



Annual Report and Accounts 2017-2018

King's College Hospital NHS Foundation Trust

Annual Report and Accounts 2017/18

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CONTENTS

Introduction

Interim Chair's Statement
Interim Chief Executive's Statement

Performance Report

Overview of Performance
Performance Analysis

Accountability Report

Directors' Report
Remuneration Report
Staff Report
NHSFT Code of Governance Disclosure
NHS Improvement's Single Oversight Framework
Statement of Accounting Officer's Responsibilities
Annual Governance Statement

Quality Report

Annex 1: Statements from Commissioners and Local Health partners
Annex 2: Statement of Directors responsibility for the Quality Report
Annex 3: Independent Auditor's Report to the Council of Governors

Annual Accounts

GLOSSARY

ACRONYM/WORD	MEANING
A&E	Accident & Emergency
ACC	Accredited Clinical Coder
AHP	Allied Health Professionals i.e. Physiotherapists, Occupational Therapists, Speech & Language Therapists etc.
AHSC	Academic Health Science Centre
ANS	Association of Neurophysiological Scientists Standards
BAF	Board Assurance Framework
BCIS	Bone Cement Implantation Syndrome
BER	Beyond Economical Repair
BHRS	British Heart Rhythm Society
BIU	Business Intelligence Unit
BAME	Black, Asian and Minority Ethnic
BMI	Body Mass Index
BREEAM	Building Research Establishment Environmental Assessment Method
BSCN	British Society for Clinical Neurophysiology
BSI	The British Standards Institution
BSS	Breathlessness Support Service
CC	Critical Care
CCG	Clinical Commissioning Groups
CCS	Crown Commercial Service
CCTD	Critical Care Theatres and Diagnostics
CCUTB	Critical Care Unit over Theatre Block
CDG	Cultural Diversity Group
C-difficile	Clostridium Difficile
CDU	Clinical Decisions Unit
CEM	Royal College of Emergency Medicine
CEO	Chief Executive Officer
CHD	Congenital Heart Disease
CHKS	Comparative Health Knowledge System
CHP	Community Health Partnership
CHR – UK	Child Health Clinical Outcome Review Programme (UK)
CLAHRC	Collaboration for Leadership in Applied Research and Care
CLINIWEB	The Trust's internal web-based information resource for sharing clinical guidelines and statements.
CLL	Chronic Lymphocytic Leukaemia
CLRN	Comprehensive Local Research Network
CMUH	Central Manchester University Hospitals
CNS	Clinical Nurse Specialist
CO2	Carbon Dioxide
COO	Chief Operating Officer
COPD	Chronic Obstructive Pulmonary Disease
COSD	Cancer Outcomes and Services Dataset
COSHH	Control of Substances Hazardous to Health
CPD	Continuing Professional Development
CPPD	Continuing Professional and Personal Development
CQC	Care Quality Commission
CQRG	Clinical Quality Review Group (organised by local commissioners)
CQUIN	Commissioning for Quality and Innovation
CRF	Clinical Research Facility

ACRONYM/WORD	MEANING
CRISP	Community for Research Involvement and Support for People with Parkinson's
CSHC	Certified Health and Safety Consultant
CT	Computerised Tomography
CUH	Cambridge University Hospitals
DAHNO	National Head & Neck Cancer Audit
Deloitte LLP	King's External Auditor
DH/KCH DH	Denmark Hill. The Trust acute hospital based at Denmark Hill
DIN	Disability Inclusivity Network
DNACPR	Do Not Attempt Cardiopulmonary Resuscitation
DNAR	Do Not Attempt Cardiopulmonary Resuscitation
DoHSC	Department of Health and Social Care
DOLS	Deprivation of Liberty Safeguards
DTOC	Delayed Transfer of Care
DTR	Default Rollover Tariff
ED	Emergency Department
EDS2	Equality Delivery System
EMIS	Egton Medical Information Systems
EMS	Environmental Management System
EPC	Energy Performance Contract
EPMA	Electron Probe Micro-Analysis
EPR	Electronic Patient Record
ERAS	Enhanced Recovery after Surgery
ERR	Enhanced Rapid Response
ESCO	Energy Service Company
EUROPAR	European Network for Parkinson's Disease Research Organization
EWS	Early Warning Score
FAST	Fast Alcohol Screening Test
FFT	Friends & Family Test
FY	Financial Year
GC	Gonorrhoea
GCS	Glasgow Coma Scale
GMC	General Medical Council
GP	General Practitioner
GSTT	Guy's St Thomas' NHS Foundation Trust
H&S	Health & Safety
HASU	Hyper Acute Stroke Unit
HAT	Hospital Acquired Thrombosis
HAU	Health and Aging Units
HCAI	Healthcare Acquired Infections
HCAs	Health Care Assistants
HESL	Health Education South London
HF	Heart Failure
HIN	Health Innovation Network
HIV	Human Immunodeficiency Virus
HNA	Holistic Needs Assessment
HQIP	Healthcare Quality Improvement Partnership
HRWD	'How are we doing?' King's Patient/User Survey
HSCIC	Health and Social Care Information Centre
HSE	Health and Safety Executive

ACRONYM/WORD	MEANING
HTA	Human Tissue Authority
HWB	Health and Well Being
IAPT	Improving Access to Psychological Therapies
IBD	Inflammatory Bowel Disease
ICAEW	Institute of Chartered Accountants in England and Wales Code of Ethics
ICH	International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use
ICNARC	Intensive Care National Audit & Research Centre
ICO	Information Commissioner's Office
ICT	Information and Communications Technology
ICU	Intensive Care Unit
IG Toolkit	Information Governance Toolkit
IGSG	Information Governance Steering Group
IGT	Information Governance Toolkit
IHDT	Integrated Hospital Discharge Team
ILM	Institute of Leadership and Management
iMOBILE	Specialist critical care outreach team
IPC	Integrated Personal Commissioning
ISO	International Organization for Standardization
ISS	Injury Severity Score
JCC	Joint Consultation Committee
KAD	King's Appraisal & Development System
KCH, KING's, TRUST	King's College Hospital NHS Foundation Trust
KCL	King's College London – King's University Partner
KHP	King's Health Partners
KHP Online	King's Health Partners Online
KPIs	Key Performance Indicators
KPMG LLP	King's Internal Auditor
KPP	King's Performance and Potential
KWIKI	The Trust's internal web-based information resource. Used for sharing trust-wide polices, guidance and information. Accessible by all staff and authorised users.
LCA	London Cancer Alliance
LCN	Local Care Networks
LGBT	Lesbian, Gay, Bisexual and Transgender
LIPs	Local Incentive Premiums
LITU	Liver Intensive Therapy Unit
LOCSSIPs	Local Surgical Safety Interventional Procedure Standards
LPG	Liquefied Petroleum Gas
LRS	Liver, Renal and Surgery
LUCR	Local Unified Care Record
MACCE	Major Adverse Cardiac and Cerebrovascular Event
MBRRACE-UK	Maternal, Newborn and Infant Clinical Outcome Review Programme
MCA	Mental Capacity Act 2005
MDMs	Multidisciplinary Meeting
MDS	Myelodysplastic Syndromes
MDTs	Multidisciplinary Team
MEOWS	Modified Early Obstetric Warning Score
MHA	Mental Health Act
MHRA	Medicine Health Regulatory Authority

ACRONYM/WORD	MEANING
MINAP	The Myocardial Ischaemia National Audit Project
MRI	Magnetic Resonance Imaging
MRSA	Methicillin-resistant staphylococcus aureus
MSM	Men Who Have Sex with Men
MTC	Major Trauma Services
NAC	N-acetylcysteine
NADIA	National Diabetes Inpatient Audit
NAOGC	National Audit of Oesophageal & Gastric Cancers
NASH	National Audit of Seizure Management
NBOCAP	National Bowel Cancer Audit Programme
NCAA	National Cardiac Arrest Audit
NCEPOD	National Confidential Enquiry into Patient Outcome & Death Studies
NCISH	National Confidential Inquiry into Suicide & Homicide for People with Mental Illness
NCLA	National Lung Cancer Audit
NCPES	National Cancer Patient Experience Survey
NDA	National Diabetes Audit
NEDs	Non-Executive Directors
NELA	National Emergency Laparotomy Audit
NEST	National Employment Savings Trust
NEWS	National Early Warning System
NGT	Nasogastric Tube
NHFD	National Hip Fracture Database
NHS	National Health Service
NHS IC	National Health Service Information Centre
NHS Safety Thermometer	A NHS local system for measuring, monitoring, & analysing patient harms and 'harm-free' care
NHSBT	NHS Blood and Transplant
NICE	National Institute for Health & Excellence
NICU	Neonatal Intensive Care Unit
NIHR	National Institute for Health Research
NJR	National Joint Registry
NMC	Nursing and Midwifery Council
NNAP	National Neonatal Audit Programme
NPDA	National Paediatric Diabetes Audit
NPID	Pregnancy Care in Women with Diabetes
NPSA	National Patient Safety Agency
NRAD	National Review of Asthma Deaths
NRLS	National Reporting and Learning Service
NUTH	Newcastle upon Tyne Hospitals
OBDs	Occupied Bed Days
OH/ORPINGTON HOSPITAL	The Trust acquired services at this hospital site on 01 October 2013
OSC	King's Organizational Safety Committee
OUH	Oxford University Hospitals
PALS	Patient Advocacy & Liaison Service
PbR	Payment by Results
PCAs	Patient Controlled Analgesia
PCI	Percutaneous Coronary Intervention
PEACE	Proactive Elderly Advance Care

ACRONYM/WORD	MEANING
PFI	Private Finance Initiative
PGMDE	Postgraduate Medical and Dental Education
PICANet	Paediatric Intensive Care Audit Network
PiMS	Patient Administration System
PLACE	Patient Led Assessments of the Care Environment
POEM	Peroral Endoscopic Myotomy
POMH	Prescribing Observatory for Mental Health
POTTS	Physiological Observation Track & Trigger System
PPI	Patient & Public Engagement and Experience
PROMs	Patient Reported Outcome Measures
PRUH/KCH PRUH	Princess Royal University Hospital. The Trust acquired this acute hospital site on 01 October 2013
PUCAI	Paediatric Ulcerative Colitis Activity Index
PwC	PricewaterhouseCoopers
QMH	Queen Mary's Hospital
QMS	Queen Mary's Hospital Sidcup
QUIPP	Quality, Innovation, Productivity and Prevention Programme
RAID	Rheumatoid Arthritis Impact of Disease
RCPCH	Royal College of Paediatric and Child Health
RIDDOR	Reporting of Injuries, Dangerous Diseases and Dangerous Occurrences Regulations
ROP	Retinopathy of Prematurity
RRT	Renal Replacement Therapy
RTT	Referral to Treatment
SASG	Staff and Associate Specialist Grade
SBAR	Situation, Background, Assessment & Recognition factors for prompt & effective communication amongst staff
SCG	Specialist Commissioning Group (NHS England)
SCLC/NSCLC	Small-cell Lung Cancer/Non-Small Lung Cancer
SCTS	Society for Cardiothoracic Surgery in Great Britain & Ireland
SDU	Sustainable Development Unit
SEL	South East London
SEQOHS	Safe Effective Quality Occupational Health Service
SHMI	Standardised Hospital Mortality Index. This measure all deaths of patients admitted to hospital and those that occur up to 30 days after discharge from hospital.
SIRO	Senior Information Risk Owner
SLAM	South London & Maudsley NHS Foundation Trust
SLHT	South London Health Care Trust. SLHT dissolved on 01 October 2013 having been entered into the administration process in July 2012.
SLIC	Southwark & Lambeth Integrated Care Programme
SOP	Standard Operating Procedure
SSC	Surgical Safety Checklist
SSIG	Surgical Safety Improvement Group
SSNAP	Sentinel Stroke National Audit Programme
SUS	Secondary Uses Service
SW	Social Worker
TARN	Trauma Audit & Research Network
TLC	Turn Off, Lights Out, Close Doors
TTAs	Tablets to take away

ACRONYM/WORD	MEANING
TUPE	Transfer of Undertaking's (Protection of Employment) Regulations
Viapath	Venture between King's, Guy's and St Thomas' and Serco plc
UAE	United Arab Emirates
UCL	University College Hospital
UNE	Ulnar Neuropathy at Elbow
VTE	Venous-Thromboembolism
W&C	Women & Children's
WHO	World Health Organisation
WISE	Women in Science, Technology and Engineering
WTE	Whole Time Equivalent

Introduction



Interim Chair's Statement



In December 2017, King's College Hospital Foundation Trust was placed in Financial Special Measures by NHS Improvement. This was due to a significant deviation from the original forecast for the year financial year. The final year out-turn was £139.0 million – £90 million more than the Trust had predicted.

Clearly, this was not acceptable. As a publicly-funded institution, we have a responsibility to manage our finances in an appropriate manner without ever

compromising the safety and care of our patients. Since my appointment at the end of last year when the deviation became apparent, I have been working with the senior leadership of the Trust and with the support of NHSI to understand exactly how this happened.

Three major factors led to the Trust's deficit increase – optimistic assumptions that were made when setting the budget; operational challenges, although none of these should have been unanticipated; and a failure of the planning and budgeting process. We discovered that there was a disconnect between the financial plan and operational delivery. The Trust had to continue to contend with serious operational challenges throughout the year which had an impact on our financial performance. Additionally, the Trust did not fully deliver its efficiency programme. Finally, there were some sector-related factors including performance-related fines and an assumption on support from our system partners which was non-recurrent.

This work has brought to light a number of uncomfortable truths. However, we will learn from these mistakes to ensure that we do not repeat them in the future. We are also now finalising our plans for 2018/2019. While it will see our deficit increase slightly, we have laid the foundations for stronger financial management that will see the Trust embark on the slow and no doubt often challenging road to financial recovery.

Yet in spite of our financial position we have continued to deliver high quality, compassionate care to our patients, often under difficult circumstances. Since I arrived at the Trust, I have been hugely impressed with the skill and commitment of the staff. King's has a very distinctive 'can do' culture, and whilst staff were initially concerned, even angry, about the Trust's financial failure, this quickly turned to a determination to give King's the great future that it deserves given its distinguished past.

King's College Hospital was at the centre of London's response to the two major incidents that followed the Westminster Bridge Attack in March 2017. The attacks at London Bridge and Borough Market, followed so quickly by the tragedy of Grenfell Tower fire, tested the fortitude and resilience of all the emergency services. It also highlighted that our response to these crises included the incredible work of our volunteers. Earlier this year they were awarded the Lammy Award for Kindness by NHS Lambeth CCG for the role that they played alongside our clinical colleagues.

We also continue to pioneer new techniques - marrying innovation and research to continually improve treatment and care. For example, surgeons performed the first aortic valve replacement that will benefit young people including women with heart conditions previously precluded from having children. King's is also a national centre for liver treatments and this year we started treating Hepatitis C patients with a new therapy that is not only more effective but also has fewer side effects. At the Princess Royal University Hospital (PRUH), the launch of the Red Bag initiative has made a huge difference to patients who come to hospital from care homes. As well as including their medications, the bag can also carry personal items that help to improve the patient experience. The PRUH also piloted a new multidisciplinary Frailty Pathway for patients over 75. As well as looking to decrease length of stay for these patients, the new pathway also helps to discharge patients home

with “discharge to assess” support care in place or referral to community rehabilitation services.

Despite the challenges of the past year, this Trust has a great deal to be proud of, and to look forward to. I strongly believe that Financial Special Measures presents us with an opportunity, and I am very encouraged by the support that NHS Improvement has given us as we recover our position. We can further improve the care that we provide to our patients by being a hospital that is driven to achieve the highest levels of productivity and efficiency.

I also believe that the goals we have set ourselves are possible because at the heart of King’s are our staff. Their commitment and passion to do their very best for their patients personifies the concept of *Team King’s*. Every day I meet incredible colleagues who are putting patients first and supporting one another.

As the NHS celebrates its 70th Anniversary this summer, I am incredibly proud to be part of King’s. As well as celebrating its past, we are laying the foundations today that will ensure it continues to play a prominent and excellent role in healthcare in the future.

A handwritten signature in black ink, appearing to read "Ian Smith".

Ian Smith
Interim Chair

Interim Chief Executive's Statement



Having recently arrived at King's I have been impressed with the passion and commitment of staff as they meet the needs of our patients day-in, day out. The Care Quality Commission visited the Trust in 2017, and although the Trust was classified as 'requires improvement', the inspectors found real improvements in the quality of care being provided. The Trust is rightly proud of that achievement.

This past year has been a challenging one for the organisation and in spite of the hard work of all its staff and volunteers, the Trust hasn't met some of its key targets. Although clinical outcomes amongst the best in the country in many areas, increasing demand for services and a difficult and long winter has meant that performance in both our emergency departments has been lower than it should have been. Lack of capacity in the system and increasing demand and complexity has meant that we haven't been treating patients as quickly as we would like to have done.

Nevertheless, there have been developments that are showing benefits, particularly in terms of increasing the productivity of our services and working with partners to ensure that patients don't stay in hospital unnecessarily. We have worked hard within the Trust and with partners, to ensure we are transforming our patient pathways and laying the groundwork for meeting our targets in 2018/19.

Being placed in financial special measures in December 2017 has dominated the last quarter of the year. With the support of the regulator and key staff within the Trust, there is a much clearer understanding of how the deficit occurred and why it is as large as it is. Inadequate cost and income control, weak performance against savings plans and reliance on one-off transactions have all contributed to the growth in the deficit. Issues were not highlighted in a timely way so that action could be taken to prevent the worsening situation. Turning this around will take time, but many of the necessary controls are now in place and there are on-going discussions with the regulator and other stakeholders to agree a deliverable financial recovery plan.

Bringing financial stability and delivering the financial recovery plan will be challenging but I am confident that it is achievable.

A handwritten signature in black ink, appearing to read "Peter Herring".

Peter Herring
Interim Chief Executive

Performance Report



PERFORMANCE REPORT

Overview of Performance

The Overview is a summary providing information about the Trust, its purpose, the key risks to the achievement of its objectives and how it has performed during the year.

Purpose

King's College Hospital NHS Foundation Trust has as its principal purpose the provision of goods and services for the purposes of the health service in England.

Activities

King's College Hospital is renowned for the international reputation of its speciality services. These included the tertiary services for liver disease and transplantation, neurosciences, diabetes, cardiac services, haematology and foetal medicine.

For people across south east London and Kent, King's is the designated major trauma centre, as well as a heart attack centre and the regional hyper acute stroke centre. The new helipad at Denmark Hill, opened in November 2016, has reinforced King's position as a major trauma centre for the south of England.

King's provides services to local residents of the London Boroughs of Lambeth, Southwark, Bromley, Bexley and Lewisham from its sites at Denmark Hill, the Princess Royal University Hospital Farnborough Common, Queen Mary's Hospital Sidcup, and Orpington Hospital. These include accident and emergency services, maternity, care of the elderly, orthopaedics, diabetes, ophthalmology, oncology, dermatology, and many more.

King's has a reputation as pioneers in medical research, with a record of innovation in a number of key fields. The hospital is home to a number of leading clinical units and research centres, such as the Clinical Age Research Unit, the HIV Research Centre, and the Harris Birthright Centre. Developments have recently begun to build a new leading-edge Haematology Institute.

Brief History

King's College London was founded in 1829. Clinical teaching in the medical faculty was dependent on the Middlesex Hospital until 1839 when King's College London gained its own hospital in Portugal Street, which was rebuilt in 1861. The hospital moved to the Camberwell site in 1913.

It became part of the NHS in 1948 as a teaching hospital. The 1960s saw the introduction of a new dental school, maternity block (now the Ruskin Wing) and King's liver unit. This was followed by the Normanby College of Nursing, Midwifery and Physiotherapy. In 1995 the UK's first specialist Motor Neurone Disease Care and Research Centre was established, and the Weston Education Centre was opened in 1997, accommodating the medical school, library and lecture theatres. A new Accident and Emergency Department was opened in the same year.

King's College Hospital received Foundation Trust status on 1 December 2006. Following the dissolution of South London Healthcare Trust, King's took over the Princess Royal University Hospital (PRUH) in October 2013.

Following a financially challenged 2017/18 the Trust was placed in Financial Special Measures on 11 December 2017 for breach of its NHS Provider Licence, having been in enhanced oversight for some time before that.

Structure

In January 2017 following a huge amount of engagement from the organisation, the Trust moved from six to three clinical divisions/sites. They are

- Urgent Care, Planned Care and Allied Clinical Services (UPACs)
- Networked Care
- Princess Royal University Hospital (PRUH) and South Sites

By aligning the divisions in this way, the Trust was able to group the resources required for delivering similar types of care which will improve patient pathways and increase the efficiency of our service delivery. It will also give clearer accountability. Alongside this, the Trust has a corporate centre that provides HR, finance, IT and other support to the organisation.

More about the Trust Governance Model can be found on page 32

Our 5 Year BEST Strategy Goals

Best Quality of Care aims is to deliver: services amongst the safest in the NHS; outcomes as good as the best in the NHS and globally; and patient satisfaction amongst the best in the NHS;

Excellent Teaching and Research aims to deliver: KHP research globally recognised; KCH participating significantly in new GSTT/SLAM BRCs; Top performing trust for clinical trials; Substantial growth in research income: Global USP in translational research using our CRF / CTFs to maximum potential; Student ratings on educational experience amongst top 10% in NHS.

Skilled "Can-Do" teams to support staff and provide a safe working environment by providing: Effective talent management; Skill development and resource planning; Vacancy rate no more than 3%; Embedding performance management culture and systems; Working well across teams, professions, wider health system.

Top Productivity aimed at improved and sustainable performance including:
Fully embedding "The King's Way"; Clinical and back office services redesigned using lean principles; Continuous improvement embedded at the front line - achieving productivity levels amongst top 10% in NHS; at least half of our staff trained in lean continuous improvement principles and techniques.

King's Health Partners

The Trust is part of King's Health Partners (KHP), one of the UK's first and foremost Academic Health Science Centres. The partnership was established in 2009, incorporating King's College Hospital, King's College London, Guy's and St. Thomas', and South London and Maudsley.

Sustainability and Transformation Partnership

King's is a partner in *Our Healthier South East London* (OHSEL), the Sustainability and Transformation Partnership that covers London boroughs of Bexley, Bromley, Greenwich, Lambeth, Lewisham and Southwark. The organisations coming together comprise Clinical Commissioning Groups, local authorities, foundation trusts, Bromley Healthcare CIC and primary care.

Financial Performance and Sustainability

2017/18 remained a challenging year for the Trust's finances. The Trust has continued its focus on financial improvement and recovery. This was underpinned by a cost improvement programme and the continued development of the programme management approach to delivering cost improvements and driving financial mitigations where there was either slippage on a savings programme or the need to cover the impact of cost pressures in the system.

The control total provided by NHS Improvement at the start of 2017/18 was a surplus target of £28.6m which was reliant on receiving £30.6m funding from NHS Improvement through the Sustainability and Transformation Fund (STF). This outturn position was considered unachievable by the Trust and a forecast deficit position of £38.8m was reflected in plans submitted by the Trust. Further financial pressures materialised throughout the financial year, including a shortfall of £18.2m against the £66m Cost Improvement Plan (CIP) target; NHS clinical income shortfall against plans due to theatre closures and winter pressures; pay and non-pay cost pressures to deliver services; and increases in provisions. Although the control total was not varied formally it was understood that the Trust would not be able to achieve the control total or the planned deficit. The final outturn was a £142.3m deficit (£139.0m excluding impairment costs and the impact of capital donations/grants as per NHSI performance criteria.). The Trust did deliver a savings programme of £47.8m but also relied on non-recurrent income.

Liquidity and Capital

In 2017/18 the Trust drew down £131.8m of interim revenue support loans. £105.4m represented cash support against the Trust 2017/18 deficit, with the remaining £26.4m designated as approved funding against 2016/17 capital projects which were carried forward for completion in the current financial year.

Total capital expenditure in 2017/18 was £55m. Significant areas of expenditure included the continued construction of the Critical Care Unit, investment in additional bed capacity, site wide infrastructure upgrade, Electronic Patient Records system upgrade, ICT infrastructure and device upgrades and medical equipment. We also continued to invest in the buildings infrastructure to ensure the most pressing maintenance needs were addressed.

Borrowings and Capital Plan

Due to the adoption of International Financial Reporting Standards, the Trust's reported total borrowings include past expenditure on the private finance initiative schemes for the Golden Jubilee Wing and Ruskin Wing at Denmark Hill and the Princess Royal University Hospital and total £149m.

The majority of the Trust's borrowings are with the Department of Health and Social Care and comprise capital loans of £137.2m and revenue / working capital loans of £376.2m.

Going Concern

NHSI financial support is not yet confirmed, which in combination with the challenges outlined above, represents a material uncertainty that may cast significant doubt as to the Trust's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that would result if the going concern basis were not appropriate.

After making enquiries, the directors have concluded that there is sufficient evidence that services will continue to be provided and that there is financial provision within the forward plans of commissioners. This provision will also be dependent on both acceptance and delivery of the financial recovery plans and continuation of support from the Department of Health and Social Care. The Directors have a reasonable expectation that this will be the case and have therefore prepared these financial statements on a going concern basis.

More information on going concern can be found in the notes to the Annual Accounts later in this report.

Changes to Accounting Policies

There were no significant changes to accounting policies during the year.

Details of Overseas Operations and Subsidiaries

King's Commercial Services Limited is the company established to oversee commercial operations on behalf of the Trust. It has continued to diversify income by expanding commercial activities both in the UK and overseas. It has now been in operation for ten years.

During that time, the first of the operating companies, Agnentis Limited, successfully established itself as a market leader in patient costing and benchmarking solutions before divesting the associated products in 2012. KCH Management Limited continues to develop a hospital management and consultancy business both in the UK and overseas, predominantly in the Middle East and Africa and latterly India. There are currently two outpatient and minor surgery Clinics open in the UAE, one in Abu Dhabi and one in Dubai. A further Clinic in Dubai will open in September 2018 and a full scale inpatient hospital in January 2019, also in Dubai. Work is also continuing on a hospital programme in India following a bilateral agreement in 2015 both the UK and Indian Prime Ministers, as part of the Indian government's 'Smart Cities' initiative. The company also operates a successful international recruitment business both for King's and other healthcare organisations.

Viapath LLP is a pathology venture jointly owned by King's, Guy's and St Thomas' and Serco plc. The venture delivered a surplus attributable to King's in Viapath's 2017 financial year of £320k.

King's is a public benefit corporation and its principal purpose is the provision of goods and services for the purposes of the health service in England. During the reporting period, income from the provision of goods and services for the purposes of the health service in England was greater than from the provision of goods and services for any other purpose. Income received from non-NHS services is directly invested in the provision of NHS services and does not impact the services provided to NHS patients. For the financial year 2017/18, it is estimated that the surplus reinvested was approximately £2m.

Further information about these risks can be found in the financial statements on later in this report.

Full details of financial performance in 2017/18, the responsibilities of the Accounting Officer and a statement from the auditors can be found in the Annual Accounts 2017/18 on pages later in this report.

King's Interventional Facilities Management (King's IFM)

King's College Hospital Interventional Facilities Management LLP (King's IFM) was created to provide a fully managed service across nine diagnostic and treatment facilities. These include theatres; adult critical care; radiology; cardiac catheter laboratories; liver laboratories; endoscopy; renal dialysis; children's critical care; and dental. King's IFM maintains these facilities and equipment; and provides consumables, implants and devices used during clinical procedures.

Separately, King's IFM provides an end-to-end procurement and supply chain function for the Trust, working with operational leads to identify future requirements for equipment and consumables. King's IFM seeks to contribute to the Trust through the identification and delivery of cost improvement programme savings through more focussed contract management.

Freedom to Speak Up Guardian



All NHS trusts and NHS foundation trusts are required by the NHS contract (2016/17) to have a named Freedom to Speak Up Guardian. The way the role is implemented is up to each individual Trust. There is also a National Freedom to Speak Up Guardian whose role is to advise NHS trusts and Freedom to Speak Up Guardians on best practice to enable staff to speak up safely in their local trusts. At King's we have implemented our Freedom to Speak Up model. We have appointed the Guardian Jen Watson and twenty ambassadors with Sue Slipman, Deputy Chair of King's Board of Directors, as the lead Non-Executive Director. The Freedom to Speak Up Committee met in May 2017 to consider the model best suited to its unique needs and the strategy for the year ahead. There are already links set up with King's Health Partners and Guy's and St Thomas'.

PERFORMANCE ANALYSIS

Operational and Performance Highlights

The Trust's Response to Major Incidents

As one of London's major trauma centres, King's College Hospital played a major role in all three major incidents that took place in London last year. Following the terrorist attack on Westminster Bridge in March 2017, King's was again at the centre of the capital's rapid response following the terrorist attack at London Bridge and Borough Market on Saturday 3 June and the fire at Grenfell Tower less than two weeks later on Wednesday 14 June 2018.

Some of the most seriously injured from both incidents received expert medical care from the Trust's clinical teams. In addition, the Trust's volunteers and chaplaincy service provided significant support both to the patients and their families. King's is grateful that the high quality care and compassion of our staff and volunteers in all three major incidents has been widely recognised.

Summary of performance

This year, 2017/18, has been a challenging year for both emergency and elective access standards with increases in the numbers of people attending our emergency department (ED), non-elective admissions and outpatient referrals. We are seeing more patients attending hospital who are elderly and have a range of healthcare needs when they are admitted, increasing the length of time they require hospital services.

This growth has put pressure on the capacity of the Trust across beds, clinics and diagnostics. King's College Hospital has one of the highest levels of bed occupancy (beds that are full at any point in time), limiting its ability to respond when demand increases above expected levels.

For 2017/18 the Trust continues to be monitored by its regulator, NHSI, via the Single Oversight Framework reporting structure. Table 1 below summarises the monthly performance achievement for the performance measures that are assessed in the Single Oversight Framework.

Table 1: Single Oversight Framework performance for 2017/18

Single Oversight Framework		Kings College Hospital NHS Foundation Trust												
	Target	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Total 2017/18
RTT Incomplete Performance	92.0%	74.9%	76.5%	77.1%	77.5%	77.5%	77.6%	78.6%	79.5%	79.0%	80.3%	81.0%	80.5%	78.2%
Cancer 62 day referral to treatment - GP Referral	85.0%	86.6%	75.9%	82.7%	81.3%	86.8%	85.6%	83.8%	84.9%	85.9%	85.8%	77.1%	87.5%	83.8%
Cancer 62 day referral to treatment - Screening	90.0%	84.6%	100.0%	94.3%	88.9%	96.7%	100.0%	84.9%	80.0%	94.7%	87.0%	75.0%	87.5%	90.0%
Diagnostic Waiting Times Performance < 6	> 99%	95.4%	98.4%	98.5%	98.9%	99.2%	99.1%	99.0%	99.1%	98.5%	98.3%	98.1%	97.5%	98.3%
A&E 4 hour performance (All Types)	95.0%	85.0%	85.8%	85.5%	87.8%	86.2%	85.1%	83.7%	80.7%	82.9%	85.0%	83.1%	81.5%	84.2%
Summary Hospital-level Mortality Indicator	< 100	92.7	92.5	91.1	90.7	89.9	90.8	90.2	90.5	90.9				90.9
VTE Risk Assessment	95.0%	97.6%	98.0%	97.9%	97.5%	97.5%	97.8%	97.7%	97.3%	93.6%	94.6%	94.8%	96.2%	96.7%
Clostridium difficile rates	72	5	6	10	10	8	4	3	7	11	10	7	7	88

Emergency Department ‘4-Hour Wait’ Performance

The emergency department four hour standard has been a significant challenge nationally and continues to be a key priority for the Trust. The Trust missed this target in 2017/18.

A comprehensive programme of work has been put in place to improve the emergency pathway, and this is overseen by a dedicated weekly oversight Board, which includes senior commissioner partners and on-site support from NHSI. This programme provides focus on key areas impacting A&E waiting times, such as; the specific management of frail elderly admissions; innovations in staffing to offset recruitment challenges; balancing planned elective surgery to meet expected emergency bed pressures; maximising the effective flow of patients through the hospital system; and ensuring patients are discharged as soon as they no longer require hospital care, including those with complex discharge needs (requirements for social care support for example).

Denmark Hill

Denmark Hill’s Emergency Department saw a year-on-year decrease in attending patients (2017/18: 135,776 patients; 2016/17: 139,618 patients). Whilst there was a 2% decrease in emergency admissions via ED, there was a particular increase in the number of frail elderly admissions; with a 4% increase in patients admitted aged 65-84 years and an 11% increase in admissions for patients aged over 84 years.

Towards the end of the year, all 8 frailty beds have been opened and this has had an 11% positive impact on shorter length of stay since opening. Discharge To Assess pathways continue to be embedded during the year, with pathways extending to Lewisham residents who require discharge from Denmark Hill site.

Princess Royal University Hospital

The PRUH saw a year-on-year increase in ED attendances (2017/18: 68,195 patients; 2016/17: 63,139), and the Urgent Care Centre run by Greenbrook Healthcare also saw a year-on-year increase in patients attending (2017/18: 62,104; 2016/17: 60,644). There was a slight reduction in the number of admissions via ED across all age groups, including frail elderly patients. However, bed occupancy remains high which has restricted the hospital’s flexibility to meet demand and therefore the hospital’s performance remains affected.

Referral To Treatment (RTT) 18 Week Access Targets

The Trust did not hit its RTT target. 18 Weeks Referral to Treatment target achievement has been a historic challenge for the Trust. Working together with our regulators, and the organisations that commission services from us, we have in place challenging plans to improve RTT compliance. These plans have allowed us to maximise the use of our day case theatres and outpatient clinics in parts of the week we have traditionally been unable to maximise, particularly at the weekend.

Through these plans we have seen many month on month reductions in the total number of patients waiting for elective treatment and, more importantly, reductions in the number of patients waiting more than 18 weeks. This has translated into improved compliance at a time when most NHS Trust are seeing 18 week compliance decline, and is set against an increasing need to prioritise capacity for emergency and cancer pathways.

The Trust’s external auditors Deloitte, reviewed sampled the RTT and A&E data as part of their audit. Their opinion was qualified in both cases. An explanation of the challenges to data quality can be found on page 92.

Cancer Waiting Time Access Targets

Referral demand for Cancer services has increased dramatically in recent years, and 2017/18 has seen that trend continue. To allow us to meet this ever increasing demand we have implemented a number of innovations, including one stop diagnostic clinics in challenged services in which we seek to do all clinical testing required to detect cancer in a single visit to hospital for patients with suspected malignancy. Alongside, we continue to develop ways of working that eliminate the need for a hospital visit at all via “Virtual Clinics” in which teams of specialist clinicians review patients that GPs and other health professionals may require initial discussion and advice on. This helps us to ensure patients have the right treatment pathway agreed as early as possible, and often avoids the need for a direct referral to hospital, freeing up capacity for those patients with a higher likelihood of requiring treatment for Cancer.

Diagnostic Waiting Time Access Targets

Our ability to sustain compliance of less than 1% waiting longer than 6 weeks has been significantly impacted by the pressures on our beds. In periods where emergency demand exceeds the available beds within our wards we are often forced to admit patients to planned escalation areas such as our Endoscopy Suite overnight. This has a significant impact on our ability provide our endoscopy services as we plan to, leading to unavoidable waits of longer than 6 weeks.

Our teams are working continuously to find solutions to these types of pressures on delivery, since late February 2018 we have been able to access additional endoscopy capacity in Croydon having worked with local health provider partners with the support of the Cancer Network.

Infection Prevention and Control

In 2017/18 there were 88 cases of C. difficile across the Trust. This was unfortunately, higher than the target set by the Department of Health of 72 cases and higher than the previous year when there were 69 cases.

Table 2: C. difficile Performance

	Cases in 2017/18	Department of Health site quota for 2017/18	Cases in 2016/17
C. difficile cases at Denmark Hill	62	53	50
C. difficile cases at PRUH	26	19	19
Total C. difficile cases at King's	88	72	69

The Trust continues to monitor all other instances of healthcare-associated infections as a matter of priority. In 2017/18 there were three cases of Methicillin-Resistant Staphylococcus Aureus (MRSA) at Denmark Hill and three cases at the PRUH.

Clinical Outcomes

Kings continues to report excellent outcomes in relation to mortality. As a Trust, its mortality as assessed using by the NHS Digital Summary Hospital-level Mortality Indicator (SHMI) place it the top quartile of all acute trusts in England and Wales. Rolling speciality audits show mortality to better than expected or within the expected range for all of the Trusts Adult and Paediatric Critical Care Units, and for patients treated for trauma and hip fractures and those undergoing cardiothoracic, colorectal, liver transplantation, hip and knee replacement and neurosurgical procedures. Consultants from 12 specialities report their individual outcomes including and all report mortality as or better than expected.

Transformation - The King's Way

King's has always been an organisation at the forefront of improvement and innovation. The King's Way, the Trust's transformation programme, was launched in June 2016 with the aim of delivering better patient services and improving the Trust's overall efficiency and productivity in the challenging environment in which the NHS currently operates.

