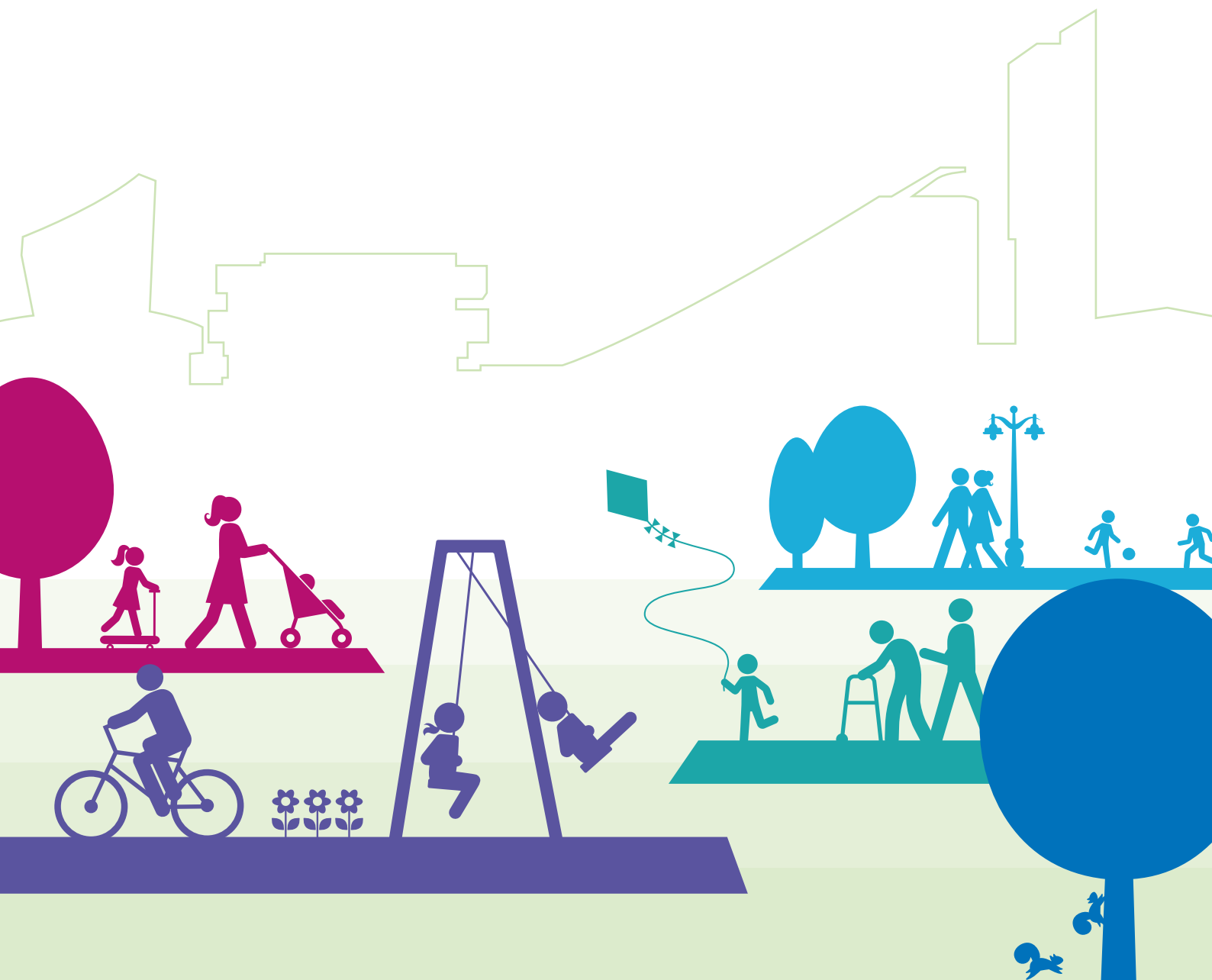




Annual Report Summary 2015/16 and future plans



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Welcome from our Chairman & Chief Executive

We are very proud to be able to share with you the highlights of a year when delivering excellent patient care has continued to be at the heart of everything we do. Our colleagues across the Trust have worked tirelessly to make sure patients and their families have a good experience in our hospitals and community services.

In spite of the financial pressures and increasing demand faced by our Trust and the rest of the NHS, our focus has remained on improving the quality and safety of care across our services, while also increasing efficiency. This commitment is underpinned by our Trust values: Pride, Dignity, Empathy, Respect, Consideration, Compassion.

Thank you to all our staff, volunteers, fundraisers, Governors and members for making our Trust a great place to be treated, and we look forward to another successful year in 2016/17.



Steve Mycio OBE
Chairman



Sir Michael Deegan CBE
Chief Executive



About us

Central Manchester University Hospitals NHS Foundation Trust (CMFT) is the leading provider of hospital, community and specialist health services for Manchester and Trafford. We treat more than a million patients every year, and our hospitals are home to an outstanding team of clinicians, nursing and support staff, all committed to providing safe, high quality and compassionate care. We are also proud to be a major teaching hospital, training the health professionals of the future, and to be among the country's leading trusts for research and innovation excellence.

We became a Foundation Trust in 2009, although we can trace our roots back to 1752. We are responsible for running a family of seven hospitals across central Manchester and Trafford. We also provide adult and children's community services for central Manchester, and city-wide services for children, dentistry and sexual health.



Central Manchester University Hospitals NHS Foundation Trust

Manchester Royal Eye Hospital	Manchester Royal Infirmary	Royal Manchester Children's Hospital	Saint Mary's Hospital	Trafford Hospitals	University Dental Hospital of Manchester
Specialist eye hospital	Emergency care Complex secondary & tertiary services Integrated community services	Specialist children's hospital	Specialist hospital for women, babies and genetics	Secondary services in Trafford and Altrincham	Specialist dental hospital





About us

Our Board of Directors is responsible for determining the Trust's:

- strategy, business plans and budget
- policies, accountability, audit and monitoring arrangements
- regulation and control arrangements
- senior appointment and dismissal arrangements.

To carry out their responsibilities, the directors work closely with the senior management teams across our hospitals and community services, and with many other partners across the health and care system. Through a good working partnership with our Governors, the Board also listens to the views of our members and the wider public.

Our Board of Directors



Mr Steve Mycio OBE
Chairman
(Appointed January 2015)



Sir Michael Deegan CBE
Chief Executive
(Appointed September 2001)



Mrs Gill Heaton OBE
Deputy Chief Executive
(Appointed December 2001)



Professor Robert Pearson
Executive Medical Director
(Appointed April 2006)



Mr Adrian Roberts
Executive Director of Finance
(Appointed May 2007)



Mrs Margot Johnson
Executive Director of Human
and Corporate Resources
(Appointed May 2013)



Mrs Julia Bridgewater
Chief Operating Officer
(Appointed September 2013)



Mr Darren Banks
Executive Director of Strategy
(Appointed April 2015)



Mrs Cheryl Lenney
Chief Nurse
(Appointed July 2015)



Mr Anthony Leon DL
Non-Executive Director
& Deputy Chairman
(Appointed April 2001)



Professor Rod Coombs
Non-Executive Director
(Appointed 2007, term of
office ended 14th March 2016)



Mrs Brenda Smith
Non-Executive Director
(Appointed November 2008,
term of office ended 4th
December 2015)



Lady Rhona Bradley
Non-Executive Director
(Appointed November 2008,
term of office ended 4th
December 2015)



Mrs Kathy Cowell OBE DL
Non-Executive Director &
Senior Independent Director
(Appointed March 2013)



Mr John Amaechi OBE
Non-Executive Director
(Appointed March 2015)



Mr Anil Ruia OBE
Non-Executive Director
(Appointed March 2015)



Mrs Chris McLoughlin
Non-Executive Director
(Appointed October 2015)



Dr Ivan Benett
Non-Executive Director
(Appointed January 2016)



Professor Colin Bailey
Non-Executive Director
(Appointed March 2016)

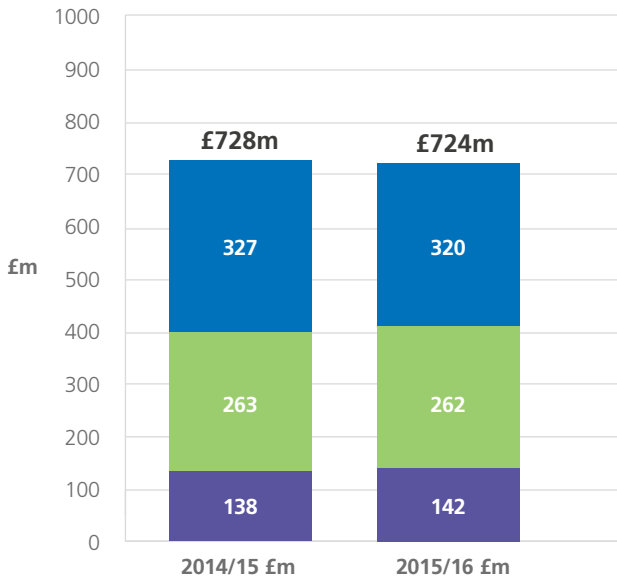


Mr Nicholas Gower
Non-Executive Director
(Appointed March 2016)

You can find out more about the roles and backgrounds of our Directors at www.cmft.nhs.uk/your-trust/meet-the-board-of-directors. Information about their pay arrangements is in Part Two on pages 38 to 39.

Financial summary

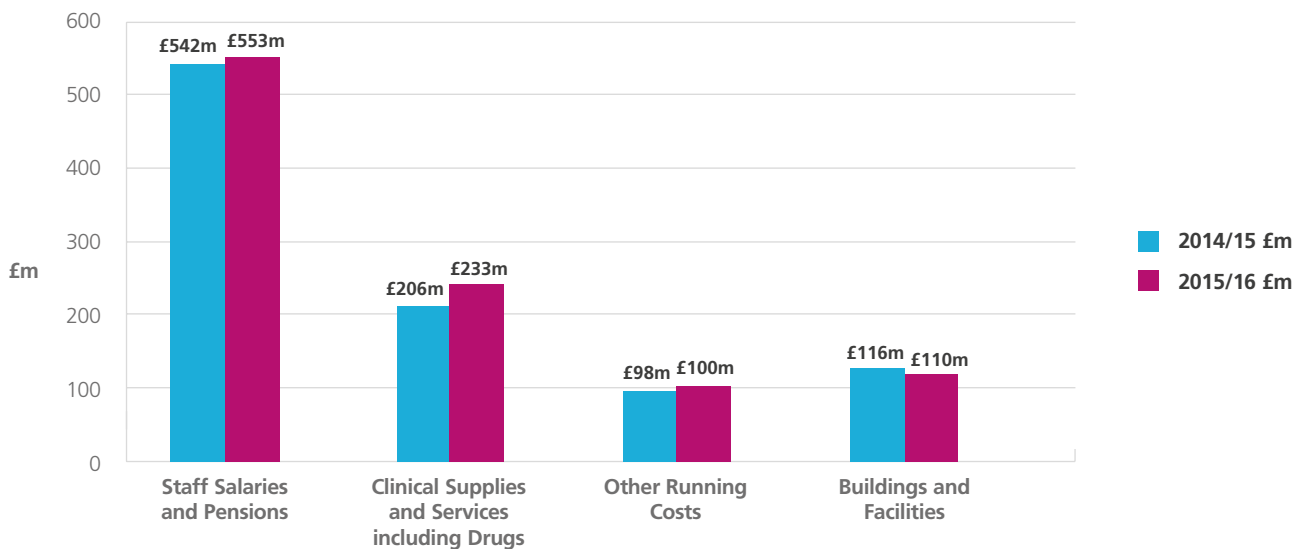
Income earned for our clinical services



We earned **£967 million** for our services ... and it cost **£996 million** to provide those services

A deficit of **£29 million**

How we spent our money



During 2015/16, there were a number of challenges facing the Trust including national changes in the funding of hospitals, the impact of year after year efficiency requirements set at 4-5%, the cost of maintaining robust medical and nurse staffing levels in national shortage areas and the continuing challenge of urgent care demand impeding increases in planned work.





Our performance

There are many pressures on our services, particularly urgent care, and during the past year we have faced significant challenges to our clinical, operational and financial performance.

Against this backdrop, the majority of our clinical teams have delivered consistently high quality care in a timely way, with excellent outcomes and patient experience. However, there is still scope for improvement and our Transformation Programme team is leading on initiatives to identify and share opportunities to achieve this.

The new, state of the art **Altrincham Hospital**, part of our services in Trafford, opened on time and on budget.

Manchester Royal Infirmary's transplant team broke the UK national record for a single transplant centre, carrying out 317 life-changing transplants in 2015.

A neurosurgery team at **Royal Manchester Children's Hospital** carried out the first operation in the country on a child under 12 using a fluorescent drug to pinpoint a brain tumour.

9,267 babies were safely delivered at **Saint Mary's**, up from 8,928 in 2014/15.

Highlights for 2015/16 include:

Our **Research & Innovation** teams involved more than 8,700 patients and volunteers in research studies and clinical trials, with many of our patients being the first to benefit from access to the latest drugs, diagnostics and therapies.

Innovative work by our colleagues in the **University Dental Hospital of Manchester** to develop the first ever method to mark teeth for extraction.

