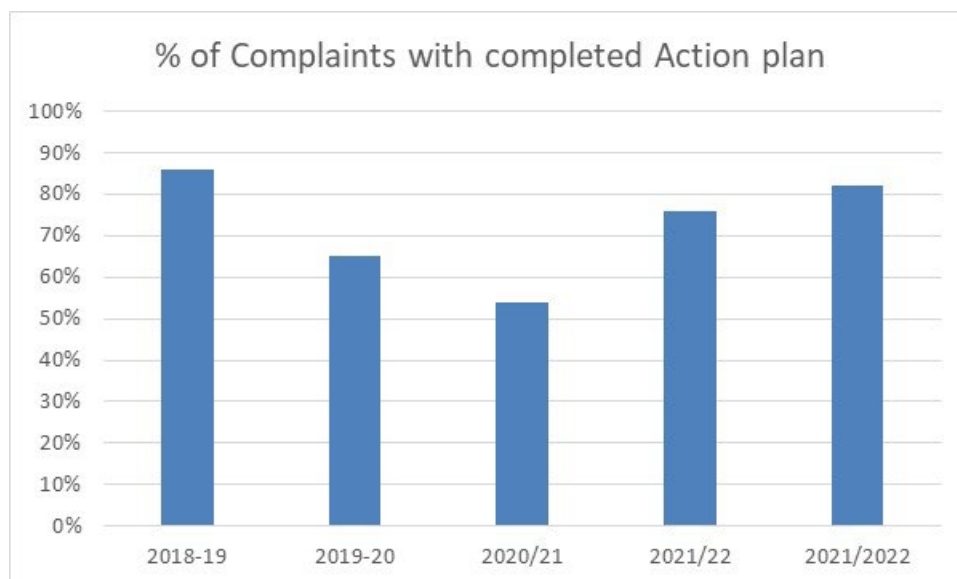
### Learning from Patient Feedback/Changes in Practice or Service Improvement

Delivering quality services has several essential elements, patient safety, clinical effectiveness and patient experience. Any aspect of the person's experience of using a service is important for them overall health and well-being as outcome of their treatment.

The Trusts collect patient experience data as an active part of monitoring the quality of care to ensure that patients receive the best experience of care possible at each phase of their pathways and interaction with our staff.

Patient feedback provides as well as promoting a strong culture of listening to patients.

The Trust recognises the opportunity that patient feedback provides as an important "health check" and valuable insight how we can improve and design services better. It is for this reason the Trust is committed to increasing the percentage of complaints with resultant action plans.



## Patient Stories

### How we use Patient Stories?

Stories help patients tell their experience in a constructive way to help us re-design and improve services according to their varying needs. Sharing any lessons learnt through positive stories is a valuable way of promoting good practice and to take forward suggestions for improvement with Clinical teams.

The Trust regularly listens to patient stories and the Board welcomes hearing about both positive and negative experiences. Covid-19 has brought challenges with presenting patient stories at Board due to the meetings being held virtually so the Trust introduced videoing patient stories to ensure the patient voice can still be heard by the Board.

### How are patient stories collected?

The Clinical Governance Team contact patients following either a PALS contact, complaint or a referral from a department of a suitable patient story. We also invite patients who have made a complaint to ask if they want to do a patient story which is included in the response letter.

Patient consent is always obtained so that the patient is aware that their story is being shared across the Trust. They are asked if they want a reply and whether to share their story anonymously or not.

### Examples of the Patient Stories shared at Trust Board

There have been two patient stories shared at the Trust Board, one in May 2021 about a patient having a femoral replacement operation under the care of the Tumour Team in September 2021 and was very complimentary about the treatment she had received praising the staff that cared for her and saying there was nothing the Trust could improve on.

The other was from a longstanding patient of the Midlands Centre of Spinal injuries Unit, and he spoke about the improvements he had seen on the Unit since being admitted in 2002. This patient also spoke on being a patient panel member and his involvement in the Accessible Care group and reviewing plans for the new changing places facility in the main entrance.