The King's Way has focused on five specific areas over 2017/18:

- **Patient Flow** – redesigning pathways and processes in Urgent Care, Frailty, Emergency Surgery, Emergency Medicine, Site Flow and Supported Discharge.
- **Theatres** – focusing on pre-assessment processes, efficient scheduling, theatre utilisation, reduction in “did not attends” (DNAs) and implementation of “Getting it Right First Time” (GIRFT) in Trauma and Orthopaedics.
- **Outpatients** – improving booking and clinic processes, redesigning administrative processes so that activity is correctly captured, implementing a development programme for our frontline staff and implementation of digital outpatient processes.
- **King's Way for Wards** – Implementing and embedding a continuous improvement culture so that staff at every level of the organisation know how to use lean tools and techniques to recognise, flag and solve problems and can support each other to continuously improve every day.
- **The King's Academy** - providing people with continuous improvement skills and support to undertake quality improvement projects in their place of work.
-

Since the King's Way was launched, our teams have made a great many changes, and we are beginning to see some real and tangible improvements both in terms of patient care and services, and efficiencies. The King's Way has already made significant impact in the following key areas:

Patient Flow

- An electronic bed management system has been introduced on the Denmark Hill site
- Early discharge (i.e. before 1pm) has improved from 18% to 35% on post-acute wards through implementation of medical huddles with ward managers using Clinical Utilisation Review information.
- MDT team building sessions have been delivered to post-acute wards. These have led to increased compliance with patient flow and discharge planning processes.
- A surgical assessment unit for rapid assessment of emergency surgical patients has been opened, leading to more timely treatment of emergency surgical referrals, increased use of ambulatory pathways and reduced length of stay.
- An 8 bedded Medical Assessment Centre has been opened. Patients are now “pulled” from ED to improve time to medical assessment and length of stay.
- Discharge to Assess pathways are now in operation for patients at the Denmark Hill site that require community health care.
- Utilisation of the ‘@Home’ service has increased to 80% up from 60% baseline.
- Frailty assessment units have been piloted at both DH and PRUH sites. A frailty assessment unit is now in place throughout Monday to Friday at DH.

Theatres and Pre-assessment

- A new Theatre Performance Dashboard has been implemented, giving clinicians and operational managers a more holistic view of theatre performance. This enables data driven prioritisation of key areas to improve theatre productivity.
- Eight planned care specialty inpatient pre-assessment services have been integrated into a centralised inpatient pre-assessment clinic. This is improving the consistency & quality of patient pre-assessment.

- A telephone pre-assessment service for day surgery patients has been introduced. This reduces the need for patients to make unnecessary hospital attendances.
- A theatre sessions scheduling tool has been developed which forecasts how full upcoming theatre list sessions are expected to be. This is now integrated within the weekly scheduling meetings.
- Criteria led discharge has been introduced for short-stay surgical patients on the PRUH. This is helping to shorten length of stay and therefore creating extra bed space.

Outpatients

- An end to end digital process for outpatient services, which enables patient letters to be sent electronically, has started at the QMS site.
- Launch of the pilot “In Touch” system to support outpatients in Suite 3 and Venetian Clinics at Denmark Hill with check in kiosks and screens calling patients in for their appointments with automatic update on waiting time to be seen to ensure patients are briefed on any delays. The proposal is to roll this out for Trauma &Orthopaedics (T&O) in Suite 3 and Chartwell Clinics at the PRUH.
- From May 2018 we are testing a new telephone service to all Neurology patients to check their attendance to reduce DNAs and improve clinic utilisation.
- New triage service started in April 2018 in Dermatology to ensure patients are directed to the most appropriate service and setting.
- New outpatient processes to help staff to record appointments and procedures correctly have been implemented.
- Consultant Connect which offers enhanced advice and guidance processes to GPs is being rolled out and will, over time reduce the backlog of referrals.
- 7 pathways across Kings Health Partners are being redeveloped. These will improve care across primary and secondary sectors and prevent exacerbation of kidney disease and other conditions
- Virtual appointments in surgical, colorectal and renal services have been implemented and are speeding up the diagnosis and treatment of patients.
- A bespoke development programme of training for receptionists and front line managers for outpatient services is under implementation. This will lead to improvements in patient experience.
- King's Way for Outpatients, has been piloted in Cardiology. (See below for a description of this programme in Kings Way for Wards).

King's Way for Wards (KWFW)

- 25 ward teams have commenced KWFW and 13 wards have now fully implemented KWFW. These areas can now use new tools and techniques so that they can see and analyse problems, identify root causes and undertake rapid cycles of improvement.
- Adoption of standard processes such as board rounds and safety huddles are helping teams to unblock problems which prevent patients from being discharged in a timely manner. Ward accreditation scores have risen by an average of 15% on wards which have implemented the programme and there are reassuring signs that patient flow and earlier discharge of patients are improving.
- Additionally, through a technique called 5S (Sort, Set, Shine, Standardise and Sustain), the Trust anticipates a saving of approximately £95,000 during 18/19 through better stock control.

The King's Academy

- The King's Academy was set up as part of the Trust's Transformation programme. The Academy has five hubs and the Transformation Team supports one of these - the Continuous Improvement (CI) Hub. The objective of the CI hub is to provide people with continuous improvement skills and support them to undertake quality improvement projects in their place of work.
- To date, over 1,000 staff have attended continuous improvement training.

Embedding the King's Way will help to retain our status as a great local hospital delivering the best care for our patients, and also as a world-class centre of specialist clinical, teaching and research excellence. Over the next three years, The King's Way will deliver significant benefit by supporting teams to improve patient care through developing our systems and processes across the Trust.

ICT Transformation

Kings College Hospital has made substantial improvements to its electronic health record in 2017/18. The Electronic Health Record went live at Princess Royal University Hospital on the 29th November 2017 after intensive work on preparing staff and configuring the Allscripts Sunrise system to support services at the site. The roll out was very successful with daily updates in the early days of implementation that enabled rapid improvements in the use of the system. The implementation included training over 3,000 staff in the use of the new health record and 320 additional devices rolled out as part of the implementation. Teams now have the ability to order imaging, pathology results online as well as undertaking discharge summaries and electronic prescribing through the new electronic record. Nursing observations are also completed online and this enables the Trust to build in alerts that support teams to identify if the patient is deteriorating.

The rollout of electronic ordering of pathology tests went live at the end of January and processes just under 3,000 pathology tests ordered on week days with slightly less this weekend. We have embedded ordering of haematology, immunology, histology, cytology, bacteriology, virology, biochemistry and blood transfusion with sustained additional help from our technical teams. These systems are working well at both the PRUH and Beckenham Beacon site and we continue to work with our external pathology provider Viapath to ensure the service is as seamless as possible.

The system has also given transparency to key safety indicators such as when patients have undertaken venous thrombo-embolism assessments, targeting support and helping the PRUH to dramatically increase their number of assessments. These are both really good examples of how changes to our electronic health record are supporting improvements in safety at the Trust.

The second major scheme has been the launch of the Electronic Prescribing Management system within the emergency department at the Denmark Hill site. This successfully went live at the beginning of August providing improved medication safety within the emergency department.

A unprecedented cyber-attack unleashed across the world affected up to 48 NHS organisations across the UK. King's was not impacted directly by this particular ransomware attack, a very large part of which is down to the effort, lessons learnt and processes adopted over many years by a number of staff within ICT. To further support the protection of our systems and infrastructure against cyber-attacks, the ICT team has upgraded the Trust's firewall, instigating tighter network and PC security and working to increase staff awareness of data security and cyber-attacks. The ICT team have also been awarded two bids for enhancing cyber security from NHS England. These have improved our penetration testing, patch technology and anti-virus software specifically. The ICT team are working closely with NHS England to test systems on an ongoing basis to protect our clinical services moving forward.

Research and Innovation

Research and Innovation is one of King's defining characteristics; it is a central part of the offer of care we make to our patients and their families, and our staff. Our Research and Innovation work reflects the Trust's core values and principles and is a key component in the Trust's BEST Strategy. The Trust seeks to promote a Research-Aware and Research-Capable culture in its deliberations and work, to improve the current and future health, wealth and care of the population as required by the NHS Constitution 2015.

This commitment to research is central to King's mission because:

- It's what patients and their families want
- It improves the quality of healthcare we offer and improves outcomes
- It drives innovation and value in the care we provide and the processes that deliver care
- It attracts and retains high quality, motivated staff to King's
- It improves the quality, training, development and fulfilment of our staff, both now and in the future
- It secures additional income from varied sources
- It offers emerging treatment options not currently available on the NHS, in a supervised and safe manner
- It builds King's profile and reputation

King's is one of the leading NHS research sites, and our work (alone and with others) ranges through basic science (in collaboration with King's College London), through translational trials, drug and device studies, to implementation science and health services research. Our work is funded by a mixture of government allocations and grants, charitable grants, and partnerships with commercial partners.

Kings was rated 8th highest recruiting hospital in all of England in 2017/18 recruiting 16,602 patients into clinical studies and trials.

During the year patients have had the opportunity to participate **256 academic studies in over 30 research-active specialties**. A 4% increase in open studies compared to the previous year.

Kings has had a very successful year with respect to commercial research with 445 patients enrolled into 96 commercial studies - increasing the number of commercial studies open to recruitment by 9% during 2017/18. There were a total of 319 commercial studies open to recruitment within the year. Kings were **the top global recruiter to four commercial studies** during the year. Commercial trials at King's in 2017/18 generated **income of £5,587,639**.

We also work collaboratively with King's College London academic staff in the Faculties of Life Sciences and Medicine, Institute of Psychiatry, Psychology and Neuroscience, and the Dental Institute. They bring in substantial grants annually and produce significant scholarly output in journals that are among the 10% most influential in the world, alongside esteem measures in various learned societies, national and international bodies and conferences. The Trust's Research and Innovation team has increased income to the Trust consistently over the last five years **with £6.7 million of grant income in 2017/18**.

The volume and complexity of our research requires robust governance to ensure the highest standards are maintained, with patient safety and experience as paramount concerns. We abide by the standards set by the relevant national and EU legislation and regulation, including the Research Governance Framework for Health and Social Care, the Medicines for Human Use (Clinical Trial Regulations) 2004 and the Human Tissue Act 2004. We comply with The Medicines and Healthcare products Regulatory Agency and Human Tissue Authority standards. All staff involved in research delivery are appropriately trained, and all Principal Investigators and research staff receive mandatory induction, Good Clinical Practice training, and relevant trial-specific training.

To complement these formal structures and processes, we seek to engage actively with patients, staff, governors and external stakeholders on research and innovation issues, through formal structures and mechanisms and informal channels.

In 2017/18 we took part in **International Clinical Trials Day** to raise awareness of research with patients, relatives and staff – excellent feedback from patients, public and staff was received at both Denmark Hill and PRUH site.



Photo of clinical trials day at Denmark Hill site



Photo of Clinical Trials day PRUH

Anti-Bribery Policy

King's has a zero-tolerance policy towards fraud and bribery. Appropriate policies are in place and the Counter Fraud Team ensures compliance, overseen by the audit committee. There is more detail on the work of this team on page 43.

Community engagement

The Trust recognises the importance of working with patients, stakeholders and the wider community to ensure that service delivery meets their needs. A summary of how the Trust has met this goal in the last year can be found on pages 73-8.

Equality and Human Rights

Patient safety, outcome quality and experience are at the centre of everything we do at King's. The creation of an inclusive, fair and equal employment and care environment is a critical part of our strategy. Our patient population, and our staff body, is more diverse than the UK's national population. For all these reasons, we have a moral and ethical, as well as a legal duty, to treat everyone fairly and without discrimination. So our vision, which applies to staff, patients, and patients' families, is to be 'effortlessly inclusive'.

Our aims and our objectives in pursuit of that vision are:

1. To treat everyone with respect and dignity at all times
2. To challenge discriminatory behaviour and practice
3. To recognise and embrace diversity
4. To ensure equal and easy access to services
5. To ensure equal access to employment and development opportunities
6. To consult and engage with staff, patients and their families to ensure that the services and the facilities of the Trust meet their needs.

We have a number of policies in place that ensure we deliver this aim, and human rights and equality implications are core to our decision making processes.

Sustainability and Environmental Performance

Caring for the Environment

Sustainability reporting is an important element of King's performance and the need to minimise impact on the environment and to operate as a sustainable and efficient organisation is recognised.

2017 -2018 was a positive year for the Trust in terms of environmental performance. Carbon emissions related to energy use reduced by 3% or 954 tonnes, waste generated increased by 3%, water consumption decreased by 2% however energy consumption increased by 2% as a result of the unusually cold winter. Energy costs were impacted by commodity price increases with an increase in gas costs of 18% and electricity costs of 2%.

Table 3: Environmental Performance

	2016-2017	2017-2018	% Change
Energy Management			
Energy Expenditure (£)	£5,043,095	£5,516,812	9 %
Energy Consumption (kWh)	142,847,693	145,641,322	2 %
Energy Carbon Emissions(TCO ₂)	31,228	30,274	-3 %
Waste Management			
Waste (tonnage)	5,900	6,075	3 %
Waste Management Expenditure (£)	1,795,147	1,779,157	-1%
Water Management			
Water comsumption (m ³)		306,634	-2%
Water Expenditure (£)		649,038	

Environmental Strategy

King's Environmental Strategy details objectives and targets for the following environmental themes:

1. Improving the patient experience;
2. Designing and maintaining the built environment;
3. Waste management
4. Pollution prevention;
5. Energy and CO₂ management;
6. Water;
7. Sustainable procurement;
8. Low carbon transport and travel;
9. Staff engagement and ownership;
10. Working with our stakeholders; and
11. Governance and finance.

A copy of the Trust's Annual Carbon and Energy Report and Environmental Strategy can be obtained from: kch-tr.foi@nhs.net.

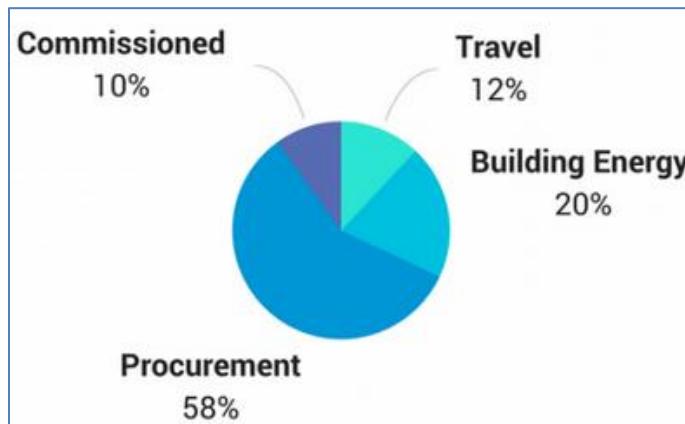
Greenhouse gas emissions

Carbon emissions related to energy use reduced by a substantial 3% or 954 tonnes this year. This has been mainly the result of grid electricity becoming cleaner with the reduction in the use of coal fired power stations and increase in offshore wind generation etc.

The Sustainable Development Unit (SDU) identified that the NHS needed to achieve a 10% reduction in carbon dioxide (CO₂) emissions by 2015, compared to the CO₂ emissions produced in 2007. This was an interim target to support the NHS in meeting the targets set out under the Climate Change Act (2009) of 34% reduction by 2020 and 80% reduction by 2050.

Progress against carbon reduction targets

The NHS targets above include emissions from energy (20%), procurement (58%), travel (12%) and commissioned (10%). This is shown in the illustration below from the Centre for Sustainable Healthcare. The Trust currently measures and reports progress against energy use, however it will work towards reporting by all areas.



To date KCH has achieved a reduction of 12% in CO₂ emissions related to energy use compared to the 2007 - 2008 base-year.

It is increasingly challenging to reduce energy consumption on site because King's is a growing trust which will increase its energy consumption as it increases in size and activity increases. The first phase of the Critical Care Centre at Denmark Hill will open in July 2018 and further stages will be added in 2018/19. Other building works are also proposed to extend facilities which will be heated and powered from energy generated sustainably from King's Energy Centre. New building and refurbishment projects are being designed by the projects team with energy efficiency and sustainability as a priority.

Waste management

Over the course of last year the overall of total waste produced by Kings has increased by 3% whilst costs reduced by 1%.

The increased use of compactors at some sites had decreased the number of vehicle visits leading to a reduction in noise, carbon emissions and improvement in air quality. The disposal of bulky waste and furniture waste as a separate waste stream has stopped these non-hazardous items being sent to incineration and instead are sent to a material recovery facility for recycling or reuse. Significant volumes of waste continue to be diverted away from landfill in order to produce energy from waste. King's has partnered with waste contractors that transport zero waste to landfill.

There is a target to further increase recycling and refuse at the Princess Royal University Hospital by 50% which will significantly reduce costs of disposal. King's has recently awarded a new Total Waste Management contract to a new contractor for the Princess Royal and Orpington Hospitals and will work with them to explore the best financial options to increase recycling and reuse of materials. There are targets in place to further reduce the amount of waste diverted from the clinical to offensive waste stream through the effective segregation of waste and to increase recycling rates and the utilisation of the re-use of items.

Other improvements include, working with the material management team to minimise unnecessary packaging arriving on site; diverting non-hazardous waste including bulky waste and furniture to recycling facilities. We continue to improve the recovery of materials for recycling and reuse and mitigate increases in incineration levels.

Environmental management system

King's has successfully operated an Environmental Management system accredited to ISO 14001 since October 2012. This covers the activities and responsibilities of the Capital, Estates and Facilities Department on the Denmark site. The EMS has been a very effective system that enables effective environmental risk management by our staff and contractors and drives continual improvement. King's continued commitment to the maintenance of this accreditation provides a system of assurance that the department is compliant with waste and environmental legislation.

The scope of the EMS was successfully increased in June 2017 to include the Orpington and Princess Royal Hospitals which are now audited regularly against the Standard.

All the main partners of King's are accredited to an EMS, which demonstrates they take their environmental responsibility seriously. These include Medirest (Compass Group), Veolia, Vinci, ISS and Sodexo.

Energy and CO₂ management

King's are in the process of developing a new Energy and Carbon Reduction Strategy which is planned for completion in July 2018. This will include an action plan of further energy efficiency projects which will reduce energy consumptions and costs and move us closer towards reaching the target to reduce CO₂ emissions by 34% by 2020.

Kings has forecast that carbon emissions related to energy consumption will increase by 4% in 2018 - 2019 to a total of 31,375 tonnes. This is as a result of opening the new critical care unit and link building as well the impact of the Trust's two CHP engines being out of operation for four weeks each for a major service in 2018.

Energy cost inflation

The total cost of energy is now £5,516,812 as a result of an increase in gas costs of 18% and electricity costs of 2%.

Energy costs are set to continue rising with increasing gas and electricity prices forecast. We estimate that this will result in an increase in gas costs of over 7.05% and an increase in electricity costs of 8.09% in the 2018-2019 financial year.

The Trust assures value for money by procuring Gas and Electricity supplies through Crown Commercial Service (CCS) Framework agreements. CCS is an executive agency and trading fund of the Cabinet Office of the UK Government. It is the largest buyer of gas and electricity in the UK which aims to deliver savings on costs through significant aggregation.

Water Efficiency

The Trust's water consumption has decreased by 2% since last year. This is mainly as a result of upgrading the condensate system.

King's have engaged a company specialising in water leak detection to carry out a survey across the three main sites on the main pipework and resolve any issues identified. They will also carry out a site

survey of the main hospital sites, in order to identify water saving opportunities available through the installation of water saving devices in bathrooms etc.

Energy Efficiency Projects

The Trust continues to invest in energy efficiency projects and the fourth and final phase to update the condensate return system at Denmark Hill is planned for 2018/19.

Condensate System Upgrade – Phase 3

Steam is generated by the Denmark Hill Energy Centre in order to supply heat to most of the hospital buildings on the Denmark Hill site. An efficient condensate system reuses the heated water that has condensed within the steam pipework. This reuse brings a number of financial, technical and environmental benefits.

The original site steam and condensate distribution was in poor condition as it was in inaccessible locations and so difficult to maintain. As a result the condensate returned to the boiler house was approximately 42 % in 2016. In 2017/18 phase 3 of a project to upgrade the condensate system was completed resulting in an increase condensate return rate to 70% by April 2018.. The fourth and final phase has been designed and is planned for delivery in 2018. This is expected to increase the amount of condensate returned by a further 5%. The benefits will include improved energy efficiency, reduced chemicals, water use, health and safety risks in plantrooms and will help meet compliance with environmental effluent standards.

Energy Efficiency Lighting.

King's has replaced the old and inefficient external lighting on the Day Surgery and Normanby buildings with LED lighting which has both reduced energy consumption and greatly improved light levels in these areas.

We are developing a project to select an LED lighting solution for internal areas within the Trust. This is expected to improve the patient and staff experience and energy costs related to lighting by at least 50%.

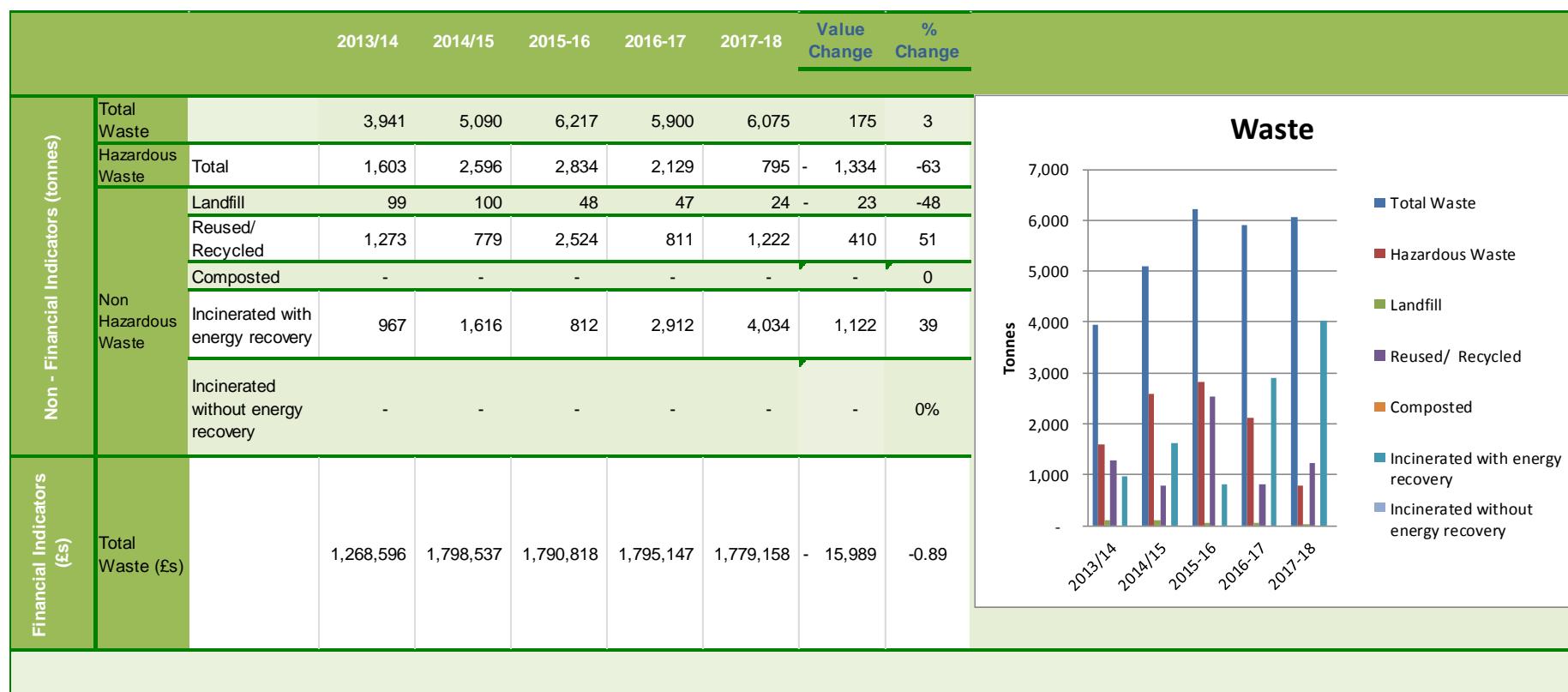
Table 4 : Greenhouse Gas Emissions

		2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Value Change	% Change	Greenhouse Gas Emissions (1,000 tCO ₂ e)	
Non-Financial Indicators (1,000 tCO ₂ e)	Total Gross Emissions	31.0	36.6	36.0	33.5	32.4	-1.2	-3.5		
	Total Net Emissions	27.7	33.5	33.2	31.2	30.3	-1.0	-3.1		
	Gross Emissions (Scope 1 - direct-gas consumption)	22.2	23.0	23.4	22.3	23.0	0.7	3.3		
	Gross Emissions (Scope 2 - indirect - imported electricity)	8.8	13.5	12.6	11.2	9.3	-1.9	-17.0		
	Gross Emissions (Scope 3 - indirect - transmission & distribution losses)	n/a	n/a	n/a	n/a	n/a	0	0.0		
Related Energy Consumption (million kWh)	Electricity (non-renewable)	24.5	25.4	25.6	27.3	26.5	-0.8	-2.9		
	Electricity (renewable)	0	0	0	0.017	0.028	0.017	64.7		
	Gas	129.1	124.9	126.7	121.2	125	3.8	3.1		
	LPG	0	0	0	0	0	0	0		
	Other	0	0	0	0	0	0	0.0		
Financial Indicators (£s million)	Expenditure on energy	5.7	6.2	5.6	5.04	5.5	0.46	9.1		
	Expenditure Accredited Offsets		n/a	n/a	n/a	n/a	n/a	n/a		

Fiscal Year	Total Gross Emissions	Total Net Emissions	Gross Emissions (Scope 1)	Gross Emissions (Scope 2)
2013-2014	31.0	27.7	22.2	8.8
2014-2015	36.6	33.5	23.0	13.5
2015-2016	36.0	33.2	23.4	12.6
2016-2017	33.5	31.2	22.3	11.2
2017-2018	32.4	30.3	23.0	9.3

Notes:1) Data excludes Princess Royal University Hospital and Orpington Hospital prior to Oct 2013. 2) Confirmation of Energy Costs required from finance.

Table 5 Waste Management



King's Critical Care Unit (CCU)

The new King's Critical Care Unit (CCU) has been designed to support world class care and to achieve BREEAM very good rating in support of the Trust's aspirations for an environmentally friendly campus. It has been designed to achieve optimum energy performance by designing a high performance building fabric including integral blinds within the curtain wall that track the sun's path , low air leakage rates, high efficiency lighting solutions with integral Dali control system , energy efficient building services and roof mounted photovoltaics . Energy for space heating, domestic hot water will be provided by connecting to the combined heat and power plant heating and cooling network.

Low carbon transport and travel

Travel Plan

An updated Travel Plan for the Denmark Hill site has been developed to demonstrate the Trust's commitment to sustainability. The overarching aim of the Plan is to support and encourage more sustainable travel for staff, students, patients and visitors to the Denmark Hill site.

Work has continued to promote active travel. The staff Bicycle User Group continues to support and promote cycling to work as an alternative low carbon means of transport. In February 2017 King's was awarded £10,000 funding by TFL. We used this in 2018 to provide regular bike maintenance sessions and install eight further all weather cycle racks which provide storage for 80 bicycles.

Now that TFL has stopped this funding King's is looking to restart the bike maintenance sessions for the start of the summer.

Patient Transport

The patient transport service at King's College Hospital is an ever growing service. Since 2011 the number of individual patient transport journeys has increased from 5,500 per month an average monthly total of 13,600 journeys. In addition there has been a change in the procurement of transport services, which has seen CCGs coming together to procure their own transport services, taking responsibility away from Hospital Trusts. This change in the make-up of the service has meant an increase in the number of patient transport vehicles that will be visiting the site. It is estimated that there will be a 20% increase in the number of vehicles.

In the coming year, it is proposed to produce a rationale for all trust vehicles to be replaced with fuel efficient hybrid or electric vehicles. King's has replaced the transport fleet with Toyota hybrid cars used for GP collections. The hybrid Toyota is still the vehicle of choice with any remaining vans that we lease being EURO 5/6 to reduce emissions and save on fuel with stop start technology. The use of the hybrid vehicles has proved a success, it is clear that there are environmental benefits to using these vehicles, and it is hoped that all future vehicles requisitions will be hybrid where ever possible. We are currently also looking to reduce the number of driving routes, with the view to minimise the environmental impact and also aid the trust to realise measurable savings on vehicle costs.

Biodiversity and the natural environment.

King's has a target in place to assess how the implementation of promoting biodiversity on site can assist the healing process.

In order to increase biodiversity the CCU project will incorporate a green roof. This will be a 1,400 m² in area Sedum Blanket system made up of 11 native species. This will create a new ecologically valuable habitat similar to brownfield habitat.

Lambeth GP Food Co-op

King's has continued to work with the Lambeth GP Food Co-op to deliver a patient-led gardening project. The Food Co-op is a co-operative of patients, doctors, nurses, and Lambeth residents. It seeks to involve patients with chronic conditions from 9 GP surgeries across Lambeth in growing their own crops, encouraging both healthy eating and the physical exercise gained from gardening. The crops are grown on King's land and at local GP surgeries. 8 Large planters for growing vegetables, containing 2 tons of soil each, have been built in the garden of Jennie Lee House at King's. These are tended by groups of patients led by experienced group leaders.

For patients who are particularly isolated, have lost confidence in leaving their house or those suffering from anxiety or low mood the sessions provide a safe environment to rebuild their confidence. The Food Group provides an alternative option for GPs to offer patients.

One of the attractions of the co-op is that its members get to eat the food they produce. The Co-op operates a monthly market stall selling its produce at King's, Denmark Hill over the Summer and , autumn.



Lambeth GP Food Co-op market stall



Lambeth GP Food Co-op participants at Jennie Lee House Garden

Governance

The Trust's existing Environmental Strategy will be superseded by Sustainable Development Management Plan (SDMP) in order to embed sustainability across the organisation and demonstrate commitment to the Climate Change Act and other legislative drivers. This will include a Sustainable Development Action Plan which identifies, prioritises and monitors the actions needed to improve sustainability performance whilst reducing the carbon footprint. This will be governed by a Sustainability Committee and progress reported to the Board. The SDMP will be submitted to the Board for approval in the Summer of 2018.

Significant issues and events since the end of 2017/18

There have been no issues of note.

The performance report was approved by the Board of Directors on 14th June 2018 and signed on its behalf by:

Date:

Signed:

Date: 14th June 2018

Peter Herring, Interim Chief Executive

Accountability Report



DIRECTORS' REPORT

Governance framework

King's governance framework comprises its membership body, the Council of Governors and the Board of Directors.

The Trust's membership is drawn from patients, staff and individuals from the local constituencies it serves. More information about recruiting and involving members in the life of King's starts on page 73.

The Council of Governors is elected by the membership or appointed in accordance with the Trust Constitution and the 'fit and proper' persons test described in the provider licence. The Council of Governors is responsible for representing the interests of members and stakeholders in the governance of King's. The Council of Governors exercises statutory powers, such as the appointment or removal of non-executive directors, appointing the external auditor, approving mergers, acquisitions and significant transactions, holding the non-executive directors individually and collectively to account and representing the interests of members and the public. The Council of Governors meets formally four times per year to discharge its duties. The matters specifically reserved for the Council's decision are set out in the Trust's Constitution. More information about the Council of Governors, including its composition and terms of office, can be found on page 46.

Led by the Chair, the Board of Directors sets King's strategy, determines objectives, monitors performance and ensures that adequate systems are maintained to measure and monitor effectiveness, efficiency and economy. It decides on matters of risk and assurance and is responsible for delivering high quality and safe services. It provides leadership and effective oversight of King's operations to ensure it is operating in the best interests of patients within a framework of prudent and effective controls that enables risk to be assessed and managed. Further information about King's internal controls and approach to clinical and quality governance can be found in the Annual Governance Statement starting on page 82.

The Board of Directors, comprising the Chair, non-executive directors and executive directors, are collectively responsible for the success of King's. All directors meet the 'fit and proper' persons test. The terms of office and voting rights of each director is recorded in later in this section of the annual report. The Board considers that all of its non-executive directors are independent in character and judgement, including Professor Richard Trembath, who is the representative from the Medical School at King's College London. Non-executive directors bring a breadth of expertise to the Board and provide objective and balanced opinions on matters relating to King's business. The independence of non-executive directors is tested at interview and at their annual performance review.

The Board meets regularly and has a formal schedule of matters specifically reserved for its decision. The Board delegates some other matters to its committees and the executive directors.

The Board of Directors and the Council of Governors hold joint meetings twice a year to discuss topical and strategic matters.

The Trust's Constitution sets out the roles and responsibilities of the membership body, Council and the Board. It also details the procedures for resolving any disputes between the Council of Governors and the Board of Directors. To develop an understanding of the views of members and governors, Board members attend meetings of the Council of Governors and its committees, the Annual Members Meeting and community events.

Management framework

The Board of Directors is the key decision-making body in King's. It is responsible for ensuring compliance with the Trust's provider licence, constitution, mandatory guidance issued by NHS Improvement, and with relevant statutory requirements and contractual obligations.

Commercial opportunities and activities are subject to scrutiny by the Board of Directors, to ensure that benefits derived from non-NHS income are channelled into supporting King's core NHS activities without incurring significant financial or reputational risk. Information about King's services outside the UK can be found in the performance report on page 9

Information, development and evaluation

Directors and governors are supplied with information so as to enable them to discharge their duties. The information needs of the Board of Directors and Council of Governors have been subject to considerable scrutiny during 2017/18 as a result of the financial challenges facing the Trust and will be improved as a result during 2018/19.

The performance of the Board of Directors, its committees and individual directors are subject to regular review, as outlined on page 42. The Board is committed to the NHS/CQC 'Well-Led' Framework and undertook a self-assessment process during 2017/18. A full review will be undertaken during 2018, once a permanent Chief Executive and Chief Finance Officer are in place.

Company directorships and other significant interests and commitments

King's maintains a register of interests for its directors and governors. Arrangements to view the register can be made by contacting the Foundation Trust Office on kch-tr.FTO@nhs.net. The register is also published on the Trust's website.

Board members and governors are asked to declare any interests and to self-certify that they meet the eligibility criteria set out in the Trust's Constitution. In addition, governors and directors are subject to a check by the Disclosure and Barring Service.

Accountability and audit

Deloitte LLP continued as external auditors during 2017/18. The firm was reappointed on 17 March 2016 for a three year term which started in July 2016 with the option to extend a further two years.

The Board of Directors maintained a system of evaluating and continually improving effectiveness of risk management and internal control processes. KPMG continued as internal auditors during 2017/18, having been re-appointed in March 2016, providing a comprehensive internal audit function. The internal audit plan is discussed with executive directors, non-executive directors and the Audit Committee.

The Board of Directors ensures effective scrutiny of financial and operational matters through its designated committees and by receiving reports from the Executive which present a balanced and understandable assessment of King's performance and forward plans. Information about King's financial, quality and operational objectives and performance, including clinical outcome data, is published to allow members and governors to evaluate its performance.

Furthermore, all the Board Directors have made enquiries of fellow directors and the Trust's internal and external auditors through the Board of Directors meeting and Audit Committee and taken any steps required to give effect to their duties to the Trust to exercise reasonable care, skill and diligence.

Information about the financial risk management policies, use of financial instruments and plans for capital projects can also be found in the 'Overview of Performance' section. Information about greenhouse gas emissions can be found in the 'Sustainability and Environment' section.

In 2017/18 the Board commissioned PricewaterhouseCoopers (PwC) to carry out a financial investigation in the Trust's deteriorating financial position, the external auditors were granted sight of the PwC findings.

Better Payments Practice Code (BPPC)

King's has a responsibility to meet the Better Payments Practice Code (BPPC). This focuses on the speed at which the Trust pays its invoices to the private sector and to other NHS organisations. The Better Payment Practice Code requires the NHS Trusts to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later.

The target is to pay 95% of invoices, in terms of value and volume, within 30 days. For details on BPPC results for the last financial year, 2017/2018 see the annual accounts later in this report.

Responsibility of Directors for Preparing the Annual Report and Accounts

Directors are responsible for preparing the Annual Report and Accounts. The Directors of King's College Hospital NHS Foundation Trust consider that the Annual Report and Accounts 2017/18, taken as a whole, are fair, balanced and understandable, and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

King's Directors have taken all reasonable steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the NHS Foundation Trust's auditor is aware of that information. So far as the Directors are aware, there is no relevant audit information of which the NHS Foundation Trust's auditors are unaware.

Board of Directors

Executive directors are full-time King's employees. Non-Executive directors are appointed by the Council of Governors on a four year fixed-term contract. The Council of Governors has the power to remove non-executive directors. Executive directors manage the day-to-day running of King's whilst the Chair and the non-executive directors provide strategic and board level guidance, support and challenge. The Board of Directors benefits from the wide range of skills and experience of its members, gained from NHS organisations, other public bodies and private sector organisations. The skills portfolio of the directors, both executive and non-executive, includes accountancy, audit, education, management consultancy, commercial, communications, transformation and medicine. This broad coverage of knowledge and skills strengthens the effectiveness of the Board of Directors giving assurance that the Board of Directors is balanced, complete and appropriate to supporting King's in meeting its objectives.

There have been a number of changes to the Board Directors during the period, including the resignations of:

- Chief Financial Officer Colin Gentile in November 2017
- Chief Operating Officer Jane Farrell in November 2017
- Chairman Lord Kerslake in December 2017
- Chief Executive Nick Moberly in April 2018

The Board also bid farewell to executive director Alan Goldsman who provided interim support on a number of roles including: Interim Director of Strategy, Director of Financial Improvement and Interim Chief Financial Officer. The current Board members can be found in the table below.