Experts at **Manchester Royal Eye Hospital** carried out the world's first trial of the 'bionic eye' artificial retina to treat dry age-related macular degeneration (AMD).





Particular factors which have affected our financial stability include:

- Increasing demand for services, particularly emergency care - A&E attendances were up just over 3.8% (311,134) from 2014/15
- Costs related to safely managing Carbapenemase-Producing Enterobacteriaceae (CPE) infection across our hospitals
- The extra costs of using agency staff to fill medical and nursing vacancies
- Not achieving all the planned productivity improvements to our clinical services.

The Board adopted an internal turnaround approach, and a programme of efficiencies and improvements is generating results. By focusing

on providing the best possible patient care in the most efficient way, we can continue to meet the challenges ahead in 2016/17 and achieve even higher standards of safety and quality while also balancing the books.

Monitor (now part of NHS Improvement) is the independent regulator of Foundation Trusts, and each quarter it assesses our performance to identify if any potential problems may arise. Monitor publishes quarterly and annual risk ratings. These cover:

- The Financial Sustainability Risk Rating (FSRR). (Rated 1-4, where 1 represents the highest risk and 4 the lowest).
- Governance (Rated Green, Amber/Green, Amber/Red, Red).

This table shows our performance:

Domain	Annual Plan 2015/16	Actual performance 2015/16			
		Q1	Q2	Q3	Q4
Financial Sustainability Risk Rating*			2	2	2
Governance Rating					

*This was changed from Continuity of Service Rating part way through the financial year, so the performance data begins at Q2.

Sustainability

We are committed to being a leading sustainable healthcare organisation, and to carrying out our business with the minimum impact on the environment.

Our Sustainable Development Management Plan (SDMP) priorities are to:

- reduce our carbon footprint by a minimum of 2% year on year, through a combination of technical measures and staff behaviour change.
- embed sustainability considerations into our core business strategy.
- work collaboratively with our key contractors and stakeholders to deliver a shared vision of sustainability.
- comply with all statutory sustainability requirements and implement national strategy.

During 2015/16, across the Trust we:

- decreased total waste volumes by 4%
- reduced water consumption by 6%
- reduced energy costs by over 3%
- launched a new Sustainable Travel Plan for our staff
- involved staff in a Green Impact campaign, which saved £130,000 and generated 2,000 environmental improvement actions
- introduced initiatives to make our procurement more sustainable.





Equality, Diversity and Inclusion

Our vision is: 'Valuing the voices of our diverse people to be the best we can'. To make it a reality, we aim to:

- Be accessible to all
- Listen and respond to all our people
- Benefit from the diverse skills and knowledge of our people
- Work in partnership to provide opportunities for our communities to live healthy lives.

Activity in 2015/16 included:

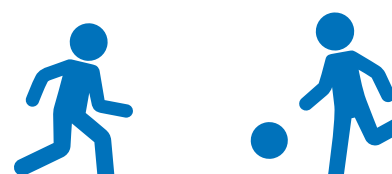
- 2533 opportunities for young people to get involved, visit or work with CMFT
- 170 Equality Advocates recruited
- 450 people and organisations consulted as part of setting the Equality, Diversity & Inclusion Strategy
- 76.3% our patients live in Greater Manchester
- 11% of Trust workforce comes from the five wards in Central Manchester
- 32% of our workforce comes from the Manchester local authority area
- 87% of our workforce comes from Greater Manchester, covering the 10 local authorities
- 227 people have accessed our clinical pre-employment scheme and been guaranteed an interview, 76% of whom gained employment in the Trust
- 125 apprenticeships ran during this year
- 775 work experience placements run every year
- 382 young people attended the Young People's Open Day
- 400 Equality Impact Assessments were undertaken
- 41,000 face to face translation appointments carried out for our patients, covering 100 languages.

Future priorities

Each year the Trust develops forward plans which set out what we plan to do in the coming year and involves balancing the interests of patients, the local community and other stakeholders. Our Governors, members and the wider public all contribute to the forward planning process.

Our Operational Plan explains how we will continue to deliver high quality, cost effective services over the coming year (2016/17). You can access a copy of this plan on our website: <http://www.cmft.nhs.uk/foundation-trust/our-forward-plan> and there is a summary below.

Our Vision	To be recognised internationally as leading healthcare; excelling in quality, safety, patient experience, research, innovation and teaching; dedicated to improving health and well-being for our diverse population	
Our Strategic Aims	Key Priorities for 2016/17	
Improving the safety and clinical quality of our services	1	Delivering safe, harm-free care focusing on evidence based pathways, supervision and clinical leadership and embedding CMFT Clinical Standards in day to day practice.
	2	Ensure professionally informed, evidence based nursing and midwifery establishments supported by recruiting and retaining an engaged workforce able to respond to future care delivery needs.
	3	Achieve all key NHS commissioned standards and deliverables, including access and quality outcomes.
	4	Delivery against the Trust's Transformation strategy with the aim to reach the top decile for quality - clinical outcomes, safety, patient and staff engagement & experience and operational efficiency measures.
Improving the experience for patients, carers and their families	5	Deliver well-led, compassionate, individualised care in partnership with patients and families in appropriate environments, safeguarding vulnerable people.
Developing our specialist services and, with our partners in health and social care, leading on the development and implementation of integrated care	6	Playing our part in transforming the health and social care system through supporting Greater Manchester Devolution, and the delivery of Locality Plans (particularly in Manchester and Trafford).





Our Strategic Aims	Key Priorities for 2016/17	
Providing our patients with cutting edge care through applied research and innovation to deliver improved safety, clinical quality and a patient centred approach to our services	7	Strengthen and drive the translation of cutting-edge science into new tests and treatments that benefit patients.
	8	Drive engagement with research through participant recruitment, public and patient involvement (PPI)*, and communications *PPI in research can comprise using public and patient input to: shape the direction of our research; design studies in a way that maximises the retention of volunteers; and ensure patient information is accessible.
Providing the best quality assured education and training	9	Delivering excellent education and learning with the aim of further developing reputation, innovation and attracting and retaining a highly skilled workforce.
Developing our organisation, supporting the well-being of our workforce and enabling each member of staff to reach their full potential	10	Implement the Organisational Development (OD) Strategy, focusing on: developing a high performing, inclusive and values based culture that increases organisational resilience and agility and City of Manchester system leadership and integration (LCO).
	11	Implement the people strategy focusing on: workforce information and policies, workforce design and succession planning, attraction and resourcing; staff engagement; talent and performance management.
	12	Develop a clear action plan and measurement framework to implement three year Equality, Diversity and Inclusion (ED&I).
Remaining financially stable	13	Ensure short & medium term financial stabilisation, the on-going management of cash and ensuring the delivery of Cost Improvement Plans (CIPs).
	14	To refresh the 'Going Digital' Informatics strategy for 2016-21, following engagement and consultation on this with stakeholders.

Quality priorities and outcomes

Statement from Professor Robert C Pearson, Executive Medical Director



My aim as Medical Director is to ensure that clinical quality and patient safety remain absolutely central to what we do here in Central Manchester University Hospitals NHS Foundation Trust (CMFT).

2015/16 has been a year of continuing challenge for the NHS as a whole and CMFT has not been an exception to that. As last year, challenging financial targets coupled with increased pressures on services such as our Accident and Emergency Departments have meant our staff have had to work even harder to deliver high quality care.

We started the year as usual with a challenging work programme with ambitious targets. I am pleased to say we were able to achieve many of these and where we have not, we continue to work hard to improve. The Trust Quality Report (which is available as part of the full Annual Report and Summary Accounts) sets out all of these achievements in detail but here are some of the headlines.

Care Quality Commission Comprehensive Inspection

The Care Quality Commission (CQC) carried out a scheduled comprehensive inspection of our hospitals and community services in November 2015. We welcomed the inspection and it has been a key external assurance mechanism for the assessment of quality of care.

CMFT worked closely with the CQC in the run up to the on-site inspection, sharing many documents and data sets to give them a full understanding of the services provided.

We are pleased to report that the CQC gave the Trust an overall rating of 'Good', putting us in the top 10% of large acute Trusts in the country and making us one of only two combined

acute and community Trusts rated Good at the time of writing. We are also really delighted to report that our Child and Adolescent Mental Health Services were rated as 'Outstanding' for both in-patient and community services. This is a fantastic achievement of which we are immensely proud.

The CQC assess all relevant core services against five key questions:

- Are services safe?
- Are services caring?
- Are services responsive?
- Are services effective?
- Are services well led?



To engage all our staff in the assessment process and use it as a continuation of our programme of improvement, the preparation project was entitled Shine. The Shine project was made up of staff from right across CMFT, representing their respective Divisions and specialty areas. Every single member of staff was invited to get involved and the assessors commented that during the inspection they were welcomed by pleasant, professional and knowledgeable teams.

Around 115 inspectors visited the Trust over the two weeks of the inspection; most of these were allocated to the hospital inspections, with a smaller team of 15 visiting our community services. The University Dental Hospital of Manchester was not included in the inspection and we expect this to be scheduled sometime in the future. The CQC advised they would like to collaborate with the Dental Hospital to inform the inspection standards to be used for future Dental Hospital inspections.

As a large acute and community services Trust, our services include almost all of the core services that the CQC inspect. The findings were made on the basis of observation through visits to the areas, discussions with staff and patients at interview and focus groups, and review of documentary and statistical information.

Each of our registered hospitals except the University Dental Hospital of Manchester was inspected and given a rating for all core services and an overall rating.



We are pleased to report that there are a number of really positive threads throughout the report; these are:

- Staff are caring and compassionate
- Staff are proud of their Services
- Staff are open when things go wrong and willing to learn
- The Trust values and behaviours of Pride, Respect, Empathy, Consideration, Compassion and Dignity are well embedded and demonstrated throughout
- The Trust has a strong track record in Quality Improvement, Research and Innovation
- The Trust has strong governance arrangements
- Evidenced based care.

As expected, the CQC have also highlighted a number of areas where we could improve. In the main, these are areas that we had already identified for improvement and reported to the CQC in advance of their visit; examples include:

- We were rated as 'requires improvement' for urgent and emergency care reflecting pressures in our Emergency Department and patient flow.

- Repair and maintenance in some of our Community premises. Much of what we needed to do was addressed within 48 hours of the CQC inspection and there are now more robust governance systems in place to ensure repairs are identified and made quickly and all premises meet the same high standards in respect of cleanliness.
- We were rated as 'requires improvement' for End of Life Care. The CQC rated End of Life Services as 'Good' for care, reporting that they observed caring staff and high quality care for patients at the end of their lives. This was further supported by the results of the National Care of the Dying Audit published in March 2016. However, it was felt by inspectors that we had not made enough progress on guidance and support for staff since the withdrawal of the Liverpool Care Pathway and that we needed to recruit some more staff to our Palliative Care Team. There is now a detailed plan in place to address these requirements.
- Nurse staffing was highlighted as a concern by the CQC, although the work we are undertaking to improve the position was recognised by the inspectors. We continue to recruit to all of our nurse vacancies with local, national and international recruitment programmes in place. We are also working with all of our staff to make the Trust a great place to work and in doing so reduce turnover. This is monitored closely by the Board of Directors.



Quality priorities and how we performed

Below is a summary of our performance across a number of priority areas. A **green tick** indicates that we met our objectives for the year, an **orange dash** means we made good progress but did not quite reach our objective and a **red cross** means we did not meet the objective and further work is required and will be undertaken.

Priority	2013/14	2014/15	2015/16
Patient Safety			
Patient Safety Events			
• Learning from incidents	✓	✓	✓
• Medication Safety	✓	✓	—
Harm Free Care			
• Falls	✓	✓	✓
• Pressure ulcers	✓	✓	✓
• Catheter acquired infection	✓	✓	✓
Clinical Effectiveness			
Infection prevention	—	—	—
Hospital Mortality	✓	✓	✓
Clinical Audit	✓	✓	✓
Commissioning for Quality Improvement Scheme (CQUINS)			
• Local	✓	✓	N/A
• National	✓	✓	N/A
Advancing Quality			
• Acute myocardial infarction (heart attack)	✓	✗	N/A
• Coronary artery bypass graft (CABG)	✗	✓	N/A
• Heart failure	✓	✓	N/A
• Hip and knee replacement	✓	✗	N/A
• Pneumonia	✓	✓	N/A
• Stroke	✓	✓	N/A
Patient Experience			
Real time patient feedback - Friends and Family Test	✓	✓	✓
End of life care	—	✓	—



Clinical risks

Through the year we record risks on the Trust Risk Register. The risk register is used to ensure that staff are aware of risks and that actions are being taken to mitigate them. A small number of these risks are deemed serious enough to require a regular report to the Trust Risk Management Committee. This committee is attended by Executive and Non-Executive Directors and reports are made on progress to reduce the risk.

The risk register is by its nature a changing document and we set out to mitigate and reduce all risks to patient safety as quickly as possible. This year we have reviewed the process to further refine our reporting on the journey of risk, and our assurance that where possible all risks are being reduced.