## Patient Friends and Family Test

The Friends and Family Test (FFT) is an important feedback tool that provides a measure of patient experience that is used alongside other sources of patient insight data. Listening to the views of patients helps identify what is working well, what can be improved and informs patient choice.

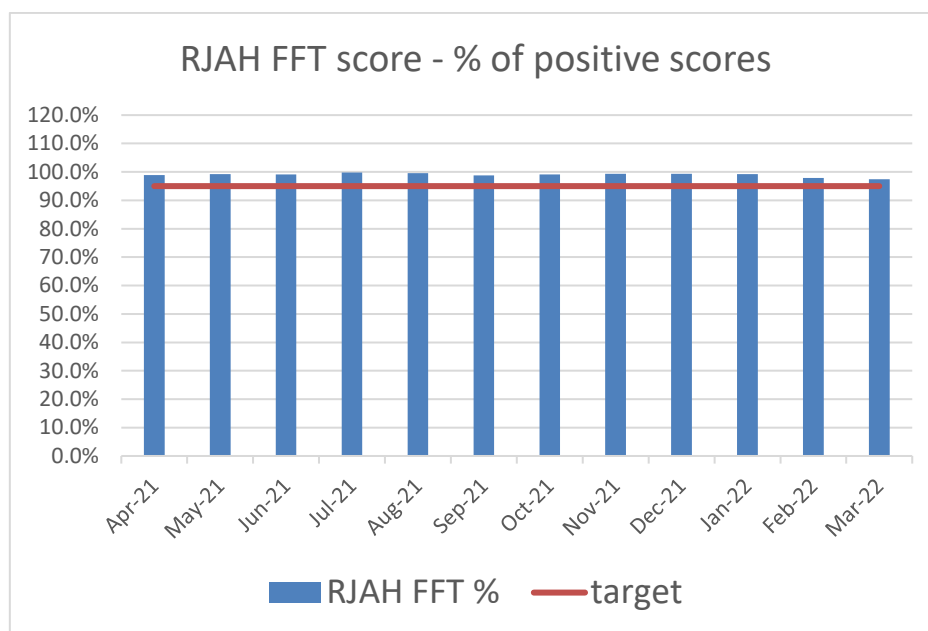
The FFT question “Overall, how was your experience of our service” was updated nationally in April 2020 and was designed to be a quick and simple mechanism for patients and other people who use NHS services to give their feedback.

FFT data is collected in real time using the IQVIA patient feedback system and patients are sent a text to invite them to complete a FFT survey electronically (after discharge or clinic appointment). The Trust has re-introduced paper comments cards and iPads to collect this data for those patients wanting to give their feedback whilst still on the ward or in clinic. A message has been added to the SMS text a patient receives so advise that if they need help to access the link to contact PALS so that their feedback can be captured.

For 2021-22, 17,501 patients completed a FFT survey and 97.5% of patients (inpatients and outpatients) said they would rate their experience as good or very good. The FFT response rate has increased significantly when compared to 2020-21 due to FFT data collection being paused from April 2020 - Dec 2020 and extra clinics and areas added to the SMS texting process including the Radiology department.

As the wait is clinic is a top theme of the comments from the low FFT scores, this was a quality priority for 2021-22 looking at improved communication to patients accessing outpatient services including waiting times.

The chart below shows the average FFT score per month against a target of 95% for 2021-2022



The Trust is committed to improving the percentage of patients who would rate their experience as good or very good.

Staff are sent an email alert in real time as soon as a low FFT score is received, and comments are immediately uploaded into IQVIA for staff to respond to within department.

The FFT results are shared in Unit, department and Speciality level Governance Quality reports with trends of low scores monitored monthly.

The results for the Trust over the last five years are as follows based on the average percentage of FFT score (inpatients and outpatients).