The Trust was delighted to welcome the following new Board Member appointments:

- Abigail Stapleton, Director of Strategy
- Ian Smith, Interim Chairman
- Iain Alexander, Interim Chief Financial Officer
- Peter Herring, Interim Chief Executive

Table 6: Board of Directors as at 31 May 2018

Members of the Board of Directors	
Non-Executive Directors	Executive Directors
Ian Smith	Iain Alexander
Faith Boardman	Jane Bond
Professor Jon Cohen	Dawn Brodrick
Professor Ghulam Mufti	Dr Shelley Dolan
Erik Nordkamp	Peter Herring
Dr Alix Pryde	Lisa Hollins
Sue Slipman	Abigail Stapleton
Chris Stooke	Professor Julia Wendon
Professor Richard Trembath	

Current Board of Directors

May 2018



NON-EXECUTIVE DIRECTORS

Ian Smith (Interim Chair)

With a career spanning healthcare, publishing, construction, strategy consulting and logistics, Ian Smith has over 40 years' experience leading highly complex multinational companies. He has been the Chief Executive of organisations ranging from FTSE 100 companies to professional partnerships.

Previously Executive Chairman of Four Seasons Heath Care and Chief Executive of the General Healthcare Group, he has an in-depth knowledge of the health care system and patient needs especially in terms of acute, psychiatric and elderly care. He is also a Member of the Advisory Board of the Institute for Dementia (University of Salford) and has been Adjunct Professor for Imperial College London for over a decade. In 2015, he published "Away From The Past and to a Sustainable Future" in the Health Service Journal with his brother, Professor Stephen Smith, outlining necessary reforms in the UK health and social care system.

Mr Smith has also served as a Parliamentary appointee in two Government Reviews. In 2010 he delivered the Smith Review which recommended the relocation of 30,000 civil servants out of London to strengthen regional economies. In 2007, he was a member of the Hooper Review on the future of the Royal Mail and the UK postal sector. Both Reviews received full Cabinet approval.

An Arabic-speaker, he began his business career with Shell in the Middle East, and more recently he worked in the diplomatic mission, the 'Quartet', on the Palestinian-Israeli peace process.

Ian Smith holds a Master of Arts (MA) from Oxford University and an MBA from Harvard Business School.

Term in office: December 2017 to Present – (interim appointment to March 2019)

Faith Boardman (Senior Independent Director)

Faith Boardman joined the Trust Board in March 2012. She brings 40 years of public service at both the national and local levels. As a Chief Executive, she has devised and led significant change programmes in 4 large public sector organisations - which have delivered substantial improvements for service users, staff, partners and public finances. These have included rebuilding the Child Support Agency (1997 - 2000) after its initial collapse; and improving Lambeth Council from having been officially rated as one of the worst 11 councils in the country in 2001 to the middle range.

Faith lives in Lambeth, and is Chair of Trustees of Vauxhall City Farm, Treasurer of the Vauxhall Business Improvement District, and a Board Member of the Safer London Partnership. She also took on the role of trustee on the Trust's charity from April 2014 to 2016.

Term in office: March 2012 to Present – (re-appointed 2016 for a further 4 years)

Professor Jon Cohen

Professor Cohen completed his medical degree at Charing Cross Hospital Medical School in 1975 and has worked in the NHS in the field of infectious diseases for over 30 years, becoming Chair and Head of Department at Hammersmith Hospital and Imperial College School of Medicine. His research interest is severe bacterial infections and he has an international reputation for his work in helping to develop new forms of treatment for sepsis and septic shock.

He was the founding Dean of Brighton and Sussex Medical School, which has already provided over 700 new doctors to the NHS. He has also served as member or Chair for a wide range of national and international bodies, and spent five years as Editor-in-Chief of the International Journal of Infectious Diseases. He is immediate past President of the International Society for Infectious Diseases, a trustee of Arthritis Research UK and member of the Scientific Advisory Board of the Lister Institute.

Term in office: September 2015 to Current – (4 year term)

Professor Ghulam Mufti, OBE

Professor Mufti has worked at the Trust since 1985 when he was appointed as a senior lecturer/consultant haematologist. His current appointment is Professor of Haemato-oncology, Clinical Director of Pathology and Head of the Department of Haematology, one of the largest in Europe. Ghulam is internationally renowned for research and treatment of myelodysplastic syndromes (MDS) and other pre-leukaemic diseases, and has published over 400 original papers in medical journals.

He is a founding member of the International MDS Foundation Board, Chair of the UK MDS Forum and Member of GSTS Members Board. He was formerly a member of the scientific committee of Leukaemia & Lymphoma Research. In 2017 he was awarded an OBE for services to haematological medicine. He was a nominated Non-Executive Director representing King's College London on the Board of Directors from December 2012 to November 2016. In January 2017 Professor Mufti re-joined the Trust Board as an appointed Non-Executive Director.

Term in office: January 2017 to Current – (4 year term)

Erik Nordkamp

Erik Nordkamp has been Managing Director for Pfizer Ltd since February 2015, having worked at the company in other senior roles since 2010. These roles include President and Managing Director, Greece, Cyprus and Malta (2012-15) and Europe Strategy Lead (2010-12).

Prior to this, Mr Nordkamp worked at Eli Lilly and Company as European Senior Director of Transformation and Lean Six Sigma. He has an MSc in Biomedical Sciences from Radboud University, Nijmegen (1992) and an MBA from the Erasmus University Rotterdam (1999). He is originally from Holland but lives and works in the UK. He is married with two children.

Term in office: January 2016 to Current – (4 year term)

Dr Alix Pryde

Dr Pryde graduated in Physics from University College London then completed a PhD in Theoretical Physics at the University of Cambridge. She joined McKinsey & Co as a strategy consultant before being hired by the BBC where she enjoyed a range of roles, including Head of Strategy for BBC Radio then BBC News, running the COO's office and ultimately leading the BBC's Distribution team, playing a central role in the delivery of TV Digital Switchover and the BBC's ground-breaking coverage of London 2012. Alix was subsequently recruited by Vodafone UK to lead Consumer Innovation.

In 2016, she joined Sky where she is Director of Service Strategy & Operational Delivery, driving transformation within Customer Services.

Alix was born and raised in Bromley and moved to Camberwell in 2000 where she now lives with her husband and two children, who were born under the care of King's. Alix joined the King's Board in November 2015.

Term in office: November 2015 to Current – (4 year term)

Sue Slipman (Deputy Chair)

Sue Slipman was the founding Chief Executive of the Foundation Trust Network, the national trade association for authorised and aspirant foundation trusts in the NHS. She was also Director of the campaigning charity The National Council for One Parent Families, and ran the Gas Consumers Council.

She was an Executive Director at Camelot where she held the role of Director of Corporate Responsibility before becoming Director of Communications. She has been Chair of the Financial Ombudsman Service, has held a number of non-executive positions in public life.

Term in office from July 2012 to Current – (re-appointed 2016 for a 4 year term)

Christopher Stooke

Christopher graduated in economics from Durham University and started his accountancy career at PwC. He was made partner in 1990 and was responsible for the audit of a number of blue chip companies in the UK and Europe, mainly in the financial services sector. From 2003 to 2009 he was Chief Financial Officer of Catlin Group, the FTSE 350 insurer.

He is now a non-executive chairman of two companies, a non-executive director at a third company and three charities (including King's College Hospital Charity), in addition to King's. He has lived in south London almost all his life and is now based in Dulwich. Chris joined the Trust Board in November 2011 and his current term of office will end in 2019.

Term in office: November 2011 to Current – (re-appointed 2015 for a 4 year term)

Professor Richard Trembath

Professor Trembath completed his medical degree at Guy's Hospital Medical School, University of London in 1981. He is a clinician scientist, internationally recognised for sustained contributions to medical science through the development and application of genetics and genomics to an enhanced understanding of the pathogenesis of rare and common human disease. He has championed translational bio-medical research and provides leadership for academia in the UK and beyond. His research interests include the identification and characterisation of genes and the molecular pathways underlying a range of human common and rare disorders.

Currently, he is the Executive Dean, Faculty of Life Sciences and Medicine, King's College London and Professor of Medical Genetics. From 2011 to 2015 he was Vice-Principal for Health at Queen Mary, University of London and a non-executive director of Barts Health NHS Trust. He was a founding Director of the National Institute for Health Research Comprehensive Biomedical Research Centre in association with Guy's and St Thomas' NHS Foundation Trust. He is a Fellow of the Academy of Medical Sciences and a former Senior Investigator for the National Institute of Health Research.

Term in office: December 2016 to Current (4 year term)

To contact a Non-Executive send an email to the Foundation Trust Office on kch-tr.FTO@nhs.net

EXECUTIVE DIRECTORS

Iain Alexander, Interim Chief Financial Officer

Iain is a qualified accountant by background and an Operational Restructuring Partner at PwC, specialising in turnaround and restructuring of organisations facing significant financial challenges. Iain is on secondment from PwC while the Trust recruits a substantive CFO.

He has over 15 years' experience managing multidisciplinary teams, across a range of private and public sector establishments. Iain has worked extensively across the NHS supporting a wide range of organisations including Foundation Trusts, Clinical Commissioning Groups, NHS England, NHS Improvement and the Department of Health.

Iain was seconded to Cambridge University Hospitals as Interim Chief Financial Officer in November 2016 for 8 months. Iain's key focus while on their Board was to develop and execute a challenging Financial Recovery Plan.

Term in office: April 2018 to Current – (temporary short term secondment)

Jane Bond, Director of Capital, Estates & Facilities

Jane joined King's in September 2016 and has overall responsibility for developing and modernising our estate and hospital sites.

She joined us from the Metropolitan Police Service (MPS), where she worked since 2003. She became the MPS Director of Property Services in 2009, overseeing an estate of 450 buildings. Prior to working at the Met, Jane worked at Warner Village Cinemas (now Vue Cinemas) as Property Director, and in other private sector roles. She is a fellow of the Royal Institution of Chartered Surveyors and in 2014 was awarded an MBE for services to policing.

Term in office: September 2016 to Current – (permanent contract 6 month notice period)

Dawn Brodrick, Executive Director of Workforce Development

Dawn joined King's in October 2015. Previously she worked at the Department for Communities and Local Government, where she held the position of Director for People, Capability and Change.

Dawn has held director and senior human resources positions at HM Revenue and Customs, the Department for Work and Pensions, and Jobcentre Plus. In 2015 she received an Order of the Bath (CB) in the Queen's Birthday Honours for services to public administration.

Term in office: October 2015 to Current (permanent contract 6 month notice period)

Dr Shelley Dolan Chief Operating Officer and Chief Nurse

Shelley joined King's in Autumn 2016. Prior to this she was Chief Nurse at Royal Marsden NHS Foundation Trust, where she led on quality, safety and patient experience. A registered nurse, she has over 30 years' experience in hospital care specialising in critical care and cancer nursing, as well as extensive leadership experience in hospital and community care. She has been involved in numerous research studies and papers, and she holds a PhD in the early diagnosis of sepsis in cancer patients.

Term in office: October 2016 to Current (permanent contract 6 month notice period)

Peter Herring, Interim Chief Executive

Peter joined King's in May 2018. He has spent his entire career in public health and financial management, particularly within the NHS.

His last Chief Executive role was Interim Chief Executive of Sherwood Forest Hospitals NHSFT where he helped move the Trust out of special measures. Previously he has been Chief Executive at Shrewsbury and Telford Hospital NHS Trust, Countess of Chester NHS Foundation Trust and Liverpool Women's Hospital NHS Foundation Trust.

He is passionate about patient care and public health and has a track record of strong leadership, performance improvement and financial expertise.

Term in office: May 2018 to Current (6 month fixed term contract)

Lisa Hollins, Director of Transformation & ICT

Lisa joined King's in September 2016. She has worked in the NHS for over 20 years and has held senior posts within NHS Trusts and at regional and national level. She has held management roles in primary, community, secondary care and mental health services, giving her a breadth of knowledge over health services. She then undertook service improvement roles, transforming emergency care, community services - for which she won a British Medical Journal (BMJ) award - and as Head of Development for London.

Her most recent roles have been leading quality and efficiency programmes at University College London Hospitals and leading major pathway redesign as Director of Service Development at Barts Health NHS Trust. She has published articles in the BMJ, Health Service Journal, and nursing journals. She has a special interest in patient experience, and has worked closely with voluntary sector organisations to collaborate with patients to test out new ways of working.

Term in office: September 2016 to Current (permanent contract – 6 month notice period)

Abigail Stapleton, Director of Strategy

Abigail joined King's in October 2017. She is responsible for developing and implementing the Trust's strategic plan, as well as for maintaining our key relationships with King's Health Partners and other external stakeholders, including regulators.

Prior to joining King's, Abigail was Head of Strategy and Development at BUPA UK, where she was responsible for a broad portfolio including commercial and business development, strategic planning, service development and service improvement. She has worked extensively in both the public and private health sectors. Prior to BUPA, she worked in a strategic consultancy for a range of blue chip organisations, and in public affairs for the NHS Confederation. She holds an MSc in International Health Policy from the London School of Economics and Political Science.

Term in office: October 2017 to Current (permanent contract – 6 month notice period)

Professor Julia Wendon, Medical Director

Professor Wendon is an Intensive Care Consultant. She has earned a worldwide reputation for the care of critically ill patients, particularly those with liver disease.

Julia joined King's in 1989, became a Consultant in 1992, and more recently served as Clinical Director for Critical Care. She has played a key role in developing King's liver service, including the expansion of the liver intensive care unit from eight to its current 19 beds. She has published over 150 papers on acute liver failure, and between 2008 and 2013 was the Trust's research and development lead.

Term in office: November 2015 to Current (Honorary contract – 6 month notice period)

Evaluation and Development of the Board

Executive directors hold a weekly meeting to monitor and respond to current issues, particularly in relation to quality, performance and finance. The Chair and non-executive directors hold informal meetings regularly to discuss matters relating to the running of King's without the executive directors present.

Collectively the Board holds development sessions periodically throughout the year to allow for deeper discussion and investigation of key topics. In 2017/18 some of these have been facilitated by an external specialist, who brings an additional level of insight and challenge to the Board's collective development.

During 2017/18, the Board carried out Board self-assessment of performance as part of its plan to commission a full "Well-Led" review using independent external reviewer. A more substantial externally-led review will be carried out during 2018/19.

Board members also undertake personal development on an on-going basis. All executive and non-executive directors have an annual performance appraisal and personal development plan, which forms the basis of their individual development. The performance of executive directors is reviewed by the Chief Executive and considered by the Remuneration and Appointments Committee. Annual performance appraisals were completed for the full Board in 2017/18.

The process for evaluating the performance of the Chair and non-executive directors was agreed in consultation with the Council of Governors.

Board Meetings and Committees

The Board of Directors meets regularly throughout the year. The Board also holds a series of strategy discussions and workshops.

The Board has seven Committees which also meet regularly and are each chaired by a non-executive director. In addition, there is a Board level steering group, the Site Development Project Group, which has been established for a fixed-term to direct and oversee the redevelopment of the Denmark Hill site.

The Board of Directors approves terms of reference for Board committees, which set out the remit and delegated authority of each committee. Each committee completes an annual review and self-assessment which is then presented to the Board of Directors.

In addition to regularly reporting to the Board of Directors, committee minutes are a standing item on each Board agenda. Patient complaints and/or video stories were a regular item on agenda.

Audit Committee

The Audit Committee is chaired by non-executive director Dr Alix Pryde and its membership is composed entirely of non-executives, with Christopher Stooke fulfilling the requirement to have a member with financial expertise. It is responsible for providing independent assurance to the Board of Directors in a range of areas including internal control, governance, fraud, corruption, impropriety and externally reported financial performance. The internal audit function is provided by KPMG and the external audit function is provided by Deloitte. Both firms were appointed by tender in 2016 for a period of 3 years. King's has a zero-tolerance policy towards fraud and bribery and this committee is responsible for overseeing the work of the Counter Fraud Team.

The internal and external auditors regularly attend committee meetings as do the Chief Financial Officer and Chief Executive, although they are not members of the committee. The Trust Chair and other members of the executive team attend meetings of the Committee by

invitation. The broad knowledge and skills of the members and attendees strengthens the effectiveness of the committee. King's is satisfied that the committee is sufficiently independent.

In May 2017 the Committee fulfilled its oversight responsibilities with regard to monitoring the integrity of the financial statements and the annual report and accounts for 2016/17 before submission to the Board and regulators.

During 2017/18 the Committee considered reports covering a variety of financial, operational and compliance matters including: private patients; the resignation process; information governance; Haematology Institute governance; CQC action plan; adverse incidents; research governance; SFI waivers; King's Commercial Services; medical locum usage; clinical handover; core financial controls (accounts payable and payroll); nursing revalidation; and capital and estates planning.

Non-executive members of the Committee held the executive body to account in discussion of the reviews, and the Committee's recommendations were provided to the relevant leads to ensure there was follow-up action. The Internal Audit Plan for 2018/19 was also agreed.

Regular reports on counter fraud investigations and the associated recommendations of the Counter Fraud and Corruption Team were also considered. In line with its delegated authority, the Committee provided oversight of a variety of trust-level controls, including the Standing Financial Instruction waiver process; the Board Assurance Framework; and reports on losses, special payments and write-offs. Following the Trust entering Financial Special Measures, the Committee reflected and made adjustments to its practice. This includes supporting a revised approach to the internal audit plan for 18/19, with increased focus on core areas of governance, and returning to selected areas during the year to ensure successful implementation and embedding of recommendations. The Committee is also holding a session on enhancing its ways of working to strengthen governance, with participation from Governors and the internal and external auditors.

Deloitte presented the Draft External Audit Report for 2017/18. Committee members reviewed and endorsed the methodology deployed; significant risks and the risk assessment process used to identify them; recommendations for key areas of focus and the statement of independence. There are no inconsistencies between APB Ethical Standards for Auditors and the Trust's policy for the supply of non-audit services. Deloitte continues to review its independence and ensure that appropriate safeguards are in place.

Independence of the External Auditor

King's external auditors, Deloitte, have communicated the following matters to the Audit Committee:

- The senior audit partner on the account was replaced during 2017/18 in order to safeguard the independence of the auditor.
- The principal threats, if any, to objectivity and independence identified by the auditor, including consideration of all relationships between King's, directors and the auditor
- Any safeguards adopted and the reasons why they are considered to be effective
- Any independent partner review
- The overall assessment of threats and safeguards
- Information about the general policies and processes for maintaining objectivity and safeguarding independence when undertaking non-audit work

Education and Workforce Development Committee

The Education and Workforce Development Committee is chaired by non-executive director Faith Boardman. It provides assurance to the Board on the Trust's strategy and plans for its entire workforce, focusing on education and learning; organisational development; workforce information, planning, resourcing and deployment; staff engagement; reward and recognition; and health and wellbeing. It monitors the efficacy of relevant workforce structures, systems and enablers to drive high performance; quality improvement; a mature organisational culture; safe patient care and compliance with statutory employment responsibilities and public sector equality duties.

Finance and Performance Committee

The Finance and Performance Committee is chaired by non-executive director Chris Stooke. The Committee monitors both the financial and operational performance of the organisation, reviews the associated risks and seeks assurance when there are indicators of downward trends in performance. This includes reviewing the monthly performance submissions to NHS Improvement and monthly monitoring against the Single Oversight Framework (SOF). The Committee also provides oversight of a wide range of financial areas including the Trust's capital programme.

Freedom to Speak Up Guardian Committee

The FSUG role was a recommendation from the final Sir Robert Francis report published in February 2015 into the failings in Mid-Staffordshire. The FSUG recommendation is aimed at fostering a culture of safety and learning that will provide a safe outlet where staff can raise concerns.

The Trust has set up a Board Sub-Committee to oversee the work of the FSUG and embed national policy within the Trust. This sub-committee was established in 2017/18, it is chaired by Sue Slipman, Deputy Trust Chair, and its membership includes another NED, Faith Boardman, as well as executive directors, senior managers two Trust Governors and the Trust's freedom to speak up guardian Jen Watson.

Quality Assurance and Research Committee

The Quality Assurance and Research Committee (QARC) is chaired by non-executive director Professor Ghulam Mufti. The Committee provides assurance to the Board of Directors on the effectiveness of the systems and risk management processes in place relating to patient safety; patient experience; patient outcomes; organisational safety; information governance; and research. In order to do this it reviews a substantial body of statutory and regulatory reports, and in doing so provides assurance to the Board of Directors that the Trust's services comply with regulatory requirements, including the Care Quality Commission's Fundamental Standards.

The Committee provides vital oversight of the Board's Risk Management Strategy, Board Assurance Framework and the Corporate and Divisional Risk Registers, ensuring cohesion between the different elements of the overall risk management framework and making appropriate recommendations to the Board. The Committee is supported by the Executive Quality Committee and Planning and Delivery Board.

Remuneration and Appointments Committee

The Remuneration and Appointments Committee is chaired by the Interim Trust Chair, Ian Smith. On behalf of the Board of Directors, this Committee agrees executive directors' remuneration and terms of service. Together with the Chief Executive, Committee members form a panel for the appointment of executive directors. More information can be found in the Remuneration Report on page 52.

Kings Commercial Ventures Committee

The Kings Commercial Ventures Committee was established in 2017/18 and is chaired by Non-Executive Director Erik Nordkamp. The committee ensures effective scrutiny and oversight of Kings' commercial ventures such as private patients and commercial clinical trials, and its wholly owned subsidiaries including Kings Commercial Services, Kings Interventional Facilities Management and Viapath, Kings' pathology partnership with Serco and Guy's and St Thomas' NHS Foundation Trust.

Table 7: Board of Directors - Meetings, Attendance, Committee Memberships

Board and Committee Attendance 2017/18									
Board of Directors Current Members	Board of Directors(10)	Audit Committee(7)	Education & Workforce Development Committee(6)	Finance & Performance Committee(12)	Quality Assurance & Research Committee(7)	Remuneration & Appointments Committee(5)	**King's Commercial Committee(2)	**Freedom to Speak up Guardian (5)	
Number of Meetings Held	10	7	6	12	7	5	2	5	
Ian Smith * Chairman	2(2)	2(2)	1(1)	2(3)	2(2)	1(1)	1(1)		
Sue Slipman Deputy Chair	9			10		4	1	5	
Faith Boardman Senior Independent Director	10	4	6		6	3		4	
Non-Executive Directors									
Professor Jon Cohen	8		4		7	3			
Professor Ghulam Mufti	5		3		7	2			
Erik Nordkamp	7					3	2		
Dr Alix Pryde	8	7				4			
Chris Stooke	7	6		9		3			
Professor Richard Trembath	8					2			
Executive Directors									
Iain Alexander * Interim Chief Financial Officer from April 2018									
Jane Bond Director of Capital Estates & Facilities	10			10			2		
Dawn Brodrick Executive Director of Workforce Development	8		6	11		4		3	
Dr Shelley Dolan Chief Nurse	10		5	9	7			5	
Lisa Hollins Executive Director of Transformation & ICT	9			11					
Abigail Stapleton * Director of Strategy	3(4)		2(4)	6(6)			2		
Professor Julia Wendon Executive Medical Director	10		6	11	7		2		
Board Members no longer in post									
Jane Farrell* Chief Operating Officer	5(7)			5(7)	2				
Colin Gentile* Chief Financial Officer	5(6)	5(5)		6(7)					
Alan Goldsman* Interim Director	8	2(2)		10(12)	1(6)		1(1)		
Nick Moberly* Chief Executive	9(9)	5(6)	1(5)	9(9)	7	3(3)			
Lord Kerslake * Chairman	8(8)	3(5)		7(8)	2(5)	3(3)	1(1)		

*Board Members who joined/left the Trust at a point during 2017/18 and therefore were not eligible to attend all meetings within the reporting year.

** Committees that were established during 2017/18 reporting year.

Council of Governors

The Council of Governors is made up of elected and appointed stakeholders. Elected governors make up the majority of the Council; appointed stakeholder governors include representatives from clinical commissioning groups, partner health provider organisations Guy's and St Thomas' and South London and Maudsley and local councils, which play an important part of stakeholder relations. Governors are elected by the members of the Trust. The membership constituencies include patients, staff and residents from Bromley, Lambeth, Lewisham and Southwark.

The composition of the Council, names of individual governors and their terms of office can be found in the tables on pages 49-40

Function and meetings of the Council of Governors

The Council of Governors met four times during the reporting period. The attendance of individual governors at these meetings, which were held in public, is detailed in tables on page 50

All directors are invited to attend Council meetings. Individual directors, executive and non-executive, regularly present items at Council meetings, in accordance with the planned agenda.

The Council of Governors has two key functions, which are to hold non-executive directors to account for the performance of the Board and to represent the interests of members and the public. The Council of Governors also has specific responsibilities, which include the appointment, remuneration and removal of the Chair and other non-executive directors.

During the reporting period, the Council of Governors:

- received and considered the Annual Report and Accounts and the auditor's report on the accounts
- received regular updates on the operational and financial performance challenges facing the Trust
- held non-executive director review sessions
- wrote to, and met with, the regulators, NHS Improvement (NHSI), prior to the imposition of Special Financial Measures
- subsequent to the imposition of Special Financial Measures, requested and held two private meetings with Stephen Hay, Executive Director of Regulation/Deputy Chief Executive, NHSI, and Baroness Dido Harding, Chair NHSI.

The Council of Governors elects one of its members to be the Lead Governor for a period of one year. The Lead Governor acts as a communication link between Governors and the Board of Directors. In very rare circumstances the Lead Governor will act as a direct communication link between regulators such as NHSI and the Council of Governors where it is inappropriate for regulators to communicate directly with the Trust Chair or Company Secretary. Chris North was Lead Governor throughout 2017/18.

Governors in the Community

Governors are active within the community, helping to facilitate communication between the Trust, members and the local communities of Southwark, Lambeth, Bromley and South East London more widely. Governors are pivotal to sharing the Trust's vision and performance with key stakeholders.

As guardians of the community interest, the Council of Governors ensures that the needs of members are considered in the planning of future services.

Governor Committees

The Council of Governors has committees which provide the opportunity to delve deeper into issues that are of interest to members, patients and the local community. All governors are eligible to sit on governor committees, with the exception of the Nominations Committee for which governors stand and are elected.

Membership and Community Engagement Committee

This committee monitors membership recruitment and reviews the engagement and experience strategy ensuring that membership continues to be representative as well as identifying ways in which the membership can be more actively involved.

Committee members are encouraged to provide feedback about the engagement activity they have been personally involved with, both within and outside the Trust's various sites, and opportunities for facilitating communication between governors and the membership are explored.

Patient Experience and Safety Committee

This Committee acts as a reference group for the Trust's planned activity relating to patient experience and safety. Committee members are involved with a range of initiatives to improve patient experience and safety and to monitor progress against King's quality priorities.

Strategy Committee

This Committee reviews the Trust's strategy and annual forward plan, and feeds back to the Council of Governors.

Nominations Committee

This Committee is responsible for determining and administering the selection process for the appointment and remuneration of the Chair and non-executive directors, and recommending the preferred candidates to the Council of Governors for appointment. This includes consideration of the structure, size and composition of the Board. It also monitors the performance of non-executive directors and makes recommendations to the Council of Governors for the reappointment or removal of individual non-executive directors.

During the period the Committee. It also makes recommendations to the Council on the remuneration and terms and conditions of non-executive directors. During the period the Committee met once to appraise the Chair.

The membership of the Committee was subject to change as four of five Governors completed their terms, the current membership of the Committee is shown in Table 11 overleaf.

Non-Executive Directors Review Sessions

The Council of Governors held two non-executive director reviews sessions during 2017/18, at which non-executive directors were questioned on how they discharged their duties to provide constructive challenge and strategic expertise to the executive team and what level of assurances they received.

Governor Development and Engagement

King's is committed to providing support and training for governors and opportunities to engage with staff, directors, members and one another. Governors were invited to participate in workshops at which topical issues selected by governors themselves were presented by directors and other senior members of staff. Three governor development days were organised in-year, and one Governwell Induction by NHS Providers to newly elected governors from all three foundation trusts within King's Health Partners. Governors

have also received presentations from external speakers invited to committee meetings and workshops in order to give different perspectives on relevant issues.

Governors, members and directors came together to share ideas about King's vision and future plans at community events and the Annual Members' Meeting. There were also two joint meetings of the Board of Directors and Council of Governors. All governors are invited to attend meetings of the Public Board of Directors and the Lead Governor is invited to attend the Private Board Meetings as an observer.

Governors attended a number of external events hosted by organisations such as Deloitte and NHS Providers during the reporting period.

Company Directorships and other Significant Interests and Commitments

King's maintains a register of interests for its governors, which is open to the public. Arrangements to view the register can be made by contacting the Foundation Trust Office on kch-tr.FTO@nhs.net

Table 8: Nominations Committee Membership 1 April 2017-30 November 2017

Nominations Committee Members	Constituency
Lord Kerslake	King's College Hospital
Fiona Clark	Public Governor
Nanda Ratnavel	Public Governor
Pam Cohen	Public Governor
Andrew McCall	Public Governor

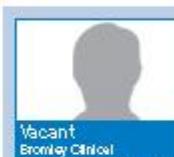
A number of long term serving Governors who were members of the Nominations Committee completed their terms on 30 November 2017. Election for membership of the Nominations Committee was held in May 2018, below is the current membership.

Table 9: Current Nominations Committee Membership

Nominations Committee Members	Status	Constituency
Ian Smith	Current	King's College Hospital
Pam Cohen	Current	Public Governor Southwark
Emmanuel Forche	Current	Patient Governor
Nicola Bates	Current	Patient Governor
Jane Allberry	Current	Public Governor Southwark
Claire Saha	Current	Staff Governor Allied Health Professionals

Current Council of Governors

March 2018

					Patient
					
					Public
					Staff
					Nominated
					
					

Council of Governors Tenures and Meeting Attendances, April 2017- March 2018 4 meetings in 2017/18				
	Constituency	Tenure	Meetings Attended	
Stakeholder Governors	Anne Marie Rafferty	King's College London	01/10/2016-30/09/2019	3
	Cllr Jim Dickson	Lambeth Council	23/02/2015-22/08/2018	1
	Dr Noel Baxter	Southwark CCG	01/04/2016-31/03/2019	0
	Dr Sadru Kheraj	Lambeth CCG	01/01/2016- 31/12/2019	2
	Charlotte Hudson*	South London and Maudsley NHS Foundation Trust	14/03/2018-13/03/2021	1(1)
	Phidelma Lisowska	Joint Staff Office	02/07/2016-01/07/2019	4
	Kieron Williams	Southwark Council	03/11/2017-02/11/2020	2
	Cllr Robert Evans	Bromley Council	19/11/2016-18/11/2019	2
Patient Governors	Derek St Clair Cattrall		01/12/2017-30/11/2020	2
	Craig Jacob		01/12/2017-30/11/2020	2
	Nicola Bates		01/12/2016-30/11/2019	3
	Paul Cosh		01/12/2017-30/11/2020	2(2)
	Emmanuel Forche		01/12/2017-30/11/2020	1(2)
	Fungisai Chirochangu**		01/12/2016-14/03/2018	0
Public Governors	David Jefferys	Bromley	01/02/2017 -31/01/2020	3
	Rosemary Andrews	Bromley	01/02/2017 -31/01/2020	2
	Diana Coutts-Pauling	Bromley	01/02/2017 -31/01/2020	4
	Penny Dale	Bromley	01/02/2017 -31/01/2020	4
	Alfred Ekellot	Lambeth	01/12/2017 -30/11/2020	1(2)
	Christopher North	Lambeth	01/12/2017 -30/11/2019	4
	Sam Waterson	Lambeth	01/12/2017 -30/11/2020	2(2)
	Barbra Goodhew	Lambeth	01/12/2017 -30/11/2020	2(2)
	Victoria Silvester	Southwark	01/12/2017 -30/11/2020	4
	Stephanie Harris	Southwark	01/12/2017 -30/11/2020	2(2)
	Jane Allberry *	Southwark	01/12/2017 -30/11/2020	2(2)
	Pam Cohen	Southwark	01/12/2017- 30/11/2019	2
	Susan Wise	Lewisham	01/02/2017 -30/11/2020	1
Staff Governors	Kevin Labode	Admin, Clerical and Management	01/12/2017-30/11/2020	2(2)
	Claire Saha	Allied Health Professionals	01/12/2017-30/11/2020	1(2)
	Heather Weir	Nurses and Midwives	01/12/2017-30/11/2019	1(2)
	Carole Olding	Nurses and Midwives	01/12/2017-30/11/2020	1(2)
	Ashish Desai	Medical and Dental	01/12/2017-30/11/2020	1(2)

REMUNERATION REPORT

Foreword

The Trust has had a turbulent year with a number of changes at Board level. The Remuneration Committee has worked with the Executive Director of Workforce to ensure that the resilience of the leadership team has been maintained throughout the year. The paragraphs below outline the key activities of the Remuneration Committee during the year.

Ian Smith, Chair of the Remuneration Committee

The Annual Statement

New senior management appointments in 2017/18 include:

- The appointment of an interim Trust Chair by NHSI in December 2017 (Ian Smith)
- The combining of the Chief Nurse role and Chief Operating Officer role (filled by Dr Shelley Dolan). This resulted in an uplift of pay (as recommended by Hays benchmarking)¹;
- The appointment of a new Director of Strategy (filled by Abigail Stapleton);
- The interim appointment of a new CFO (Alan Goldsman up until 31 March 2018 and Iain Alexander from April 2018);

Annual Report of the Remuneration Committee

The membership, meetings and attendance of the Remuneration Committee can be found on page 44. The Executive Director for Workforce Development attended the Committee for relevant agenda items but was not a full member. During 2017/18 the committee took advice from Hay and used executive search agencies to fill key posts.

The committee took a number of reports during the year including:

- The appointments outlined above (see page 51)
- Proposals to ensure vacant roles were filled including chief finance officer, finance recovery director and chief operating officer.
- The decision to merge the chief operating officer and chief nurse roles
- Annual pay awards for staff
- Changes to the standard national contract for NHS ‘very senior managers’ (VSMs)
- The appointment of three sub-Board directors including the Director of Planning and Performance, the UPACs Divisional Director and the Director of Delivery and Improvement.

There have been no other major decisions on senior managers’ remuneration or substantial changes relating to senior managers remuneration in 2017/18.

Remuneration Policy

There have no changes to the Trust’s remuneration policies during 2017/18.

The remuneration and terms of service of the Chair and non-executive directors (NEDs) are determined by the Council of Governors, taking account of market and survey data from relevant benchmark sources which can include the Foundation Trust Network and the Trust’s NHS peer group. More information about this process and the role of the Council of Governors’ Nominations Committee can be found on page 47.

¹ See details in the remuneration report

Remuneration for the King's most senior managers (directors accountable to the Chief Executive) is determined by the Remuneration and Appointments Committee, which comprises the Chair and the non-executive directors. See table 9 on page 45 for committee membership and meeting attendance.

The work of the Remuneration and Appointments Committee is informed by relevant benchmark data, periodic assessments conducted by independent remuneration consultants and by salary awards and terms and conditions applying to other NHS staff groups. The work of the committee is supported by the Executive Director of Workforce Development who is not a member of the committee.

King's strategy and annual planning processes set key business objectives which, in turn, inform individual and collective objectives for senior managers. Individual performance and that of King's as a whole is closely monitored, discussed throughout the year and forms part of the annual appraisal.

Details of senior employees' remuneration can be found on pages 55-58. Note 1.8 in the annual accounts sets out accounting policies for pensions and other retirement benefits.

The Trust has taken a number of steps to ensure that the salaries for Executive Directors are reasonable especially where payment is more than £142,500 (£150,000 from 1 January 2018). These steps include:

Vacant posts at Executive level require review in line with Trust requirements:

- posts are evaluated using a recommended independent external agency. The Trust commissions Hays Executive to undertake this task in line with the Hays job evaluation scheme.
- Hays consider a number of factors in the evaluation, comparing similar sized Trusts and functions/complexity, factoring the London market dimension and the relative remuneration amongst the Shelford Group, of which King's is a member. Hays provide the Trust with a salary range and recommendation.
- The remuneration committee agree the salary range and benefits package before the post is advertised based on the advice from Hays Executive and market advice from the Executive search organisation.
- Due cognisance is given to the VSM annual pay survey which includes Executive pay levels.
- The post is advertised and once appointed and remuneration agreed via the remuneration committee, the Trust seeks the guidance from NHSI to support the salary range.
- Department of Health Pay, Pensions and Employment Services Branch is informed and Lord Prior (Formerly Minister for NHS Productivity, Department of Health) has in turn provided further guidance as appropriate.
- The only non-cash element of the most senior managers' remuneration packages is pension related benefits accrued during membership of the NHS Pension Scheme. Contributions into the scheme are made by both the employer and employee in accordance with the statutory regulations.

Table 10: Senior Manager Remuneration Components

Executive Directors	Salary ² (Yes/No)	Pension benefits	Performance Related Pay (including earnback)	Other employee benefits
Dr Shelley Dolan	Yes	Yes	No	No
Dawn Brodrick	Yes	No	No	No
Professor Julia Wendon ³	Yes	No	No	No
Lisa Hollins	Yes	Yes	No	No
Abigail Stapleton	Yes	Yes	No	No
Jane Bond	Yes	Yes	No	No
Nick Moberly	Yes	Yes	No	No
Jane Farrell	Yes	Yes	No	No
Colin Gentile	Yes	Yes	No	No
Alan Goldsman	Yes	Yes	No	No

Senior Manager pay does not currently contain any performance related elements as agreed by Remuneration Committee in 2016/17. The senior managers pay remuneration is a spot rate; the rest of the organisation is on Agenda for Change terms and conditions which contains contractual increments. There are no other employee benefits that need referencing in the report and no new employee benefits agreed during 2017/18.