Examples of high level clinical risks this year include:

Communication of Test Results



Last year we reported that this was a risk and that whilst every year the vast majority of test results are communicated to clinicians and acted upon in a timely way, in a small number of cases we had identified harm occurring as a result of the results not being communicated or acted upon quickly enough.

This year we have focused on an upgrade to the current electronic communication system for test results. Clinical Work Station (the old system) was replaced in all departments on 24 June 2015 by a new system called Sunquest ICE.

This was a huge logistical operation which was supported by a dedicated team of technical staff to ensure it was managed as safely as possible. We are delighted to report that this change took place safely and on the planned day.

Never Events

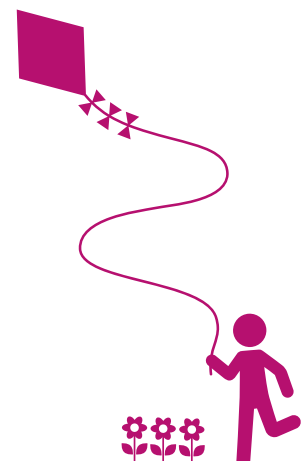
During 2015/16 the Trust had seven 'Never Events' against an aim of 0. These events have not resulted in serious harm this year but because of their potential to do so we maintained the high risk score across the year. We are aiming for a period of six months without any never events before we can be assured that the work undertaken has addressed the risk.

We have a number of local teams now working on this to assess the level of risk in every single part of the Trust, and make sure that everything possible that can be done to avoid never events in the future is done.

Care of Patients with both Physical and Mental Health Problems

We identified earlier in the year that patients with both mental and physical health problems may not always get the right support for their mental health.

In 2015/16 we appointed an independent consultant to advise us on what we needed to do differently to ensure every patient had all their healthcare needs met to the best of our ability. We are pleased to report that this work has now concluded and a detailed plan is in place for improvement. Once assurance can be gained that the plan has been implemented and that quality of care is satisfactory then this risk can be downgraded.



Clinical effectiveness

Infection Prevention and Control

Infection prevention and control is a fundamental aspect of safe patient care. Protecting our patients against hospital acquired infections is a key priority for CMFT and one which we consider to be the responsibility of all staff.

Our aim was to eliminate all avoidable hospital associated infections, caused by Meticillin Resistant Staphylococcus Aureus (MRSA) and Clostridium Difficile infection (CDI). This year we have continued to make good progress with reducing the number of patients who developed infections whilst in our care. It is a mandatory requirement for all Trusts to report all MRSA bacteraemia and CDI.



Mortality

The continual endeavour to understand the factors affecting mortality and to reduce avoidable in-hospital deaths is overseen by the CMFT Mortality Surveillance Group, chaired by an Associate Medical Director. The group has supported the development and use of a single mortality review tool for adult use, and consistent use of neonatal and paediatric tools in the review of stillbirth.

There are a number of key mortality measures which are reported publicly. Two of the main indicators are Summary Hospital-level Mortality Indicator (SHMI) and Hospital Standardised Mortality Indicator Ratio (HSMR). Both of these indicators compare acute Trusts in England, and have an average of 100. Our SHMI was 98 and our HSMR was 100.99.

Improving our research figures

We are dedicated to continuously improving the way we conduct our research whilst providing all patients with better access to clinical studies. We undertake research in a diverse range of clinical areas across our seven hospitals, regularly recruiting the first global patient into a study.



Key figures for our research activity

The number of patients recruited to participate in research approved by a research ethics committee.	8759
Number of external researchers enabled to conduct research in our organisation via research passports.	112
New studies approved this year.	292
Research studies open to recruitment or in the follow up phase.	661

Following the recent CQC report, we were commended for embedding research throughout the organisation and creating a culture in which staff promote research opportunities to patients and the public.



Patient experience – food and dining

During the past twelve months we have introduced initiatives and improvement programmes to improve the patient dining experience, including:

- Extending the times of the electronic meal ordering process (MAPLE); providing more flexibility to patients when ordering their meals.
- Introducing snack rounds in a number of adult areas and snack and milkshake rounds in children's areas.
- Introducing an improved range of sandwiches.
- A dedicated children's oncology menu has been introduced that includes a cooked breakfast and a wider range of snacks.
- A new menu has been developed in the Royal Manchester Children's Hospital to provide hot meals at both lunch and dinner time.

Feedback from our patients about the quality of the meals shows us that patient satisfaction has improved this year.



Patient experience – responding to complaints

The availability and quality of complaints data has improved during the year, giving us further insights into the common causes of complaints and how we can use the data to drive improvements, both in the services we provide and in our complaints handling processes. CMFT publishes in-depth quarterly complaints reports and an annual complaints report.

This table shows the number of formal complaints, PALS concerns and compliments received by the Trust for the past four years.

	2012-13	2013-14	2014-15	2015-16
Formal Complaints	1044	1112	1023	1160
PALS Concerns	2777	2768	3573	4138
Compliments	*	*	*	604

* Compliments received have only been recorded since 2015/16

By listening to and learning from what our patients and their families tell us, we have been able to introduce new ways of responding to their concerns and putting things right quickly. These include the 'Tell Us Today' initiative for all in-patient areas. Patients or their relatives can call a dedicated telephone service operated by a senior nurse or manager, who will listen to their concerns and put them in contact with a senior member of staff in the area of concern within one hour. For more information about giving us feedback, please go to: <http://www.cmft.nhs.uk/information-for-patients-visitors-and-carers/patient-advice-and-support/comments-compliments-concerns-and-complaints>

During our CQC inspection in 2015, the inspectors found that our staff were aware of our complaints policy and could access it. Inspectors also found evidence that information about raising a concern or complaint is consistently available to people using our services; patients and families told them that they knew how to raise a concern if necessary.

Our staff told the CQC inspectors they aimed to resolve concerns in real time wherever possible and that they were committed to learning from complaints. One example is the introduction of the Housekeeper role in response to concerns about the environment. The CQC's inspection report also highlighted the meetings, committees and discussions where complaints are reviewed and learning is identified and shared to prevent a recurrence.





Quality priorities and outcomes

Manchester Royal Infirmary (MRI)

Manchester Royal Infirmary is a large acute teaching hospital, providing an extensive range of complex secondary and specialist services. We are a specialist regional centre for kidney and pancreas transplants, haematology and sickle cell disease. The Accident and Emergency Department sees more than 300,000 patients every year.

We also provide a wide range of adult and children's community services in health centres, children's centres, schools and patients' own homes. These include adult services such as district nursing, continence care and podiatry in central Manchester and specialist services including children's services, contraception and sexual health, community dentistry and learning disability services for the city of Manchester.



Surgical Services



Specialist Medicine

Top 3 successes in 2015/16

1. The continued prevention of hospital acquired infections and improvements in processes for the management and control of infection - especially for CPE, MRSA and C. Difficile infections.
2. Opening of additional ward capacity to accommodate new services such as the Vascular Ward and Head and Neck ward.
3. Introducing the Structured Ward Round initiative within Urology led by a consultant, which has led to significant improvements in the quality and safety of patient care.

Top 3 priorities for 2016/17

1. Service expansion – Bolton Vascular Service transfer, Renal Transplant Service expansion, supporting the Healthier Together Programme.
2. Creating capacity – reducing the time patients spend in hospital supported by the ERAS + programme, consultant of the week initiative and the completion of Specialty Based Wards project.
3. Focusing on the recruitment and retention of nursing and medical staff against the backdrop of national shortages.

Top 3 successes in 2015/16

1. Addressing the shortfall in bed and workforce capacity across medical specialty services, by redesigning and reconfiguring the Bone Marrow Transplant Unit and Clinical Haematology Day Unit, and redesigning Wards 3 & 4 of the Heart Centre.
2. Implementing our Health Records improvement plan, and using the new ICE electronic ordering system to improve the requesting process for diagnostic tests.
3. Working with all specialty teams across the MRI to deliver care to 'The Right Patient at the Right Time in the Right Bed', through various initiatives and closer collaboration.

Top 3 priorities for 2016/17

1. Delivering in-patient services across all our medical specialty services at local and tertiary level, safely and through the right sized bed and workforce levels.
2. Delivering outpatients transformation improvement projects within the Division.
3. Improving patient access to services and reducing waiting times.



Medicine and Community Services

Top 3 successes in 2015/16

1. Focusing on recruitment and retention - we recruited new nursing staff and are considering innovative ways to attract staff and provide opportunities for career development to support retention.
2. Transformation project to improve staffing levels - we made significant improvements in safely reducing bed capacity.
3. Improving infection control practice and reducing hospital acquired infections - CPE remains a challenge and we are undertaking audits to monitor compliance with hand hygiene and the use of personal protective equipment to support improvements.

Top 3 priorities for 2016/17

1. Achieve financial sustainability, including closing the trading gap and implementing turnaround initiatives.
2. Respond to changing commissioner requirements for community and urgent care services by moving some care to community provision, and meet the requirements for acute services through the Healthier Together and Single Hospital Service initiatives.
3. Continue to recruit and retain a competent, capable workforce that will support our core services and delivery of radical reform in the future.



Clinical & Scientific Services

Top 3 successes in 2015/16

1. Patient Experience Data – all outpatient areas are now collecting patient experience data and all in-patients are being offered the opportunity to answer the friends and family test which has received excellent results.
2. Response to Cancer Survey - we have seen big improvements to patient information provided in advance of tests/procedures. The radiology team filmed a patient undergoing a CT, MR, Ultrasound and X-ray so that patients can view these before coming for their scans.
3. Improve patient information - Neurophysiology has produced a photographic walk through of the department for patients (in particular children and those with learning disabilities). Better signage and maps have been produced to help patients find their way around the hospital.

Top 3 priorities for 2016/17

1. Improvements to staff recognition processes - we currently receive compliments for staff via a number of channels and plan to streamline the process for recognising staff to improve staff satisfaction and morale.
2. Patient Experience Communication framework - develop ways to implement this, including continued patient involvement events, improvements to staff forums and core huddle briefings, 'you said, we did' posters and better use of the CMFTV's.
3. Continue to develop CRIS day case services to enhance the patient experience - develop the clinical pathways for patients requiring lung biopsy and renal angiography to support people being admitted as a day cases rather than in-patients.



Manchester Royal Eye Hospital (MREH)

The hospital provides an extensive range of services and facilities for both adults and children. These include the Emergency Eye Department, Ophthalmic Imaging, Ultrasound Unit, Electrodiagnosis, Laser Unit, Optometry, Orthoptics, the state-of-the-art Manchester Eye Bank and Ocular Prosthetics.

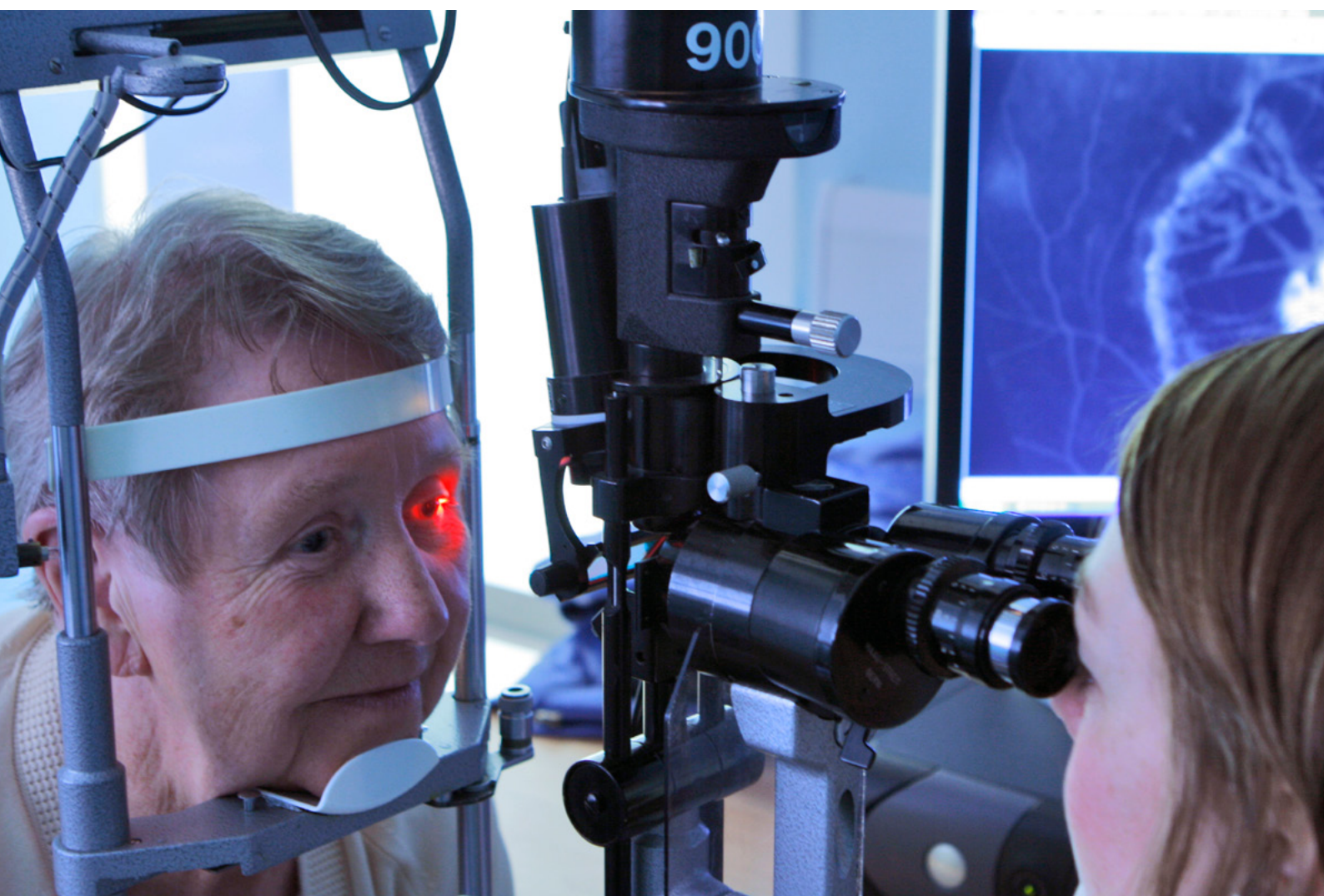
Top 3 successes in 2015/16

1. Listening and Learning Programme involving both staff and patients – this included launching the MREH Twitter account and introducing patient pagers. These allow patients attending for multiple appointment slots to move freely from the clinics without fear of missing their appointment.
2. Developing our workforce - two Advanced Nurse Practitioners (ANPs) graduated in 2015, and their skills are being used in nurse-led clinics and minor operation theatre lists.