	2017/18	2018/19	2019/20	2020/21	2021/22
National Average	96%	96%	96%	94%*	94%
Highest Score	100%	100%	100%	100%*	100%
Lowest Score	64%	76%	73%	65%*	73%
The Robert Jones and Agnes Hunt	99%	99%	99%	98%	98%

\*For 2020/2021 national data collection for FFT was paused from April 20 - November 20, so data only available for December 2020 - March 2021

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust considers that this data is as described for the following reasons:

- The Trust has a robust patient experience programme in place, which facilitates learning and implementing changes based on patient experience
- Refresh of the Patient Experience Strategy 2021-2024 which builds upon the strategy from 2017-2020, setting out the Trust ambitions for the next three years supporting staff to continue to put patient experience at the heart of everything we do.

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust has taken the following actions to improve this percentage:

- Reporting and sharing of patient feedback at Unit Governance Meetings
- Triangulation and analysis of trend and themes of patient feedback data in the Patient Experience committee and report in quarterly patient experience reports.
- Refresher training IQVIA training for managers to help navigate the dashboards

Results from the IQVIA patient feedback survey questions on patient experience were very high showing that patient have a positive experience of care. See below tables:

Inpatient questions and results for 2021-22

About your care

Question text	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Total	Be
7. Were staff caring and compassionate?	98	99	98	98	97	99	98	98	98	99	99	98	98	
8. Did you like the food provided, if you were offered any? (if not please leave blank)	89	90	90	90	89	89	90	89	90	91	90	89	90	
9. Did you feel the ward was clean?	99	100	99	99	99	99	99	99	99	99	99	99	99	
10. Did you find the staff welcoming and friendly?	98	99	99	99	97	99	98	98	99	99	98	98	98	
11. Did you feel that the noise levels were acceptable at night?	88	89	87	86	88	90	87	88	86	82	88	84	87	
12. Did the staff practice good hand hygiene?	98	99	99	98	99	99	98	99	99	98	98	98	99	
13. Was your privacy/ dignity & comfort respected?	99	98	98	99	98	99	99	99	99	99	99	99	99	
14. Was your admission date changed by the hospital?	85	89	91	87	91	88	89	89	89	87	86	85	88	
15. After leaving hospital, did you get enough support from staff?	92	89	94	89	89	92	87	89	88	93	91	89	90	
16. Were you involved as much as you wanted to be in decisions about your care and treatment?	96	95	95	95	93	94	91	95	95	96	93	93	94	
Total	94	95	95	94	94	95	94	95	95	94	94	94	95	
Overall	95	95	96	95	95	95	94	95	95	95	95	94	95	
Total number of surveys	192	238	224	228	217	280	319	317	213	161	190	231	2,810	

## Outpatient Questions and Results for 2021-22

About your care

Question text	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Total	Be
3. Did you feel that the department was clean?	99	99	99	99	99	99	99	98	99	99	99	99	99	
4. Were you informed about waiting times?	82	83	83	85	84	84	85	82	84	87	85	85	84	
5. Did you find the staff welcoming and friendly?	98	98	98	98	98	98	98	98	98	98	98	98	98	
6. Was your privacy/ dignity & comfort respected?	99	99	99	99	99	98	99	99	99	99	99	99	99	
7. Did the Health Care Professional explain the procedure satisfactorily? (if you had one - if not please leave blank)	98	98	98	98	97	98	98	98	98	99	98	98	98	
8. Were staff caring and compassionate?	98	98	98	98	98	97	98	98	98	98	98	98	98	
9. Did the Healthcare Professional introduce themselves?	97	97	97	98	98	97	98	98	97	97	97	98	97	
10. Did the Health Care Professional listen to you?	99	99	99	99	98	98	99	99	99	98	99	99	99	
Total	96	96	96	97	96	96	97	96	97	97	97	97	97	
Overall	96	96	96	97	96	96	97	96	97	97	97	97	96	
Total number of surveys	973	946	975	889	813	1,072	1,135	1,262	1,044	1,326	1,370	1,444	13,249	