Service contracts obligations

All senior managers have a standard King's service contract. Each individual Executive Director and Non-Executive Director has their appointment date, contract status and notice period (for Executive Directors only) listed in the Director's report.

Policy on payment for loss of office

All senior managers are required to have a 6 month period in their service contract. Policy for loss of office is the NHSI VSM guidance and the Trust has a policy of not paying over contractual entitlement.

Compensation in the event of early termination for substantive directors is in accordance with contractual entitlements as set out in the Agenda for Change national terms and conditions of service. There were no exceptions to this policy during 2017/18.

Annual Report of the Remuneration Committee

The membership, meetings and attendance of the Remuneration Committee can be found on page 44. The Executive Director for Workforce Development attended the Committee for relevant agenda items but was not a full member. During 2017/18 the committee took advice from Hay and used executive search agencies to fill key posts.

The committee took a number of reports during the year including:

- The appointments outlined above (see page 51)
- Proposals to ensure vacant roles were filled including chief finance officer, finance recovery director and chief operating officer.
- The decision to merge the chief operating officer and chief nurse roles
- Annual pay awards for staff
- Changes to the standard contract for NHS 'very senior managers' (VSMs)

² See main remuneration report for figures

³ KCL employee – Pension and benefits not reported by the Trust

- The appointment of three sub-Board directors including the Director of Planning and Performance, the UPACs Divisional Director and the Director of Delivery and Improvement.

Details of Governors in office are contained in page 49-50.

The disclosures in the remuneration report fulfil our obligations under the Health and Social Care Act 2012.

Signed:



Date: 14th June 2018

Peter Herring Accounting Officer

Table 11: Salary and pension entitlements of senior managers (audited)

Remuneration Report		2017-18			2016-17 (Restated)		
Name	Title	Salary & Fees (bands of £5,000)	Pension Related Benefits (bands of £2,500)	Total (bands of £5,000)	Salary & Fees (bands of £5,000)	Pension Related Benefits (bands of £2,500)	Total (bands of £5,000)
Chairman and Non-Executive Directors							
Lord Kerslake	Chair	40 - 45	-	40 - 45	60 - 65	-	60 - 65
Ian Smith	Chair	15 - 20	-	15 - 20	-	-	-
Faith Boardman	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Professor Ghulam J Mufti	Non-Executive Director	15 - 20	-	15 - 20	15 - 20	-	15 - 20
Sue Slipman	Non-Executive Director	15 - 20	-	15 - 20	10 - 15	-	10 - 15
Chris Stooke	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Professor Jon Cohen	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Dr Alix Pryde	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Erik Nordkamp	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Professor R Trembath	Non-Executive Director	10 - 15	-	10 - 15	0 - 5	-	0 - 5
Executive Directors							
Nicholas Moberly	Chief Executive	255 - 260	7.5 - 10	260 - 265	250 - 255	345 - 347.5	595 - 600
Alan Goldsman	Interim Chief Financial Officer / Director of Financial Recovery / Interim Director of Strategy	175 - 180	72.5 - 75	320 - 325	70 - 75	-	70 - 75
Colin Gentile	Chief Financial Officer	185 - 190	-	185 - 190	175 - 180	-	175 - 180
Professor Julia Wendon	Executive Medical Director	225 - 230	-	225 - 230	250 - 255	-	250 - 255
Michelle (Shelley) Dolan	Chief Nurse / Interim Chief Operating Officer	170 - 175	105 - 107.5	275 - 280	75 - 80	80 - 82.5	160 - 165
Amanda (Jane) Farrell	Chief Operating Officer	205 - 210	10 - 12.5	220 - 225	180 - 185	357.5 - 360	535 - 540
Paula Townsend	Acting Director of Nursing and Midwifery	-	-	-	30 - 35	-	30 - 35
Geraldine Walters	Executive Director of Nursing, Midwifery and Infection Control	-	-	-	35 - 40	57.5 - 60	95 - 100
Dawn Brodrick	Executive Director of Workforce Development	150 - 155	-	150 - 155	150 - 155	-	150 - 155
Abigail Stapleton	Director of Strategy	50 - 55	10 - 12.5	60 - 65	-	-	-
Trudi Kemp	Director of Strategy	30 - 35	360 - 362.5	390 - 395	60 - 65	-	60 - 65
Toby Lambert	Interim Director of Strategic Development	-	-	-	110 - 115	-	110 - 115
Lisa Hollins	Director of Transformation & ICT	140 - 145	67.5 - 70	205 - 210	70 - 75	75 - 77.5	150 - 155
Jane Bond	Director of Capital and Estates	150 - 155	32.5 - 35	185 - 190	80 - 85	17.5 - 20	100 - 105

Co-opted members of the Trust's board

Judith Seddon	Director of Corporate Affairs	-	-	-	35 - 40	-	35 - 40
Ahmad Toumajd	Interim Director of Estates and Capital	-	-	-	100 - 105	-	100 - 105

The remuneration of the interim directors include agency fees and VAT.

Salary relating to non-managerial role

Julia Wendon	180 - 185	-	180 - 185	205 - 210	-	205 - 210
Paula Townsend				20 - 25	-	20 - 25
Judith Seddon				25 - 30	-	25 - 30

Alan Goldsman held three roles in the Trust during 2017/18

Interim Chief Financial Officer	80 - 85
Director of Financial Recovery	65 - 70
Interim Director of Strategy	25 - 30

The NHS Pensions Agency informed the Trust that pensions figures provided for Alan Goldsman for the financial year 2016-17 were incorrect. Based on the corrected figures, his Pension Defined Benefit for 2016-17 has decreased from the £12.5k - £15k range to Nil.

Table 12: Salary and pension entitlements of senior managers (audited)

Lord Kerslake	Chair	1 April 2017 - 10 December 2017
Ian Smith	Chair	18 December 2017 - 31 March 2018
Faith Boardman	Non-Executive Director	1 April 2017 - 31 March 2018
Professor Gulam J Mufti	Non-Executive Director	1 April 2017 - 31 March 2018
Sue Slipman	Non-Executive Director	1 April 2017 - 31 March 2018
Chris Stooke	Non-Executive Director	1 April 2017 - 31 March 2018
Professor Jon Cohen	Non-Executive Director	1 April 2017 - 31 March 2018
Dr Alix Pryde	Non-Executive Director	1 April 2017 - 31 March 2018
Erik Nordkamp	Non-Executive Director	1 April 2017 - 31 March 2018
Prof R Trembath	Non-Executive Director	1 April 2017 - 31 March 2018
Nicholas Moberly	Chief Executive	1 April 2017 - 31 March 2018
Colin Gentile	Chief Financial Officer	1 April 2017 - 01 November 2017
Alan Goldsman	Interim Chief Financial Officer	2 November 2017 - 31 March 2018
Alan Goldsman	Director of Financial Recovery	1 June 2017 - 31 October 2017
Alan Goldsman	Interim Director of Strategy	1 April 2017 - 31 May 2017
Professor Julia Wendon	Executive Medical Director	1 April 2017 - 31 March 2018
Michelle (Shelley) Dolan	Chief Nurse	1 April 2017 - 31 March 2018
Michelle (Shelley) Dolan	Chief Operating Officer and Chief Nurse	8 November 2017 - 31 March 2018
Paula Townsend	Acting Director of Nursing and Midwifery	1 July 2016 - 30 September 2016
Dawn Brodrick	Executive Director of Workforce Development	1 April 2017 - 31 March 2018
Trudi Kemp	Director of Strategy	1 April 2017 - 18 July 2017
Toby Lambert	Interim Director of Strategic Development	3 May 2016 - 31 October 2016
Abigail Stapleton	Director of Strategy	16 October 2017 - 31 March 2018
Amanda (Jane) Farrell	Chief Operating Officer	1 April 2017 - 07 November 2017
Lisa Hollins	Director of Transformation & ICT	1 April 2017 - 31 March 2018
Jane Bond	Director of Capital and Estates	1 April 2017 - 31 March 2018

None of the Non-Executive or Executive Directors received benefits in kinds in 2016-17 or 2017-18.

Table 13 : Pension entitlements at 31 March 2018 (audited)

Name	Title	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age	Lump sum at pension age	Cash Equivalent Transfer Value at 1 April 2017	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2018	Employer's Contribution to stakeholder pension	
		£000	£000	£000	£000	£000	£000	£000	£000	
		(bands of £2,500)	(bands of £2,500)	(bands of £5,000)	(bands of £5,000)					
Non-Executive Directors										
Non-Executive Directors do not receive pensionable remuneration.										
Executive Directors										
Nicholas Moberly	Chief Executive Interim Chief Financial Officer /	2.5 - 5	10 - 12.5	65 - 70	205 - 210	1,281	109	1,390	34	
Alan Goldsman	Director of Financial Recovery / Interim Director of Strategy	2.5 - 5	12.5 - 15	40 - 45	130 - 135	895	119	1,014	25	
Michelle (Shelley) Dolan	Chief Nurse	5 - 7.5	15 - 17.5	60 - 65	190 - 195	1,297	194	1,491	25	
Amanda (Jane) Farrell	Chief Operating Officer	0 - 2.5	0 - 2.5	70 - 75	220 - 225	1,579	63	1,683	17	
Abigail Stapleton	Director of Strategy	0 - 2.5	-	0 - 5	-	-	3	6	8	
Trudi Kemp	Director of Strategy	2.5 - 5	12.5 - 15	50 - 55	150 - 155	-	-	-	-	
Lisa Hollins	Director of Transformation & ICT	2.5 - 5	2.5 - 5	45 - 50	110 - 115	628	94	722	20	
Jane Bond	Director of Capital and Estates	2.5 - 5	-	0 - 5	-	16	30	46	22	

During the 2017/18 the total value of employer contributions to the pension scheme in respect of Board member directors was £156k (2016/17: £76k).

Trudi Kemp's CETV at 1 April 2017 was £666k, as per the guidance which states that CETV will not be disclosed for Senior Managers over NPA, her CETV and Real Increase has not been shown above.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs and other disclosures are provided by NHS Pensions, and are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

The real increase in CETV reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Trudi Kemp CETV at 1 April 2017 was £666k, as per the guidance which states that CETV will not be disclosed for Senior Managers over NPA her CETV and Real Increase has not been shown above.

There are a number of disclosures in respect of staff pay that the Trust is obliged to make:

Median Salary Disclosures

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

	2017-18 (bands of £5,000)	2016-17 (bands of £5,000)
Band of highest paid director/member's total remuneration	255 - 260	250 - 255
Median total remuneration (£)	26,002	28,238
Ratio	9.9	8.9

In 2017/18, 30 (2016/17: 6) employees received remuneration in excess of the highest-paid director/member. Remuneration ranged from £14 to £632k (2016/17: £128 to £540k).

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

Business related travel and subsistence expenses

1 Executive Director received travel and subsistence expenses totalling £27 (2016-17: two, £433).

1 Non-Executive Director received travel and subsistence expenses totalling £1,187 (2016-17: two, £873).

2 Governors received travel and subsistence expenses totalling £604 (2016-17: one, £207).

Early retirements due to ill health (audited)

	2017-18 Number	2016-17 Number
Early retirements on the grounds of ill-health	3	5
	£000	£000
Early retirements on the grounds of ill-health	317	250

The cost of ill-health retirements is borne by NHS Pensions.

Termination benefits (audited)

By number of cases:	2017-18	2016-17
Exit package cost band (including any special payment element)	Total	Total
Less than £10,000	15	24
£10,000-£25,000	3	7
£25,001-£50,000	1	-
£50,001-£100,000	2	1
£100,001 - £150,000	-	1
Total	21	33

By value of payments:	2017-18	2016-17
Exit package cost band (including any special payment element)	Total £000	Total £000
Less than £10,000	46	88
£10,000-£25,000	42	110
£25,001-£50,000	30	-
£50,001-£100,000	181	57
£100,001 - £150,000	-	130
Total	299	385

All termination benefits related to other agreed departures. There were no amounts payable as a result of compulsory redundancies.

Off Payroll Arrangements (audited)

For all off-payroll engagements as of 31 March 2018, for more than £245 per day and that last for longer than six months

Number of existing engagements as of 31 March 2018	5
Of which...	
No. that have existed for less than one year at time of reporting.	1
No. that have existed for between one and two years at time of reporting.	4
No. that have existed for between two and three years at time of reporting.	0
No. that have existed for between three and four years at time of reporting.	0
No. that have existed for four or more years at time of reporting.	0

For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018, for more than £245 per day and that last for longer than six months

Number of new engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018	7
Of which:	
Number assessed as within the scope of IR35	0
Number assessed as not within the scope of IR35	7
Number engaged directly (via PSC contracted to trust) and are on the trust's payroll	0
Number of engagements reassessed for consistency/assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2017 and 31 March 2018

Number of off payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure must include both off payroll and on payroll engagements.	21

**The Trade Union (Facility Time Publication Requirements) Regulations 2017
SCHEDULE 2 Information to be published**

Relevant union officials

What was the total number of your employees who were relevant union officials during the relevant period?

<i>Number of employees who were relevant union officials during the relevant period</i>	<i>Full-time equivalent employee number</i>
39	11,383.45

Percentage of time spent on facility time

How many of your employees who were relevant union officials employed during the relevant period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time?

<i>Percentage of time</i>	<i>Number of employees</i>
0%	0
1-50%	38
51%-99%	0
100%	1

Percentage of pay bill spent on facility time

Provide the figures requested in the first column of the table below to determine the percentage of your total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period.

<i>First Column</i>	<i>Figures</i>
Provide the total cost of facility time	£98,466.048
Provide the total pay bill	£674,494,526
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.015

Paid trade union activities

As a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on paid trade union activities?

<i>Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100</i>	0
--	---

Expenditure on consultancy

On occasion the Trust brings in consultants from outside the Trust to provide advice and support that cannot be provided within the Trust.

	Group	
	2017-18 £000	2016-17 £000
Consultancy costs	3,401	4,632

Staff Report

King's People 2017/18

Workforce

King's strength and distinctiveness is the commitment and compassion of our staff to their patients and to one another. Against the background of financial and operational challenges, and changes in the executive leadership at the Trust, our people agenda achieved some significant milestones and has laid the foundations for future improvement.

We have seen strong performance in terms of our recruitment and retention across the Trust. Our vacancy rate fallen in all key areas. Nursing and Midwifery has dropped from 15.5% to 9.2% and both Networked Care and UPACs are below the Trust's 8% vacancy target at 5.8% and 7% respectively. The vacancy rate for the Princess Royal University and South sites also fell from 17.8% to 11.9%. While it remains above the Trust target, it represents a significant year on year reduction considering the specific recruitment challenges in Bromley and Orpington. We also witnessed a year on year reduction in voluntary turnover to 13.2% (2016/2017: 15.7%) and a proactive approach to sickness management has delivered savings in bank and agency premium payments and a reduction of working days lost from 12.4 days to 7.1 days. The result, a more stable workforce, plays a major factor in delivering high quality and safe patient care.

Providing learning and development opportunities continues to be a priority. Following a wide staff consultation, we launched a new learning, education and appraisal platform. LEAP gives staff a single, user-friendly destination for all their learning and development needs. In the first year over 90 per cent of staff have accessed the service and most recently we developed and launched a new, simpler appraisal process via the platform.

The Trust also took some proactive action following the results of the 2016 NHS Staff Survey. We launched two bespoke programmes to strengthen the Trust's leadership capability and career development. A new, pan-Trust line manager's training programme and a career development tool for our nurses will help to unlock the leadership potential of our staff.

Supporting and recognising the diversity of our staff was also a key theme from the results. We serve one of the most diverse communities in London and this is reflected in our own workforce. The BAME Network and Steering Group was relaunched and one of the year's highlights was a series of events for Black History Month. Additionally, we launched OUTStanding for our LGBT community and canvassed staff for their thoughts for a Disability Network which will support NHS England's Workforce Disability Equality Standard.

The more recent 2017 Staff Survey results however, underlined how challenging the past year has been for our staff. While some of the results were disappointing, improvements were noted in the areas of health and wellbeing and senior leadership visibility. There is still work to be done in some key areas and the Trust is finalising action plans to support the survey's main findings.

Key workforce metrics

Staff Numbers (audited)

	Total 2017/18 No.	Permanent 2017/18 No.	Other 2017/18 No.	Total 2016/17 No.	Permanent 2016/17 No.	Other 2016/17 No.
Medical and dental	2,114	798	1,316	2,188	1,862	326
Administration and estates	2,525	2,169	356	2,530	2,260	270
Healthcare assistants and other support staff	1,314	1,175	139	1,144	1,096	48
Nursing, midwifery and health visiting staff	4,870	3,756	1,114	4,594	3,833	761
Nursing, midwifery and health visiting learners	13	1	12	15	15	0
Scientific, therapeutic and technical staff	1,612	1,245	367	1,554	1,337	217
Healthcare science staff	289	261	28	304	304	0
Social care staff	13	13	0	11	11	
Total average numbers	12,750	9,418	3,332	12,340	10,718	1,622

Analysis of Staff Costs

	2017-18			2016-17		
	Permanently employed		Total	Permanently employed		Total
	£000	£000	£000	£000	£000	£000
Salaries and wages	480,658	5,524	486,182	448,851	-	448,851
Social security costs	49,107	-	49,107	46,106	-	46,106
Apprenticeship levy	2,318	-	2,318	-	-	-
Employer contributions to NHS Pensions	56,783	-	56,783	54,144	-	54,144
Temporary staff (including agency)	-	89,915	89,915	-	91,985	91,985
Total gross employee benefits	588,866	95,439	684,305	549,101	91,985	641,086
Recoveries from other bodies in respect of staff cost netted off expenditure	-			(729)		(729)
Total employee benefits	588,866	95,439	684,305	548,372	91,985	640,357
Of which						
Costs capitalised as part of assets	(1,619)	-	(1,619)	-	-	-
Total employee benefits excluding capitalised costs	587,247	95,439	682,686	548,372	91,985	640,357

Staff Sickness Absence

One of the Trust cost improvement programmes for 2017/18 was a real focus on attendance management. Through the improved management of sickness absence using a sickness absence case management team the Trust was able to save £630,000 of bank and agency premium payments as less temporary staff were required to backfill staff on sick leave. The average number of working days lost also reduced from 12.4 to 7.1. This project will be ongoing into 2018/19 and further savings and reductions in the number of days lost are expected.

	2017-18	2016-17
	Number	Number
Total days lost	78,229	116,830
Total staff years	10,953	9,419
Average working days lost	7.1	12.4

Average sickness absence days are provided by the Department of Health, and are calculated using calendar years, rather than financial years.

Recruitment

Against an on-going challenging situation, the Trust reduced its vacancy rate significantly from 13.7% to 9.2%. Nearly 3000 people joined King's in 2017/18 with c.2400 directly recruited whilst others commenced rotational programmes. The Trust again recruited c.400 nurses from overseas, which contributed to the Nursing & Midwifery registered vacancy rate reducing from 15.5% to 9.2%. The Trust's 2 main Divisions on the Denmark Hill site have vacancy rates now below the Trust 8% target, with UPACS at 7% and Networked at 5.9%. Whilst the PRUH vacancy rate is above target, it has reduced from 17.77% to 11.9%. Voluntary turnover has reduced from 15.7% to 13.2%. King's continues to improve recruitment efficiency and introduced a new applicant tracking system in January 2018, which provides line managers with greater detail and of candidates within their recruitment pipeline.

A Diverse Workforce

King's College Hospital NHS Foundation Trust is continuing to develop a culture which values each person equally as a unique individual. During the period of this report, we have developed a Diversity and Inclusion strategy to 2020 based on the following twin priorities

1. Better understanding the needs of under-represented groups in King's and
2. Cultivating a culture of inclusion.

We continue to use Workforce Race Equality Standard (WRES) and the Department of Health's Equality Delivery System (EDS2) to support robust equality objective setting across the four key EDS2 outcomes:

1. Better health outcomes for all
2. Improved patient access and experience
3. Empowered, engaged and inclusive staff
4. Inclusive leadership

We are continuing to embed and monitor inclusion through established governance including the Education & Workforce Development Committee, BAME Steering Group and Patient Experience Committee.

Staff Led Diversity Groups

During 2017 we've engaged with staff across the Trust to re-launch the BAME and Disability Staff Networks which has resulted in celebrating key events such as Black History Month and helping the organisation to prepare for the launch of the Workforce Disability Equality Standard. In addition to this we continue to engage with the LGBT forum to plan each year for the annual Pride march.

Gender Pay Gap

In response to new legislation introduced in 2018 the Trust reported its Gender Pay Gap. Our analysis of the data shows that the average female salary is 23.6% less than the average male salary and 17.75% less when the median calculation is applied. Over the next year we will be undertaking further analysis to determine why there is a gap and agree measures to address it such as reviewing the process for receiving a Clinical Excellence Award. At senior manager and Director level in the Trust, men and women are equally represented.

Promotion of Dignity and Respect

The Trust has clear processes for dealing with reported cases of bullying and harassment. Linked to this we continue to provide support to staff through the Freedom to Speak Up Guardian and Employee Assistance Programme which staff can access to support them with a different issues (e.g. work concerns, financial issues, relationship advice, bullying and harassment etc.

We also have 6 formally accredited staff mediators who work with managers and staff to attempt to resolve work related issues informally.

Positive about disabled people

King's recruitment, training and equal opportunities policies are designed to support those who declare a disability. Policies apply from the pre-employment stage, when applying for vacancies, to supporting those who become disabled during the course of their employment and ensure that all staff have equal access to promotion and development opportunities.

To help improve the experience of those working at King's with a disability, staff are signposted to relevant support provided through the Occupational Health & Wellbeing service and Disability Staff Network. The Disability Network is in the process of agreeing its Terms of Reference so that it can provide more targeted support to staff working in King's College Hospital with a disability.

Training is also provided for staff working with people who may have learning disabilities, and there are e-learning programmes available which relate to a range of diversity issues, plus an introductory British Sign Language e-learning programme.

	2016/17		2017/18		
	Headcount	%	Headcount	%	
Age					
0-16					
17-21	110	1%	88	0.7%	
22+	11644	99%	12228	99%	
Ethnicity					
White	6074	52%	6070	49%	
Mixed	341	3%	372	3%	
Asian or Asian British	1782	15%	2092	17%	
Black or Black British	2384	20%	2409	20%	
Other	671	6%	821	5%	
Unknown	502	4%	572	5%	
Gender (all staff)					
Male	2768	24%	2951	24%	
Female	8986	76%	9385	76%	
Gender (senior managers)					
Male	30	58%	26	53%	
Female	22	42%	23	47%	
Gender (directors)					
Male	9	47%	7	47%	
Female	10	53%	8	53%	
Recorded Disability					
Yes	290	2%	328	3%	
No	10051	86%	10863	88%	
Not Declared	671	6%	712	6%	
Unknown	742	6%	433	4%	
Sexual Orientation					
Bisexual	101	1%	117	1%	
Gay	167	1%	217	1%	
Heterosexual	8891	76%	9630	78%	
Lesbian	46	0%	64	0	
I do not wish to disclose	1725	15%	1847	15%	
Unknown	824	7%	461	4%	
Religion					
Atheism	1171	10%	1348	10%	
Buddhism	140	1%	215	2%	
Christianity	5959	51%	6371	52%	
Hinduism	378	3%	436	4%	
Islam	501	4%	592	5%	
Jainism	15	0%	17	0%	
Judaism	29	0%	35	0%	
Sikhism	90	1%	118	1%	
Other	658	6%	677	5%	
I do not wish to disclose	1999	17%	2075	17%	
Unknown	814	7%	452	5%	
Total Staff Numbers	11754				

Our approach to staff engagement

We use the data and commentary from leavers' surveys, the quarterly staff friends and family test (FFT) and the annual staff survey to inform us on how staff feel about working at King's. We also get regular feedback via our Joint Staff Consultative Committee (JSCC) and our Admin & Clerical Forum on the key issues and concerns facing staff.

In 2017, we used the 2016 staff survey we identified six key themes to focus on in relation to staff engagement, as outlined below. Each of these themes had a workstream, led by a member of the Executive team, and including representation from across the Trust including staff side.

Senior leadership communications, relationships and visibility
Talent and Career Development
Diversity and Inclusion
Health and Wellbeing
Improving support for line managers
Valuing and recognising staff

These workstreams will continue into 2018/19, with some of the work becoming part of our business as usual activity. In addition we have tasked senior leaders with addressing staff engagement morale in their areas via the 2018/19 corporate objectives, and will separately be developing a Trust-wide action plan to address discrimination and tackle bullying and harassment.

Summary of results from the 2017 NHS staff survey

The survey was open from 9th October to 1st December 2017 and all staff directly employed by the Trust (n=11,545) were invited to complete the survey. The survey closed with a 44% response rate (n = 4915) which was a significant increase from 36% response rate in 2016. Our overall staff engagement score was 3.72 which is lower than King's score in 2015 (3.74) and the sector average (3.79). However, for the second year running, 90% of staff believe that their role makes a difference to patients / service users

King's scores were above average in 3 of the 32 key findings and below average in 27 areas, with 19 being in the worst 20% and 2 in line with the sector average.

The four biggest positive changes since the 2017 survey were:

- KF1 staff recommendation of the organisation as a place to work or receive treatment - up from 3.67 to 3.71
- KF6 percentage of staff reporting good communication between senior management and staff - up from 25% in 2016 to 29% 2017.
- KF12 quality of appraisal - up from 3.13 to 3.20
- KF19 organisation and management interest in and action on health and wellbeing - up from 3.38 to 3.43

Top and bottom 5 ranked scores

The top five ranking scores for King's in comparison with other acute Trusts (King's rating is first) were as follows:

Quality of appraisals	3.20 vs 3.11 (out of 5)
Staff/colleagues reporting most experience of violence	69% vs 66%
Staff agreeing their role makes a difference to patients/services users	90% vs 90%
Quality of non-mandatory training, learning or development	4.04 vs 4.05 (out of 5)
Staff reporting errors, near misses or incidents in the last months	90% vs 90%

The bottom five ranking scores for King's in comparison with other acute Trusts (King's rating is first) were as follows:

% of Staff appraised in the last 12 months	65% vs 86%
% of Staff attending work despite feeling unwell in the last 3 months, due to pressure from manager, colleagues or themselves	59% vs 52%
% of Staff experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months	36% vs 28%
% of Staff witnessing potentially harmful errors, near misses or incidents in the last months	40% vs 31%
% of Staff believing the organisation provides equal opportunities for career progression or promotion	73% vs 85%

Monitoring delivery of improvement in staff engagement

Our aim is to continue improve our staff survey scores across the following key findings during 2018/19, as well as our overall staff engagement scores:

- % staff reporting good communication between senior management and staff
- Recognition and value of staff by managers and the organisation
- Support from immediate managers
- % staff appraised in last 12 months
- % believing that the organisation provides equal opportunities for career progression or promotion
- Organisation and management interest in and action on health and wellbeing

Progress against each of the six workstreams identified above will continue to be monitored (including via our quarterly FFT) and the progress fed into the Trust Board via our Education and Workforce Development Committee.

Health and Safety Summary 2017/18

The Regulatory Governance Department reports to the Trust Quality Assurance & Research Committee, a sub-committee of the Trust Board. This summary provides details of monitoring and responding to the Occupational Health and Safety needs across the Trust for the year April 2017 to March 2018.

Key activities include:-

- The formation of a dedicated DSEAR Risk Assessment Team.
- To provide assurance by further fire safety reviews and training following the Grenfell Tower fire.
- Continue to complete Workplace Risk Assessments, Display Screen Equipment assessments and follow up actions.
- The provision a Skin Surveillance Scheme to avoid Dermatitis.
- Further development of the COSHH risk assessments to include the new Workplace Exposure Limits.
- Reducing areas susceptible to visitors/ patient harm, such as removing Ligature Points and replacing non-shatter proof windows.
- Continued improvements for the safer use, handling, storage and transportation of articles and potential hazardous substances.

RIDDOR

The number of incidents resulting with a RIDDOR submission to the HSE has decreased. The total number of RIDDORs reported for the period 2017/18 was 27 (32 in 2016/17), representing a slight decrease of 16 % compared to last year and an overall decrease of 47% from 2015/16. The continual linear decline in submitting RIDDORs is encouraging but is recognised, in part, due to a change in reporting criteria and Trust safety awareness. Overall trends indicate that several areas show a significant decrease and this demonstrates the mitigating actions put into place have been successful.

The most common injuries are:

Injury Type	2016	2017
Sharp Injuries:	13	07
Splash Injuries	01	07
Slips, Trip & Falls	06	07
Others	12	06

A total of 10 staff members were absent from work for over a period of 7 days or more. Total accumulated absence = 481+ days

Sharp injuries have historically been the cause of the highest percentage of RIDDOR submissions, followed closely by Slip, Trips and Falls. This reporting period shows an increase in Splash Injuries. Safety Training for 2017/18 continues to focus upon these areas in an effort to proactively manage these hazards as far as reasonably practicable.

Significant Events:

- A management strategy for a staff member with ongoing Dermatitis issues was observed in PRUH in Jun 17. Education and alternative supplies of soap and hand-wash were provided to reduce the risk of ongoing dermatitis to the member of staff concerned. The HSE were aware of the incident but were satisfied with the Trust's proactive management of the situation and resulted with no further involvement.
- An Emergency Trauma Network Exercise, involving several hospitals including KCH, occurred in June 17. Exercise was designed to test Trauma Units in Surrey and Kent areas and provided a good training opportunity for the Trust.
- Complaints were made to the HSE by a former member of the Trust, regarding the alleged inadequacies of the ventilator filters in DH. The concern was that engineering personnel were at risk of contracting airborne infections. The Trust explained to the HSE that the ventilation filters involved were effective and that the CQC were satisfied with these following their earlier inspection raised by the fears of the same complainant. No further action was taken by HSE.
- During the wet weather season, several leaks containing sewage manifested in the offices and changing areas used by Medirest Staff. The contamination rendered these areas unfit for work. A collaborative clean-up operation was conducted by Thames Water and KCH and further maintenance evolutions were taken as a preventative measure.
- In Sept 2017, there were two separate incidents involving patients absconding from Green Parks House Mental Health Services adjacent to the PRUH. On both occasions, two males transited through the PRUH grounds to scale the scaffolding at the rear of the hospital. These events occurred within a week of each other. No injuries were sustained.
- Two nurses in PRUH complained of suffering the effects of exposure to obnoxious fumes within the Endoscopy Machines in the Main Theatres. One of the two was taken to ED for treatment after the exposure. There was no permanent damage or effects sustained. The room was immediately isolated and examinations showed that a spillage of Hydrogen Peroxide and Peracetic Acid was the cause. Measures put into place included the provision of a new air filter/monitor, a drip tray, a new equipment cover and re-training all involved staff.
- In Jan 2018, Ionising Radiation Regulations (IRR17) replaced IRR99: The changes are that depending on the ionising radiation work being carried out, employers may need to apply to the Health and Safety Executive to notify the HSE of the work, register the work or obtain consent for the work.
- No other piece of Health and Safety legislation relevant to KCH has come into force during the reporting period.

Accident Investigations

There have been 3 investigations conducted over the reporting period. These include:

- A member of staff sustained injuries when a staff member slipped on a wet floor, resulting with severe injuries to the arm and back.
- A staff member collided with the prongs of a stationary Fork Lift Truck in the vicinity of Unit 7 whilst transiting the area, resulting with an injury to her head. The staff

member has indicated that she was seeking advice upon taking legal action against the Trust for compensation.

- Another member of staff sustained a fracture to her leg and injuries to her arms when she fell over an empty wheelchair in the Dental Department. The resulting injury required a visit to ED and subsequently, hospitalisation. This staff member is also seeking legal advice with the view to suing the Trust.

Environment

As a result of an ISO 14001 Environmental Audit in 2017, it was identified that the Trust was unable to evidence with DSEAR and COMAH legislation (regulations requiring the elimination or reduction of the risk of fire and explosion from substances connected with work activities). An external audit was accomplished and remedial actions taken to address any deficits. Although broadly compliant, the recommended actions included:

- i. Formation of a dedicated Trust DSEAR Audit Team.
- ii. Improved husbandry in the External Bulk Stores managed by Viapath and Medirest.
- iii. Accurate record keeping by all parties.
- iv. KIFM to provide more efficient management of bulk deliveries to the Trust.

Training

The RGD monitors safety training against the Trust target of 80%. Overall compliance with H&S training stood at 91% at the end of Q4 2017.

It was reported that there has been a lack of training of Waste Management for Trust staff. This is due to the fact that Waste Management was not part of the Mandatory Training Programme. However, in the interim, it is intended that Waste Management should be updated as a topic in the e-learning package, with the ambition that it is included in LEAP in the future.

Violence and Aggression

Violence and Aggression (V&A) against healthcare workers have again increased across the UK over the last 12 months. King's Staff have a rise in assaults (both verbal and physical) with the number of reported assaults totalling 3367 and 144 thefts. These are categorised by areas:

2017/18

- | | |
|---------------|------|
| • PRUH: | 823 |
| • DH: | 2611 |
| • Other sites | 77 |

As a way of addressing the low levels of Conflict Resolution Training, it is anticipated that this will be eventually implemented into the Mandatory Training programme currently run by the Trust. Discussions continue with the Learning and Organisational Development team.

Conclusion

In summary, Occupational Health and Safety is recognised by KCH to be a fundamental in the delivery of safe services for staff, visitors and patients. Progress to ensure that the Trust meets the requirements for H&S legislation was consistent throughout the reporting period. The annual plan for 2018-19 will continue to progress its management of safety, with particular focus on:-

- Assurance of H&S Audit results
- Investigating a more efficient method of completing WRAs.
- Improving Mandatory Training Rates.
- Improving further H&S competencies across the Trust.

Putting our Patients and Public in Focus

Council of Governors: representing the patient voice

The key functions of the Council of Governors are to hold non-executive directors to account for the performance of the Board and to represent the interests of members and the public.

In order to meet their key responsibilities, governors ensure that the patient voice remains at the forefront of King's work by providing lay representation and an external perspective on a range of committees and working groups. These include the Committees of the Board and:

- End of Life Care Group;
- Older People's Committee;
- Nutrition Support Steering Group;
- Patient Experience Committee;
- King's Commendation Panel.

More information about governors and their committees can be found in the previous section.

Patient experience

Both governors and members continue to volunteer to help with a range of projects aiming to improve the experience of patients. Some of these projects are outlined below.

PLACE assessments

Governors and members have joined multi-disciplinary teams to take part in our annual Patient Led Assessments of the Care Environment (PLACE). Teams of assessors go into all our hospitals to assess how the environment supports patients' privacy and dignity, food, cleanliness and general building maintenance. The focus is entirely on the care environment, not clinical care provision or staff competency.

Improving Patient Food Service

Governors and members have continued to take part in patient food service audits and menu tasting sessions on our wards to help to improve the quality of patient food. These audits include interviews with patients about different aspects of the patient food service.

Annual Members Meeting

On 28 September 2017 governors and members gathered for the Annual Members Meeting. The event was well attended and members were offered the chance to have routine health checks.

A review of the past year and a financial review was presented by Nick Moberly, Chief Executive. Chris North, Lead Governor reported to members on the activities of the Council of Governors during the year and how they had discharged their responsibilities. The formal part of the meeting was followed by sessions on the Quality Priorities and the sustainability of healthcare services in South East London, presented by Mark Easton, Programme Director, for Our Healthier South East London.

Membership strategy and action plan

King's Board of Directors approved a new three year membership strategy and one year action plan in July 2017.

The vision set out in the Strategy is that, by 2020, the King's membership will be a more representative and active community of patients, citizens and local voluntary and community

organisations who work with us to improve and support our services. Through an active membership we will involve more patients and local people in designing our services and our information and in providing insight to the governors and the board about how we are doing. We will build partnerships with local voluntary and community organisations to help us hear from local communities and to improve the care and support to our patients, carers and families.

King's membership is split into three constituencies: public, patient and staff.

Public membership - anyone who is 16 years old or over and lives within the London Boroughs of Lambeth, Southwark, Bromley or Lewisham is entitled to become a public member.

Patient membership - anyone who is 16 years old or over and lives outside the four boroughs but has been a patient of King's in the last six years, or has been the carer of a patient of King's in the last six years, is entitled to become a patient member.

Staff membership - All staff that have employment contracts lasting more than 12 months are automatically opted into membership. They have the option to opt out should they wish to. King's Volunteers and full time employees of King's contractors are also eligible to become members, though they have to opt in to become a member.

Associate Membership

The King's membership strategy 2017-2020 set out our commitment to introduce a new form of Associate membership of King's for voluntary and community organisations. Over 50 organisations have either joined or are in the process of joining since launching Associate membership in October 2017. Associate membership has enabled King's to build partnerships with a range of local organisations and increase awareness of our work. For example:

- King's has now joined Dementia Action Alliances across our three main boroughs and the Alliances have become Associate members of King's. Dementia teams across our sites are building links with community based dementia support as a result
- A range of mental health groups have joined King's and information from the groups is being made available to our psychiatric liaison team in the emergency department
- Children and young people's groups have started to build links with the Variety Children's Hospital through joining King's, including an innovative partnership with the Prince's Trust which is being set up for 2018-19.

In 2013/2014, in accordance with the revised membership development strategy, a target of maintaining a patient and public membership of between 9,800 and 11,100 members was set.