3. Learning from patient and staff feedback - we worked with Healthwatch to host a patient feedback week in October 2015. In February 2016, a joint event with the CMFT Transformation Team gathered staff and patients' opinions to help develop future services.

Top 3 priorities for 2016/17

1. Outpatient Improvement Programme - implementing a detailed work plan, focusing on health records, patient access, patient management, specialist customer care and clinic H redesign.
2. Theatre Improvement Programme - increasing theatre activity and productivity by reducing turnaround times, and preventing cancellations by improving the pre-operative assessment process.
3. Expansion of the Trust Accreditation Programme - theatres and outpatient areas will now be assessed on their ability to respond to patient and staff feedback and make improvements.





Royal Manchester Children's Hospital (RMCH)

The Royal Manchester Children's Hospital provides specialist healthcare services for children and young people throughout the North West, as well as nationally and internationally. RMCH sees 220,000 patient visits each year across a range of specialties including oncology, haematology, bone marrow transplant, burns, genetics, and orthopaedics.



Top 3 successes in 2015/16

1. Infection Prevention & Control (IPC) - improvement measures included a trial of using ultra violet light to decontaminate areas, and interventions to reduce Central Line Acquired Blood Stream Infections (CLABSI) within Critical Care, with a plan for roll out across RMCH.
2. Food and drink - we participated in the 2015 CMFT Nutrition and Hydration Week (including food tastings and senior staff involvement in serving food service to get 'first hand' experience and feedback from patients and families).
3. Workforce – boosting nursing recruitment and retention with an educator to support newly qualified staff, offering an alternative shift pattern for in-patient areas which provides additional cover and an accelerated programme for conversion of the RGN qualification to RSCN.

Top 3 priorities for 2016/17

1. Infection Prevention & Control.
2. Environment - making RMCH more friendly for children and young people, including the launch of storybook to obtain feedback from pre-school patients.
3. Developing our workforce.

Saint Mary's Hospital (SMH)

Saint Mary's Hospital provides a wide range of world-class medical services for women, babies and children as well as a comprehensive Genetics Centre and an internationally recognised teaching and research portfolio. Our services meet the needs of our local population and also patients with complex medical conditions referred from across the North West and beyond.



Top 3 successes in 2015/16

1. Focusing on equality, diversity and inclusion - using the SMH quality bus to deliver key messages to staff using the values and behaviours framework; appointing and training 14 equality advocates.
2. Staff engagement - reducing short term sickness, maintain good levels of staff retention and motivation and embedding the CMFT values and behaviours framework.
3. Service development - improvements included rolling out an appointment reminder service for patients; aligning clinic appointments with ultrasound appointments to reduce the time patients have to spend in outpatients; giving our community midwifery teams iPads to access vital patient information whilst working in the community.

Top 3 priorities for 2016/17

1. Patient safety - complete and implement local safety standards for interventional procedures across the Division and look at further ways to prevent never events.
2. Service development - continue to improve the quality of our services and effectively encourage stakeholder participation.
3. Commit to driving safe and effective efficiencies throughout the Division.

Trafford Hospitals

Services at Trafford General Hospital include in-patient medical facilities, day case surgery and a dedicated elective orthopaedic centre. Altrincham Hospital is a new facility which provides a high quality, modern and user-friendly environment for patients and staff, and a wide range of general and specialist outpatient and diagnostic services.



Top 3 successes in 2015/16

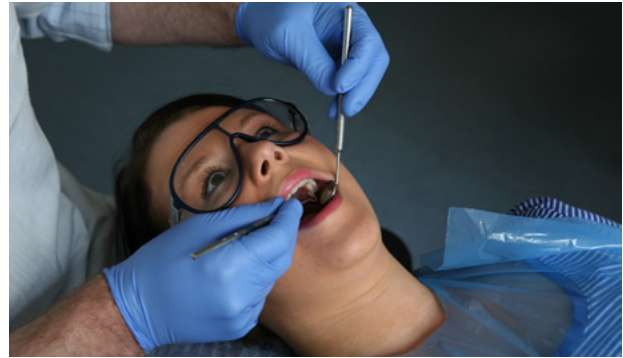
1. Increasing productivity and efficiency in Manchester Orthopaedic Centre - use of a new planning tool increased cases scheduled each week. An extra nurse started on the ward between 7.00 and 9.00am to support ward nurses admitting patients, and an escort role reduced delays in transferring patients to and from theatre.
2. Addressing the financial deficit - robust plans addressed the financial deficit, including the development of a resilient team through recruitment and retention.
3. Becoming a Centre of Excellence for elderly care and rehabilitation - actions included creating the first nurse consultant post for older people and frailty, and supporting John's Campaign by welcoming carers to stay with patients suffering from dementia, including overnight.

Top 3 priorities for 2016/17

1. Integration of services – improvement in the delivery of services and reduction of waste.
2. Financial viability – to meet financial targets and be a financially viable Division.
3. Further development towards becoming a Centre of Excellence for elderly care and rehabilitation.

University Dental Hospital of Manchester (UDHM)

UDHM is one of the key specialist dental hospitals in the UK. Around 90,000 patients come to us for treatment every year, and we look after both adults and children.



Top 3 successes in 2015/16

1. Listening and Learning Programme - the UDHM Twitter account now allows patients and carers to see information about upcoming events and leave feedback regarding treatment. The UDHM Quality Forum focuses on both staff and patient satisfaction.
2. Developing our workforce - the first Registered Dental Nurses attended the Trust Preceptorship Programme, a programme recently expanded to support newly qualified practitioners from a variety of disciplines.
3. Learning from patient and staff feedback - improvements to internal and external signage have been made, CMFTVs were installed in all clinics to provide health education information to patients and the telephone system for patients wishing to change appointments/contact the hospital has been improved.

Top 3 priorities for 2016/17

1. Plans are in place to purchase £10,000 worth of equipment a month to ensure that sufficient stock and replacement of worn out equipment are maintained.
2. Active recruitment of more clinical staff to manage the demands of the service will continue.
3. To ensure adequate income for specialist procedures within UDHM, payment tariffs will need to be reviewed and agreed.



Research & Innovation

We work with patients, hospitals, universities, industry and other organisations to take the best new ideas from leading edge science and use them to create new tests and treatments that benefit our patients. During 2015/16 8,759 patients and healthy volunteers participated in clinical research studies across our hospitals. Our main research partner is The University of Manchester, and our research is supported by the National Institute for Health Research.

We undertake a diverse range of research, including cardiovascular disease; eye disease; genomic medicine; hearing and deafness; musculoskeletal medicine; women's and children's health.

Top 3 successes in 2015/16

1. Dr Alexander Heazell's research suggested that grief and symptoms of depression after stillbirth often endure for many years and the vital need to provide sensitive and respectful bereavement care.

2. Results from the world's biggest ovarian cancer screening trial (UKCTOCS), involving Saint Mary's Hospital, suggests that screening based on an annual blood test may help reduce the number of women dying from the disease by around 20%.
3. Manchester Royal Eye Hospital performed the first global implant of the Argus II 'bionic eye' device in a patient with dry age-related macular degeneration.

Top 3 priorities for 2016/17

1. Continue to implement our research recruitment strategy, enabling more patients to participate in research, particularly patients from Black, Asian and Minority Ethnic (BAME) and hard to reach communities.
2. Develop our research website to make our research more accessible to patients.
3. Build on our research capability to improve our service for our patients and research partners.



What our patients

and staff say

The Friends and Family Test (FFT) is a single survey question which asks patients:

“How likely are you to recommend our service to friends and family if they needed similar care or treatment?”

Here are our results for 2015/16:

Area	Response Rate	Percentage of patients who were 'likely' and 'extremely likely' to recommend our services
In-patients*	15.42%	93.50%
Emergency Departments*	9.42%	89.09%
Outpatients	N/A	86.26%
Community	N/A	95.74%
Maternity	N/A	95.5%

**Target response rates were not set in 2015/16.*

During 2015/16, 13,368 staff worked at CMFT. In 2015, a random sample of 850 CMFT staff were asked to complete the annual NHS staff survey. Since 2014 there has been a statistically significant increase in staff recommending CMFT as a place to work or receive treatment: from 3.63 to 3.80. This is ranked above the average for all Acute and Community Trusts which is 3.71.

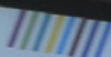
Over the last 12 months several initiatives have been rolled out enabling staff to feed back their opinions, including the staff survey, staff family and friends test and corporate and local staff engagement sessions. We also introduced quarterly staff 'pulse checks' so staff can give their views on:

- how likely they would be to recommend our Trust as a place to work and receive treatment;
- whether safety and quality was a priority;
- how well our values were being lived by us all.

Receiving feedback throughout the year enabled us to act more quickly to address any concerns or ensure good practice is shared. We launched our 'you said we did campaign' to raise awareness and further enable staff to get involved in making improvements based on issues they have raised.

Many actions have been taken as a direct result of staff suggestions and this has led to the increase in our overall staff engagement score from 3.76 to 3.89, which is better than average for Acute and Community Trusts and in the top 20% for all Acute Trusts.





Central Manchester University Hospitals NHS
The Foundation Trust

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

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

Membership

As an NHS Foundation Trust, we share all the same values, quality and safety standards as other NHS Trusts, with the key difference being that we are granted more freedoms and instead of being directly accountable to Central Government, we are accountable to our members (which include our patients, staff and stakeholders). This means that we are able to respond much more quickly and effectively to the identified needs of our patients. One of the key benefits of being an NHS Foundation Trust is that those living in the communities that we serve can become members.

Our Membership Community is made up of both public (including patients and carers) and staff members. From these members, Governors are elected to our Council of Governors, to represent members' interests and influencing the Trust's future plans. Members are therefore given a bigger say in the management and provision of our services with us, in response, ensuring that our services more accurately reflect the needs and expectations of communities.

We have around 14,700 public members and over 13,500 staff members. We are committed to having a representative membership that truly reflects the communities that we serve and we welcome members from all backgrounds and protected characteristics. Becoming a member of an NHS Foundation Trust is completely free and it gives you the opportunity, through your elected representatives (Governors), to shape our future services.

As an NHS Foundation Trust, we are committed to engaging with both our members and the public. We try to achieve this in many ways, with one of our key engagement initiatives being to hold regular membership events including our Annual Members' Meeting and our Young People's Event.

Initiatives and activities available to our members and the wider public in 2015/16 included:

- Attending our interactive Membership Events, including our Open Day for Young People and our Annual Members' Meeting.
- Talking to our Governors at our membership events and participating in interactive questionnaires.



**Currently
we have over
28,000
members**

- Attending engagement sessions for staff members.
- Sharing personal experiences of care and of families and friends, as part of the recent Care Quality Commission Assessment of the Trust.
- Joining our Youth Forum.
- Becoming a Hospital Volunteer.
- Receiving information about our hospital charities and becoming involved in fundraising events.
- Participating in Patient Led Assessments of the Care Environment (PLACE).
- Sharing views on our future priorities and participating in our Forward Plan Questionnaire/On-line survey.
- Contacting Governors to share views and opinions around our hospital services.
- Receiving information about our services and achievements through our Foundation Focus Newsflash (membership newsletter).

As a member, you decide how involved you want to be - you may simply wish to receive regular newsletters about the Trust's activities or you may wish to be more involved and stand for election as a Governor on our Council of Governors, which works with the Board of Directors (people responsible for running the Trust).

The Board of Directors and Council of Governors have distinct roles. The Board is responsible for the direction, all aspects of operation and performance, and for effective governance of the Trust, with the Council of Governors being responsible primarily for assuring the performance of the Board.



Children and young people

As an NHS Foundation Trust that has a large Children's Hospital, we are committed to ensuring that young people have a way to articulate their views. Our membership is therefore open to anyone (living in England and Wales) aged 11 years or over.