## Back to the Floor / Virtual Visits

During 2017-18 the Trust introduced back to the floor events whereby senior managers went to work in departments for the day. This interaction, as with the patient safety walkabouts, provided opportunity for staff to provide feedback on their experiences of working in the department. Equally it enables senior managers to speak with patients being cared for in those areas to hear first-hand experiences. These events have continued with two further events held during 2018-19 and one held in 2019-20. During 2020-21 the Trust introduced virtual visits in place of back to the floor to ensure that departments could showcase their services and have the opportunity to discuss any concerns they may have with the senior team, these continued into 2021-22.

## Freedom to Speak Up Guardians

<u>Quarterly FTSU Data April 2020-March2021</u>					
Size of organisation	Less than 5,000 (small)	April-June	July-Sept	Oct-Dec	Jan-March
		Q1	Q2	Q3	Q4
Number of cases brought to FTSUGs / Champions per quarter		9	5	12	7
<u>Of which there is an element of</u>					
Number of cases raised anonymously		6	2	4	4
Number of cases with an element of patient safety/quality		1	2	0	3
Number of cases with an element of bullying or harassment		1	0	5	2
Number of cases where people indicate that they are suffering detriment as a result of speaking up		0	0	1	0
Other		2	1	4	0
<u>Numbers of cases brought by professional group</u>					
Administrative/clerical staff		0	1	2	0
Allied Healthcare Professionals (other than pharmacists)		1	0	2	1
Board members		0	0	0	0
Cleaning/Catering/Maintenance/Ancillary staff		0	0	0	0
Corporate services		0	0	0	0
Dentists		0	0	0	0
Doctors		0	0	1	0
Healthcare assistants		0	0	1	0
Midwives		0	0	0	0
Nurses		2	1	2	3
Other		6	3	4	3
Pharmacists		0	0	0	0

The principle aims of Freedom to Speak Up (FTSU) is to encourage staff to raise concerns at the earliest opportunity about patient safety, malpractice or any wrongdoing at work.

Throughout 2021/22 there were three FTSU Guardians in the Trust however, at the time of the writing the report, the Trust has one FTSU Guardian.

The Guardian is required to submit quarterly FTSU data about the number of cases brought to the FTSUG, number of cases raised anonymously, patient safety/quality, bullying & harassment, cases indicating that they have suffered detriment as a result of speaking up, the number of cases brought by professional groups and the number of feedbacks from staff about the use of the service. All concerns have been accurately logged inline with the National Guardians Data requirements.

Yearly report is provided to the Trust Board and six monthly FTSU data is presented to the People Committee.

Staff are aware of how to raise a concern either by the FTSU email, email to the Guardian, by letter and face to face meetings arranged either on or off-site. Information about FTSU can be found on the 'Percy' Intranet site and numerous posters sent via email which have been displayed in departments. Confidentiality is always maintained.

FTSU induction presentations are resuming face to face from May 2022. 'Listen Up' micro presentations have taken place in some departments with the full support of Managers.

All concerns have been logged and actioned within 48hrs. Concerns have been either re-directed to the appropriate person/department or escalated for further investigation.

All persons raising concerns have been supported and received feedback in a timely manner.

Learning is identified and actioned.

The Guardian has attended monthly regional network meetings, bi-monthly National Guardian (NG) meetings and the yearly NGO conference.

In order to support the staff and strengthen the FTSU process, the Trust is currently implementing the following changes:

- FTSU moved to Governance Team under Head of Clinical Governance / Patient Safety Officer
- FTSU Champions to be launched
- Increased Board reporting
- FTSU Training specific to the organisation is to be rolled out
- FTSU Group to be established

## National Quality Indicators

### Staff Survey results

The results of The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust are benchmarked against Acute Specialist Trusts. From 2021 questions in the NHS Staff Survey are aligned to the NHS People Promise and results are measured and reported against the seven People Promise elements and two historic staff survey themes (Staff Engagement and morale).