At 31 March 2018, our patient and public membership stands at 10,752 and circa 11,500 staff members within our target of maintaining a patient and public membership of between 9,800 and 11,100 members. (see below for more detail)

Current membership numbers.

Public constituency	Last year (2017/18)
At year start (April 1)	7,992
New members	118
Members leaving	174
At year end (March 31)	7,936
Staff constituency	Last year (2017/18)
At year start (April 1)	11,130
New members	2,097
Members leaving	1,727
At year end (March 31)	11,500
Patient constituency	Last year (2017/18)
At year start (April 1)	2,814
New members	92
Members leaving	90
At year end (March 31)	2,816

Membership engagement 2017-18

Annual members' meeting and members' community events

131 people attended the Annual Members Meeting in September 2017. A report of members' feedback was produced including their ideas for improving the 2018 Annual Members meeting.

140 members attended community events held in Southwark and in Bromley in March 2018, to meet the new Chairman and contribute to the discussions on financial special measures and our priorities for quality improvements in 2018-19. A report setting out members' priorities for King's has been produced for use by governors and King's Executive.

Members Health Talks and Talk Back programme

Around 300 members participated in our Health Talks in 2017 and our new members Talk Back sessions in 2018 at Denmark Hill and the PRUH. These included discussions on a range of King's services including Parkinson's, major trauma, motor neurone disease, arthritis, musculo-skeletal disorders, continence management, dental services, pancreatic cancer, skin conditions and the specials team.

The 2018 Talk Back sessions have been run in partnership with King's Associate members from local voluntary organisations and focused on gathering feedback from members' on:

- Signage and accessibility information at Denmark Hill – with Disabled Go
- Cancer care at Denmark Hill and Macmillan Cancer Support
- Palliative and end of life care at King's
- Dementia care at the PRUH and Bromley Dementia Action Alliance

Feedback reports have been produced from each event with members' feedback about service improvements and shared with the services and partners involved.

Member engagement in quality and transformation programmes

King's members have participated in a range of events to support the development of King's quality priorities and transformation projects, including workshops on outpatient transformation, the focus for King's quality priorities, a senior leadership development day and PLACE (Patient Led Assessments of the Care Environment) programmes in 2017 and 2018 across all our sites.

Volunteer Services

This has been a busy year for King's volunteer service with continuous development of new volunteering roles across the Trust in line with organisational priorities to improve patient and visitor experience.

There were two roles in particular that we wish to highlight:

- We were successful in bidding for funding from innovation charity NESTA to pilot intensive volunteering for over 50s in our Emergency Departments. Our team of volunteers had over 9745 patient interactions with over 3000 hours of volunteering given. The overwhelmingly positive feedback from patients and staff means that we have plans to continue to have a volunteer presence at both A&E sites going forward.
- Due to the success of a hand massage pilot the previous year, we trained more volunteers and the service was expanded to PRUH. More than 60 patients have benefitted from the service. On the back of this work, an abstract titled 'Complementary Therapy in an Acute Hospital: Training Volunteers to Provide Hand Massages to Palliative Care Patients' will be published in the journal Palliative Medicine shortly

As part of work to improve our internal systems, we have embedded our dedicated volunteer management system - Better Impact. This is providing us with accurate records about our volunteers, volunteer numbers and the impact of volunteering. The system provides us with the ability to sign volunteers in and out of shifts and the facility for volunteers to record their interactions with patients and visitors which allows us to measure impact. It has also improved our communication with volunteers and vice-versa.

There has also been an emphasis on volunteer experience and engagement. In 2017, the Trust took part in the national celebration of Volunteers Week. We hosted an event recognising and celebrating volunteers and staff who have gone above and beyond in their support of the service. We launched bi-monthly volunteer newsletter and also host quarterly volunteer afternoon teas with guest speakers.

To broaden support for patients and to tackle specific areas of need, we continually develop new volunteer roles in response to need and requests from staff and patients. For example, as a result of the major incidents last year, a new volunteer role has been developed to support staff and patients should there be any major incidents in the future.

Volunteers continue to be involved in one off opportunities such as knitting events for dementia patients, conducting surveys for pharmacy, PLACE assessments, assisting at end of life care events, the Annual Members Meeting and staff health and wellbeing events. Volunteers continue to be assessors helping us with the interview process for potential volunteers.

The comments below show the difference volunteers make to patient experience.

Thanks to all the Kings volunteers who gave my sister hand massages during her stay, she found them so beneficial, relaxing and comforting. What a wonderful service. Thank you very much.

Staff also find the support of a volunteer invaluable as the comment below shows:
It adds a personal touch to the department, having someone who can add that little bit extra that other staff just do not have the time to do I think is really nice for the patient experience.

Most of our volunteers are from the local community and come with different motivations whether its wanting to get experience in the healthcare sector or to use their skills. For others it's a way of giving something back after having been a patient themselves. The motivations of volunteers tells us a lot about the care they receive here at Kings. The comments below illustrate that.

King's is my local hospital and I know that the level of care and expertise I experienced was invaluable. Giving my time as a volunteer is my way of saying thank you.

After having a brilliant experience during my own treatment at King's I wanted to give something back. Three days a week, I'm in ED assisting patients in every way I can. A normal day for me can involve lots tea making, giving directions and comforting patients. It's all about helping patients. Being there to talk to them before their families arrive can make a huge difference, lots of patients don't want to be alone.

My husband was very ill and received treatment in the Haematology unit. The staff looked after him for around six months and they were marvellous. Everyone was so kind and went out of their way to provide the best possible care. When he passed away, I decided I wanted to do something for King's, I wanted to help.

It is always pleasing when the volunteer programme is recognised through nominations and awards and this year has been no exception. The Lammy Awards were organised by NHS Lambeth CCG to recognise the contributions of individuals and teams supporting excellent health and care services in the borough. Volunteers won the 'Kindness' Award for the support they provided to victims of the various major London incidents. The London Evening Standard and Southwark News acknowledged the support provided by King's volunteers.

The Home Hamper Scheme offers patients a food parcel to take home with them on discharge. This service is predominantly targeted at those patients who have been long-term inpatients and may not have much in their cupboards when they return home, patients who are being discharged to a new home environment, and those who face other hardships. The scheme has also supported patients who come through the Trust's homeless team as well as families who come from afar when a child is undergoing treatment. There have been 600 referrals at Denmark Hill since the programme began in October 2014 and approximately 150 at PRUH.

All food for this initiative has been charitably donated. At Denmark Hill, we are pleased for the support of Morrison's Peckham who graciously provide us with the opportunity to host collections at various times of the year. At Princess Royal, we are thankful to the Friends of PRUH for their ongoing support of the scheme.

Externally, we continue to be seen as a centre of volunteer excellence and have had visits from several hospitals and charities. We continue to be a key influencer in volunteering with strong links with key decision makers including the Greater London Authority, NHS England, Nesta and the Office for Civil Society (DCMS). Head of Volunteering sits on the Volunteering Action Group for NHS England. She was also asked to write a blog to mark International Volunteer Managers Day for NHS England. <https://www.england.nhs.uk/blog/the-incredible-volunteering-hat-trick/> Kings Volunteer programme has also engaged with the Centre for Ageing Better on their review and call for evidence regarding older people and volunteering. The service has also hosted volunteers from NHS England as part of a pilot scheme.

Stakeholder Engagement

Recognising the importance of partnership and collaboration as well as fostering the ongoing support, the Trust continued to engage with a broad range of stakeholders throughout 2017/2018. These groups have included Clinical Commissioning Groups, NHS England, NHS Improvement, local authorities, Healthwatch, Members of both the House of Commons and the House of Lords as well as charities that we work in partnership with to provide patient care and support.

With the imposition of Financial Special Measures in December 2017, we have welcomed the reassurance and support provided by the stakeholder community that patient care and supporting our staff remain our key priorities alongside achieving financial stability.

Throughout the year we attended Health Overview and Scrutiny Committees of our local authorities. It provided an opportunity not only to report on the Trust's performance and progress in key areas, service developments but also to participate in developing local health strategies.

We have also continued to ensure that our Governors and membership were kept informed activity across the Trust and to have their say. The Annual Members Meeting and members community events ensure their views are communicated to the Board and considered as part of the annual strategic planning process. The Trust also actively engagement with our membership and patients through working with local groups in the communities we serve. As well as sharing information we have continued to support initiatives that would have a direct impact on patients, staff and visitors such as any proposed changes to public transport. We remain committed to maintaining proactive and honest dialogue with all our stakeholders. It is with their support that the Trust can not only continue to provide the very best patient care but also lift the Trust out of Financial Special Measures.

The Disclosures set out in the NHS Foundation Trust Code of Governance Statutory framework

King's College NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. The NHS Foundation Trust Code of Governance is based on the principles of the UK Corporate Governance Code. King's meets all the main principles of the code, especially those relating to the development and management of patient services and accountability for the use of public resources. The Trust was placed in an enhanced regime of Financial Special Measures by NHS Improvement in 2017/18 following a substantial variation to the planned deficit for the year.

NHS Improvement's Single Oversight Framework

Single Oversight Framework

See table 1 on page 12 for operational performance scores

Finance and Use of Resources

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

Table 14 : Finance and Use of Resources Scores

Area	Metric	Score 2017/18 Quarter 1	Score 2017/18 Quarter 2	Score 2017/18 Quarter 3	Score 2017/18 Quarter 4
Financial sustainability	Capital service liquidity	4	4	4	4
	Liquidity	1	2	4	4
Financial efficiency	I&E margin	4	4	4	4
Financial controls	Distance from financial plan	2	4	4	4
	Agency spend	1	1	2	2
Overall scoring		3	3	4	4

Cost Allocation Requirements

King's has complied with the cost allocation and charging guidance issued by HM Treasury.

The Trust's deficit for the year was £142.3m and this figure includes the asset impairment cost of £4.6m. This charge relates to impairments that arise from a clear consumption of economic benefits or service potential in the asset. The NHS Improvement financial performance control total measures the surplus (deficit) before impairments and after removing the I&E impact of capital donations/grants. The Trust's adjusted financial performance deficit was £139.0m.

Because of the continuing service provider relationship that the Foundation Trust has with NHS England and clinical commissioning groups, and the way those commissioners are financed, the Foundation Trust is not exposed to the degree of financial risk faced by business entities. The Foundation Trust has limited powers to borrow or invest surplus funds and financial assets. Liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Foundation Trust in undertaking its activities.

Full details of financial performance in 2017/18, the responsibilities of the Accounting Officer and a statement from the auditors can be found in the Annual Accounts 2017/18 later in this report

Table 15: Key Financial Implications

Full Year (£'000)	2017/18	2016/17
Operating income	1,115,799	1,110,219
Operating expenses	(1,222,151)	(1,167,112)
Operating surplus /(deficit) from continuing operations	(106,352)	(56,893)
Net finance costs	(35,899)	(26,019)
Deficit for the year	(142,251)	(82,912)
Add back impairment	4,617	34,258
Remove capital donations / grants I&E impact	(1,318)	(1,180)
Operational deficit before impairment	(138,952)	(49,834)

Statement of the Chief Executive's responsibilities as the Accounting Officer of King's College Hospital NHS Foundation Trust

The NHS Act 2006 states that the chief executive is the accounting officer of the NHS foundation trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS Improvement.

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require King's College Hospital NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of King's College Hospital NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

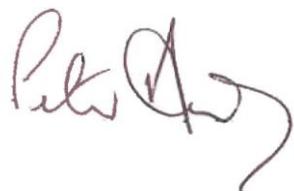
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health Group Accounting Manual and in particular to:

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance and
- prepare the financial statements on a going concern basis.

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

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

Signed:



Date: 14th June 2018

Peter Herring, Interim Chief Executive

Annual Governance Statement and Enhancing Quality Governance

Scope of Responsibility

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

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk or 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 King's College Hospital NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place within the Trust for the year ended 31 March 2018 and up to the date of approval of the annual report and accounts. A review of the effectiveness of the system of internal control can be found on page 93-94.

Capacity to Handle Risk

The Board of Directors develops and has overall accountability for the Trust's Risk Management Strategy which is managed and implemented by the executive directors and senior managers.

The Trust operates a unified approach covering both clinical and non-clinical risks which are recorded on an electronic risk register. The Board reviews the risk register quarterly and areas of risk are assigned to particular Board committees. Supported by the Patient Safety team, the Medical Director and Chief Nurse lead on clinical risks. The Chief Operating Officer has accountability for the development, implementation and testing of the Trust's business continuity plan. King's has a ward to board approach to its systematic comprehensive approach to the identification and mitigation of risk. Each care group has its own Clinical Lead for clinical governance including quality, risk and patient experience. These care groups feed into the Divisional senior management team and then up to the feeder clinical governance committees to the Board. The risk and quality framework is based on the CQC fundamental standards, and other NHS educational and research standards.

The Trust is committed to providing a learning environment for all levels of staff, to ensure that good practice is developed and disseminated to all areas of the organisation. The Trust's policies and risk strategies are kept on a central policy database available to all staff. As part of the corporate and local induction staff are provided with guidance and training on the Trust's risk management policies and strategies, they are also provided with updates through regular staff briefings and the Trust's intranet.

The Trust recognises that it is important to be outward looking and to learn and improve from the experience of other organisations and experts and where possible to benchmark the quality and performance of the services we provide to our patients. We do this through a variety of ways. We are members of external national groups and networks including but not limited to the Shelford Group which comprises leading NHS multi-specialty academic healthcare organisations, who are dedicated to excellence in clinical research, education and patient care.

The Trust uses the Healthcare Evaluation database which is set up to enable benchmarking internally and externally across a wide range of clinical effectiveness, patient experience and patient safety indicators. In addition, we seek both external and internal expertise such as the Department of Health, King's Health Partners and our governors to provide an independent critical eye. The Trust is also working collaboratively with other external providers through Our Healthier South East London (OHSEL) and the South East London Sustainability and Transformation Partnership (STP).

The Risk and Control Framework

Identifying, Evaluating and Controlling Risk

The Trust operates a cyclical mechanism for the identification, evaluation and control of risk, facilitated by means of a central risk register. This is a dynamic document which reflects corporate and local risks and their movement within the register. Divisional risk and governance committees identify risks and potential hazards and formulate actions plans to deal with them. Each risk is scored on a common basis across the Trust for likelihood and potential impact. Trust-wide risks are considered for the Corporate Risk Register, with those rated as 'red' reviewed by the Board's Quality Assurance and Research Committee in line with the Trust's Risk Management Strategy. Each Corporate Director is responsible and accountable for the management of the risks in their designated area and capturing them on the corporate risk register also. The risk register is comprehensive and includes data security.

Corporate risks are those identified as potentially impacting on the Trust's ability to deliver its corporate objectives, which by nature have an impact on its ability to deliver its strategic objectives. The Board Assurance Framework (BAF) enables the Board to focus on the principle risks to delivering the Trust's strategic objectives and the robustness of internal controls in place to reduce or manage the risks to acceptable levels. The controls in place and sources of assurances are reviewed to determine a risk rating which gives an indication of the likelihood and severity of the risk. Identified gaps in control and assurance inform action plans in mitigation. The Trust Board's Quality, Assurance and Research Committee (QARC) and Audit Committee have delegated oversight to review the BAF and make recommendations to the Board in respect of the risks and associated controls in place.

Key Elements of Quality Governance Arrangements

The Board carried out a self-assessment review as part of its plans to commission a full Well-Led report later in the year. The aim of the review was to ensure that the governance arrangements were fit for purpose for a changing organisation in challenging times. As a result changes have been made to the Board Committee membership and structure. While NED leadership continued to be assigned for each of the key strategic and forward planning priorities two more Board Subcommittees were created: Freedom to Speak Up Guardian and King's Commercial Ventures, to further support Directors work.

The Trust's quality governance framework has at its centre the Quality Assurance and Research Committee with a membership comprising four non-executive directors, the majority of the executive directors and Commissioner representation from Southwark and Bromley CCGs. A Governor Representative also attends the scheduled Quality Assurance and Research Committee, providing a written report to the Council of Governors on the matters discussed. The quality assurance and research reporting committees include: executive quality committee, patient outcomes, patient safety, patient experience and organisational safety, all chaired by executive directors. Executive directors are also accountable for reporting to the Quality Assurance and Research Committee on a rolling cycle. The reporting structures and processes are embedded across all sites down to Divisional and Specialty level.

This ensures that patient outcomes, patient and organisational safety and patient experience at all sites are integrated within existing and established quality governance monitoring framework and robust performance management infrastructure. Importantly, the relevant specialty and divisional clinical governance and associated committees operate across all sites have been required to implement the terms of reference and reporting procedures that are in line with Governance principles already at King's.

Through a defined reporting programme the Quality Assurance and Research Committee, which is a committee of the Board, and its reporting committees: executive quality committee, patient safety, patient outcomes, patient experience and organisational safety, will receive progress reports and assurances from the various committees which feed into them. All of these committees are minuted and have in place action trackers which are updated after every meeting.

The Board receives a monthly Performance Report and performance scorecard which provides up to date information on key quality indicators drilling down to site-specific information – Infection Control updates, patient safety, patient experience and clinical effectiveness, highlighting current quality and safety issues and action being taken.

A suite of other reports are received by the Board of Directors on a rolling quarterly cycle on patient safety, patient outcomes and patient experience, which provide site-specific information. The Chief Nurse/Chief Operating Officer provides a monthly report to the Board of Directors on nursing numbers in comparison to an acuity-based evaluation of safe staffing levels.

At the Quality Assurance and Research Committee, a quarterly report addressing the four dimension of quality, patient safety, patient outcomes, patient experience, are presented by the Medical Director and Chief Nurse/ Chief Operating Officer. The reports include updates on quality priorities, CQC key five domains and driving improvement across the quality dimensions:

- **Patient Outcomes:** mortality monitoring and review of mortality outliers, progress against NCEPODs and participation in National Audits, updates on public health priorities, NICE Quality standards
- **Patient Safety:** profile and analysis of adverse incidents and progress against related improvement work streams, serious incidents and improvement actions, adverse incident benchmarking data;;
- **Patient Experience:** National Surveys, monthly internal How Are We Doing Survey, updates from patient opinion websites, complaints and PALS trends and analysis, service improvements, outcome of Ombudsman investigations, Local CQUIN, Friends and Family Test and
- **Organisational Safety:** analysis of health and safety incidents, inspection findings.

A quarterly report on Infection and Prevention Control is provided by the Chief Nurse/Chief Operating Officer who is also the Trust's DIPC.

The performance of divisions is formally reviewed at the monthly Divisional performance review meetings led by the Chief Nurse/Chief Operating Officer in partnership with the Medical Director. These discussions inform the monthly Performance Report which is considered by the Board. The reports are structured so that the Board can drill down to site-specific performance and quality information.

Unresolved risks are passed to the Quality Assurance and Research Committee to review the adequacy of, and progress against action plans and to consider acceptance or further resolution. If additional resources are required to reduce the risk to an acceptable level, this

is considered by the Investment Board and, if necessary by the Trust's Finance and Performance Committee. Risks that have an above average consequence and likelihood are given priority in the resource allocation process. It is the Trust's policy as defined within the Risk Management Strategy that its risk appetite is defined as all red risks are required to be reviewed by the Board of Directors. The Board has decided that all risks assessed as having a greater than average likelihood of occurrence with a potential impact of more than moderate harm, are not acceptable and require mitigation. The Board reviews the nature and assessment of these risks and the potential impact on delivery of the Trust's Strategic priorities and careful consideration is given to whether the level of risk should be accepted or further treatment plans put in place. The Board will seek additional assurance or take direct action where it considers that risks are not being adequately controlled or accepted.

The Board Assurance Framework provides a high level management assessment process and record which enables the Trust to focus on the principal risks to delivering its strategic objectives and the robustness of internal controls to reduce or manage the risks to acceptable levels. In October 2015, the Board undertook a substantive review of the Board Assurance Framework to align it with the current strategic objectives, controls and assurances as well as national best practice. Where required, action plans were agreed to improve controls or assurances.

In the light of this review the following risks to strategic objectives were identified:

- **Demand and Capacity:** Unprecedented demand on the services is currently being addressed through integrated care initiatives, Emergency Department and Referral to Treatment Recovery Plans, scoping of a Transformation Programme and standardisation and reduction of duplication in service delivery. The Trust is also completing detailed demand and capacity modelling.
- Refreshed retention and recruitment and training programmes are currently rolled out across the organisation to meet the **workforce capacity and capability** requirements of services across the organisation.
- Financial pressure remains high on the Trust, but a cost improvement programme and the 5-year financial recovery plan have been put in place to improve **financial sustainability**. Work is ongoing to secure **sufficient cash flow and commissioner income**, with a review of financial processes under way.
- The Organisational re-structure has improved lines of accountability; innovative and transformational approaches to quality improvement are being developed to ensure that patients receive **high quality care** consistently and that **operational performance** is achieved.

During the course of 2017/18, two further risks were identified:

- Risk to operational performance and patient care as a result of **estate and equipment maintenance backlog**
- Failure to comply with legal/regulatory **information governance** requirements resulting in an enforcement notice/fine from the Information Commissioner or the Care Quality Commission

The Board Assurance Framework is updated by the Trust Secretary and reviewed by the Board periodically.

Assurance on compliance with relevant regulations, internal policies and procedures is undertaken through the Trust's committee structure for example CQC registration via QARC and fire regulations through the Health and Safety Committee. Compliance assessments are also undertaken by Internal Audit.

Care Quality Commission Registration

King's College Hospital NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is *Requires Improvement*.

In 2015 the Trust received a rating of **Requires Improvement** Trust-wide and for the Denmark Hill and Princess Royal University sites. Orpington Hospital received an overall rating of *Good*.

In September 2017 the Trust had a follow up inspection which noted significant improvement; however the Trust's rating remained the same as not all core areas were inspected on this occasion.

Table 20: CQC Ratings

CQC's Overall Rating for King's College Hospital NHS Foundation Trust						
	Safe	Effective	Caring	Responsive	Well-led	Overall
Overall Trust	Requires improvement	Requires improvement	Good	Requires improvement	Requires improvement	Requires improvement

Key issues highlighted in the CQC report were:

- **Patient flow** in Outpatients and Emergency Departments as well as referral to treatment times at Denmark Hill and PRUH.
- **Documentation of care** (completion and availability of paper records at PRUH).
- **Environment and Capacity** in Denmark Hill's Liver and Renal outpatients, Maternity, Critical Care wards and PRUH Surgical Admission Lounge.
- **Improving Skills, Knowledge and Processes to Improve Patient Safety** Mental Capacity Act 2005 and Deprivation of Liberty Safeguards policies were reviewed and targeted training is currently being implemented.

The Care Quality Commission has not taken enforcement action against King's College Hospital NHS Foundation Trust during 2017/18.

More information on how the Trust's plans to improve on the key areas for improvement can be found in the Quality Report section later in this report.

In January 2018 the Trust received the CQC's quality report from the September 2017 inspection. They found that the majority of areas were able to demonstrate improvement. However, the key area that remained to improve was capacity and flow issues through the Emergency Department.

Whilst the Trust continues to face challenges related to activity levels, it is generally meeting all the key milestones set out in its CQC Action Plan. These actions are being reviewed through the Planning and Delivery Board at executive meetings and at the Board of Directors.

The Trust is expecting an inspection by the CQC some time in 2018/19 which will include the NHSI well-led framework criteria.

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

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

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. The foundation trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

Review of Economy, Efficiency and Effectiveness of the use of Resources

The Board of Directors ensures that resources are used economically, efficiently and effectively by means of robust governance structures and processes. Monthly finance and performance reports are considered in detail by the Finance and Performance Committee, a committee of the Board, chaired by a non-executive director, which met every month with the exception of August during 2017/18. The Audit Committee receives regular reports from the Trust's internal auditors, KPMG LLP and its external auditors, Deloitte LLP. The Board itself met on ten occasions during 2017/18.

During 2017/18, as required by NHS Improvement, the Trust developed a robust three-year financial recovery plan in conjunction with local commissioning partners. A revised financial recovery plan for 2017/18 was submitted in summer of 2017, and again in October 2017. The Trust made applications to the Department of Health for additional funding and working capital facilities to cover any liquidity issues.

On 11 December 2017 the Trust was placed in Financial Special Measures by NHS Improvement due to the substantial variation off plan.

The Trust delivered savings in the 2017/18 financial year of £47.8m; split between one-off savings and recurrent savings. This missed the original plan to save £66m. The range of savings schemes include:

- a) significant reduction in the value of spend on agency staff
- b) workforce savings on administration and clerical staff
- c) success in a number of negotiations with major suppliers of services
- d) transformation efficiencies in theatres and outpatients
- e) pharmacy savings

- f) control of expenditure by clinical divisions and corporate directorates

All savings schemes were quality impact assessed to ensure they were not detrimental to patient care. The Chief Nurse and Medical Director were central to this assessment.

All Trust policies, procedures and business cases include an Equality Impact Assessment so that their implications can be considered by the Board of Directors. Major policy or strategic decisions are taken after consultation with the Council of Governors, Staff Side representatives and public and patient stakeholders. The Trust holds community events to receive the views of Trust Members and the Annual Public Meeting in September 2017 was well attended.

Governance arrangements are kept under review, and in February 2018 the Efficiency Board was replaced by the Financial Recovery Board, a committee of the King's Executive. The Financial Recovery Board continues to meet weekly. The purpose is to further strengthen the control and delivery of the Trust's financial recovery plans. Membership includes all Executive Directors, Divisional Directors and other relevant senior managers and meetings are chaired by the Interim Chief Financial Officer.

Specifically, the Financial Recovery Board's current purpose is to:

- a) provide assurance to the Trust Board that the Trust's Cost Improvement Programme is on track to deliver against the overall financial target and quality goals that have been established;
- b) monitor progress of the totality of the Cost Improvement Programme receiving exception reports and working collaboratively to resolve issues as appropriate.
- c) act as the primary decision-making body to address key blockers and define mitigating actions to support continuity of the work streams and programme's delivery objectives.
- d) hold executive sponsors and responsible officers to account for the delivery of their respective work streams.
- e) manage programme risks through a central risk register and ensure corrective and/or mitigating actions are in place.
- f) provide assurance that decisions taken support and enhance the quality and safety agenda of the Trust.
- g) receive monthly reports on CIP delivery and overall run-rate expenditure that support achievement of allowable expenditure limits.
- h) develop, assess and confirm new savings schemes to increase the savings delivered through the Cost Improvement Programme.
- i) agree new policies that support restrictions or additional controls on Trust expenditure.
- j) ensure appropriate resource is in place to support the delivery of key workstreams and Programme Management Office function.
- k) approve accurate and timely reports for onward submission to the Trust's Finance and Performance Committee.

The Investment Board, also a committee of the King's Executive, has been relaunched in quarter one of 2018/19. It has the overall purpose of ensuring that resource allocation is directed to the achievement of the Trust's objectives and in line with the current operating plan. It considers and either makes decisions on business cases or a recommendation to the King's Executive or Board, depending on the scale and nature of the investment. The Investment Board will also monitor the progress of agreed projects and the realisation of savings and other benefits. The Investment Board is chaired by the Chief Financial Officer and meets twice a month.

Despite the level of savings delivered during the course of the year, the Trust reported a deficit in 2017/18, and has a planned deficit in 2018/19. The Trust required significant, unsecured, cash support during 2017/18 and will also require it for 2018/19. We have therefore concluded that the Trust does not currently have proper arrangements in place to secure economy, efficiency and effective use of its resources. The external auditors have reflected this in their modified audit opinion that they are not satisfied, in all significant respects, King's College Hospitals NHS Foundation Trust has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018.

Information on the Trust's going concern can be found in the annual accounts.

Years of underinvestment in King's buildings, infrastructure and equipment has placed the Trust at considerable risk in a number of areas. The estates maintenance backlog figure for the Denmark Hill campus was assessed at £200m following an independent survey in 2016/17. Numerous items of equipment are beyond economic repair and are no longer supported by manufacturers.

A concept Masterplan for the redevelopment of the Denmark Hill Campus was signed off by the Board in July 2017, to enable the Trust to focus investment in a structured and strategic manner. The Masterplan required significant capital funding to provide resources to progress. Solutions for equipment replacement are being developed in the areas of Radiology, proposals to introduce managed equipment services are currently being explored.'

Information Governance

Information Governance at King's is overseen by the Information Governance Steering Group which reports to the Quality Assurance and Research Committee, a committee of the Board. In January 2018 the Director of Transformation and ICT took over from the Chief Financial Officer as Senior Information Risk Owner (SIRO) and also as Chair of the Steering Group. Membership includes the Caldicott Guardian, Assistant Director of Performance and Contracts, Freedom of Information Lead/Deputy SIRO, Information Governance and Records Manager and Patient Records Service Managers. The information governance agenda is driven by key standards set down in the NHS Operating Framework and measured by compliance with Information Governance Toolkit requirements (to be replaced by the Data Security & Protection Toolkit in 2018/19).

The Trust is required to process information (personal and corporate) in line with current standards set out in statute, regulation and government guidance.

Information Governance (IG) at King's comprises identified responsibilities and strategy, policy and procedures that enable staff to handle information in line with these requirements. Annual IG training is mandatory for all staff and is topped up throughout the year by a communication programme focussing on hot topics.

Assurance of compliance with IG standards is demonstrated by achievement of requirements set out in ISB 1512 Information Governance Standards Framework. The

standard NHS contract requires attainment of level 2 (between a range of 1 and 3) of the requirements (minimum of an overall score of 66%). The Trust's 2017/18 Toolkit submission continued to exceed this requirement with an overall 79% score; achieving over a third of requirements at the highest level 3 and the remainder all achieving the minimum level 2 standard required.

During the year 2017/18 in line with the NHS Improvement Serious Incident Framework, the Trust reported five serious incidents relating to IG. These were reported to the Information Commissioner's Office (ICO) and other key regulatory bodies. Details of these incidents and the actions taken are summarised below.

Incident 1

- **Description:** June 2017: Clinical letters about a patient sent to their old address
- **Action taken by Trust:** Review of root cause undertaken and apologies provided
- **Action taken by ICO:** None (Closed)

Incident 2

- **Description:** June 2017: Details omitted on the basis that disclosure would be prejudicial to ongoing investigations or disciplinary or regulatory proceedings.
- **Action Taken by Trust:** Review of root cause commenced and support for further investigation with the ICO.
- **Action Taken:** Still under investigation

Incident 3

- **Description:** January 2018: Unencrypted memory stick of diagnostic scans of 5 research participants lost in general post.
- **Action taken by Trust:** Still under investigation
- **Action taken by ICO:** Still under investigation

Incident 4

- **Description:** February 2018: On way home agency staff left bag on station platform containing theatre list with 7 patient details.
- **Action taken by Trust:** Local processes amended
- **Action taken by ICO:** None (Closed)

Incident 5

- **Description:** March 2018 An Excel spreadsheet containing training information linked to 17000+ individuals was emailed to 350+ volunteers.
- **Action taken by Trust:** Still under investigation
- **Action taken by ICO:** Still under investigation

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. NHS Improvement (in exercise of the powers conferred on 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.

Statement of Quality

King's continues to place quality, safety and the experience of patients, families and its staff at the forefront of everything that we do. This year we have seen many challenges however as in previous years we have also seen wonderful clinical outcomes and ground breaking research across many of our clinical areas. Over this year we have strengthened our clinical governance processes for example launching a Trust wide SafetyNet innovation that shares the learning from clinical incidents in real time to all front line staff. We have also strengthened our inclusive approach to divisional and care group performance monitoring with monthly face to face monitoring between Executive Directors, Directors of Operations and the triumvirate leads for every care group that is: Clinical Directors, Heads of Nursing and General Managers. This approach ensures regular effective monitoring and communication between the 23 care groups and the Kings Executive team. In September 2017 we had our unannounced CQC inspection and although the Trust remains at Requires Improvement there were many areas of improvement with more services now receiving a "Good". The CQC commented on the following outstanding services:

- The iMobile outreach service was innovative and proactive. There was evidence it was producing positive outcomes for patients and the service.
- A robust and well-tested major incident plan was in place.
- The 'SafetyNet' communication was recognised as being a rapid means of providing staff with essential information arising from adverse events.
- The Trust had set up a 'Tea Club' for patients living with dementia needs.

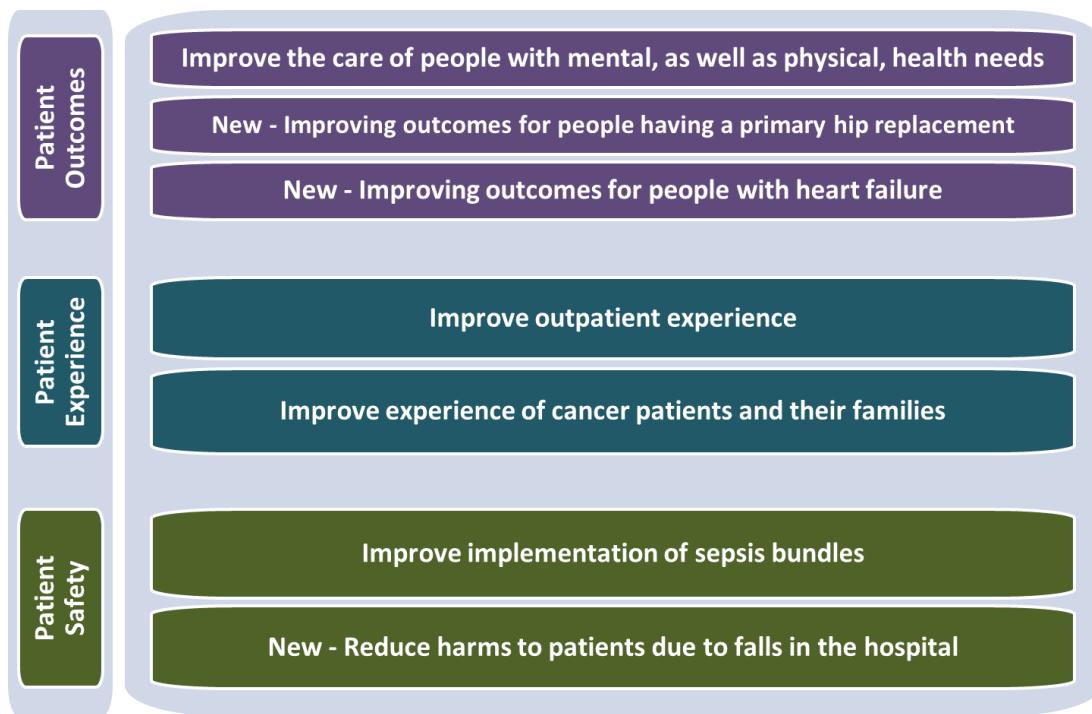
Our staff are our most important asset and we have invested time and focus on actively engaging staff, to find out, not only what they think about working at King's but their opinion on the changes that need to be made to ensure King's remains a wonderful place to work. During this year we launched our Inclusivity strategy and our BAME Network with over 180 staff attending events at the Denmark Hill and PRUH sites. We also had a very exciting finale to Black History month. One of Kings Non-Executive Directors Professor Ghulam Mufti was also appointed as Chair of the BAME steering group and is working with Anthony Shivbarat and colleagues across Kings to ensure we make inclusivity a reality. We do not underestimate the ongoing pressure on our staff and aiming for high staff engagement, career development and compassionate leadership as everyday business is an integral part of our Workforce strategy. To this end the workforce team have worked with teams throughout the organisation to launch a new appraisal strategy that is effective and user friendly and over 10,000 Kings staff have now registered on our exciting new Learning and development platform LEAP.

Quality Priorities

Our stakeholder engagement around the setting of quality priorities this year has been carried out across two patient catchment areas; we have had discussions with key stakeholders representing Bromley in addition to Lambeth and Southwark, and enjoyed lively public sessions with the public, patients, carers and staff from Kings and KHP in selecting and refining our quality priorities for 2018/19.

In 2017/18 we chose seven very challenging quality priorities. As you will see from our Quality Account much progress has been achieved in patient outcomes and patient experience although there is still more work to do and we are committed to improve both the public health in our boroughs and care within our hospitals. This year sees an essential focus on the person's mind and body and we are concentrating on improving the care of people with mental as well as physical health needs in a three year strategy in partnership with our colleagues at South London and Maudsley Trust and with King's Health Partners). This work has also extended to the mind and body needs of our staff with an exciting event attended by over 300 Mind and Body champions from across KHP.

Our quality priorities for 2018/19, as devised and agreed with local stakeholder groups, staff, patients and carers are the following:



Data Quality

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

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

The Trust and its Board have sought to take all reasonable steps and exercise appropriate due diligence to ensure the accuracy of the data reported, but recognises that it is nonetheless subject to the inherent limitations noted above.

The Trust acknowledges weaknesses in the quality of internal data produced with respect to 18 Week Referral to Treatment and 4 Hour Accident and Emergency Waiting Times. This is consistent with the External Auditor's conclusion in their Qualified Opinion. The Trust is currently working on an action plan to identify areas of improvement.

Review of Effectiveness of the System of Internal Controls

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to the Annual Report and other performance information available to me.

My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, the Quality Assurance and Research Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The processes that have been applied in maintaining and reviewing the effectiveness of the system of internal control are described in this Annual Governance Statement and throughout the report.

The control framework in place within the Trust has been found to be weak during 2017/18. The Trust was placed into financial special measures in December 2017 for failing to comply with its licence conditions because of a failure to deliver its forecasted budget, continued financial decline and a lack of financial control. The enforcement action being taken by NHSI also includes a requirement to improve performance against the national A&E targets.