Membership Aim & Key Priorities

Over the coming year, our membership aim and key priorities are:

Aim: for the Trust to have a representative membership which truly reflects the communities that it serves, with Governors actively representing the interests of members as a whole and the interests of the public.

Priorities:

- **Membership Community** – to uphold our membership community by addressing natural attrition and membership profile short-falls.
- **Membership Engagement** – to develop and implement best practice engagement methods.
- **Governor Development** – to support the developing and evolving role of Governor by equipping Governors with the skills and knowledge in order to fulfill their role.

Upholding our membership community so that it continues to reflect the communities that we serve, and having the majority of our Council of Governors elected from and by our members to actively engage with and represent their and the wider public's interests, will provide as many people as possible the opportunity to contribute and be involved in the development of our services so that they mirror our patients' needs.

Membership Engagement & Membership Strategy

The Membership Engagement & Membership Strategy outlines how patients, carers, members of the public and the local communities that we serve can become more involved by becoming members of our Trust. The strategy defines our membership community, outlines how we recruit, retain, engage, support and involve our membership and also communicate effectively with our members. It also outlines the Governor role and duties, and key areas to support and develop the evolving role of Governors.

A copy is available on our website <http://www.cmft.nhs.uk/foundation-trust/membership> or via the Foundation Trust Membership Office (details below).

How to join...

Anyone aged 11 years or over, who lives in England and Wales can become a member of our NHS Foundation Trust. If you, your family, friends or colleagues are interested in becoming a member, please:

- contact the Foundation Trust Membership Office on **0161 276 8661** for an application form,
- or join via our on-line Membership Application Form at www.cmft.nhs.uk/foundation-trust/membership

Council of Governors

We have 35 Elected and Nominated Governors on our Council of Governors, the majority of whom are directly elected from and by our members. Governors have two main duties:

- to represent the views and interests of our members and the public;
- to hold the Non-Executive Directors to account for the performance of the Board of Directors.

From these duties, we have developed the following Governor aim and key objectives:

Aim - Governors proactively representing the interests of members as a whole and the interests of the public via active engagement and effectively holding the Non-Executive Directors, both individually and collectively, to account for the performance of the Board of Directors.

Objectives

- **Governor Engagement** – Governors to be proactive in developing and implementing best practice membership and public engagement methods.
- **Governor Assurance** – Governors to act as the conduit between the Foundation Trust Board of Directors and members and the wider public by conveying membership and public interests and providing Board performance assurance.
- **Governor Development** – the Foundation Trust to support the developing and evolving role of Governor, by equipping Governors with the skills and knowledge in order to fulfill their role.

The Chairperson is responsible for leadership of both the Board of Directors and the Council of Governors and ensures that the views of Governors and members are communicated to the Board. The interaction between the Board of Directors and the Council of Governors is seen primarily as a constructive partnership, seeking to work effectively together in their respective roles. Governors are encouraged to act in the best interests of the Trust and are bound to adhere to its values and code of conduct.

Governors are therefore the link between our members and the wider public, determining their need/views on the delivery of our services, and our Directors who make the decisions and hold responsibility for our services.

Your Governors in action

David Edwards (right), the Trust's Lead Governor, explains how Governors carry out their role of representing and holding to account.



Governors welcome the views and opinions of members, patients and the public, and it's a key part of our role to consider and share them with the Board of Directors. We focus particularly on the Trust's performance and future plans, to ensure that CMFT is meeting the needs of the communities it serves and fulfilling its vision.

The other major element of our role is to feed information back to our constituents about how the Trust is performing and so enable our members to keep up to date with developments at CMFT.

Members and the public can contact us directly (our contact details can be found on <http://www.cmft.nhs.uk/foundation-trust/council-of-governors/meet-the-governors>). Everyone is welcome to come along to membership events/meetings such as our Annual Members' Meeting, and members also receive updates through our newsletters.

In addition, Governors get useful feedback from our own networks and local community contacts, and we're always happy to talk to local groups about membership and our role.

There are dedicated Governor Engagement Sessions at our membership events/meetings, where we seek views and opinions from members and the public and encourage people to participate in interactive questionnaires. This is an excellent opportunity for us to spend time listening to the people we represent and take on board their feedback.



Throughout the year, we attend regular meetings with the Board of Directors to share views and opinions, striving to act in the best interests of the members, patients and the public we represent. This also enables us to assess the performance of the Board of Directors, and hold them to account. In addition, we have Governors who participate in groups focusing on key areas such as patient experience, corporate citizenship, staff experience and membership matters.

In 2015/16, your Governors were involved in:

- attending regular Performance Meetings to review the Trust's performance across patient quality, clinical effectiveness, patient experience, finance and productivity.
- working closely with the Board of Directors, being actively involved in the Trust's Annual Forward Plan decision-making process. We also seek assurance around the Trust's progress in attaining its Annual Forward Plan objectives at Governor Development Sessions.
- identifying a number of quality indicators and priorities as part of the Annual Forward Planning process and, from Governor suggestions, agreeing local quality indicators for the forthcoming year.
- being actively involved in the selection of and approving the appointment of our Non-Executive Directors.
- being actively involved in the selection and approving of our External Auditors.

In 2015/16, your Governors also played an important role in helping to assess, improve and celebrate quality across the Trust, including:

- actively participating in the Trust's Quality Mark Assessments for 'Elder-Friendly Hospital Wards' and Patient Led Assessments of the Care Environment (PLACE).

- participating in a Governor Focus Group as part of the Care Quality Commission (CQC) Assessment of the Trust which provided an opportunity for Governors to share their views and experiences directly with CQC Inspectors.
- attending Complaints Scrutiny Panel meetings to gain assurance that lessons are learnt and corresponding improvements are put into action.
- involvement in several staff initiatives including the selection panel for our Staff Recognition Programme - the 'We're Proud of You Awards' and 'Going the Extra Mile Awards'.
- continuing to be actively involved in driving improvements in relation to our Out-Patient Services, including participating in our Out-Patient Standards Progress Panel and providing feedback regarding patient letters.
- involvement in several Patient Experience Workshops in order to support the Trust to develop a new approach to 'patient experience'.
- being proactive in raising awareness and issues in relation to accessibility for disabled people, including a Governor-led review of accessibility for disabled attendees at Membership Events including the development of an associated accessibility plan.
- continuing to be actively involved in our Internal Quality Reviews, an evolutionary process developed to give us a better understanding of our delivery of care.

You can find more information about the role of Governors, members and the Board of Directors in the Annual Report on our website <http://www.cmft.nhs.uk/your-trust/annual-reports>



PART TWO

Key regulatory information





Details of Directors' pay

	2015/16	
	A Salary (Bands of £5,000) £000	B Taxable benefits in kind (Rounded to nearest £100) £
Steve Mycio Chairman (from 1st January 2015)	60-65	
Lady Rhona Bradley Non-Executive Director (to 4th December 2015)	10-15	
Professor Rod Coombs Non-Executive Director (to 14th March 2016)	10-15	
Kathy Cowell Non-Executive Director	15-20	
Anthony Leon Non-Executive Director	15-20	
Brenda Smith Non-Executive Director (to 4th December 2015)	10-15	
John Amaechi Non-Executive Director (from 16th March 2015)	15-20	
Anil Ruia Non-Executive Director (from 16th March 2015)	15-20	
Chris McLoughlin Non-Executive Director (from 26th October 2015)	5-10	
Dr Ivan Benett Non-Executive Director (from 4th January 2016)	0-5	
Professor Colin Bailey Non-Executive Director (from 14th March 2016)	0-5	
Nic Gower Non-Executive Director (from 14th March 2016)	0-5	
Sir Michael Deegan Chief Executive	215-220	
Professor Robert Pearson Medical Director	220-225	
Gill Heaton Executive Director of Patient Services/Chief Nurse (to May 2015)	25-30	
Gill Heaton Deputy Chief Executive (from 2nd June 2015)	80-85	
Julia Bridgewater Chief Operating Officer	175-180	
Adrian Roberts Executive Director of Finance	155-160	
Margot Johnson Executive Director of Human & Corporate Resources	135-140	
Cheryl Lenney Chief Nurse (from 1st July 2015)	105-110	
Darren Banks Executive Director of Strategy	135-140	

Explanatory notes

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

The salaried remuneration of the highest paid director in Central Manchester University Hospitals NHS Foundation Trust in the financial year 2015/16 was £222,500 (2014/15 £227,500). This was 7.9 times (2014/15 8.1 times) the median remuneration of the workforce, which was £28,180 (2014/15 £28,181).

In 2015/16 no employees received remuneration in excess of the highest paid Director (2014/15 nil). Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, and any severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

During 2014/15 Peter Mount, Chairman, retired and was replaced by Steve Mycio, previously a Non-Executive Director, effective from the 1st January 2015.



2015/16			
C	D	E	F
Annual performance related bonuses (Bands of £5,000)	Long term performance related bonuses (Bands of £5,000)	All pension related benefits (Bands of £2,500)	Total (Bands of £5,000)
£000	£000	£000	£000
			60-65
			10-15
			10-15
			15-20
			15-20
			10-15
			15-20
			15-20
			5-10
			0-5
			0-5
			0-5
		45-47.5	260-265
			220-225
		12.5-15	40-45
			80-85
		22.5-25	195-200
		20-22.5	175-180
		17.5-20	150-155
		130-132.5	235-240
		125-127.5	260-265

During 2015/16 Gill Heaton left the post of Director of Patient Services/Chief Nurse. Effective from 2nd June 2015 she was appointed Deputy Chief Executive; the 2015/16 remuneration stated for this post only reflects 10 months of appointment. Annual remuneration for the position would be within the banding £100k to £105k (with no pension benefits).

From 1st July 2015 Cheryl Lenney was appointed Chief Nurse; the 2015/16 remuneration stated for this post only reflects 9 months of appointment. Annual remuneration for the position would be in the banding £135k to £140k.

Four new Non-Executive Directors (Christine McLoughlin, Ivan Benett, Colin Bailey and Nic Gower) were appointed during the year to 31st March 2016; remuneration reported only reflects their term of office to this date. A full year's remuneration would show all these officers within the £15k to £20k banding.



Auditor's Report

The auditor's report on the Trust's quality report was qualified in relation to two aspects of our performance: the data quality of the 18 week referral to treatment (RTT) records and the auditable process for amendments to recorded A&E waiting times. However, there is no inference that published performance levels are inaccurate.

How the Trust has responded

Concerns had already been raised in 2014/15 about RTT data quality, and we are addressing these through additional training, improved performance reporting and formal sign off processes at month ends. Our internal auditors are also monitoring and reporting on these steps to the Trust's Audit Committee. The external

auditors have recognised that this programme of improvement is underway, despite their overall modified opinion for 2015/16. The recommendation is that ongoing assurance is provided by the internal audit programme set for 2016/17.

In terms of the A&E waiting times information, we recognise there are limitations which make it difficult to carry out a complete audit – this is common across the NHS. However, we have also improved administration practice and will again use the internal audit process to monitor progress and provide assurance.

The auditor's statement as to whether the Trust's performance report and accountability report was consistent with the accounts was not qualified.

The auditor's full report is below:

Independent auditor's report to the Council of Governors of Central Manchester University Hospitals NHS Foundation Trust on the quality report

We have been engaged by the Council of Governors of Central Manchester University Hospitals NHS Foundation Trust to perform an independent assurance engagement in respect of Central Manchester University Hospitals NHS Foundation Trust's quality report for the year ended 31 March 2016 (the 'Quality Report') and certain performance indicators contained therein.

This report, including the conclusion, has been prepared solely for the Council of Governors of Central Manchester University Hospitals NHS Foundation Trust as a body, to assist the Council of Governors in reporting Central Manchester University Hospitals NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2016, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an

independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Central Manchester University Hospitals NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Scope and subject matter

The indicators for the year ended 31 March 2016 subject to limited assurance consist of the national priority indicators as mandated by Monitor:

- Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period; and,
- Percentage of patients who spent 4 hours or less in Accident & Emergency.

We refer to these national priority indicators collectively as the 'indicators'.





Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the quality report in accordance with the criteria set out in the 'NHS Foundation Trust Annual Reporting Manual' issued by Monitor.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS Foundation Trust Annual Reporting Manual';
- the quality report is not consistent in all material respects with the sources specified in Monitor's Detailed requirements for quality reports 2015/16; and
- the indicators in the quality report identified as having been the subject of limited assurance in the quality report are not reasonably stated in all material respects in accordance with the 'NHS Foundation Trust Annual Reporting Manual' and the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports'.

We read the quality report and consider whether it addresses the content requirements of the 'NHS Foundation Trust Annual Reporting Manual', and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the quality report and consider whether it is materially inconsistent with:

- board minutes for the period 1 April 2015 to 9 May 2016;
- papers relating to quality reported to the board over the period 1 April 2014 to 9 May 2016;
- feedback from Commissioners, dated 29 April 2016;
- feedback from Governors, dated 25 April 2016;
- feedback from Health and Wellbeing Scrutiny Committees, dated 12 May 2016;
- the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated April 2016;
- the national patient survey, dated May 2015;
- the staff survey, dated 22 March 2016; and
- the Head of Internal Audit's annual opinion over the trust's control environment dated April 2016.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively the 'documents'). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.



Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – ‘Assurance Engagements other than Audits or Reviews of Historical Financial Information’ issued by the International Auditing and Assurance Standards Board (‘ISAE 3000’). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the ‘NHS Foundation Trust Annual Reporting Manual’ to the categories reported in the quality report; and
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the ‘NHS Foundation Trust Annual Reporting Manual’.

The scope of our assurance work has not included governance over quality or non- mandated indicators which have been determined locally by Central Manchester University Hospitals NHS Foundation Trust.



Basis for qualified conclusion

18 week referral to treatment indicator

The annualised 18 week referral to treatment indicator is calculated as an average based on the percentage of incomplete pathways which are incomplete at each month end, where the patient has been waiting less than the 18 week target. We have tested a sample of 25 pathways which were listed as incomplete at a month end, selected on both a random and risk focused basis from a total population of 523,797 pathways which were incomplete at a month end.

In 15 cases, subsequent validation with the Trust identified that it was incorrect for the pathway to contribute to the indicator at a number of month ends. This is because pathways were started in error, or a pathway failed to be updated as closed following the first definitive treatment. Additionally, in 5 cases, we were unable to confirm the date of referral to supporting documentation.

Our procedures included testing a risk based sample of items, and so the error rates identified from that sample cannot be directly extrapolated to the population as a whole.

As a result of the issues identified, we have concluded that there are errors in the calculation of the "maximum time of 18 weeks from point of referral to treatment in aggregate – patients on an incomplete pathway" indicator for the year ended 31 March 2016. We are unable to quantify the effect of these errors on the reported indicator.

A&E four-hour wait indicator

The annualised Accident and Emergency (A&E) four-hour wait indicator is calculated as a percentage of the total number of unplanned attendances at A&E for which patients total time in A&E from arrival is four hours or less until discharge, transfer, or admission as an inpatient. We have tested a sample of 25 unplanned A&E attendances during the year.

Our testing identified that the Trust does not retain a full audit trail for adjustments made following validation of apparent breaches. Complete documentation is not available to evidence the rationale for amending individual A&E attendance durations.

As a result there is a limitation upon the scope of our procedures which means we are unable to complete our testing and are unable to determine whether the indicator has been prepared in accordance with the criteria for reporting A&E 4 hour waiting times.

Qualified conclusion

Based on the results of our procedures, except for the effects of the matters described in the "Basis for qualified conclusion" section above, nothing has come to our attention that causes us to believe that, for the year ended 31st March 2016:

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS Foundation Trust Annual Reporting Manual';
- the quality report is not consistent in all material respects with the sources specified in Monitor's Detailed requirements for quality reports 2015/16; and
- the indicators in the quality report subject to limited assurance have not been reasonably stated in all material respects in accordance with the 'NHS Foundation Trust Annual Reporting Manual'.

Deloitte LLP

Chartered Accountants, Leeds

27th May 2016



Annual Governance Statement

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Central Manchester University Hospitals 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 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 Central Manchester University Hospitals NHS Foundation Trust;
- evaluate the likelihood of those risks being realised and the impact should they be realised;
- to manage them efficiently, effectively and economically.

The system of internal control has been in place in Central Manchester University Hospitals NHS Foundation Trust for the year ended 31st March 2016 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Trust leadership plays a key role in implementing and monitoring the risk management process (see further details below). The Chief Executive chairs the **Trust Risk Management Committee** and actual

risks scoring 15 or above are reported to the committee. Risk reports are received from each responsible Director and each Executive Director, with details of the controls in place and actions planned against which assessment is made by the committee.

The **Audit Committee** monitors assurance processes and seeks assurance across all risks in order to provide independent assurance to the Board of Directors that risks have been properly identified and appropriate controls are in place.

The risk appetite is determined by the Board and monitored by the Audit Committee to ensure that the risks faced are consistent. The Board has designated the Medical Director as the lead Executive and Chairman of the **Clinical Effectiveness Committee**. This committee has a focus on patient safety and clinical effectiveness. A significant amount of work has been undertaken to develop clinical effectiveness indicators across all clinical divisions. The Medical Director is supported by a Clinical Effectiveness Team. A Trust risk management training programme has been designed and delivered which undergoes an annual evaluation process. The risk management team includes a training post dedicated to risk management training.

The Trust has operational risk and safety meetings at all levels which review high level incidents and trends so that lessons can be learnt for the future. We have developed robust mechanisms for recording untoward events and learning from them.

As part of our Clinical Effectiveness Performance Framework, each division records its activity and performance against the key clinical effectiveness indicators and produces a summary for discussion at their divisional review. Areas of good practice are collected on a corporate basis and shared throughout the organisation. CMFT is also represented on a number of national and regional working groups.

The Trust has established a **Quality and Performance Scrutiny Committee**, a forum where Board members can scrutinise specific subjects, examples of which have been mortality, infection control and serious incidents, ensuring a level of detailed review and challenge.



The risk and control framework

A risk management process covering all risks has been developed throughout the organisation at all levels with key indicators being used to demonstrate performance. The whole system of risk management is continuously monitored and reviewed by management and the Board in order to learn and make improvements to the system.

The Trust's management structure has established accountability arrangements through a scheme of delegation covering both corporate and clinical divisional arrangements. This is reflected in the corporate and divisional work programmes/key priorities and the governance arrangements within the Trust. The responsibilities of each Executive Director are detailed below:

Deputy Chief Executive

- Assumes responsibilities for the Chief Executive in his absence.
- Responsible for developing integrated care across acute, community and local authority boundaries with the City of Manchester.

Chief Nurse

- Responsible and accountable for leading professional nursing, patient experience and engagement.
- The Trust's Director of Infection Prevention and Control.
- Chairs the Quality Committee and the Infection Control Committee.

Executive Director of Finance

- Responsible for the wide range of interrelated work programmes around finance, contracting, information and strategic planning,.
- Responsible for developing and overseeing delivery of financial plans across the Trust for current and future financial years, ensuring these are integrated with operational and service delivery requirements.
- Produces the Annual Plan submission to Monitor and maintains the on-going compliance relationship with Monitor, through monitoring submissions and exception reporting as required.

- Holds regular meetings with local commissioners and with the North West Specialised Commissioning Team, maintaining dialogue across service delivery and planning issues including forward projections, significant developments within individual services and strategic service changes.
- Responsible for developing and delivering on any transactions which may be contemplated by the Board, which may extend the scope of the Trust's activities and responsibilities.
- The Senior Information Risk Officer for the Trust.

Medical Director

- Responsible for leading on patient safety and clinical effectiveness, research and innovation and medical education.
- Chairs the Clinical Effectiveness Committee, the Safeguarding Effectiveness Committee and the Research Governance Board.
- Responsible for ensuring compliance with statutory requirements regarding Safeguarding children and vulnerable adults as well as ensuring the Trust is compliant with the Human Tissue Act.
- The Responsible Officer for the Trust, for the purposes of the revalidation of doctors with the General Medical Council, and the Caldicott Guardian for the Trust.

Executive Director of Human and Corporate Resources

- Provides strategic direction and leadership on a range of corporate functions to enable the delivery of the highest quality of services to patients.
- Provides strategic advice to the Chief Executive and Board of Directors on all employment matters.
- Responsible for developing, implementing and monitoring a comprehensive HR Strategy ensuring that employee recruitment, retention, leadership, motivation and effectiveness are maximised.
- Responsible at Board level for effective internal and external communications, ensuring at all times the appropriate positive projection of the Trust through the media.

- Responsible to the Board for its secretariat function, Governors and membership, to include support for its various meetings and internal processes.

Chief Operating Officer

- Responsible for the successful delivery of clinical operations in the Trust, playing an active role in the determination and implementation of corporate strategies and plans.
- Has responsibility for four key elements:
 - » Operational leadership of all clinical Divisions and Directorates.
 - » Performance management and delivery of all national and local targets.
 - » Modernisation and process redesign of Trust clinical and business processes.
 - » Business continuity management (including emergency planning).
- Provides effective management of the Trust on a day-to-day basis, ensuring the provision of appropriate, effective high quality patient-centred care, which meets the needs of patients and can be achieved within the revenues provided.
- Contributes to the development and delivery of the wider Trust agenda, including implementation of the Trust's strategic vision.

Executive Director of Strategy

- Responsible for all aspects of strategic planning and for providing a robust framework for the development of corporate and service strategy.
- Manages many of the Trust's major stakeholder relationships and works closely with our hospital leadership teams to ensure appropriate strategic positioning to deliver our vision.
- Plays a pivotal role as a member of the Greater Manchester Devolution Transition Team and helps to shape the future governance arrangements linked to this historic agreement.

Our **Risk Management Strategy** provides us with a framework that identifies risk and analyses its impact for all individual management units e.g. directorates, departments, functions or sites for significant projects and for the organisation as a whole. The completion of Equality Impact Assessments is part of this process.

Any hazard identified is analysed against its severity and the likelihood of it occurring. This determines the overall risk ranking and ensures there is a common methodology being used to rank risks across the organisation. The strategy clearly sets out the individual and corporate responsibilities for the management of risk within the organisation. Implementation of the strategy ensures the Board is informed about significant risks and is then able to communicate those effectively to external stakeholders.

The Risk Management Strategy is distributed throughout the organisation and to all local stakeholders and is reviewed every two years. There is increasing involvement of key stakeholders through mechanisms such as the Quality Reviews, the annual Clinical Audit and Risk Management Fair and Governors' learning events.

Each division and corporate service systematically identifies, evaluates, treats and monitors action on risk on a continuous basis. This work is then reported back through the local and corporate risk management and governance frameworks. This also connects the significant risks (those appraised at level 15 or above on the risk framework) to the organisation objectives and assesses the impact of the risks.

The outcome of the local and corporate review of significant risk is communicated to the Risk Management Committee so that plans can be monitored. All divisions report on all categories of risk to both the Trust Risk Management and Clinical Effectiveness Committees.

The Risk Management Committee undertakes further evaluation of the risks presented and their action plans and updates the Assurance Framework so that at any given time the significant risks to the organisation are identified.

Risk Management and Assurance Framework processes are closely aligned and the Assurance Framework is dynamic and embedded in the organisation. Controls and assurances provide evidence to support the Annual Governance Statement.



A significant level of assurance has been given by Internal Audit during 2015/16 in its Head of Internal Audit Opinion.

All identified risks within the organisation are captured in the Risk Register. This document also contains the detailed risk assessments and resulting action plans associated with the external assurance sources detailed under 'review of effectiveness'. The Board is therefore able to monitor progress against such action plans. Risk assessment is a fundamental management tool and forms part of the governance and decision making process at all levels of the organisation.

The Medical Director and Chief Nurse work closely on the alignment of patient safety and the patient experience. Clinical risk assessment is a key component of clinical governance and forms part of the Risk Register.

The Trust also has established arrangements to advise and engage with both the Manchester and Trafford Health & Wellbeing Overview and Scrutiny Committees when there are proposed service changes which may impact on the people who use our services. We endeavour to work closely with patients and the public to ensure that any changes minimise the impacts on patients and public stakeholders.

As a Foundation Trust, we also inform our Council of Governors of proposed changes including how any potential risks to patients will be minimised.

Overview of the organisation's major risks

The Trust has identified a number of significant internal control issues, also known as significant risks, during 2015/16. These have been or are being addressed through robust monitoring at the bi-monthly Risk Management Committee, chaired by the Chief Executive. A full list of risks and whether they are current year, future year or new identified risks is given on page 119 of the full annual report and accounts.

- **A&E Performance & Emergency Department Capacity - Clinical**

Non-elective workload and pressures facing the Trust - and in particular Manchester Royal Infirmary (MRI) and Royal Manchester Children's Hospital (RMCH) - during 2015/16 were significant, and above those being experienced

by other Trusts locally in terms of attendances, acuity and admissions. The Board of Directors received routine information on operational performance, transformation improvements and system wide resilience to gain assurance that the patients of Central Manchester received timely care that was effective and safe.

We implemented a command and control structure to ensure the most prompt resolution of issues in real time. This was based upon clear escalation routes and responsibilities.

To build sustainable improvements on the back of operational delivery, our Transformation team have completed or are working on a number of work streams e.g. rapid improvement events and 'Perfect Weeks'.

- **Infection Control - Carbapenemase Producing Enterobacteriaceae (CPE) – Clinical**

The Trust has continued to monitor and manage performance during 2015/16 on all aspects of infection prevention and control. We continue to adopt a zero tolerance approach to Health Care Acquired infections, and the effectiveness of this has been particularly evident in the challenge which was presented by the increased prevalence of Carbapenemase Producing Enterobacteriaceae (CPE). A full range of key actions have been identified and implemented throughout 2015/16 and included the establishment of:

- » Dedicated cohort/isolation wards.
- » A more advanced screening test which is more sensitive; extended screening to include high risk admissions as well as contact tracing amongst inpatients to help us to identify patients with CPE and manage them appropriately.
- » A data capture process for real time access to the register of CPE-positive patients.
- » Area appropriate environmental screening leading to investment and changes to the clinical environment.