The response rate, and themed results are detailed below:

Response Rate	2017	2018	2019	2020	2021
	41.5%	44.9%	62%	57%	52%

Our organisation remains best in our benchmark group when responding to the question if a friend or relative needed treatment staff would be happy with the standard of care provided by the organisation.

Our results demonstrate a further improvement in the percentage of staff agreeing that they feel secure raising concerns about unsafe clinical practice. We have seen an improvement in this score for the last 4 years. The percentage of staff agreeing that they were confident that the organisation would address concerns about unsafe clinical practice also improved.

Our survey scores demonstrates that we were average in the following People Promise Themes:

- We are compassionate and inclusive.
- We are safe and healthy

Our overall staff engagement score was below average when compared with other acute specialist trusts. Our Morale score was average when compared with other acute specialist trusts.





## Single Oversight Framework

The following section outlines the Trust’s performance against the relevant indicators and performance thresholds set out in the NHS Improvement Single Oversight Framework where this data does not appear elsewhere in the report.

In summer 2021, the Trust had an MRSA outbreak\* which involved eight hospital acquired infections. As part of the process, several reviews were undertaken by our internal teams at the hospital, colleagues from the wider healthcare system in Shropshire, Telford and Wrekin, and by our regulators including NHS England and Improvement (NHSEI). These reviews identified various improvements that needed to be made, and actions were taken to improve our cleanliness standards, clutter, and storage.

Following this, the Trust had two further inspections from NHSEI in October 2021 and February 2022, which acknowledged the improvements which had been made, but also identified further improvements relating to cleanliness, assurance and governance arrangements for infection prevention and control (IPC), as well as areas of the Trusts estate.

In May 2022 the Trust received confirmation from NHSE/I that the organisation would be moved from segment 2 to segment 3 on the Single Oversight Framework (SOF3).

Some of the actions and improvements implemented as part of the improvement plan include:

- Completion and implementation of the six immediate actions identified by NHS E/I in February
- Significant work has been completed on wards to improve the estate
- An IPC improvement plan has been devised which cover 9 key themes:
  - Leadership and culture

- Workforce
- Governance
- Cleanliness
- Estates
- Equipment and storage
- Hand Hygiene/Bare Below the Elbow
- Training Communications and Trust-wide learning
- Additional Executive and Board oversight has been implemented including an IPC Assurance Committee chaired by a Non-Executive Director which reports directly to the Board of Directors on a monthly basis
- NHSE/I has supported the Trust by appointing an Improvement Director to support senior leader team

The Trust is committed to implement the improvements identified and to supporting staff throughout the improvement process.

Footnote: \*outbreak NHS definition 'An outbreak is any two or more cases of an infection of the same type, where a common link can be established. A hospital outbreak simply reflects a link with the hospital'

### Referral to Treatment Times (RTT)

Info taken from the published annual accounts								
Indicator for Disclosure	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate	90.89%	86.28% (based on Q4 only)	88.51%	89.49%	90.26%	88.85%	54.41%	55.96%
All cancers: 62-day wait for first treatment from:								
<ul style="list-style-type: none"> <li>● urgent GP referral for suspected cancer</li> <li>● NHS Cancer Screening Service referral</li> </ul>	78.95%	93.75%	92.59%	75.76%	58.33% with adjusted mitigated position of 73.91%	86.84%	75.00%	63.33% (for months April-21 to February-22 as March data not yet published)
C. difficile – meeting the C. difficile objective	2	0	0	0	3	0	0	2

Maximum 6 week wait for diagnostic procedures	99.33%	99.8%	99.84%	99.57%	98.97%	97.94%	59.00%	77.45%
Venous thromboembolism (VTE) risk assessment		100%	100%	99.9%	99.88%	99.89%	99.74%	99.77%