The availability of robust management information and data has been limited. A divisional restructure was undertaken at the start of 2017 but subsequent alignment of activity reporting and finances was not undertaken, which impacted on the quality of information available to the Trust when making key decisions about service delivery. Likewise, due to capacity constraints in both finance and workforce, a significant misalignment between the workforce and finance systems was found.

There have been challenges between the Trust and KIFM, both financially and operationally, that have impacted on service delivery and patient care. This has also led to some concerns about how effectively procurement processes are followed within the Trust.

The Trust's internal and external auditors have raised a number of concerns during the year including but not limited to, weakness in the governance of the Trust's commercial services, the approach to contracting, the application of the Trust's standing financial instructions including use of waivers and the Trust's approach to agreeing budgets and monitoring its finances. The internal auditors were also concerned about how the Trust ensures that any capital and estate requirements of service changes are addressed. The CQC found that the Trust 'requires improvement'.

The Trust accepts that the internal control environment requires significant improvement and has undertaken a number of steps to address the concerns raised including:

- Appointing a new interim Chair, Chief Executive and Chief Finance Officer to provide stability whilst permanent appointees are found.
- Strengthening the leadership in key functions such as finance and commercial services, with a new permanent Chief Finance Officer joining the Trust in the summer

and a new Managing Director, Chief Finance Officer and Director of Operations at KIFM. A permanent Chief Executive is also being sought. Steps are also being taken to ensure the capacity and capability of the finance functions both within the Trust and in KIFM are improved.

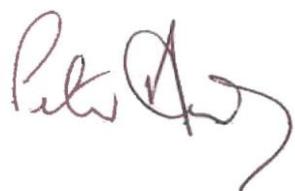
- Introducing stringent pay and non-pay controls to ensure there is appropriate grip on the Trust's expenditure. The number of staff able to authorise expenditure and recruitment has been severely restricted.
- Introducing new divisional governance arrangements, so that there are now focused monthly meetings to review finance and performance at care group, division and Trust level. There has been a review of cost and activity data so that the information that supports these meetings better reflects activity and performance.
- Establishing a joint finance and workforce group to reconcile data at a post level rather than cost centre and team level so that all posts are properly funded and aligned to the proper cost centre.
- Establishing a new committee to ensure there is robust governance in place the Kings commercial services are either in place (KCS) or in development (KIFM).
- Undertaking a forensic review of how c. £13m of errors found in the KIFM accounts occurred and to ensure that it does not happen again. These errors have been corrected but the review will look at why the problem occurred and improvements in governance required going forward.
- Putting in place new arrangements, including new leadership, to manage contractual arrangements and discussions are underway with commissioners to ensure that in future, the Trust's agreements with them better reflect the activity being delivered and the associated costs of services.
- Working closely with NHSI to review ED performance and action plans are in place to enable the Trust to achieve the 90% target by September 2018. The Trust is also working with Lord Carter from NHSI to review productivity in areas such as Trauma and Orthopaedics and Ophthalmology.
- Changing the approach to developing the 2018/19 budget with much more realistic assumptions about what can be achieved within the financial year and with much closer involvement of the divisional management teams. NHSI has reviewed our plan in detail and external support has been brought in to help with the process.
- Improving the governance of the cost improvement programme that should deliver savings to the Trust has been strengthened with the introduction of the Financial Recovery Board. The Trust's Investment Board, which approves investment in new activity or capital projects has also been re-invigorated, along with a new, more robust approach to writing business cases that ensures that all consequential impacts of investment in services are addressed e.g. estate requirements.
- Introducing effective governance and oversight in regard to real estate contracts; commissioning a review of other commercial contracts and regularising arrangements in regard to the procurement of goods and services to assure compliance to Regulations.
- Developing a comprehensive action plan that addresses the issues raised in the CQC inspection, which is monitored by the Trust's planning and delivery board on a regular basis.
- A number of financial reporting internal control weaknesses were identified during the external audit 2018 and were reported to the audit committee. Action will be taken to respond to these as part of the planning and preparation of the 2018/19 year end.

There is more to do. The Trust is working with an external partner to build a deliverable and sustainable three year financial recovery plan and improvement plans are being developed to address the governance concerns raised by the auditors, particularly in the Trust's commercial services. These will be kept under review by the Trust's Board and audit committee in due course.

Conclusion

As set out above, significant internal control weaknesses have been identified during 2017/18. This annual governance statement, accountability report and specifically the paragraphs above identify what they are and how they are being addressed.

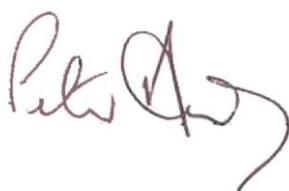
Review of Effectiveness of the System of Internal Controls Signed by:



Peter Herring
Interim Chief Executive and Accounting Officer

Date: 14th June 2018

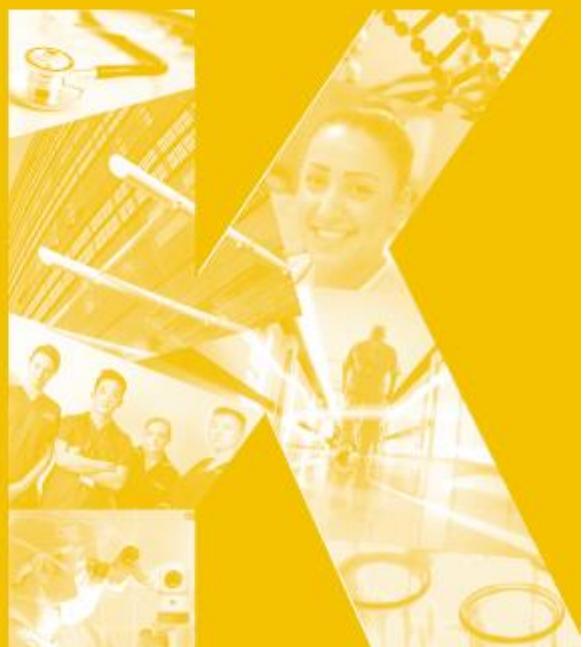
Accountability Report Signed by:



Peter Herring
Interim Chief Executive and Accounting Officer

Date: 14th June 2018

Quality Report



*King's College Hospital NHS Foundation Trust
Quality Report & Accounts 2017/18*

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

Quality Report & Accounts 2017/18



**Understanding You, Inspiring Confidence in our Care, Working Together,
Always Aiming Higher, Making a Difference in our Community**

Table of Contents

What is a Quality Account?	3
Part One.....	5
Statement on quality from the chief executive of the NHS foundation trust	5
Part Two.....	11
Our Quality Priorities over time	11
Results and achievements for the 2017/18 Quality Account priorities	11
Results and achievements for the 2017/18 Quality Account priorities	12
Improvement priority 1	12
Improvement priority 2	13
Improvement priority 3	16
Improvement priority 4	18
Improvement priority 5	23
Improvement priority 6	29
Improvement priority 7	36
Choosing Priorities for 2018/19.....	39
Improving outcomes for people having primary hip replacement	41
Improving outcomes for people with heart failure.....	42
Improve outpatient experience	43
Improve experience of cancer patients and their families	45
Improve implementation of sepsis bundles.....	48
Reducing harms to patients due to falls in the hospital.....	49
Statements of Assurance from the Board.....	51
Mandatory declarations and assurances	51
Other information.....	80
Annex 1 - Statements from commissioners, local HealthWatch organisations and Overview and Scrutiny Committees	93
Annex 2 - Statement of Directors' Responsibilities for the Quality Report.....	99
Annex 3 - Independent Auditor's Report to the Council of Governors	101
Glossary	105

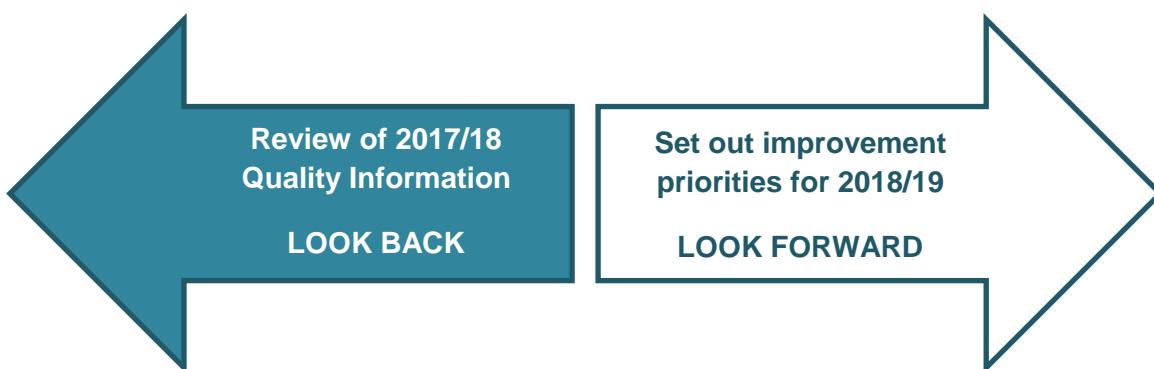
What is a Quality Account?

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

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

The purpose of this quality account is to:

1. Summarise our performance and improvements against the quality priorities and objectives we set ourselves for 2017/18; and
2. Set out our quality priorities and objectives for 2018/19



To begin with, we will give details of how we performed in 2017/18 against the quality priorities and objectives we set ourselves under the categories of:



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

Secondly, we will set out our quality priorities and objectives for 2018/19, under these same categories, we will explain how we decided upon these priorities and objectives, and how we will aim to achieve these and measure performance.

Quality accounts are useful for our board, who are responsible for the quality of our services, as they can use them in their role of assessing and leading the trust. We encourage frontline staff to use quality accounts both to compare their performance with other trusts and also to help improve their own service. For patients, carers and the public, this quality account should be easy to read and understand. It should highlight important areas of safety and effective care being provided in a caring and compassionate way, and also show how we are concentrating on improvements we can make to patient care and experience.

It is important to remember that some aspects of this quality account are compulsory. They are about significant areas, and are usually presented as numbers in a table. If there are any areas of the quality account that are difficult to read or understand, or you have any questions, please contact us through the Patient Advice and Liaison Service (PALS) by phoning the Denmark Hill team on 020 3299 3601, or the Princess Royal University Hospital and South sites team on 01689 863252 between 9am to 4.30pm, Monday to Friday (not bank holidays). Alternatively, please visit our website at <https://www.kch.nhs.uk/> for further information

This quality account is divided into three sections:

Part 1	A statement on quality from the Interim Chief Executive Officer (CEO)
Part 2	Reviewing progress of the quality improvements in 2017/18 and choosing the new priorities for 2018/19
	Statements of assurance from the Board
	Reporting against core indicators
Part 3	Other information

Part One

Statement on quality from the chief executive of the NHS foundation trust

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. NHS Improvement has issued guidance to NHS Foundation trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

Statement of Quality

King's continues to place quality, safety and the experience of patients, families and its staff at the forefront of everything that we do. This year we have seen many challenges, however, as in previous years we have also seen wonderful clinical outcomes and ground breaking research across many of our clinical areas.

Over this year we have strengthened our clinical governance processes for example launching a Trust wide SafetyNet innovation that shares the learning from clinical incidents in real time to all front line staff. We have also strengthened our inclusive approach to divisional and care group performance monitoring with monthly face to face monitoring between Executive Directors, Directors of Operations and the triumvirate leads for every care group that is: Clinical Directors, Heads of Nursing and General Managers. This approach ensures regular effective monitoring and communication between the 23 care groups and the King's Executive team.

Duty of Candour is a key objective for the Trust as it demonstrates the Trusts positive and transparent culture in response to adverse incidents. The Trust changed its reporting mechanism in April 2017 making it more robust. The Trusts Duty of Candour Guardian and Head of Patient Safety have established weekly monitoring meetings to review adverse incident and compliance with the undertaking of Duty of Candour conversations, rather than the previous reliance on quarterly spot check audits to highlight areas of non-compliance.

In September 2017 we had our unannounced CQC inspection and although the Trust remains at 'Requires Improvement' there were many areas of improvement with more services now receiving a 'Good' rating. The CQC commented on the following outstanding services:

- The iMobile outreach service was innovative and proactive. There was evidence it was producing positive outcomes for patients and the service
- A robust and well-tested major incident plan was in place
- The 'SafetyNet' communication was recognised as being a rapid means of providing staff with essential information arising from adverse events
- The Trust had set up a 'Tea Club' for patients living with dementia needs

The key areas for improvement were as follows:

- Improved staffing across particular services of the Trust
- Improved compliance with mandatory training and staff appraisals
- New Rapid Tranquillisation policy
- Discharge out of hours
- Outpatient management of medical records and prescriptions

A comprehensive CQC action plan has been developed shared with commissioners and the CQC. The actions are monitored at care group level and at the Trust monthly performance meetings and at Trust level at the two weekly Performance and Delivery Board.

Ratings for King's College Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Good Sept 2015	Good Sept 2015	Good Sept 2015	Requires improvement Sept 2015	Good Sept 2015	Good Sept 2015
Medical care (including older people's care)	Good ↑ Sept 2017	Good →← Sept 2017	Good →← Sept 2017	Good →← Sept 2016	Good →← Sept 2017	Good →← Sept 2017
Surgery	Good ↑ Sept 2017	Requires improvement ↓ Sept 2017	Good →← Sept 2017	Requires improvement →← Sept 2017	Good ↑ Sept 2017	Requires improvement →← Sept 2017
Critical care	Requires improvement →← Sept 2017	Good →← Sept 2017	Good →← Sept 2017	Good ↑ Sept 2017	Good ↑ Sept 2017	Good ↑ Sept 2017
Maternity	Requires improvement Sept 2015	Good Sept 2015	Good Sept 2015	Requires improvement Sept 2015	Requires improvement Sept 2015	Requires improvement Sept 2015
Services for children and young people	Requires improvement Sept 2015	Good Sept 2015	Good Sept 2017	Good Sept 2015	Good Sept 2015	Good Sept 2015
End of life care	Requires improvement Sept 2015	Requires improvement Sept 2015	Good Sept 2015	Requires improvement Sept 2015	Requires improvement Sept 2015	Requires improvement Sept 2015
Outpatients	Good Sept 2015	Not rated	Good Sept 2015	Requires improvement Sept 2015	Good Sept 2015	Good Sept 2015
Diagnostic imaging	Not rated	Not rated	Not rated	Not rated	Not rated	Not rated
Overall*	Requires improvement →← Sept 2017	Good →← Sept 2017	Good →← Sept 2017	Requires improvement →← Sept 2017	Requires improvement →← Sept 2017	Requires improvement →← Sept 2017

Ratings for Princess Royal University Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Requires improvement → ← Sept 2017	Good ↑ Sept 2017	Good → ← Sept 2017	Good ↑↑ Sept 2017	Requires improvement → ← Sept 2017	Requires improvement → ← Sept 2017
Medical care (including older people's care)	Good ↑ Sept 2017	Good ↑ Sept 2017	Good → ← Sept 2017	Good ↑ Sept 2017	Requires improvement ↓ Sept 2017	Good ↑ Sept 2017
Surgery	Requires improvement → ← Sept 2017	Good ↑ Sept 2017	Good → ← Sept 2017	Requires improvement → ← Sept 2017	Good ↑ Sept 2017	Requires improvement → ← Sept 2017
Critical care	Good ↑ Sept 2017	Good → ← Sept 2017	Good → ← Sept 2017	Requires improvement → ← Sept 2017	Good ↑ Sept 2017	Good ↑ Sept 2017
Maternity	Good Sept 2015	Good Sept 2015	Good Sept 2015	Good Sept 2015	Good Sept 2015	Good → ← Sept 2015
Services for children and young people	Requires improvement Sept 2015	Good Sept 2015	Good Sept 2015	Outstanding Sept 2015	Good Sept 2015	Good Sept 2015
End of life care	Requires improvement Sept 2015	Requires improvement Sept 2015	Good Sept 2015	Requires improvement Sept 2015	Requires improvement Sept 2015	Requires improvement Sept 2015
Outpatients	Requires improvement ↑ Sept 2017	Not rated	Good → ← Sept 2017	Requires improvement → ← Sept 2017	Requires improvement → ← Sept 2017	Requires improvement → ← Sept 2017
Overall*	Requires improvement → ← Sept 2017	Good ↑ Sept 2017	Good → ← Sept 2017	Requires improvement → ← Sept 2017	Requires improvement → ← Sept 2017	Requires improvement → ← Sept 2017

The CQC are anticipated to re-inspect the Trust in 2018/19. A detailed action plan has been developed in response to the recommendations made following their most recent visit and this has been shared with Divisional and Care Group triumvirates for wider dissemination, to ensure clear visibility of areas requiring improvement and a focussed approach on achieving the progress required in order for the Trust to attain an overall rating of 'Good' at our next inspection. Progress against the action plan is being monitored regularly through the Trust Planning and Delivery Board.

Our staff are our most important asset and we have invested time and focus on actively engaging staff, to find out, not only what they think about working at King's, but their opinion on the changes that need to be made to ensure King's remains a wonderful place to work. We know from our staff survey results that the percentage of King's staff experiencing harassment, bullying or abuse from staff in the last 12 months is 32% and the percentage believing that Trust provides equal opportunities for career progression or promotion for the Workforce Race Equality Standard is currently 73%.

During this year we launched our Inclusivity strategy and our BAME Network with over 180 staff attending events at the Denmark Hill and PRUH sites, we also had a very exciting finale to Black History month.

One of King's Non-Executive Directors Professor Ghulam Mufti was also appointed as Chair of the BAME steering group and is working with our Workforce Programme and Performance Manager, and colleagues across King's to ensure we make inclusivity a reality. We do not underestimate the ongoing pressure on our staff and aiming for high staff engagement, career development and compassionate leadership as everyday business is an integral part of our Workforce strategy. To this end the Workforce Development team have worked with teams throughout the organisation to launch a new appraisal strategy that is effective and

user friendly. Over 10,000 King's staff have now registered on our exciting new Learning and Development Platform (LEAP).

7-Day Service Provision

The Trust continues to make progress against the four priority clinical standards for the delivery of seven-day services.

For Standard 2 - 'Time to Consultant review', the last audit in September 2017 showed continued increase in the proportion of patients reviewed within 14 hours of admission, with a rise from 66% in September 2016 to 77% in September 2017. The Trust is currently re-auditing and is on track to achieve its target of 90% review in Q4 17/18.

Standard 5 - 'Access to diagnostics' for key diagnostic modalities within 1 hour for critical patients, 12 hours for urgent patients and 24 hours for non-urgent patients has been achieved.

Standard 6 - 'Access to Consultant-directed interventions' for timely 24 hour access seven days a week to key consultant-directed interventions has been achieved.

Standard 8 - 'On-going review' specifies that all patients with high dependency needs should be seen and reviewed by a consultant twice daily, seven days a week. Once a clear pathway of care has been established, consultant review is at least once daily unless it has been determined that this would not affect the patient's care pathway. The last audit performed in March 17 showed improvement for twice daily consultant reviews from 67% to 88% and condition-appropriate once daily reviews at 85%. Compliance has been achieved in key target specialties including Adult and Children's Critical Care, emergency vascular services and the major trauma pathway. In the Hyper Acute Stroke Unit (HASU) areas compliance is being achieved with institution of an acute neurology stroke rota at DH and PRUH, compliance is also achieved for patients within the heart attack cohort. Acute medicine patients are reviewed and assessed by consultant teams who are rostered to be in clinical areas for 12 hours per day. Roster design is being developed to provide improved cover and documentation delineating need for on-going consultant review.

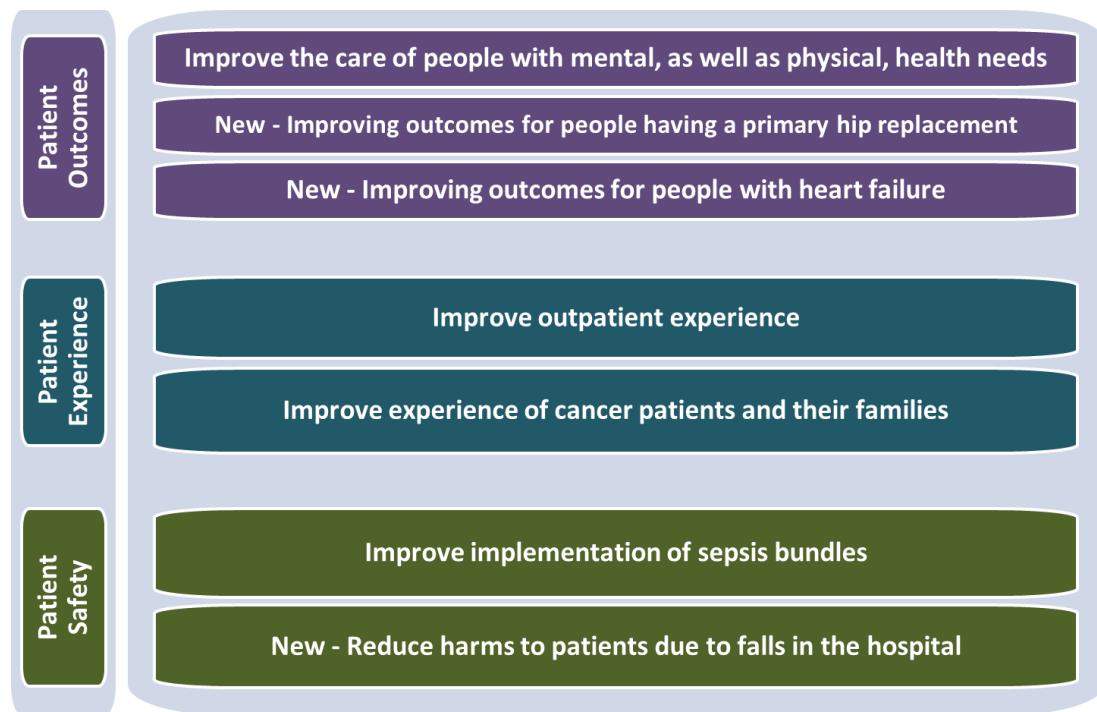
Quality Priorities

Our stakeholder engagement around the setting of quality priorities this year has been carried out across two patient catchment areas; we have had discussions with key stakeholders representing Bromley in addition to Lambeth and Southwark, and enjoyed lively public sessions with the public, patients, carers and staff from King's and KHP in selecting and refining our quality priorities for 2018/19.

In 2017/18 we chose seven very challenging quality priorities. As you will see from our Quality Account much progress has been achieved in patient outcomes and patient experience although there is still more work to do and we are committed to improve both the public health in our boroughs and care within our hospitals. This year sees an essential

focus on the person's mind and body and we are concentrating on improving the care of people with mental as well as physical health needs in a three year strategy in partnership with our colleagues at South London and Maudsley Trust and with King's Health Partners). This work has also extended to the mind and body needs of our staff with an exciting event attended by over 300 Mind and Body champions from across KHP.

Our quality and priorities for 2018/19, as devised and agreed with local stakeholder groups, staff, patients, carers are the following:



Data Quality

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

- Data are derived from a large number of different systems and processes. Only some of these are subject to external assurance, or included in internal audit's programme of work each year.
- Data are collected by a large number of teams across the Trust alongside their main responsibilities, which may lead to differences in how policies are applied or interpreted. In many cases, data reported reflects clinical judgement about individual cases, where another clinician might reasonably have classified a case differently.
- National data definitions do not necessarily cover all circumstances, and local interpretations may differ.

- Data collection practices and data definitions are evolving, which may lead to differences over time, both within and between years. The volume of data means that, where changes are made, it is usually not practical to reanalyse historic data.

The Trust and its Board have sought to take all reasonable steps and exercise appropriate due diligence to ensure the accuracy of the data reported, but recognises that it is nonetheless subject to the inherent limitations noted above.

The Trust acknowledges weaknesses in the quality of internal data produced with respect to 18 Week Referral to Treatment and 4 Hour Accident and Emergency Waiting Times. This is consistent with the External Auditor's conclusion in their Qualified Opinion. The Trust is currently working on an action plan to identify areas of improvement.

Having had due regard for the contents of this statement and to the limitations as described above especially the areas of RTT and the A&E 4 hour standard to the best of my knowledge, the information contained in the following Quality Account is accurate.

Signed:



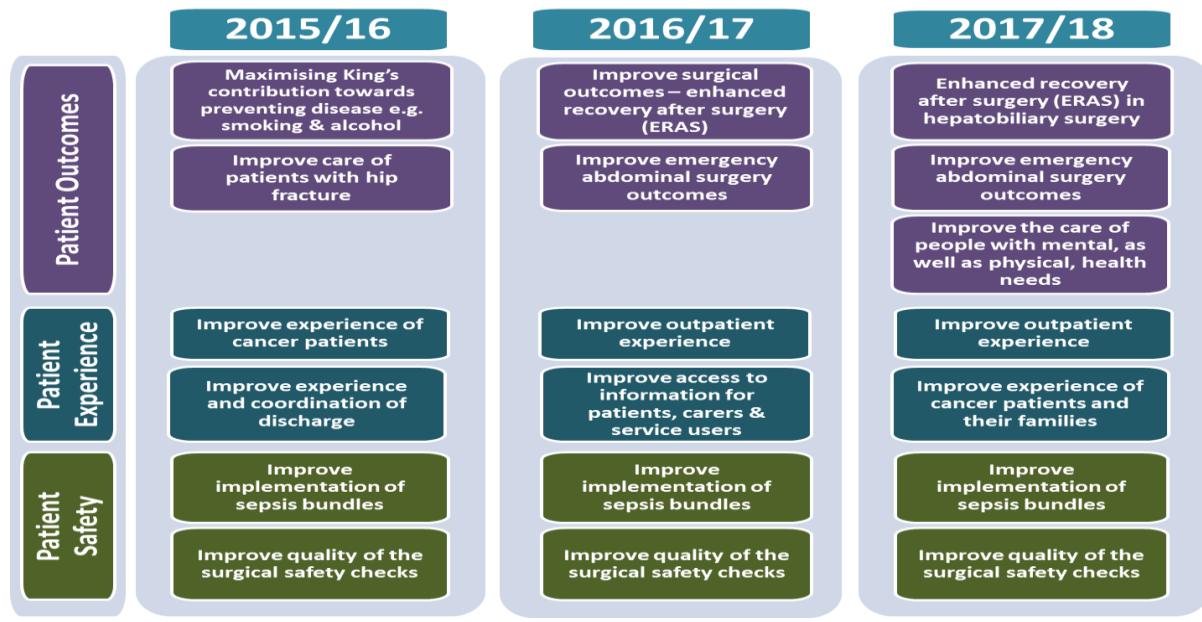
Peter Herring, Interim Chief Executive

Date:



Part Two

Our Quality Priorities over time



Results and achievements for the 2017/18 Quality Account priorities

Summary of results and achievements for the 2017/18 Quality Account priorities		
Patient Outcomes		Achieved/Not achieved
Priority 1	Enhanced recovery after surgery (ERAS) in hepatobiliary surgery	Partially achieved - On-going work transferring to a Transformation work stream
Priority 2	Improve emergency abdominal surgery outcomes	Partially achieved – On-going work transferring to standard quality improvement work
Priority 3	Improving the care of people with mental, as well as physical, health needs	Partially achieved – Continuing 3 year priority
Patient Experience		
Priority 4	Improve outpatient experience	Partially achieved – Ongoing priority for 2018/19
Priority 5	Improving the experience of patients with cancer and their families	Partially achieved – Ongoing priority for 2018/19
Patient Safety		
Priority 6	Improve implementation of sepsis bundles	Partially achieved – Ongoing priority for 2018/19
Priority 7	Improve quality of the surgical safety checks	Achieved

Results and achievements for the 2017/18 Quality Account priorities

Improvement priority 1

Enhanced recovery after surgery (ERAS) in surgery of the liver, gallbladder, bile duct and pancreas ('hepatobiliary' (HpB) surgery).

Why was this a priority?

Enhanced recovery after surgery (ERAS) is a programme that aims to improve recovery after major planned surgery. Hepatobiliary (HpB) surgery is a specialist area for King's and we provide services for patients throughout London and the South East and beyond. Ensuring the best possible outcomes for patients undergoing HpB surgery is an ongoing King's priority.

What was our aim?

Our aim was to improve patient outcomes following HpB surgery by ensuring that care is based on the steps proven, through research, to have the greatest impact on patient outcomes.

In order to achieve this we said we would:

- Work to implement all the steps proven to benefit patient care, including:
 - Ensuring patients are as healthy as possible before their surgery.
 - Receive the best possible care during their operation.
 - Receive the best possible care while recovering.
- Enter all HpB surgery cases into the national Perioperative Quality Improvement Programme (PQIP) being run by the Royal College of Anaesthetists. This will enable us to measure our patient outcomes and compare them to other hospitals around the country.

Baseline

The baseline was considered in relation to the following categories:

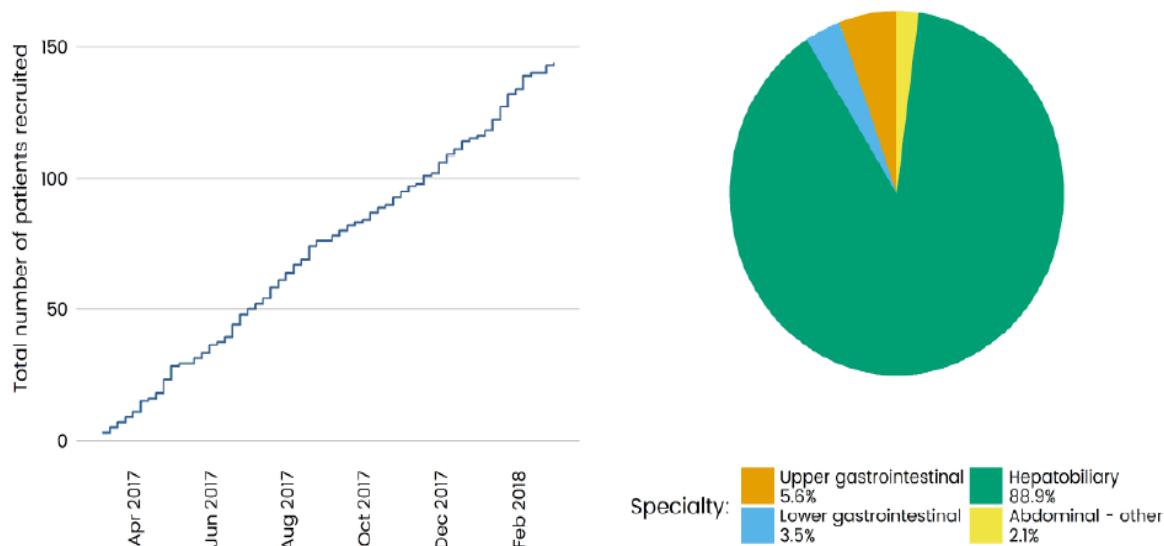
- The number of patients admitted on the day of surgery for HpB surgery in 16/17
- The length of stay in hospital for patients undergoing HpB surgery in 16/17
- The number of emergency admissions following HpB surgery in 16/17

Did we achieve this priority?

This priority was partial achieved.

We did begin our entry of HpB cases into PQIP and currently recruit 3 HpB patients per week to PQIP. Over time, this will provide us with excellent data on our patient outcomes and enable us to compare with other English hospitals.

Recruitment of patients to PQIP over time and by specialty



It became clear in-year that the ERAS programme required a more in-depth piece of organisational change than was initially anticipated. In January 2018 this work was taken on by the Trust's King's Way Transformation Team, ensuring that the required programme and operational management expertise is available to ensure significant change, including the re-development of a business case. This work is in progress and is expected to take a further 12 to 24 months.

How was progress reported?

Progress was reported through the Trust's well established quality governance framework which is described in detail within the Annual Governance Statement.

The Executive Lead for ERAS is Professor Jules Wenden, Medical Director.

Improvement priority 2

Improved outcomes following emergency abdominal surgery.

Why was this a priority?

Most people undergoing emergency abdominal surgery have life-threatening conditions and this surgery is associated with high rates of complications and deaths. Patients undergoing emergency abdominal surgery have many different diagnoses and conditions, and are therefore located within different specialties and wards across the two King's hospitals. This adds to the challenge of coordinating their care.

What was our aim?

Our aim was to continue to improve emergency abdominal surgery at Denmark Hill and PRUH.

In order to achieve this priority we said we would:

- Ensure a well-coordinated, standardised care pathway for these patients in both of our hospitals in order to achieve the best possible patient outcomes following this high risk surgery.
- Take action as required to ensure improvements against the criteria identified by the National Emergency Laparotomy (abdominal surgery) Audit project.

Did we achieve this priority?

Tables 1 and 2 below provide data from the National Emergency Laparotomy Audit to illustrate the progress that King's has made over on both sites, and provides a comparison with national average and the national target.

Denmark Hill (DH)

Improvement criteria	2015 Report (based on data collected 2013/14)	2016 Report (based on data collected 2014/15)	2017 Report (based on data collected 2015/16)	National average / National target
Consultant surgeon review within 12 hours of admission	42%	56%	* Criterion no longer included	54% / 100% (2014-15)
CT scan before surgery	4%	85%	78%	79% / 80%
Documentation of risk preoperatively	16%	42%	96%	71% / 80%
Preoperative review by consultant surgeon and consultant anaesthetists	34%	48%	73%	58% / 80%
Consultant surgeon and consultant anaesthetist present in theatre	28%	66%	62%	79% / 80%
Postoperative assessment by care of the elderly specialist in patients aged over 70	0%	50%	88%	19% / 80%
Reduced length of stay (days)	* Criterion not included	14 days	12 days	11 days (national median)

Assume: Green = above target

Amber = below target; above national average

Red = below target; below national average

Princess Royal University Hospital (PRUH)

Improvement criteria	2015 Report (based on data collected 2013/14)	2016 Report (based on data collected 2014/15)	2017 Report (based on data collected 2015/16)	National average / National target
Consultant surgeon review within 12 hours of admission	56%	57%	* Criterion no longer included	54% / 100% (2014-15)
CT scan before surgery	49%	63%	88%	79% / 80%
Documentation of risk preoperatively	29%	65%	73%	71% / 80%
Preoperative review by consultant surgeon and consultant anaesthetists	57%	79%	58%	58% / 80%
Consultant surgeon and consultant anaesthetist present in theatre	56%	83%	91%	79% / 80%
Postoperative assessment by care of the elderly specialist in patients aged over 70	0%	0%	20%	19% / 80%
Reduced length of stay (days)	* Criterion not included	13 days	10 days	11 days (national median)

Overall, results have improved across the majority of criteria on both hospital sites.

How have we improved performance?

The Trust has introduced a number of measures to support the delivery of this priority.

On the Denmark Hill site a new ten bed Surgical Assessment Unit has supported emergency laparotomy work making the process of assessing and preparing patients for surgery more efficient.

In April 2017 King's received feedback from the National Emergency Laparotomy Audit team that both PRUH and DH have been identified as being amongst the top 5 most improved hospitals in the country.

Improvement work will continue in 2018 and beyond, focusing on increasing emergency operating theatre access, surgical capacity and ward space to improve the cohorting of patients following laparotomy surgery. The PRUH site is focused on ensuring all high risk patients are admitted to intensive care following laparotomy and ensuring elderly care review. At DH we are working to improve consultant anaesthetist cover and we have instituted a weekend day time consultant (8am-8pm).

How was progress reported?

Progress was reported through the Trust's well established quality governance framework which is described in detail within the Annual Governance Statement.

The Executive Lead for improved outcomes after abdominal surgery is Professor Jules Wenden, Medical Director.

Improvement priority 3

Improving the care of people with mental, as well as physical, health needs at King's.

Why was this a priority?

We know from national studies, including the recently published report 'Treat as One' 25 (NCEPOD, 2017) that there are many obstacles to providing good mental health care in acute general hospitals such as King's Denmark Hill and PRUH. There is good research evidence that integrating the care of both mind and body leads to better patient outcomes and is cost-effective. Our aim, therefore, was to launch an ambitious 3-year programme to improve mental health care at King's.

What was our aim?

Our aim is to strive to develop truly integrated 'mind and body' services for patients in South East London (including Bromley) by:

- Identifying the mental health care needs of King's patients and tracking both mental and physical health outcomes
- Supporting our staff in providing care for mental and physical ill-health, through training and on-going supervision
- Improving joint-working with mental health services in the community and primary care to facilitate timely discharge
- Developing information technology to support us in understanding the close relationship between mental and physical health and using this information to shape clinical care
- Providing self-health resources for our patients.

This is an extremely ambitious project, but one that is supported from ward to Board and by our local commissioners. It is integrated with a wider Mind and Body Programme being undertaken across King's Health Partners (King's, Guy's & St Thomas', South London & Maudsley NHS Trusts and King's College London).

Baseline

Very little information has traditionally been collected in general hospitals about the mental health of our patients. Improving data is an integral component of the improvement work.

Did we achieve this priority?

This priority was partial achieved.

The complexity of this project means that it will be a Trust Quality Priority for at least three years.

How have we improved performance?