The detailed Annual Infection Prevention and Control Report for 2015/16 can be found at <http://www.cmft.nhs.uk/your-trust>



- **Regulatory Framework – Clinical**

Our Trust was inspected by the Care Quality Commission in November 2015 and has received an overall rating of 'Good' putting CMFT in the top 10% of large acute Trusts at the time of writing. In response, it is expected that this risk score will be reduced during early 2016/17.

- **Patient Records – Organisational**

We have identified through a series of audits and external review that the current patient record within the Trust needs to be improved in terms of quality of content and the management of the record i.e. tracking, storage and filing. Improvements have been made through a campaign to improve records management and work continues on the development of a single patient view electronic record.

- **Never Events – Clinical**

The Trust has reported seven Never Events in 2015/16. Whilst patients have not come to significant harm, we have a zero tolerance approach to these events and a programme of work continues to be in place to mitigate this risk and reduce occurrence to zero.

- **Communication of Diagnostic Test and Screening Results - Clinical**

We have identified a number of risks in relation to the communication of diagnostic and screening test results and have since implemented a programme of work to mitigate these.

One of the high impact interventions to address this risk was the introduction of a new electronic system to order diagnostic tests and communicate test results which was completed in June 2015. This has improved the communication of test results. Work is now focused on other areas of risk and it is anticipated this risk will be reduced further in 2016/17.

- **Financial control and failure to deliver trading gap savings / financial challenge for future years – Financial**

If the Trust fails to maintain adequate control over financial performance then the organisation is at risk of not being clinically and financially sustainable over a five year period. The Trust has

put in place an internal turnaround approach and progress is monitored on a weekly basis by the Executive Team and reported to Trust Management Board, the Board of Directors and in detail at Finance Scrutiny Committee.

- **Commissioning Risk - Financial**

There remains a potential for disparity between the Trust and our commissioners when agreeing the contract each year. The normal process of engagement and meetings with commissioners is ongoing and continues to seek to mitigate these and arrive at outcomes that are mutually positive.

- **Corporate & Clinical Mandatory Training Compliance - Clinical**

New fundamental standard regulations came into force for all providers from 1st April 2015 with 11 regulations that set out the standards of quality and safety required. At Corporate Induction, all staff are made aware of the Corporate and Clinical Mandatory training requirements. The CMFT target for both these requirements is a completion rate of 90%. There has been a significant increase in compliance rates since the risk was identified. Trust wide completion rates at the end of March 2016 were:

- » Corporate Mandatory training 91%
- » Clinical Mandatory training 89%

- **Nurse staffing – Clinical**

The NHS is facing a deficit in the number of qualified nurses over the next three years to meet the requirements to provide safe and effective nurse staffing within healthcare providers. CMFT introduced a range of workstreams and strategies to address this challenge during 2015/16, including comprehensive domestic and international recruitment campaigns, retention strategies and focused education and development programmes.

- **Management of the Mental Health Act - Clinical**

We identified a risk in respect of patients requiring physical health care whilst detained under the Mental Health Act 1983. The risk relates to management of the Act and ensuring that patients get the appropriate psychiatric



support whilst in the care of the Trust. We are working to mitigate this risk over the next twelve months and a draft strategy has now been completed and will shortly start a process of consultation. Draft policies for the management of patients detained under the Act are also now completed and will be consulted upon.

- **End of Life Care - Clinical**

The Trust recognised that there was variation in the levels of assurance about the different ways in which End of Life Care (EoLC) is being delivered across CMFT. This presents a risk of poor experience for patients approaching the end of life.

In response, we have introduced an Executive Oversight Task and Finish Group to oversee delivery of the EoLC Strategy and a range of associated work programmes. The comprehensive work programmes and enhanced reporting structure within the Trust have enabled significant progress to be made on delivery of the work programmes to date against national and local standards.

- **Community Services: Building Fabric - Organisational**

The Trust recognised that the current condition of the environment in a number of clinical locations across the City managed by NHS Property Services (including Longsight) was not of a standard that was felt to be adequate or suitable for the range of services provided. In response, we have introduced a range of short, medium and long term programmes to address the shortfalls.

- **Compliance with Building Regulation - Fire-stopping - Organisational**

Following a Department of Health Estates & Facilities Alert, the Trust has undertaken surveys across the estate and identified a large number of relatively minor defects in the fire compartmentation across the whole estate (including Trafford). The Trust has been assured that there is no risk to patients, staff or visitors and a programme of works has been underway across the estate along with the implementation of additional measures, such as evacuation drills, review of ward evacuation procedures and restrictions on works that carry an increased fire risk, as an additional safeguard during this period.

- **Nutrition – Patient Dining Experience - Organisational**

A thematic review of the Trust's National Inpatient Survey results over a four year period identified food as an area where sustained improvement in patient experience has not been achieved, despite a continued focus on food and nutrition. Data provided by monitoring tools offers limited assurance that individual patient needs are being met consistently in all areas in relation to choice, food service and quality of the food provided. Ongoing focus and attention at Divisional level includes regular compliance audit and contract monitoring.

- **Obstetric capacity - Clinical**

Saint Mary's maternity unit has seen an increase in the numbers of women booking to give birth within the new Saint Mary's Hospital (including the Salford Midwifery led Unit), which has risen from over 5,000 to 9,000 in the last six years. This has been achieved through adequate resourcing of staff and effective use of space.

However, there has been a further increase in the number of births, to 9,267 in 2015/16. This, combined with a delay in the ability to recruit midwives, has caused an increased risk at times of peak activity. Saint Mary's has introduced a range of mitigating actions to improve the experience for women and babies.

- **Major trauma – Organisational – Downgraded in 2015/16**

Following a review of major trauma services across Greater Manchester in 2014, going forward CMFT will no longer be a principal receiving site for major trauma for adults. The Trust identified that this presented a risk for patients who required specialist services provided by CMFT such as obstetric, hepatobiliary, vascular, vascular interventional radiology and cardiothoracic services.

This risk has since been mitigated by the agreement of 'exceptional pathways of care' for patients, whereby CMFT will continue to provide these services. This will ensure that patients continue to receive the appropriate care that they require, in the appropriate setting. These services are also vital for the children's major trauma centre which will continue to be provided from RMCH.

- **ICE Order Communications Implementation – Clinical – Downgraded in 2015/16**

The ICE system went live in June 2015 and was implemented successfully. Prior to 'go live', staff training targets were achieved in all Divisions and SOPs were in place and signed off.

Feedback since implementation has been extremely positive with recognition of the continued potential to develop and adapt the system even further to support and facilitate optimum operational use.

- **Equality, Diversity & Inclusion Programme – Organisational – Downgraded in 2015/16**

This risk was originally established in April 2012, and during the intervening period the Trust had been developing robust governance arrangements to ensure that the ED&I agenda is integrated into our overall governance structure for the organisation.

There is growing evidence of good progress towards integrating equality priorities into CMFT's overall culture. Following a meeting with the Equality & Human Rights Commission in August 2015, the Trust was informed that close monitoring would cease as a significant amount of commitment and momentum in driving this agenda was evident throughout the organisation over the last three years.

- **Stretford Memorial Hospital – Organisational – Downgraded in 2015/16**

There had been three main areas of concern with the Stretford Memorial Hospital: the quality of the clinical environment was very poor and offered a substandard experience for patients; the management of any sort of medical emergency was of concern; and security of the site was substandard and staff had very limited resources to call upon, in terms of colleagues, if they had to manage any sort of security challenge.

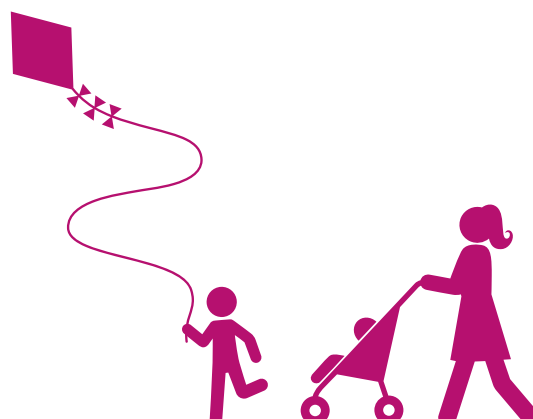
The Trust took the necessary steps to temporarily close Stretford Hospital whilst a review of its future service provision was being assessed in discussion with Commissioners. All services had been relocated to either the Trafford or Altrincham sites.

- **Nutrition (Children's) – Clinical – Downgraded in 2015/16**

Extensive evidence of the action taken and the improvements that had been made in relation to Nutrition was submitted to the CQC in March 2015. In response, confirmation was received from the CQC that the compliance issue relating to nutrition had been satisfactorily addressed and that the compliance requirements would therefore be removed from the CQC website. In view of the considerable action taken and the achievement of over 75% patient satisfaction in the Patient Experience Tracker metric for providing good nutrition, the risk score relating to children's food and nutrition was reduced.

- **Transition of Care – Clinical – Downgraded in 2015/16**

Whilst there had been examples of good practice within CMFT, it was considered that there was not a consistently high standard for transfer of care for children and young people. In response, a range of actions were implemented to mitigate the risk. These included setting up an executive oversight task and finish group in December 2015, chaired by the Medical Director, to oversee design and delivery of a transitional strategy and associated work programmes. This risk was subsequently downgraded to a Level 12.





Quality governance arrangements

Our Quality Report 2015/16 describes all the key elements of CMFT's quality governance arrangements, from measuring the patient experience through the improving quality programme to the initiatives for measuring clinical effectiveness, compliments, complaints and patient safety. Compliance with CQC registration is monitored through a number of Trust Committees but the main Committees are the Clinical Effectiveness Committee, the Quality Committee and the Risk Management Committee.

The Trust undertakes an annual programme of internal quality reviews (see below); the review is structured using both the core standards and key lines of enquiry. This review along with the internal and clinical audit programmes, the ward accreditation programme and the Divisional Review process all provide assurance on compliance with the CQC Fundamental Standards.

All divisions report risks via an electronic system and risks are escalated up to the Risk Management Committee above a score of 15. These risks are mapped against the key priorities on the Board Assurance Framework. This can be mapped to the Fundamental Standards. The Board has not undertaken an annual self-assessment against the CQC Fundamental Standards in 2015/16 as a comprehensive inspection was undertaken and the draft report received in year. The Information Governance section below contains more information about data security risks.

The quality of performance information is subject to an annual audit which evaluates the key processes and controls for managing and reporting the indicators. Each year two indicators are chosen along with an indicator put forward by the Governors of the Trust. For 2015/16 the indicators chosen are the referral to treatment standard, the A&E 4 hour standard and the Friends and Family test.

Quality Reviews

CMFT established internal peer Quality Reviews to provide further assurance on the quality of care being delivered and in order to quickly identify and respond effectively where improvement is required. The aim of the Reviews is to strengthen clinical quality assurance information and they have been led by the Medical Director and Chief Nurse. The process for the Quality Reviews was aligned with those questions helpfully set out by the CQC in their intended review of clinical care going forward:

- Is care safe?
- Is care effective?
- Are staff caring?
- Is the organisation responsive?
- Is the organisation well led?

The Quality Review was also designed using our Trust values and behaviours framework and this very much formed part of the training and the ethos for the review.

Most importantly, the findings and resulting action are intended to provide confidence for patients and service users that they will receive the best experience and the best care at the right time. The outcome of the reviews is captured in detail within the Quality Report.

The findings from the reviews and follow-up visits have been used to inform our work plans for 2016/17 and they will be repeated this year.

Central Manchester University Hospitals NHS Foundation Trust is required to register with the Care Quality Commission (CQC) and our current registration status is fully registered with no conditions. The Care Quality Commission has not taken enforcement action against the Trust during 2015/16. The Trust has not participated in any special reviews or investigations by the CQC in 2015/16.

The Trust is fully compliant with the CQC's registration requirements.

Divisional Review Process

The Divisional Review Process informs the Board of Directors, the Risk Management Committee and the Divisional Clinical Effectiveness Groups on aspects of all risks identified through the analysis of incidents, complaints, clinical audit, concerns and claims reported throughout the Trust.



Assurance Framework

The Assurance Framework structures the evidence on which the Board of Directors depends to assure it is managing risks which could impact on the organisation's key priorities.

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

We invest significant time in improving systems and controls to deliver a more embedded range of monitoring and control processes. The in-year use of resources is closely monitored by the Board of Directors and the following sub committees:

- Audit Committee
- Remuneration Committee
- Finance Scrutiny Committee
- Quality & Performance Scrutiny Committee
- Trust Risk Management Committee
- Human Resources Scrutiny Committee.

The Trust employs a number of approaches to ensure best value for money (VFM) in delivering its wide range of services. Benchmarking is used to provide assurance and to inform and guide service redesign. This leads to improvements in the quality of services and patient experience as well as financial performance. A range of key performance metrics are highlighted in the Performance Analysis (Measuring our operational performance) section on pages 20-28 of the full annual report and accounts.

CMFT maintains a record of attendance at the Board and details of this for 2015/16 can be found on pages 47-48 of the full annual report and accounts. The Audit Committee produces an annual report of its effectiveness which is included together with an overview of the work of the Remuneration and Nomination Committees.

The Trust is compliant with the principles and provisions of the NHS Foundation Trust Code of Governance following an annual review with Board members. The Board's statement on compliance is contained in detail on page 64 onwards of the full annual report and accounts.