# APPENDICES

## Statement of Directors' responsibility in respect of 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 2021/22 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 2021 to March 2022
  - Papers relating to quality reported to the board over the period April 2021 to March 2022
  - Feedback from Shropshire Clinical Commissioning Group dated 21 June 2022
  - Feedback from the Trust's Lead Governor dated 21 June 2022
  - The trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009
  - The latest national patient survey 2021 and national staff survey 2021
  - CQC inspection report dated February 2019
- 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



Harry Turner, Chairman

21 June 2022



Stacey Keegan, Chief Executive Officer (Interim)

21 June 2022

# RJAH Quality Account Statement from Shropshire Telford and Wrekin Clinical Commissioning Group 2021/22



Date: 21 June 2022

## **NHS Shropshire, Telford & Wrekin CCG response to RJAH Quality Account 2021/22**

NHS Shropshire, Telford and Wrekin CCG (CCG) act as the commissioner for Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust (RJAH).

The CCG welcomes the opportunity to review and provide a statement for the Trusts Quality Accounts for 2021/22 and the commitment remains to ensuring, with partner organisations, that the services it commissions provide the highest of standards in respect to clinical quality and effectiveness, patient safety and patient experience as we move into an integrated care system.

The Quality Account has been reviewed in light of key intelligence indicators and the assurances sought and given through internal provider governance meetings, attended by commissioners, as well as Contract Review Meetings (CRM). This information is triangulated and further informed through quality assurance visits to gain assurance around the standards of care being provided for our population.

The CCG would like to acknowledge the continued challenges during 2021/22 as the ongoing COVID-19 pandemic continues have an impact and acknowledge and commend the continued efforts and actions of the workforce during this difficult period of time.

The CCG acknowledge these Quality Accounts set out the key achievements in 2021/22, as well as sharing priorities for 2022/23 have been worked on throughout the year to maintain quality services throughout the COVID-19 pandemic.

In the Quality Account for 2020/21 the Trust set out six quality priorities for 2021/22. The CCG recognises the work undertaken by the Trust to improve the quality of patient care, clinical quality, patient safety and patient experience through 2021/2 and the Trust have highlighted their improvements in the six priority areas and identified further work that is required to be carried out.

The commissioners look forward to seeing the continued improvements throughout 2022/23.

Whilst reviewing the Quality Account we were pleased to note many of the specific actions that the Trust has taken during 2021/22 to improve its services and the quality of care that it provides in particularly the commencement of a significant programme around infection prevention and control. The Trust is working hard to address key areas to improve patient safety and has continued to strengthen learning from incidents, complaints, and feedback.

The CCG would like to commend the Trust for the following key achievements achieved during 2021/22:

- The National NHS Staff Survey provided very positive feedback with 52% of staff completing the survey. The Trust remains best in the benchmark group when responding to the question 'if a friend or relative needed treatment staff would be happy with the standard of care provided by the organisation'.
- Patient experience at the Trust was rated as the best in the country compared to other similar NHS Trusts, according to the annual Adult Inpatient Survey carried out by the CQC. The Trust has been named by the CQC as one of just six organisations placed in the top band of Trusts delivering results that are considered "much better than expected", with patient experience that is substantially better than elsewhere.
- For 2021-22, 17,501 patients completed a FFT survey and 97.5% of patients (inpatients and outpatients) said they would rate their experience as good or very good.

There are notable areas of success as well as areas that continue to require focus and improvement. 2022/23 will continue to bring challenges for the Trust, as commissioners we are supportive of the Trust's values will drive forward the objectives and they will continue to improve quality across the breadth of services we commission, their continuous improvement will benefit our patients in the care they receive as a key part of an integrated care system.



## Lead Governor's Submission on the Quality Account Report for 2020-21 of the Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust

The Quality Account Report 2021/22 demonstrates the continued significant achievements the Trust has made over the last year despite the challenges of Covid-19. This is particularly evident through the Inpatient Survey Results there is continued evidence of the Trust's work to strive for improvement.