Huge progress has been made in the first year, including the following:

- A new Mental Health Board has been established to ensure work streams are coordinated under Executive leadership.
- ‘Task and Finish Groups’ of the Mental Health Board have been established, for a) emergency department, b) delirium and dementia and c) challenging behaviour.
- IMPARTS, a system for identifying and managing mental health needs in acute hospital in-patients, is now live in 28 King’s clinics, and the total number of individual screenings added is now in excess of 20,000
- The launch of a new Mind and Body video animation, which has had thousands of views and has been promoted and endorsed by the Mental Health Foundation and Centre for Mental Health.
- Mind and Body content and e-learning has been embedded within trust corporate and medical inductions, reaching hundreds of new starters each month.
- Early discussion with national partners including NHS Improvement on setting up a small mental health clinical decision unit on the Denmark Hill site (detail still to be finalised).
- Joint work with the local care networks across Lambeth and Southwark to trial a new care-coordination approach for patients with more than three long-term conditions (including physical and mental health), including development of self-management tools.
- New in-reach psychological clinics (provided by Improving Access to Psychological Therapies (IAPT)) for King’s services including gastroenterology, breast care and the mental health liaison team.

- Funded places for senior nurse on a specialist 5-day course (provided by IMPARTS) developing mental health skills for non-mental health professionals.
- A commitment of £500,000 by King's Health Partners to the Mind and Body Programme, bringing the total investment to almost £2 million.

How was progress reported?

Progress was reported through the Trust's well established quality governance framework which is described in detail within the Annual Governance Statement.

The Executive Lead for improving the care of people with mental health needs at King's is Dr Shelley Dolan, Chief Nurse and Chief Operating Officer.

Improvement priority 4

Improving outpatient experience.

Why was this a priority?

Patient experience of King's outpatient service continued to be less positive than it should be. This is evidenced by continued poor performance compared to our peers in the Friends and Family Test and local surveys, increased complaints and PALS contacts and significant anecdotal feedback from our patients.

Although previous improvement work has had a positive impact in some clinical areas, this has not spread Trust-wide, nor resulted in sustained improvement.

Over time we have gained an excellent insight into what makes a good outpatient experience for our patients and their relatives and carers. This evidence, and the launch of the King's Way outpatient transformation programme, provided an excellent opportunity to make far reaching changes to our processes, our communication and the way we treat and care for our patients, to achieve real and sustainable improvement.

We therefore embarked on a 3 year programme of work to transform our outpatient service so that we can provide an excellent patient experience for all our outpatients.

What was our aim?

In the first year of this programme we would:

- Listen to and involve patients, their relatives and carers to develop, test and launch a set of Patient Experience Standards for outpatients

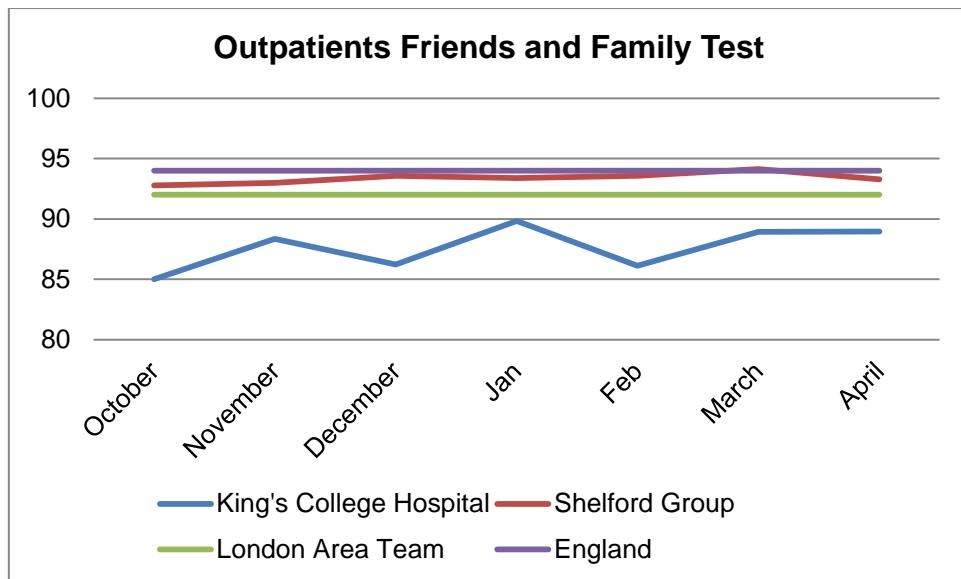
- Set up an outpatient 'User Reference Group' to ensure that patients and our local community are involved at all stages of outpatient transformation and have a real voice in how services are developed to meet the needs of patients and their families
- Develop and test improved communication tools for patients, e.g. patient reminders
- Increase the ability to book appointments electronically in primary care and thereby offering more convenient access to patients
- Scope and pilot a range of alternatives to traditional outpatient appointments, such as virtual clinics
- Engage with patients and stakeholders in discussions about design of improved outpatient department estate
- Undertake appropriate stakeholder engagement in any service change and carry out equal impact assessments to consider how options for change impact on our more vulnerable patients and patients from all equality groups

Did we achieve this priority?

This priority was partial achieved.

Over the past year, as well as to listening to our patients to understand their experience, significant work has been done to understand where and why some aspects of outpatients are not working as well as they should. Although patient experience has not improved over the year, we are in a good position to make a real impact over the next (second) year of this three year priority.

For the Friends and Family Test, patient recommendation rates ranged from 85 – 90%, with an average over the year of 88% of patients who would recommend King's outpatient services. This puts King's patient satisfaction scores regarding outpatients below our London peers and also trusts nationally.



For our local 'How are we doing?' Outpatient Survey, the overall satisfaction score reached our target of 83% in three out of the twelve months with the average score for the year 81 out of 100. Patient experience in key areas is still well below where we would like it to be including experience of booking appointments, delays in clinic and patients not being informed about delays

How have we improved performance to date?

Launch of Outpatient Experience Standards

Based on feedback from patients and staff, we drafted a set of Outpatient Standards and tested these with patient groups, our Governors and our staff. The standards outline what our patients can expect from us through their outpatient journey. These standards will also link to a set of key performance indicators which will include patient experience measures

Recruitment and launch of 'User Reference Group'

Rather than convene a 'User Reference Group' we have conducted a series of discussion groups with patients and with staff to focus on particular areas of work. We have discussed general issues such as:

- How we can improve communication with patients through their outpatient journey including improving letters, responsiveness to telephone calls, easier access to staff if a patient needs information
- How we can best support staff to deliver excellent customer care and gather patient views on what's would make a really good experience for them

We will continue to meet with patients through the project to gather their views and to test out ideas and plans for improvement so that we deliver changes requested by patients, that will improve their experience of care

Audit of telephone responsiveness

Audits of responsiveness of our switchboard continue to show that phones are answered promptly meeting our target of 30 seconds. We will continue to measure this.

We also audit our appointment booking service at the Denmark Hill site Outpatient Appointment Centre (OPAC), where there is a target to answer 90% of calls. Although we have met this over a number of months, there were some months where our responsiveness fell below the target (see table below).

Month	Performance – No of calls and percentage of calls answered
April 2017	142459 (88%)
May 2017	11582 (93%)
June 2017	11047 (83%)
July 2017	11025 (89%)
August 2017	11176 (89%)
September 2017	10616 (78%)
October 2017	11595 (86%)
November 2017	10813 (86%)
December 2017	8063 (92%)
January 2018	12928 (85%)
February 2018	11642 (92%)
March 2018	11790 (91%)

Improved satisfaction with appointment booking

Over the year, patient experience in relation to booking of appointments has shown some improvement, however progress remains below target.

For the first six months of the year the average ‘How are we doing?’ survey score out of 100 for patients’ experience of booking their appointments was 72 and for the last six months of the year it rose to 77 against a target of 80.

Audit of satisfaction with virtual clinic model in pilot areas

Our transformation work this year has focussed greatly on back-office processes; for example, ensuring that we use our clinic space optimally so that we can reduce waiting times for our patients.

Although there are some services which are using alternative options to face to face, like our intensive care service that use skype to contact patients after discharge, we have not set up a new programme of ‘virtual’ clinics. We will be looking at alternative models for year three of this programme

Develop and test improved communication tools for patients e.g. patient reminders

We know that patients’ appointment letters sometimes go astray and that this is very frustrating for patients and can also result in patients being recorded as ‘did not attend’ (DNAs).

In February 2017 we started piloting digital appointment letters. This offers patients the option of accessing their appointment details through a secure patient portal via a smartphone, tablet or desk top computer. There is also the capability for letters to be translated into different languages. Hospital information and appointment instructions can be easily attached and a real-time home to hospital map reduces on the day delays. For patients that do not have a mobile phone, letters will be sent by post instead.

Other improvement pilots include:

- Automatic call forward boards in our outpatient clinics which tell patients when their appointment will start and will also be able to update on waiting times/delays with appointments. This would help a key area where patients tell us that we fall short – not having information about delays in clinic
- An electronic system to assess where there are free appointment slots so that patients can be offered these vacant appointments, helping to reduce waiting times for appointments. This is being tested in April in our neurology clinic at Denmark Hill

Increase the ability to book appointments electronically in primary care and thereby offering more convenient access to patients:

In line with national policy, King’s is has now completed the roll-out of the national NHS Electronic Referral Service (e-RS).

Scope and pilot a range of alternatives to traditional outpatient appointments, such as virtual clinics:

Patient feedback gathered through our listening events shows appetite for alternatives to face to face appointments including telephone consultations and video calls, as long as we provide choice for patients to suit their needs.

This year we are continuing to pilot alternatives such as Skype consultations in our diabetes service and for follow-up sessions for patients who have had an intensive care admission. We need to undertake evaluation both to assess patient satisfaction, but also the cost effectiveness of these virtual clinics.

Agree improvement targets for year:

We held two workshops at PRUH and DH to look at outpatient transformation plans going forward and a Quality Account workshop with patients, the public, HealthWatch and Governors. We also talked with our Foundation Trust Governors.

Feedback from these events has fed helped to identify our quality priorities for 2018/2019.

How was progress reported?

Progress was reported through the Trust's well established quality governance framework which is described in detail within the Annual Governance Statement.

The Executive Lead for improving outpatient experience is Lisa Hollins, Director of Transformation and ICT.

Improvement priority 5

Improving the experience of patients with cancer and their families.

Why was this a priority?

Although cancer patient experience has been improving, as measured by the National Cancer Patient Experience Survey (NCPES), there is still a long way to go. For the 2016 NCPES, although King's was the 40th most improved trust, it was still ranked 136th out of 209 cancer care providers. In addition, there is wide variation in patient experience between patients with different types of cancers.

With this in mind, King's wanted to have a much stronger, strategic focus on improving patient and family experience of cancer and we therefore chose to embark on a three year programme of improvement in order to achieve a step change in patient and family experience and one that can be sustained.

What was our aim?

We proposed this as a three year programme in order to achieve the following:

We said we would use the results of the 2015 and 2016 National Cancer Patient Experience Survey to identify focused areas for improvement. Based on 2015 data, these will include:

- Improving information for patients about all aspects of medication and treatment side effects including chemotherapy;
- Enhancing opportunities for patients and their families to talk to someone if they are worried or fearful about any aspect of their care;

- Ensuring that they have practical and accessible information about access to support, such as benefits or financial support; and,
- Further enhancing accessibility to our Clinical Nurse Specialists

In 2017/18 we also committed to:

- Undertake a review of existing data about cancer patient experience, including the King's 'How are we doing?' surveys, intelligence from cancer support groups, voluntary agencies and other trusts. This will help us to better understand the experience of cancer patients and their families and any specific target populations to inform improvement work
- Set up patient reference groups - virtual or face-to-face - for our key cancer services, such as breast and haematology. This will ensure that patients, their families and carers have a say in shaping improvements and making sure that what we do has maximum impact on patient experience
- Explore additional support for patients and their families from the King's volunteer service and peer support programmes
- Develop a suite of feedback tools to gather first-hand experience of care from our patients and their families. This will include a bespoke cancer patient 'How are we doing?' patient survey as well as regular feedback through patient stories
- Build on Macmillan Values training for staff to spread good practice in cancer care
- Share good practice between the key cancer specialties at King's to ensure that all patients receive the same level and quality of service
- Build on previous work to review and refresh our Holistic Needs Assessments and Health and Wellbeing events
- Apply to become a Level 3 Paediatric Oncology Shared Care Unit (POSCU) and scope further improvement areas for children and their families
- Set up a working group of the Trust Cancer Committee to scope a co-ordinated, Trust-wide approach to improving all aspects of cancer care and treatment, including patient experience. A key remit of the working group will be to address specific issues linked to the design of our services which, by their nature, necessitate our cancer patients being treated across a number of specialties including surgery, liver and neurosciences, as well as across different sites

Did we achieve this priority?

This priority was partial achieved.

There has been good progress over the year in getting the foundations set for a number of programmes of work to improve cancer patient experience. The work is being led by our new dedicated Head of Nursing for Cancer who came into post in May 2017. We have developed a comprehensive three year plan for improving the experience of care for our cancer patients and are making good progress in scoping these plans.

How have we improved performance?

Focus for improvement – National Cancer Patient Experience Survey (NCPES) and ‘How are we doing?’ survey

Following the 2016 NCPES, we carried out a detailed analysis of what patients told us including understanding the key issues that were raised in response to the survey. We also conducted detailed analysis of the patient comments from the 2015 NCPES to identify recurrent themes. The analysis was widely reported within the cancer team, including at the trust Cancer Committee in 2017 and within specific cancer teams who were asked to develop work plans to address key issues raised by patients and aligning them closely to the overall trust-wide areas for improvement.

Listening to patients and their families

Rather than setting up specific cancer user reference groups, we decided to listen to a wider group of patients through patient listening events carried out in partnership with Macmillan Cancer Support. We held one event at our Denmark Hill site and one at the PRUH. The events gave us a deeper insight into our patient's experience of care through their cancer journey, particularly their experience of the holistic needs assessment model and the recovery package. Feedback from these events, along with patient comments from the NCPES, gave us a good understanding of where we do well and where further improvement can be made.

Over the last year we have added different ways for patients to feedback their views including:

- Improved our methods of gathering cancer patient experience through addition of iPads for completion surveys electronically
- Introduced text and landline messaging in January 2018 to gather Friends and Family Test feedback for both cancer outpatients and day-case patients, for example, patients attending our chemotherapy day units. This has significantly increased the amount of feedback from our patients and will help us to target improvements
- Recruited a group of King's Foundation Trust members with an interest in patients' experience of cancer to provide ongoing advice and input into service development

- Developed a King's Cancer 'How are we doing?' survey so that we can gather cancer specific patient experience feedback on a regular basis and assess progress - rather than waiting for the annual national cancer survey

Explore additional support for patients and their families from the King's volunteer service and peer support programmes

Denmark Hill has a well-established Macmillan Information Centre, housed in the Cicely Saunders Institute. A new Centre Manager came into post in February 2018 and we are working closely together to see how we can enhance the practical support provided to our patients and their families.

We are actively working with the King's volunteer service and have agreed a new 'Chemotherapy Day Unit Volunteer' role to provide support to patients and their families receiving treatment in our Chemotherapy Day Units at both Denmark Hill and the PRUH. Volunteers will provide a range of support from traditional befriending to keep patients company, providing refreshments. Our Head of Volunteering and Head of Nursing are also exploring other ways that volunteers can support cancer patients and their families.

We have also agreed a three year collaboration with Macmillan to deliver improvements in patient experience.

Enhancing access to Clinical Nurse Specialists (CNS)

Our CNSs play a key role in supporting patients and their families through their cancer journey both through clinical support and emotional support. This year, we have undertaken work to enhance this service including:

- Launching a cancer CNS Forum to provide leadership and support
- Agreed funding for two further Clinical Nurse Specialists to support patients with Upper GI Cancers and Cancer with Unknown Primary
- We've also agreed standardised ways of working for our Cancer Clinical Nurse Specialists to ensure that all cancer patients receive the same level of service
- As part of our collaboration with Macmillan, nine of our Clinical Nurse Specialist posts have been 'adopted' by Macmillan under their Macmillan Adoption scheme. This scheme allows our CNS's to carry the Macmillan name and access the benefits available to all other Macmillan professionals. For example, our CNS's will be able to benefit from:
 - attending learning and development events and receiving coaching
 - access funding for training and development
 - access to digital information resources
 - being able to apply for grants from Macmillan to support patients with cancer who they support

We will be working with Macmillan to identify funding for additional posts to support patients.

In addition to this, support from Macmillan has also been able to support access to training through the Accountable Cancer Network to support clinical staff to gain Level 2 Psychological Skills training to support the emotional and psychological wellbeing of patients. The first cohort of staff completed their training in 2018 and further training is planned.

Review and refresh our Holistic Needs Assessments and Health and Wellbeing events

At our two listening events held at our PRUH and Denmark Hill sites, we asked patients about their understanding and experience of the different parts of the Recovery Package including Holistic Needs Assessments and wellbeing events. The feedback showed that there are differences between tumour groups and hospital sites in terms of accessing the different elements of the recovery package and health and wellbeing events. This feedback will be incorporated into our improvement plan for 2018/2019.

King's is working with partners across South East London to improve equality of access for patients to having Holistic Needs Assessments and attending Health and Wellbeing events.

King's is also an active member of the South East London Living With and Beyond Cancer (LWBC) steering group which has agreed a target that 70% of patient will be able to have an HNA at the time of diagnosis and following completion of their treatment. First pilot at King's for full implementation of HNA have started September 2017 for haematology cancer.

Provide accessible information for patients

We said that we would improve the information that we give our patients and their families about the support that's available to them, for example advice on financial issues and benefits.

A new manager has joined the King's Macmillan Information Centre and we are working with them to improve accessibility of information and support to patients.

We now have dedicated financial advisors at both Denmark Hill and the PRUH who are available for two sessions per week to answer patient queries.

We also said that we would make improvements to information about specific parts of cancer treatment including information on medication side effects for chemotherapy treatment. Patient information is available but we need to respond to patient feedback about when is best to give patients information. This will be done as part of the implementation of the Macmillan Recovery Package.

As part of our work to become a Level 3 Paediatric Oncology Shared Care Unit (POSCU), improve the experience of children with cancer and their families

This is work in progress with our partners in South East London and will continue into next year.

Set up a working group of Trust Cancer Committee to scope a co-ordinated, Trust-wide approach to improving all aspects of cancer care and treatment, including patient experience

Our comprehensive improvement action plan will address all aspects of patient experience improvement and will be overseen by the trust Cancer Board.

Baseline

Although King's was the 40th most improved trust for the 2016 National Cancer Patient Experience Survey, there is a significant way to improve on key areas where we remain statistically below the national average across the patient pathway from poor experience in outpatients and provision of information and practical support, to lack of confidence in clinical staff and care received in hospital and at home.

Progress has been made in ensuring that our staff receive the appropriate training, but we still have challenges in terms of providing cancer specific training to our staff, lack of skills to provide psychological and emotional support for patients and limited access to allied health professionals.

There remain inconsistencies in the quality of care for different cancer patients and we need to ensure that we offer patients the same level of care and treatment, whatever their cancer type. We set out to embed Holistic Needs Assessments for our patients but, again, there is variability between specialties in how this has been taken forward. We have a target of 70% of patients being provided with an HNA and our best performing specialty has reached 40%, so there is work to do here.

The 2017 National Cancer Patient Experience Survey is currently underway. We will not receive the results in time for publication of this report. When the results are published we will be able to assess whether the actions we have put in place over the last year have had a positive impact on patient experience.

For the Friends and Family Test survey which asks patients whether they would recommend the service to friends and family should they need similar care and treatment, King's patients have rated our inpatient service very highly with an average 96% (to Jan 2018) of patients saying that they would recommend the service which is above the recommendation rates for our inpatient wards overall, but remains the same as for the previous year.

Year one of this priority has established some solid foundations for improvement going forward and we are confident that, with the improvement plans in place, good progress will be made for our year two priorities.

How was progress reported?

Progress was reported through the Trust's well established quality governance framework which is described in detail within the Annual Governance Statement and progress against

the cancer improvement plan is discussed at the Trust Patient Experience Committee and has also been reported to our Commissioners.

The Executive Lead for improving the experience of patients with cancer and their families is Dr Shelley Dolan, Chief Nurse and Chief Operating Officer.

Improvement priority 6

Sepsis (improvement of its recognition, management and escalation)

Why was this a priority?

Sepsis is a life threatening condition with many mimics – nationally mortality runs at 28 % for those admitted to critical care with sepsis. At King's College Hospital NHS Foundation Trust sepsis is in its third year as a quality priority with improvements being reported. It is felt that this year would help complete and embed processes described below. Additionally the Electronic Patient Record (EPR) system is being rolled out at the PRUH which will help standardise data collection.

What was our aim?

Our aim was to improve the implementation of sepsis bundles for patients with positive blood cultures and diagnosis of sepsis as defined by EPR order set. Using "**bundles**" simplifies the complex processes of the care of patients with severe **sepsis**. A **bundle** is a selected set of elements of care that, when implemented as a group, have an effect on outcomes beyond implementing the individual elements alone.

In order to achieve this we said we would:

- Ensure sepsis screening and treatment bundles are embedded across the Emergency Department and inpatient populations
- Work to align prospective coding datasets for sepsis. Coding involves assigning a code to an illness or treatment for classification or identification. This is then used for auditing and billing purposes
- Develop a quick sepsis organ failure assessment (qSOFA) to support the identification of high risk patients. The qSOFA score is a bedside prompt that may identify patients with suspected infection who are at greater risk for a poor outcome outside the intensive care unit (ICU)
- Explore the development of sepsis dashboards

Did we achieve this priority?

This priority was partial achieved.

This will be a continuing priority for 2018/19.

Across the UK the sepsis 6 bundle is advocated for reducing the risk of mortality. It was designed by health care professionals and requires staff to firstly identify and screen a patient for potential sepsis and then to administer antibiotics within 60 minutes. The key steps required under sepsis 6 are listed below:

1. Titrate oxygen to a saturation target of 94%
2. Take blood cultures.
3. Administer empiric intravenous antibiotics.
4. Measure serum lactate and send full blood count.
5. Start intravenous fluid resuscitation.
6. Commence accurate urine output measurement

As a Trust we measure compliance with the requirement to screen and administer antibiotics/treatment as described below. The Trust reviews this in light of the Emergency Department patient cohort and inpatient patient cohort.

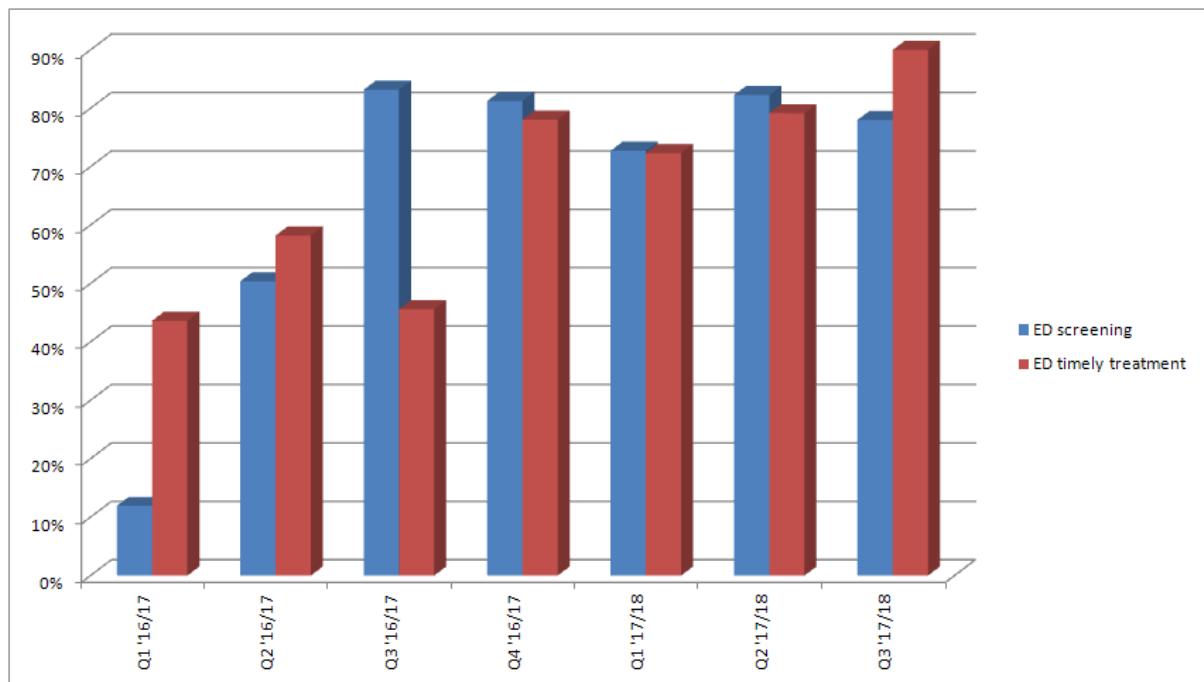
The electronic and case based analysis demonstrates our compliance with our aims, for Emergency Department sample sizes for screening and antibiotic compliance of 3525 and 640 respectively, and for inpatient sample sizes for screening and antibiotic compliance of 2486 and 1274 respectively.

Screening, time to antibiotics, and the sepsis 6 bundle compliance all rose to the upper quartile. In particular, audit data demonstrates antibiotic timelines, treatment and bundle compliance now are at 90 % or above in accordance with the national guidelines for those with 'bad' sepsis.

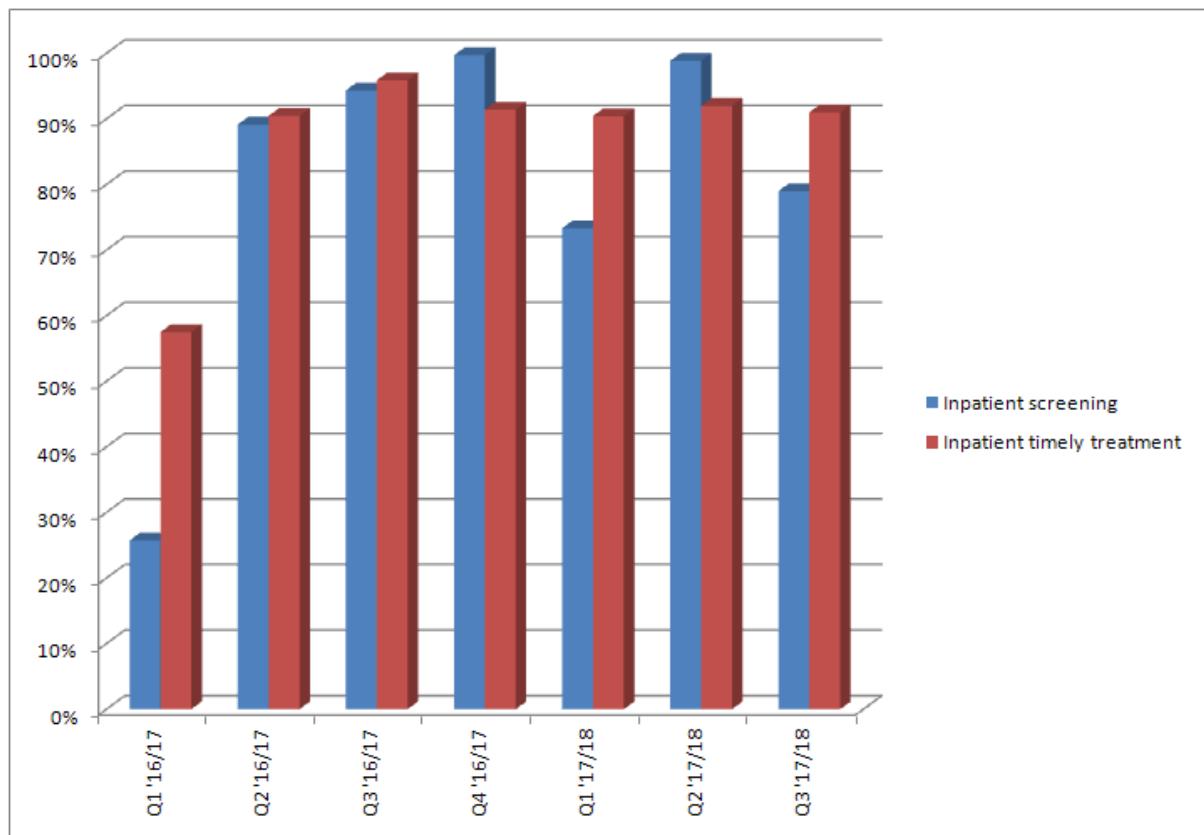
- *Successful screening of patients against those that meet criteria for screening, and treatment bundle adherence, will rise to the upper quartile.*
- *The number of patients appropriately coded with sepsis will rise from the baseline in 2015/16.*
- *Improve SHMI and/or Shelford group ranking (except in labour) as against the 2015/16 baseline.*
- *Reduce length of stay for patients who are coded with septicaemia (except in labour) as against the 2015/16 baseline (see table below).*

Sepsis Quarterly trends	Q1 '16/17	Q2 '16/17	Q3 '16/17	Q4 '16/17	Q1 '17/18	Q2 '17/18	Q3 '17/18
ED screening	12%	50%	83%	81%	73%	82%	78%
ED timely treatment	44%	58%	46%	78%	72%	79%	90%
Sepsis Quarterly trends	Q1 '16/17	Q2 '16/17	Q3 '16/17	Q4 '16/17	Q1 '17/18	Q2 '17/18	Q3 '17/18
Inpatient screening	26%	89%	94%	100%	73%	99%	79%
Inpatient timely treatment	58%	90%	96%	91%	90%	92%	91%

Sepsis nCQUIN quarterly returns: adult & paediatrics



Emergency Department - screening and antibiotic timeline compliance: adults and paediatrics



Inpatients - screening and antibiotic timeline compliance: adults and paediatrics

How have we improved performance?

We evolved the screening and treatment bundles throughout the hospital, undertaking regular electronic and case based audit to track our progress. The successful roll out of the electronic patient record (EPR) at the PRUH now means that a consistent approach can be used cross-site going forwards. In essence we can extract the same information and data easily across the two hospital sites which allows for easier comparison.

We had sepsis study days, link nurses for key wards and rolled out 'sepsis' boxes to support sepsis education across the trust - our approach has been to raise awareness about sepsis in order to ensure clinical grass root traction with improvements in the care of these patients.

- *Our stated measure of success in the 2016/17 Quality Account Report:*

Successful screening of patients against those that meet criteria for screening, and treatment bundle adherence, will rise to the upper quartile.

Across the two years of the sepsis quality improvement programme, and in audits across n = 1104 patients, sepsis 6 bundle adherence rose to > 90 %.

2016/17 & 2017/18	For 'bad' sepsis cases as defined by red flag sepsis, severe sepsis and septic shock	
Sepsis 6 compliance	n = 1104	
1	Oxygen given	94.42%
2	Antibiotics given	98.48%
	: in timely fashion?	93.60%
3	Intravenous fluid challenge	79.40%
4	Blood cultures	95.13%
5	Lactate measurement	98.21%
6	Urine output monitoring	91.15%
Composite compliance across all 6 actions		93.36%

Sepsis 6 bundle compliance for 'bad' sepsis

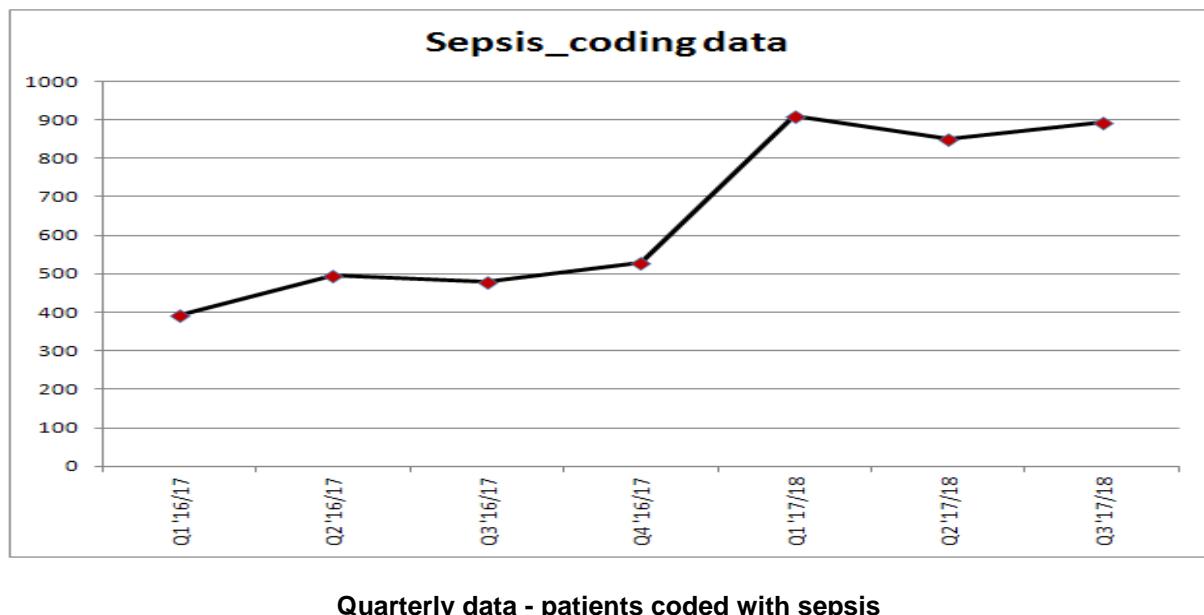
We have worked with coding and the electronic patient records (EPR) departments on correctly identifying patients with sepsis, and its coding correlates, to ensure better accuracy of our data. As part of this, we have also undertaken an NHS consultation on sepsis coding in the light of updated definitions.

Sepsis diagnostic information has been made easier to find on the electronic patient records, with automated reporting of sepsis from diagnostic information entered by clinicians, both at the front door in ED, and for inpatients. As a result, concordance between inpatient screening data and coding data has improved significantly during this time where once there was a considerable disparity, although there are still gains to be made in regard of aligning clinical and coding datasets.

Equally, it is likely for a number of reasons that we are not yet capturing all the episodes of sepsis that are admitted to, or occur within, the hospital.

- Our stated measure of success in the 2016/17 Quality Account Report:

The number of patients appropriately coded with sepsis will rise from the baseline in 2015/16.



We have collated data on qSOFA, which is a marker of acuity in patients identified as having sepsis that has been suggested as an effective tool in improving outcomes for patients with sepsis.

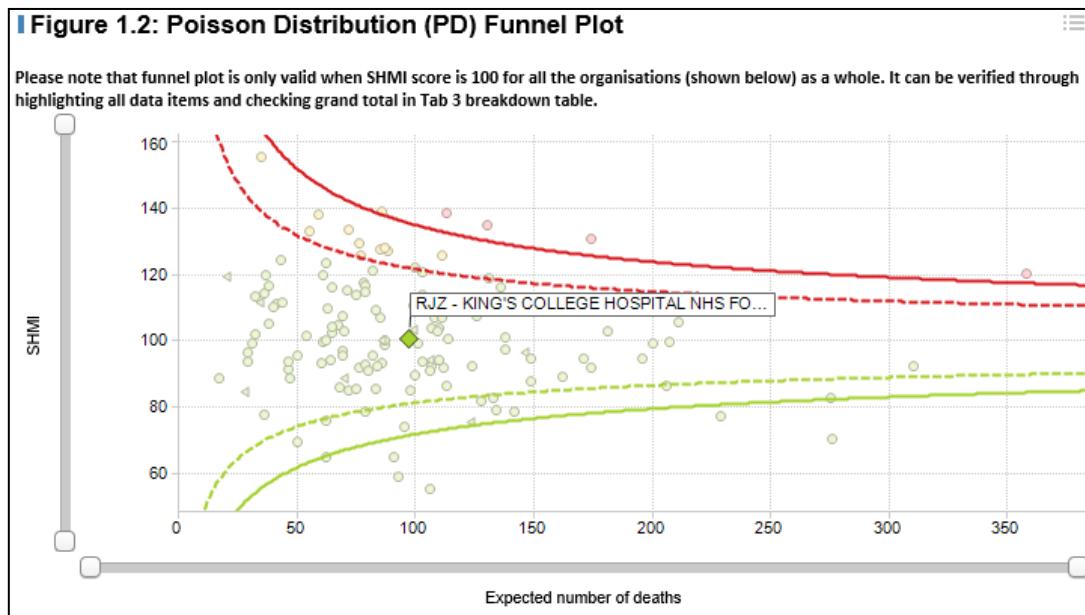
2016/17 & 2017/18				
qSOFA analysis	n = 1918	p = 0.0001		
	Alive	Dead	%	Total
qSOFA - ve	905	103	10.2%	1008
qSOFA + ve	644	266	29.2%	910
Total	1549	369		1918

iMobile Critical Care Outreach sepsis screening dataset

The iMobile outreach service (specialised intensive care staff that visit and help support unwell patients on wards that are not in intensive care) already gets automated NEWS (national early warning score) alerts directly to their service Wi-Fi telephones which they can follow up and we are looking to see whether qSOFA positive patients can be automatically flagged through the same system.