Information governance

Information Governance (IG) is a framework of legal principles and best practice guidelines to be followed by CMFT and individuals to ensure compliance with legal, regulatory and Trust requirements and the provision of a secure and confidential information environment. This includes:

- Ensuring Data Protection registration and compliance.
- Implementation of policies, processes and templates to govern, document, promote and support the IG framework.
- Development and implementation of an IG review programme to strengthen evidence of IG with Trust divisions and departments through reviews and audits and provision of specific IG training as required.
- Promoting and supporting the roles within Trust divisions and departments of the Divisional IG lead, Information Asset Owners (IAO) and Information Asset Administrators (IAA).
- Liaising with other NHS organisations to ensure that there are robust information sharing agreements to enable appropriate sharing of data required to support the delivery of the best possible care and service.
- Completion of the annual NHS Information Governance (IGT) toolkit which is a self-assessment of performance against key IG standards including Information Governance Management, Confidentiality and Data Protection, Information Security, Clinical information, Secondary Use and Corporate Information.

The Trust's 2015/16 Information Governance Toolkit (IGT) assessment scored 74% and an associated audit undertaken by the Trust's auditors gave significant assurance. We are reviewing the IG improvement plan to ensure we continue to build and improve on our Information Governance practices.

Incidents are logged for Information Governance breaches and these incidents are managed in line with the Trust's incident management policy. Serious Information Governance incidents are also managed in line with the Health and Social Care Information Centre (HSCIC) Checklist Guidance for Reporting, Managing and Investigating Information Governance and Cyber Security Serious Incidents Requiring Investigation (IG SIRI).



The table below includes all IG incidents assessed against the national SIRI classification system. There were no incidents in 2015/16 at a level which required to be reported to the Information Commissioner’s Office (ICO), Department of Health and other central bodies /regulators. There has been an increase in incidents against numbers logged in 2014/15, due in part to an increased awareness of IG and associated breaches.

Category	Breach Type	Total
A	Corruption or inability to recover electronic data	19
B	Disclosed in Error	82
C	Lost in Transit	0
D	Lost or stolen hardware	0
E	Lost or stolen paperwork	36
F	Non-secure Disposal - Hardware	1
G	Non-secure Disposal - Paperwork	13
H	Uploaded to Website in Error	1
I	Technical Security failing (including hacking)	6
J	Unauthorised access / disclosure	29
K	Other (excluding the Wellcome Trust Clinical Research Facility - 37 incidents)	69

The principal risks to compliance with the NHS foundation trust condition 4 (FT Governance)

The principal risks to compliance with the NHS FT Condition 4 are outlined below although the action taken by the Trust to mitigate these risks in the future is outlined elsewhere in the Annual Governance Statement.

Compliance with Care Quality Commission registration requirements

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

Compliance with equality, diversity and human rights legislation

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

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

Compliance with Carbon Reduction Delivery Plans

We have undertaken risk assessments and Carbon Reduction Delivery Plans and these are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects. This ensures that the organisation’s obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

Annual Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual. The Medical Director, as a member of the Board, is appointed to lead and advise on all matters relating to the preparation of the Trust's Quality Report.

The Trust continues to have robust data quality procedures in place that ensure that the data used in the Quality Report reflects the position accurately.

These data quality procedures span from ensuring data is input into transactional systems correctly, information is extracted and interpreted accurately and that it is reported in a way that is meaningful and precise.

All staff who have a responsibility for inputting data are trained fully in both the use of the systems and in how the information will be used. Furthermore, there are corporate data quality links with each of the clinical Divisions that work with operational staff to ensure the highest levels of integrity.

Before the Quality Indicators are made available in the Quality Report or any Trust monitoring report, they go through a series of sign-off steps resulting in Executive Director sign-off. The content of the Quality Report and the indicators that make up the metrics section are added to and amended as priorities change or whenever a shift in focus is required.

There is a formal annual review whereby the metrics are decided on for the coming year; however, this does not prevent changes in year. All changes to the Quality Report and any of the metrics reports are signed off by the Executive Medical Director and Director of Clinical Governance.

Within the Trust, a significant validation exercise is undertaken each month to ensure the accuracy of our reported elective waiting time position. This validation effort is supported by a suite of reporting that allows all of our operational teams to view their elective waiting list positions at patient level detail. To provide assurance to the organisation that this validation process is

completed, a monthly meeting is held where every element of our waiting list is reviewed and signed-off by the senior Corporate Performance Team.

The Trust also regularly updates, and provides training on, its Patient Access Policy to ensure that all staff are working to the correct standards in terms of managing an elective waiting list. Compliance with these standards is regularly audited by both our internal and external auditors. The key risk to ensuring the quality and accuracy of our waiting list position is to ensure that our administrative and managerial staff have the correct knowledge and skills to fully understand the standards that we work to.

It is on this basis that significant resource is put into ensuring that our training processes for staff (especially of newly recruited staff) are robust.

Recognising the concerns raised in the previous year's quality accounts regarding RTT data quality, the Trust has implemented additional training solutions, improved performance reporting and formal sign off processes at period ends. The steps taken have been subject to internal audit reporting, which has provided the audit committee with the overall outcome of significant assurance. This programme of improvement and follow-through has been recognised by the external auditors despite the overall modified opinion for 2015/16. The recommendation is that ongoing assurance is provided by the internal audit programme set for 2016/17.

In terms of the A&E indicator, the Trust recognises the limitation of scope barriers which has proved challenging for a complete audit – a position highly prevalent across the NHS. But there are also qualitative improvements in administrative practice that can be made which will stand up to future scrutiny. The internal audit programme will similarly be used as the vehicle to provide the assurance moving forward.





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 our Trust who have responsibility for the development and maintenance of the internal control framework.

I have drawn on the content of the Quality Report included in 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 of Directors, the Trust Risk Management Committee, the Audit Committee, the Quality & Performance Scrutiny Committee, and the HR Scrutiny Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

My review is also informed by other major sources of assurance such as:

- Internal Audit Reports
- External Audit Reports
- Clinical Audit Reports
- Patient Surveys
- Staff Survey
- Royal College accreditation
- Health and Safety Executive Inspection Reports
- Care Quality Commission Intelligent Monitoring Standards
- PLACE assessments
- Senior Leadership Walk-rounds
- Clinical Pathology Accreditation
- Care Quality Commission - registration without conditions
- Equality and Diversity Reports
- General Medical Council Reports.

The Trust applies a robust process for maintaining and reviewing the effectiveness of the system of internal control. A number of key groups, committees and teams make a significant contribution to this process, including:

• Board of Directors

The statutory body of the Trust is responsible for the strategic and operational management of the organisation and has overall accountability for the risk management frameworks, systems and activities, including the effectiveness of internal controls.

The Terms of Reference and responsibilities of all Board Committees are reviewed regularly in order to strengthen their roles in governance and focus their work on providing assurances to the Board on all risks to the organisation's ability to meet its key priorities.

• Audit Committee

The Audit Committee provides an independent contribution to the Board's overall process for ensuring that an effective internal control system is maintained and provides a cornerstone of good governance.

The Audit Committee monitors the assurance processes of all other Board Committees (see also the Audit Committee Annual Report 2015/16 on pages 116-123 of the full annual report and accounts.)

• Quality & Performance Scrutiny Committee

This committee provides assurance on the Trust's work on quality (Patient Safety & Patient Experience) and performance (all key performance measures excluding Workforce & Finance). The committee is led by a Non-Executive Director who identifies areas that require more detailed scrutiny arising from: national reports, Board Reports, the Board Assurance Report, patient feedback and public interest issues.

The committee does not replicate the work of other committees with related interests e.g. the Trust Risk Management Committee, the Clinical Effectiveness Committee and the Quality Committee.

Examples of key areas of focus during 2015/16 include: Ongoing Review of Never Events; RCP Audit/National Hip Fracture Database; Nursing & Midwifery Workforce (Safer Staffing to match Patient Acuity & Dependency); FALLS Work Programme; Urgent Care Activity in Q3 & Q4; Outcome of the Emergency Bleep Meetings Annual Report; Mortality Annual Report; AQuA Quarterly Mortality Report; CPE Action Plan; Management of Sepsis in A&E; RTT, Diagnostics & Cancer Performance; Friends & Family Test (FFT) Compliance; Management of Complaints in Divisions.

• **Human Resources Scrutiny Committee**

This committee reviews CMFT's Human Resources Strategy and monitors the development and implementation of the key workforce deliverables:

- » Organisational Development and Equality, Diversity and Inclusion Strategies which enable us to build on our strengths and improve quality and effectiveness where necessary.
- » Workforce Planning Strategy and Plan which supports patient safety and other core priorities including strategic service developments and the requirement for economic sustainability.
- » Reward, Recognition and Accountability Strategy and Plan.
- » Staff Health and Wellbeing Strategy and implementation plan.

Examples of key areas of focus during 2015/16 include: Update on progress with the Workforce Recovery Programme; Progress report from the Employee Wellbeing Enabler Group; Update on Sickness Absence Management from three Divisions; Progress report from the Performance Management & Capability Enabler Group; Progress report from the Employee Resourcing Enabler Group; Update on Staff Engagement in Turnaround.

• **Internal Audit**

Internal Audit provides an independent and objective opinion to the Accounting Officer, the Board and the Audit Committee, on the degree to which the Trust's systems for risk management, control and governance support the achievement of the Trust's agreed key priorities.

Internal Audit work to a risk based audit plan, agreed by the Audit Committee, and covering risk management, governance and internal control processes, both financial and non-financial, across the Trust. The work includes identifying and evaluating controls and testing their effectiveness, in accordance with Public Sector Internal Audit Standards.

A report is produced at the conclusion of each audit and, where scope for improvement is found, recommendations are made and appropriate action plans agreed with management. Reports are issued to and followed up with the responsible Executive Directors. The results of audit work are reported to the Audit Committee, which plays a central role in performance managing the action plans to address the recommendations from audits.

Internal audit reports are also made available to the external auditors, who may make use of them when planning their own work. In addition to the planned programme of work, internal audit provide advice and assistance to senior management on control issues and other matters of concern.

The Internal Audit team also provides an anti-fraud service to the Trust. Internal Audit work also covers service delivery and performance, financial management and control, human resources, operational and other reviews.

Based on the work undertaken, including a review of the Board's risk and assurance arrangements, the Head of Internal Audit Opinion concluded in April 2016 that significant assurance could be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently.

• **Trust Risk Management Committee**

The Risk Management Committee provides the Board of Directors with an assurance that risks are well managed with the appropriate plans in place. Reports demonstrate that the Risk Management reporting process includes all aspects of risk arising out of clinical and non-clinical practice.

The key areas of focus during 2015/16 are highlighted under 'Overview of the organisation's major risks' section, beginning on page 130 of the full annual report and accounts.



• Clinical Audit

The Clinical Audit Department oversees the development and delivery of an annual Clinical Audit Calendar. This plan includes mandatory national audits, locally agreed priority audits and monitoring audits in respect of external regulation and accreditation.

The calendar is presented to the Trust Audit Committee and provides assurance on both clinical outcomes and compliance with guidance such as that provided by the National Institute for Health & Care Excellence (NICE) and the National Confidential Enquiry into Patient Outcome and Death (NCEPOD). The Trust registered 409 clinical audits in 2015/16, which took place across all our Divisions with their results disseminated and action taken in response.

Independent Board Effectiveness Review

During the second half of 2014, the Board of Directors commissioned an independent review of the Trust's governance arrangements and Board effectiveness via the External Auditors (with reference to Monitor's 'Well-led framework' for governance reviews: guidance for NHS foundation trusts').

The 'Well-led framework' prescribes four domains and ten high level questions against which Board governance and effectiveness should be assessed. The External Auditors used this structure to undertake the review and then benchmarked our Trust's governance using a body of good practice outcomes and evidence.

Throughout the independent review a number of areas of good practice were highlighted:

- The Board of Directors has a clear focus on strategic direction.
- There is effective engagement of key stakeholders in strategic planning.
- There is a high degree of Board cohesion.
- There is effective Board level reporting of organisational performance.

Opportunities for enhancing organisational governance were also identified along with an action plan focusing on the main headlines and 36 key recommendations contained in a final

report against which a response and/or a planned action are recorded.

In April 2015, the Board of Directors held an 'Away Day' to enable full consideration and debate of the recommendations identified for Board resolution. During Q1 and Q2 of 2015/16, progress was reviewed on a monthly basis with all key actions completed by late autumn 2015.

Conclusion

All significant internal control issues have been identified in this statement as part of the Risk and Control Framework section.

The Board confirms that it is satisfied that, to the best of its knowledge and using its own processes and having regard to Monitor's Quality Governance Framework (supported by Care Quality Commission information, our own information on serious incidents, patterns of complaints) CMFT has, and will keep in place, effective arrangements for the purpose of monitoring and continually improving the quality of healthcare provided to our patients.

Sir Michael Deegan CBE
Chief Executive Officer

26th May 2016







This summary document is only part of the Trust's annual report and accounts. You can obtain a copy of the full annual report and accounts by visiting our website at: <http://www.cmft.nhs.uk/your-trust/annual-reports> or by contacting the Trust Board Secretary on 0161 276 6262.

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