The Governors involvement within the hospital has been challenged and limited by social distancing requirements but where possible we have continued to be involved in meetings and visits virtually and these are welcomed opportunities to provide input on behalf of the Trust's members. Our ability to communicate directly with patients about their experiences has certainly been hampered but we have been able to re-instating socially distanced Governor Surgeries and look forward to joining in patient safety walkabouts and back to the floor events in the year ahead.

It is reassuring that the hospital continues to be a place staff would recommend to their friends and family as a place of treatment and further as a place to work. This really is testimony to the quality of the care that the Trust continues to provide.

The Council of Governors have been involved in the consideration and agreement of the priorities for 2022/23 and we are looking forward to supporting the Trust with its continued quality improvements.

On behalf of the Council of Governors, I would like to congratulate the Trust on its quality performance for 2021/22.

*William Greenwood*

William Greenwood, Lead Governor  
21 June 2022

## Glossary

<b>ADOS</b>	Admit on Day of Surgery
<b>AED</b>	Automated External Defibrillator
<b>AKI</b>	Acute Kidney Injury
<b>ALS</b>	Advanced Life Support
<b>BLS</b>	Basic Life Support
<b>CAF</b>	Common Assessment Framework
<b>CARMS</b>	Clinical Audit Registration and Management
<b>CAS</b>	Central Alerting System
<b>CCG</b>	Clinical Commissioning Group
<b>CKD</b>	Chronic Kidney Disease
<b>CQC</b>	Care Quality Commission
<b>CQUIN</b>	Commissioning for Quality and Innovation
<b>CTPA</b>	Computed Tomography Pulmonary Angiography
<b>Datix</b>	Incident reporting system used by the Trust
<b>DoH</b>	Department of Health
<b>DoLS</b>	Deprivation of Liberty Safeguard
<b>EPALS</b>	European Paediatric Advanced Life Support
<b>EPMA</b>	Electronic Prescribing and Medicines Administration
<b>EPR</b>	Electronic Patient Records
<b>FFT</b>	Friends & Family Test
<b>HCR</b>	Healthcare Records
<b>HSE</b>	Health & Safety Executive
<b>IARC</b>	Incident Action Review Committee
<b>IHCR</b>	Integrated Health Care Record
<b>ILS</b>	Immediate Lift Support
<b>INR</b>	International Normalised Ration
<b>IOSH</b>	Institute of Occupational Safety and Health
<b>KAFO</b>	Knee Ankle Foot Orthoses
<b>KIDS</b>	Kids Intensive Care and Decision Support
<b>KPI</b>	Key Performance Indicator
<b>LADO</b>	Local Area Designated Office
<b>MCQ</b>	Multiple Choice Questions
<b>MCSI</b>	Midland Centre for Spinal Injury
<b>MHRA</b>	Medicines Health & Regulatory Agency
<b>MOPD</b>	Main Outpatient Department
<b>MRSA</b>	Methicillin Resistant Staphylococcus Aureus
<b>MSL</b>	Medical Services Limited
<b>MSSA</b>	Methicillin Sensitive Staphylococcus Aureus
<b>MTC</b>	Major Trauma Centre
<b>NEBOSH</b>	National Examination Board in Occupational Safety and Health
<b>NICE</b>	National Institute for Health & Clinical Excellence
<b>NIHR</b>	National Institute of Health Research
<b>NJR</b>	National Joint Registry
<b>NPSA</b>	National Patient Safety Agency

<b>NRLS</b>	National Reporting and Learning System
<b>NSCISB</b>	National Spinal Cord Injury Strategy Board
<b>OSS</b>	Oxford Shoulder Score
<b>PALS</b>	Patient Advice and Liaison Service
<b>PDSA</b>	Plan Do Study Act
<b>PICU</b>	Paediatric Intensive Care Unit
<b>PILS</b>	Paediatric Immediate Life Support
<b>PLACE</b>	Patient Led Assessment of the Care Environment
<b>PONV</b>	Post-Operative Nausea and Vomiting
<b>PROM</b>	Patient Reported Outcome Measures
<b>RCA</b>	Root Cause Analysis
<b>RCN</b>	Royal College of Nursing

## INDEPENDENT AUDITOR'S STATEMENT TO THE DIRECTORS OF THE ROBERT JONES AND AGNES HUNT ORTHOPAEDIC HOSPITAL NHS FOUNDATION TRUST ON THE NHS FOUNDATION TRUST CONSOLIDATION SCHEDULES

We have examined the consolidation schedules of The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust version 1.21.12.2A for the year ended 31 March 2022, which have been prepared by the Director of Finance and acknowledged by the Chief Executive. Our examination of the consolidation schedules covers the following:

- Designated TAC02 to TAC29 for tables outlined in red, excluding TAC05A and TAC23.

This statement is made solely to the Board of Directors of The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006 (the Act) and paragraph 4.8 of the Code of Audit Practice and for no other purpose.

For the purpose of this statement, reviewing the consistency of figures between the audited financial statements and the consolidation schedules extends only to those figures within the consolidation schedules which are also included in the audited financial statements.

Auditors are required to report on any differences over £300,000 between the audited financial statements and the consolidation schedules, with the following exceptions as set out in NHS England & Improvement TAC completion instructions and financial reporting guidance:

- PPE inventory – where trusts do not recognise consumables in inventory on the grounds of materiality, and inventory remains immaterial, the receipt and utilisation may be omitted from the inventory note in local accounts. However, trusts should record the receipt of items in inventory with an equivalent figure in utilisation within the TAC form.  
(p.8 of [Year-End Accounting Guidance for 2020-21 Items](#))

The figures reported in the consolidation schedules are consistent with the audited financial statements, on which we have issued an unqualified opinion.

A handwritten signature in black ink that reads "Deloitte LLP".

Deloitte LLP  
Birmingham  
United Kingdom  
22 June 2022

## Independent auditor's certificate of completion of the audit

### Issue of opinion on the audit of the financial statements

In our audit report for the year ended 31 March 2022 issued on 22 June 2022 we reported that, in our opinion, the financial statements:

- gave a true and fair view of the state of the group's and the foundation trust's affairs as at 31 March 2022 and of the group's and foundation trust's income and expenditure for the year then ended;
- had been properly prepared in accordance with the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts; and
- had been prepared in accordance with the requirements of the National Health Service Act 2006.

### Foundation trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

As part of our audit, we are required to report to you if we are not able to satisfy ourselves that the foundation trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

As at the date of issue of our audit report for the year ended 31 March 2022 on 22 June 2022, we had not completed our work on the foundation trust's arrangements.

In our audit report for the year ended 31 March 2022 issued on 22 June 2022, we reported that NHS England/Improvement had notified the Foundation Trust that it is in breach of license in relation to Infection, Prevention and Control following a Methicillin-resistant staphylococcus aureus (MRSA) infection outbreak. The Foundation Trust is putting action plans in place to address these issues and respond to the undertakings agreed with NHSE/I. Accordingly, on 13 June 2022 we reported to the Foundation Trust a significant weakness in its governance arrangements in how it monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements.

### Certificate of completion of the audit

In our audit report for the year ended 31 March 2022 issued on 22 June 2022, we explained that we could not formally conclude the audit on that date until we had completed our work in respect of the foundation trust's arrangements for securing economy, efficiency and effectiveness in its use of resources. We have now completed our work in this area.

No matters have come to our attention since that date that would have a material impact on the financial statements on which we gave our opinion.

We have nothing further to report in respect of the foundation trust's arrangements for securing economy, efficiency and effectiveness in its use of resources.

We certify that we have completed the audit of Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust in accordance with requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

A handwritten signature in blue ink, appearing to read 'M Ramzan', with a stylized, cursive script.

Mohammed Ramzan, CPFA (Key Audit Partner)  
For and on behalf of Deloitte LLP  
Appointed Auditor  
Birmingham, United Kingdom  
5 July 2022