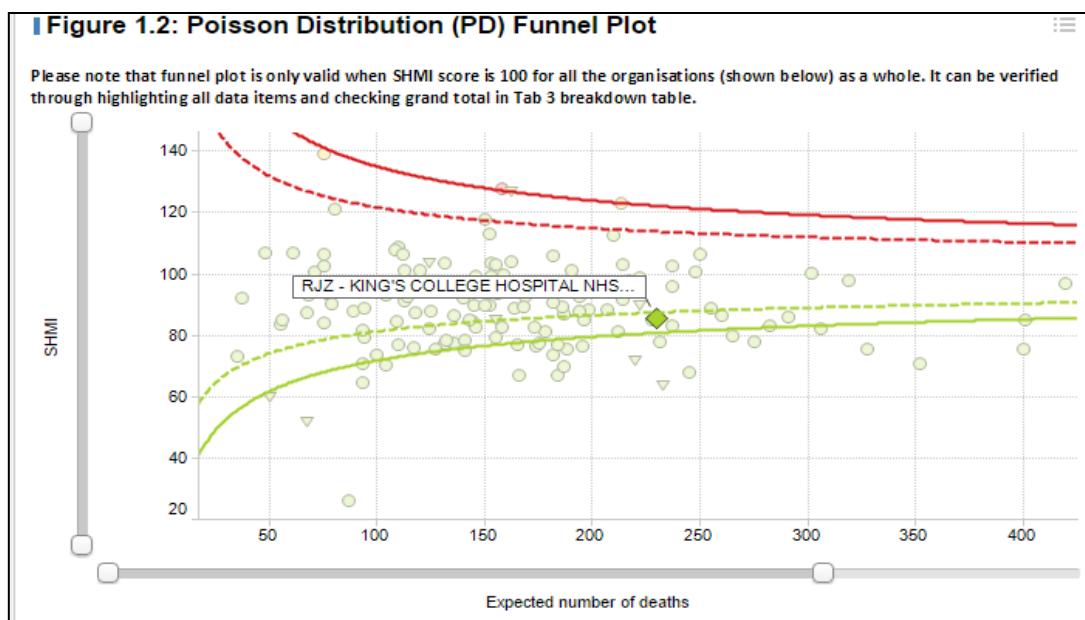
- Our stated measure of success in the 2016/17 Quality Account Report:

Improve Summary Hospital-level Mortality Indicator (SHMI) and/or Shelford group ranking for septicaemia (except in labour) as against the 2015/16 baseline.



2015/16 SHMI for Septicaemia (except in labour)

source: Healthcare Evaluation Data [HED]



2017/18 YTD SHMI for Septicaemia (except in labour)

source: Healthcare Evaluation Data [HED]

Our performance is trending in the right direction with our Shelford ranking improved from the 7th to 6th during the course of the QI programme and a significant improvement in the SHMI.

We have explored what key metrics might form part of any sepsis dashboard. We now have good data aligning key areas where septic patients are managed, as well as data on whether they required critical care admission, palliative care input, and on mortality as well as on LoS data.

For example, 6.6% had a critical care admission, 16 % had a palliative care code, emphasising again that sepsis may form part of patient's end of life illness.

Finally, in our sepsis strategy submission to NHSE in 2016, baseline mortality for those coded with sepsis in 2015/16 appeared to be 23.6 % and in 2017/18 YTD, this now stands at 18.5 % which represents a significant improvement.

Mortality comparison	Alive	Dead	Totals	
2015/16	1583	491	2074	23.67%
2017/18 Q3 YTD	2259	512	2771	18.48%
Totals	3842	1003	4845	p = 0.0001

Comparison of mortality from baseline for sepsis

- Our stated measure of success in the 2016/17 Quality Account Report:

Reduce length of stay for patients who are coded with septicaemia (except in labour) as against the 2015/16 baseline.

Utilising our coding dataset, we analysed 5365 patients coded with sepsis from our 2015/16 baseline through to the current 2017/18 YTD data. For patients without a palliative care code, bearing in mind that many patients now die with sepsis rather than from sepsis, average length of stay fell by over a day representing over 3000 bed days saved.

It is hard to delineate whether this is due to improved coding of patients or the quality improvement programme but it is likely multi-factorial.

Coding dataset (palliative care excluded)	n	LoS
2015/16	1516	18.9
2017/18 YTD	2288	17.5

Length of stay (LoS in days) data for patients coded with sepsis

How was progress reported?

Progress was reported through the Trust's well established quality governance framework which is described in detail within the Annual Governance Statement.

The Executive Lead for improving the implementation of sepsis bundles is Professor Jules Wendon, Medical Director.

Improvement priority 7

Improve quality of the surgical safety checks

Why was this a priority?

Safer Surgery was chosen as the Trust deemed it a priority to continue to reduce the number of reported Never Events at the Trust. We were particularly keen to apply safety checks in the interventional as well as surgical setting in line with the national roll out of the NatSSIPS (National Safety Standards for Invasive Procedures). While compliance with safety procedures is good at the Trust, we wanted to further assess and potentially improve the quality of such checks. Lastly we wanted to be innovative in the work that is already undertaken to ensure a safe and efficient surgical environment where staff are supported and confident in their role and team.

What was our aim?

Our aim is to improve the quality of the surgical safety checks by 10% year-on-year, as measured by the annual surgical safety checklist observational audit and quality assessment.

- Further develop processes to use electronic checklist completion data effectively to feedback to teams and for training and improvement purposes as this is largely reviewed at the SSIG currently by Theatre & Surgical Speciality and reviewed at audit mornings.
- Facilitate local training in areas where there are requirements for improvement identified through audit (including theatre staff, a human factors component & feedback on Never Events etc.)
- 'Team Brief' and 'Debrief' could not be added as a specific time slot on Galaxy which was previously planned. There would be QI project work to further embed this
- Continued audit of implementation of new invasive device insertion sticker and process (two person contemporaneous check) across all areas (including non-ICU areas) where Seldinger technique is used to embed practice
- Reinvigorate communication campaign re surgical safety to target MDT staff
- Continue with the roll-out of NatSSIPS and developing LocSSIPs (Local Safety Standards for Invasive Procedures) in areas where interventional procedures are performed and further develop recognition of risk in non-main theatre areas.

- Work with the theatre transformation team (King's Way for Theatres) to improve safety.

Did we achieve this priority?

This priority has been achieved and while we are not taking this forward as a priority through the quality accounts process, we will continue our work through the Surgical Safety Improvement programme, which reports into Executive Committees, the Board and to front-line staff.

The observational audit was also able to provide more detailed qualitative audit tool highlighting specific aspects that are working well and where improvements can be focused.

How have we improved performance?

The Trust has introduced a number of measures to support the delivery of this priority including:

- Electronic checklist completion data (broken down by speciality, theatre and surgeon) shows good compliance across all specialities reaching 100% consistently in a number of areas and enables remedial action and local training where this is not achieved. Data is cascaded across the specialities for review.
- In 2017/2018, four surgical/invasive Never Events were reported and further work is being carried out to reduce these. That is a reduction from the previous year when six surgical/invasive procedure Never Events were reported. Work focused in particular on reducing incidents relating to retained foreign bodies at the end of a procedure whereby there were elements of command/control human factors within the team. Two of the three incidents related to nursing staff knowing the count is incorrect but the surgery and discharge from the theatre continued. The 'Pause for Gauze' which allows the nursing staff safe space to perform their counts was instigated across all theatre sites.
- We were successful in further developing local surgical safety interventional procedure standards (LocSSIPs) in accordance with published national standards for all specialties that undertake invasive procedures. The oral surgery department held a number of external events showcasing their work in this area.
- Revised intranet site re surgical safety information, used the trust-wide communications campaign SafetyNet to share lessons learned with hospital staff and are currently setting up Surgical Safety Day with national subject experts attending.
- The transformation team (King's Way for Theatres) have largely worked with staff to review operational flow and communication in theatres
- Overall quality checks increased with required improvements identified for team brief/debrief. A zero tolerance in relation to non-completion of team brief was implemented across the Trust as supported by the Executive team with exception to emergency patients. Running debrief is being trialled in the Day Surgery Setting which allows for on-going recording of staff feedback throughout surgery. The process for collating and analysing this is being developed through quality improvement work.

We are also working on:

- Collaborating with King's College London (KCL) to develop a human factors training programme
- Continue work on staff competency documents

How was progress reported?

Progress was reported through the Trust's well established quality governance framework which is described in detail within the Annual Governance Statement.

The Executive Lead for improving surgical safety is Professor Jules Wendon, Medical Director.

Choosing Priorities for 2018/19

In January 2018, NHS Improvement published the quality accounts reporting arrangements and the 'Detailed requirements for quality reports for foundation trusts 2017/18'. We chose to include the mandatory (must do) set of quality indicators for requirements for 2017/18. However, some of the indicators are not relevant to us (i.e. those that relate to ambulance trusts and mental health trusts), so we have not included them.

In February 2018, NHS Improvement issued 'Detailed requirements for external assurance for quality reports for foundation trusts 2017/18' as from 2011/2012 all acute trusts must have their Quality Accounts checked by external auditors. However, we also felt it was important to consult with our members and council of governors to incorporate their views about 'quality' into the quality account.

The process for agreeing the quality priorities for 2018/19 was as follows:

November 2017

Meeting with King's College Hospital's Quality Team to review 2017/18 priorities and determine which would be continuing priorities and which had been achieved.

December 2017

Patient, public and members engagement event held on 5th December 2017 to showcase current priorities and propose priorities for 2018/19.

Update on 2017/18 priorities and feedback from attenders at the patient, public and members event provided to Clinical Quality & Research Group (CQRG) on 12th December 2017.

February 2018

Update on continuing and new priorities presented to CQRG 27th February 2018

March 2018

Quality priorities discussed at Council of Governors meeting to review current proposed quality priorities for 2018/19 and discuss which would be the Governors selected priority. Council of Governors chose a quality priority for 2018/19.

April 2018

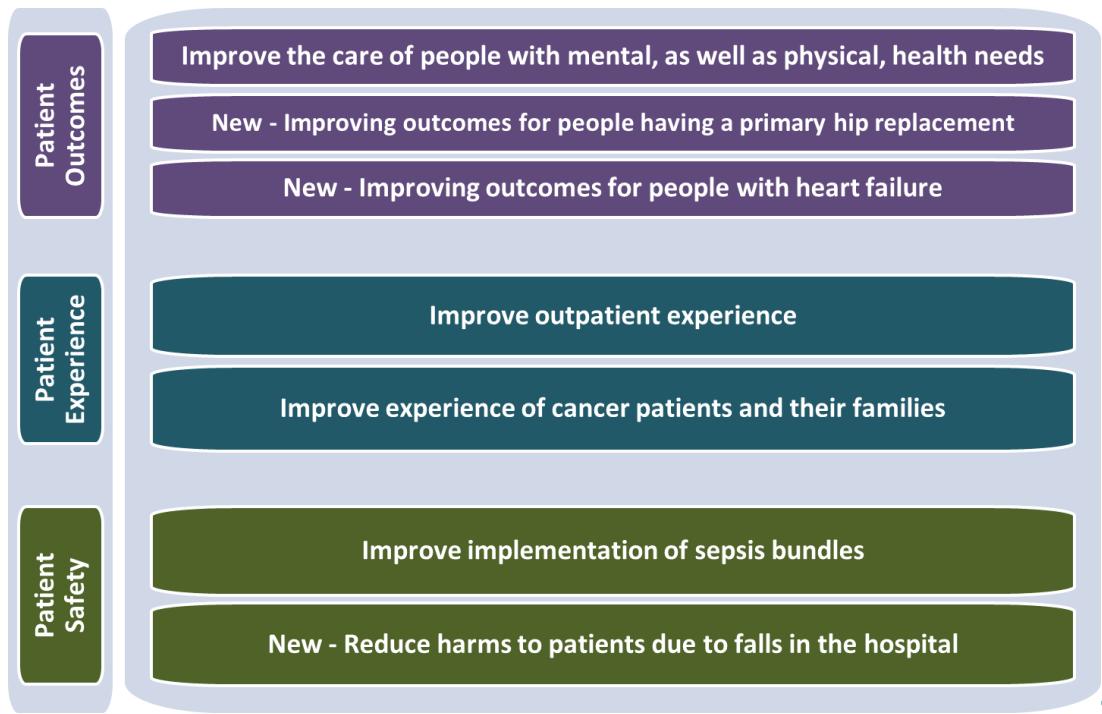
Draft reviewed by external stakeholders for 30 days
Final draft version of the quality account completed

May 2018

Draft reviewed by the Board

Monitoring Quality Priorities

All seven quality priorities will be monitored through the divisional governance boards and then through the Executive quality Board and finally quarterly through the Board Quality, Risk and Research Committee



Improve care of people with mental, as well as physical, health needs

Why is this continuing as a priority?

As described previously, in 2017/18 we made an excellent start with our objective to improve the mental health care and outcomes of our patients. We knew, however, when we began this work that this would take more than one year and we identified this area from the outset as being a 3-year priority. To recap on why this is continuing as a quality priority for King's:

- Nearly a third of people with long-term medical conditions have a mental illness, and nearly half of people with mental illness have at least one long-term medical condition
- Joining-up the care of both mind and body leads to better patient outcomes
- It is also cost-effective - £1 in every £8 spent on caring for people with long-term medical conditions is linked to poor mental health
- National studies show that there is much that hospitals like King's can do to improve mental health care

What is our aim for the coming year?

Next year we will:

- Increase outpatient clinics undertaking screening for mental health

- Provide self-help resources for our patients and help patients to refer themselves to psychology services
- Develop new ways to join up physical and mental health care to improve the outcomes, experience and safety of our patients
- Support staff to provide better mental health care through training and supervision.
- Work in partnership with South London & Maudsley NHS Trust, general practitioners and other local hospitals

How will we measure our success?

- Progress against these aims will be reported to the Trust's Mental Health Board and Executive Quality Board and included in the Trust's Quarterly Patient Outcomes Report
- Part of the challenge for improving patient mental health outcomes is the measurement of patient outcomes, which has not traditionally been a key element of hospital's performance measures. King's is working hard to address this and the development of standardised data on mental health outcomes is a component of our improvement work.
- As well as data on mental health outcomes, we will measure our success through the number of patients who are screened for mental health and the number of staff who have received training in mental health care.

Improving outcomes for people having primary hip replacement

Why is this a priority?

In 2016/17 approximately 750 hip replacements were undertaken at King's College Hospital NHS Trust, with most hip replacements undertaken on our Orpington Hospital site. Following surgery, patients' care is provided either at Orpington Hospital or at our Denmark Hill site.

We plan to measure the outcomes for patients at the two sites and, if we find that one site results in better outcomes, learn from this and develop the best approach for all our patients. By 'outcomes' we mean return to normal activities and quality of life after surgery.

What is our aim for the coming year?

- We aim to look at national information already gathered on patients' outcomes after surgery and compare the two services in detail

- We will then use this information to develop services that lead to the best possible patient outcomes at both hospital sites
- We will also share this information with other local hospitals. This will include improving the patient discharge process and information provided after a hospital stay

How will we measure our success?

- Our key measure of success will be detailed knowledge of the differences and similarities in patient-reported outcomes for patients following the two different post-operative pathways at King's, using the NHS Digital Patient Reported Outcomes Measures for hip replacement. This knowledge will be used to inform the future development of those pathways.

Improving outcomes for people with heart failure

Why is this a priority?

Heart failure is the most common reason for admission to hospital for patients over 65 years of age. 30–40% of patients diagnosed with heart failure die within a year. For example, 9,000 people are estimated to be living with heart failure in Southwark and Lambeth, but less than 3,000 are known to services.

We aim to help people with heart failure live longer with a better quality of life in their own homes.

What is our aim for the coming year?

We will:

- Build on work started in 2015 to ensure more patients are diagnosed and receive the treatment they need as soon as possible, and to keep people at home wherever possible.
- Work with local GP practices to ensure that it is easy for GPs to refer the right patients to specialist heart failure clinics
- Provide a 'one stop shop' service for patients to ensure they get everything they need in one place, and to ensure they receive treatment quickly
- Ensure every patient receives information to help them live with their condition
- Ensure that care continues after the patient leaves hospital

How will we measure our success?

- A key measure of success will be an increase in the number of people with heart failure known to King's;
- The availability of an efficient and effective referral pathway for GPs;
- The availability of a 'one stop shop' service for patients;
- The availability of patient information and effective post-discharge care plans.

Improve outpatient experience

This is the second year of a three year priority linking to our King's Way Outpatient Transformation programme.

That is our aim for the coming year?

Our work over the next year will focus on five key areas:

Outpatient Standards:

- Developing Outpatient Standards was part of year one of this priority. However, although we have drafted a set of standards, we need to test these thoroughly with patients and staff. During year two we will therefore finalise the standards, launch and embed

Digital outpatients

- We will complete our pilot for digital patient letters in our musculoskeletal skeletal service at Queen Mary's. Success will be measured through patient uptake of the service and their feedback, staff feedback and also by measuring impact on did not attends (DNAs)
- We will pilot a new electronic system for updating waiting times in clinic called In Touch. This will provide information on an electronic screen and can be regularly updated. The pilot will be carried out in the outpatient clinics in Suite 3 and the Venetian Building at Denmark Hill. We will measure the success of this through our 'How are we doing?' survey which asks patients whether they were given information on waits and through patient comments.
- If the above pilots are successful, our plan is to scope how we can expand these initiatives to other areas in the Trust

Focussed improvement work in specific specialties

- We will carry out in-depth work in three key specialties: Neurology, Cardiology, and Dermatology. We aim to:
 - ensure appointments are booked with patients on a mutually agreeable date
 - reduce waiting times for appointments by providing rooms for additional clinics
 - reduce waiting times for results through additional 'results clinics'
 - provide advice to G.P's to enhance the quality of referrals and avoid inappropriate referrals
- In these areas we anticipate that we will see improvements in patient experience measured by the 'Friends and Family Test', 'How are we doing?' survey and patient comments.

King's Way for Outpatients

- This involves taking a close look at outpatient departments across our sites to make sure that they: all follow the same processes; are a pleasant place for patients to be seen and/or treated and for staff to work; and have the skills needed to be able to solve problems or issues that arise
- We are also implementing a new outpatient department accreditation scheme. This is a system which will allow us to measure all kinds of aspects of our outpatient service and environment. It will enable track how our outpatient areas are performing on a regular basis in order to be more responsive to issues such as waiting times in clinic or how clean and organised the clinic is
- This will be piloted in our Cardiology outpatient department (Suite 6) and will be rolled out to other outpatient departments during the coming year

Supporting our staff to deliver excellent patient experience

- We will support staff who work in our outpatient clinics to provide excellent customer care for our patients
- Over the coming year, we plan to run 24 coaching and mentoring workshops for outpatient administration staff across all sites to improve staff morale. We know that staff who are satisfied with their job are more likely to give a better patient experience so this is a key part of our priority

How will we measure our success?

- We will monitor patient experience in response to the launch of our Outpatient Standards
- We will successfully evaluate digital appointment letters with patients and staff expected to reduce DNAs in pilot areas
- We will successfully evaluate the In-Touch system and improve patient experience of waiting in clinic in the pilot areas
- In our specialty areas, we will measure success by improving patient experience in these outpatient areas, reducing DNAs and reducing delays in clinic
- We will gather improved patient feedback about staff in key outpatient clinics measured by our 'How are we doing?' surveys and patient comments

Improve experience of cancer patients and their families

Why is this continuing as a priority?

This is the second year of a three year priority linked to the trust's cancer improvement plan. King's has worked hard over the past five years to improve the experience of patients who come to King's for their cancer treatment. We have made real progress and this is evidenced by improved patient experience scores in the National Cancer Patient Experience Survey (NCPES) which is carried out each year. For example, we've trained many of our doctors in advanced communication skills, set up a patient help line, enhance our Clinical Nurse Specialist service and the availability of patient information through the Macmillan Information Stands in our hospitals. We have also refurbished our chemotherapy unit at the PRUH which is now a much more pleasant environment for patients.

However, satisfaction levels vary for patients depending on their cancer type. We therefore want to have a renewed focus on achieving really significant improvement for all our cancer patients and their families. We want to build on the good work that we have already done and develop new initiatives to tackle areas where we've not achieved the level of change that we need to make patient experience as good as our clinical outcomes.

The new divisional structures at King's have strengthened the focus on our cancer services and put the trust in a good position to make positive change.

What is our aim for the coming year?

For year two of this priority, we will focus on the key themes in our cancer improvement plan which are based on feedback that patients have given us through national and local surveys and in our listening events. We will continue to listen to patients and their families and to ensure that improvements address the issues that are important to them.

The main themes that we are going to focus on are:

Workforce – giving patients better access to specialist, trained staff and improved communication between patients and staff

- Communication:
 - We will ensure that all medical staff undertake communication training and will encourage medical teams to attend our Schwartz Rounds and Team Away Days to support good team working and working across teams
 - To learn from patient feedback, clinical teams will review complaints to better understand issues relating to poor communication or lack of information for patients and agree actions to make improvements
- Improve access to CNS for patients:
 - Patients to have access to a CNS at diagnosis, through their treatment and after discharge to improve the support for patients across their cancer journey
 - We will also introduce different cancer professional roles to improve wider access to professional support
- Enhancing the skills of CNS to enable better communication with patients
 - All CNSs will attend an Advanced Communication Skills Course and undergo Level 2 Psychological Assessment training during 2018
- In addition, we will encourage all administrative and care assistants' staff to attend "Sage and Thyme" training which provides clinical staff with the communication skills to: notice distress, hear the concerns that a person may have, and respond helpfully to them
- We will develop clinic template letters that clearly summarise treatments, possible side effects and when to seek help and who to contact to ensure patients and their GP are aware of what to look out for and who to contact

Accessible information for patients

- Increase the information available to patients about the impact of treatment, such as chemotherapy treatment, through our mobile Macmillan Information Units and site a new unit at the PRUH site
- Develop a new Cancer Information Pack with essential information for patients including information about different treatments, the role of the multi-disciplinary team, as well as practical information such as financial advice, benefits and free prescriptions
- Develop the role of volunteers to: signpost patients to the Macmillan Centre and to provide training to volunteers to signpost patients to information and support available in the community
- Launch training for reception staff in our outpatient clinics and in the chemotherapy day unit to signpost patients and their families to the Macmillan Centre

Improving administration of care – including outpatients and care at home

- We will hold a listening event with cancer patients to gather feedback to look at:
- alternative models for follow-up clinics, for example, telephone or Skype clinics
- how to improve outpatient clinic processes such as information on delays in clinic and how we communicate them
- getting a better understanding of feedback given in the National Cancer Patient Experience Survey (NCPES) on lack of availability of patient notes when patients visit outpatients
- Implement local actions linking to the wider King's Way for Outpatients Transformation programme

The patient Macmillan Recovery Package

King's is committed to implementing the Macmillan Recovery Package over the next year. The Recovery Package has four main interventions. Holistic Needs Assessment and Care Planning, Treatment Summary, Cancer Care Review, and Health and Wellbeing Events. These form part of an overall support and self-management package for people affected by cancer – physical activity as part of a healthy lifestyle, managing consequences of treatment, and information, financial and work support

The Recovery Package is recognised in the NHS England Five Year Forward View and the Cancer Taskforce Strategy which outlines a commitment to ensuring that '*every person with cancer has access to the elements of the Recovery Package by 2020*'. The roll out of these interventions will better support and improve the quality of life of people living with and beyond cancer

The Trust has received circa £3 million in grants from Macmillan to support our cancer improvement work and a Project Manager is being employed to work with our Cancer Lead Nurse on our improvement programme

- Phase 1 of this programme will focus on successful delivery of Holistic Needs Assessments across initially for our haematology patients during 2018. We will:
 - Recruit a project manager and Recovery Package lead
 - Train staff in the use of the HNA tool ready for roll-out
 - Implement the use of Holistic Needs Assessment as a screening tool at appropriate points along the haematology patient pathway to proactively screen patients' unmet needs
 - Introduce dedicated time and slots for staff to carry out Holistic Needs Assessments for pre and post treatment screening either face to face or by telephone with details of the HNA to be included on the patient's electronic patient record
 - Ensure that the HNA is recorded on the electronic patient record

How will we measure our success?

- For the 2017 NCPES, we want to begin to see improvements in areas where we have implemented improvements, for example in provision of information on financial support, greater access to Clinical Nurse Specialists for tumour groups where we now have staff in post including breast and urology. We would not necessarily expect to see significant improvement in 2017 on all areas as much of our improvement work will not have had time to have an impact as the survey is already underway. We would expect to see more improvement for the 2018 survey
- Audit of staff attending training to assess numbers of staff who have accessed training
- Improvement in scores for the How are we doing? survey results for outpatients linked to local improvements
- Launch of new trust wide Cancer Information Pack including evaluation by patients - planned for December 2018
- Deployment of volunteers in the Chemotherapy Day Units at DH and PRUH and evaluation of impact commencing April 2018
- Evaluation of the roll-out of Holistic Needs Assessments in haematology including patient feedback measure implementation across tumour groups assessed through electronic patient record
- Improvement in patients access to information on wider support via enhanced links with local communities and better access to financial and benefit services – to be measured by meeting the Macmillan Quality Standards for Information and Support Services (MQuISS)
- Increased use of the Macmillan Information and Support Centre by patients from all specialities measured through patient usage of the Macmillan Centre

Improve implementation of sepsis bundles

Why is this continuing as a priority?

Our aim is to extend the quality improvement programme across a third year to lessen the burden of sepsis on both our emergency department, and inpatient, populations.

What is our aim for the coming year?

- Extend and modify the EPR toolkits on screening, and treatment bundle adherence, into paediatrics and cross-site

- Ensure that diagnostic information on sepsis is readily available to clinicians and coders alike to ensure there is an accurate reflection of the burden of sepsis within the hospital which will support both timely antibiotic review and accurate coding
- Work towards automated flagging of patients who are qSOFA positive to the *iMobile* critical care outreach service, alongside the automated NEWS alerts, to help ensure timely review of patients most at risk from sepsis

How will we measure our success?

- The EPR based sepsis toolkits will be available across the whole hospital population
- The successful assessment of clinical antibiotic review between 24-72 hours of patients with sepsis who are still inpatients at 72 hours will, on average across the quality improvement programme, exceed the thresholds set for the nCQUIN on sepsis
- At the end of our three year quality improvement programme, mortality from those coded with sepsis will be significantly different from the 2015/16 baseline

Reducing harms to patients due to falls in the hospital

Why is this a priority?

Patients are at risk of falling when in hospital because their underlying illness can predispose them to being weak, unsteady or disorientated. Patients may be on medication which affects their balance and the environment is unfamiliar.

While King's has been below the national average in the number of falls reported there are still falls occurring which can lead to serious harm, namely hip fractures or head injuries. Our patient demographic is vulnerable to such injuries as a high proportion are frail and elderly or are on anti-coagulants which may increase the risk of bleeding after a fall.

The Royal College of Physician's 2017 audit of inpatient falls showed that the Trust performed well in a number of areas. It also highlighted some areas of improvement such as assessing lying and standing Blood Pressure observations, medication review and assessment of a patient's vision.

What is our aim?

- Develop and standardise cross-site care plans and risk assessments (consider having an electronic assessment tool that can be audited)
- Improve on Lying & Standing BP measurement compliance in line with NICE guidelines by promotion, training and aid memoirs

- Improve adherence to standardised post-falls protocol, in particular where there was an unwitnessed fall

How will we measure success?

- Standardised documents used across all sites and 70% compliance with screening tool with continued improvement to 95% in (2019/2020)
- 95% compliance with Lying & Standing BP measurement assessments where required
- Measure of success of 95% compliance with post-falls protocol

We are also working on:

- Promoting early mobilisation and consider non-therapies assessments
- More collaboration with the Dementia and Delirium (DaD) team, build this service at the PRUH and develop joint training
- Prevent readmission of frail and elderly due to falls and ensure referral to falls clinics etc.

Where will we monitor progress of this priority?

Progress for this priority will be monitored through the Falls groups on the Denmark Hill and PRUH and South sites, the Safer Care Forum on the Denmark Hill and PRUH and South sites and then quarterly through to the Executive Quality Board and then finally six monthly to the Board Quality and Risk committee.

The observational audit was also able to provide more detailed qualitative audit tool highlighting specific aspects that are working well and where improvements can be focused.

Statements of Assurance from the Board

Mandatory declarations and assurances

Relevant health services

During 2017/18 the Trust provided and/or sub-contracted nine relevant health services – see below:

1. Assessment or medical treatment for persons detained under the 1983 Act
2. Diagnostic and screening procedures
3. Family planning services
4. Management of supply of blood and blood derived products
5. Maternity and midwifery services
6. Services for everyone
7. Surgical procedures
8. Termination of pregnancies
9. Treatment of disease, disorder or injury

The Trust has reviewed all data available to it on the quality of care in all relevant health services. The income generated by the relevant health services reviewed in 2017/18 represented 85% of the total income generated from the provision of health services for 2017/18.

The Trust receives the other 15% per cent of its income for other aspects of work for example; training and education, research and development, recharges of salaries and wages for staff working at other organisations and other direct credit and miscellaneous income.

Clinical Audits and National Confidential Enquiries

During the 2017/18 financial year, 62 national clinical audits and 6 national confidential enquiries covered relevant health services that King's College London NHS Foundation Trust provides.

During that period King's College London NHS Foundation Trust participated in 98% of the national clinical audits and 100% of the national confidential enquiries in which it was eligible to participate.

The national clinical audits and national confidential enquiries in which the Trust was eligible to participate in during 2017/18 are listed in the table below on pages 47-50, in the Statement of Assurance Evidence.

The national clinical audits and national confidential enquires that the Trust participated in and for which data collection was completed during 2017/18 are also listed below on pages

47-50, alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

National Clinical Audit or Confidential Enquiry	Reporting Period	Participation	Number (%) of cases submitted
Acute Coronary Syndrome or Acute Myocardial Infarction (MINAP)	01/04/17 – 31/03/18	Yes	Data collection in progress
Adult Cardiac Surgery	01/04/17 – 31/03/18	Yes	Data collection in progress
BAUS Urology Audits: Nephrectomy	Data collection ongoing	Yes	Awaiting publication
Bowel Cancer (NBOCAP)	Data collection ongoing	Yes	Awaiting publication
Cardiac Rhythm Management (CRM)	Data collection ongoing	Yes	Awaiting publication
Intensive Care National Audit and Research Centre Case Mix Programme (CMP)	Data collection ongoing	Yes	Awaiting publication
Child Health Clinical Outcome Review Programme	07/03/15 – 20/03/15	Yes	Data collection in progress
Congenital Heart Disease (CHD)	Data collection ongoing	Yes	Awaiting publication
Coronary Angioplasty/National Audit of Percutaneous Coronary Interventions (PCI)	Data collection ongoing	Yes	Awaiting publication
Diabetes (Paediatric) (NPDA)	Data collection ongoing	Yes	Awaiting publication
Elective Surgery (National PROMs Programme) – Hip replacement	Data collection ongoing	Yes	Awaiting publication
Elective Surgery (National PROMs Programme) – Knee replacement	Data collection ongoing	Yes	Awaiting publication
Elective Surgery (National PROMs Programme) – Groin hernia	Data collection ongoing	Yes	Awaiting publication
Elective Surgery (National PROMs Programme) – Varicose veins	Data collection ongoing	Yes	Awaiting publication
Endocrine and Thyroid National Audit	Data collection ongoing	Yes	Awaiting publication
Fracture Liaison Database	01/04/17 – 31/03/18	Yes	Awaiting publication
National Audit of Inpatient Falls	1/5/17 – 31/5/17	Yes	Awaiting publication

National Clinical Audit or Confidential Enquiry	Reporting Period	Participation	Number (%) of cases submitted
National Hip Fracture Database	1/1/17 – 31/12/17	Yes	Awaiting publication
Royal College of Emergency Medicine (RCEM) Fractured Neck of Femur	01/08/17 – 01/01/18	Yes	Awaiting publication
Inflammatory Bowel Disease (IBD) programme	01/04/17 – 31/03/18	Yes	Data collection in progress
Learning Disability Mortality Review Programme (LeDeR)	Data collection ongoing	Yes	Awaiting publication
Major Trauma Audit	Data collection ongoing	Yes	Awaiting publication
Maternal, Newborn and Infant Clinical Outcome Review Programme	Data collection ongoing	Yes	Awaiting publication
Medical and Surgical Clinical Outcome Review Programme	01/04/17 – 31/03/18	Yes	Awaiting publication
National Audit of Breast Cancer in Older Patients (NABCOP)	01/04/17 – 31/03/18	Yes	Data collection in progress
National Audit of Dementia	To be confirmed	Yes	Data collection not yet started
National Audit of Rheumatoid and Early Inflammatory Arthritis	To be confirmed	Yes	Data collection not yet started
National Audit of Seizures and Epilepsies in Children and Young People	To be confirmed	Yes	Data collection not yet started
National Bariatric Surgery Registry (NBSR)	Data collection ongoing	Yes	Awaiting publication
National Cardiac Arrest Audit (NCAA)	01/04/17 – 31/03/18	Yes	Data collection in progress
National Chronic Obstructive Pulmonary Disease Audit programme (COPD)	01/04/17 – 28/02/18	Yes	Data collection in progress
National Clinical Audit of Specialist Rehabilitation for Patients with Complex Needs following Major Injury (NCASRI)	01/04/17 – 31/12/17	No	N/A
National Comparative Audit of Blood Transfusion programme	01/04/17 – 31/05/17	Yes	Awaiting publication
National Diabetes Audit - Adults	01/04/17 – 31/03/18	Yes	Data collection in progress
National Emergency Laparotomy Audit (NELA)	Data collection ongoing	Yes	Awaiting publication

National Clinical Audit or Confidential Enquiry	Reporting Period	Participation	Number (%) of cases submitted
National End of Life Care Audit	To be confirmed	Yes	Data collection not yet started
National Heart Failure Audit	Data collection ongoing	Yes	Awaiting publication
National Joint Registry (NJR)	Data collection ongoing	Yes	Awaiting publication
National Lung Cancer Audit (NLCA)	Data collection ongoing	Yes	Awaiting publication
National Maternity and Perinatal Audit	01/04/17 – 31/03/18	Yes	Data collection in progress
National Neonatal Audit Programme (NNAP) (Neonatal Intensive and Special Care)	Data collection ongoing	Yes	Awaiting publication
National Ophthalmology Audit	01/09/16 – 31/08/18	Yes	Awaiting publication
National Vascular Registry	Data collection ongoing	Yes	Awaiting publication
Neurosurgical National Audit Programme	01/04/17 – 31/03/18	Yes	Data collection in progress
Oesophago-gastric Cancer (NAOGC)	Data collection ongoing	Yes	Awaiting publication
Paediatric Asthma	To be confirmed	Yes	Data collection not yet started
Paediatric Intensive Care (PICANet)	Data collection ongoing	Yes	Awaiting publication
Paediatric Pneumonia	To be confirmed	Yes	Data collection not yet started
Pain in Children	01/08/17 – 31/01/18	Yes	Awaiting publication
Pleural Procedures	To be confirmed	Yes	Data collection not yet started
Procedural Sedation in Adults (care in emergency departments)	01/08/17 – 31/01/18	Yes	Awaiting publication
Prostate Cancer	Data collection ongoing	Yes	Awaiting publication
Sentinel Stroke National Audit programme (SSNAP)	01/04/17 – 31/03/18	Yes	Data collection in progress
Serious Hazards of Transfusion (SHOT): UK National Haemovigilance scheme	Data collection ongoing	Yes	Awaiting publication
Smoking Cessation	To be confirmed	Yes	Data collection not yet started

National Clinical Audit or Confidential Enquiry	Reporting Period	Participation	Number (%) of cases submitted
UK Parkinson's Audit	01/05/17 – 31/10/17	Yes	Awaiting publication
National Confidential Enquiry into Patient Outcome and Death (NCEPOD) Non-Invasive Ventilation Study	01/02/15 – 31/03/15	Yes	8 (13%)
NCEPOD Young People's Mental Health Study	07/03/15 – 20/03/15	Yes	Report due to be published in Apr-18
NCEPOD Chronic Neurodisability Study	01/04/16 – ongoing	Yes	Report due to be published in Mar-18
NCEPOD Cancer in Children, Teens and Young Adults Study	01/09/16 – 31/01/17	Yes	Report due to be published in Autumn 2018
NCEPOD Acute Heart Failure Study	01/01/16 – 31/12/16	Yes	Report due to be published in Summer 2018
NCEPOD Perioperative Diabetes Study	01/02/17 – 31/03/17	Yes	Report due to be published in Winter 2018
Adult Community Acquired Pneumonia	Not relevant to this Trust		
BAUS Urology Audits: Cystectomy			
BAUS Urology Audits: Percutaneous nephrolithotomy			
BAUS Urology Audits: Radical prostatectomy			
BAUS Urology Audits: Urethroplasty			
BAUS Urology Audits: Female stress urinary incontinence			
Head and Neck Cancer Audit (HANA)			
Mental Health Clinical Outcome Review Programme			
National Audit of Anxiety and Depression			
National Audit of Intermediate Care (NAIC)			
National Audit of Psychosis			
Prescribing Observatory for Mental Health (POMH-UK)			

The reports of 57 national clinical audits were reviewed by the provider in 2017/18 and the Trust intends to take the actions detailed on pages 52-57 to improve the quality of healthcare provided.

National Clinical Audit Projects reviewed by the Trust

National Audit Rating Key:

- **Positive analysis:** Outcome measures better than or within expected range; underperformance against <50% process targets with no demonstrable impact on patient outcome.
- **Neutral analysis:** Outcome measure within expected range; underperformance against >50% process targets with no demonstrable impact on patient outcome.
- **Negative analysis:** Outcome measure outside (below) expected range - negative outlier; underperformance against significant key process targets.
- **Not applicable:** Service not provided at this location.
- **Methodological issue:** Issues with the study's methods that prevent a rating, e.g. sample too small, sample not representative, results do not provide a measure of performance

National Audit Title	King's National Clinical Audit Rating		Summary of actions
	DH	PRUH	
Intensive Care National Audit and Research Centre (ICNARC) Case Mix Programme: Medical and Surgical Critical Care Unit, published Apr 17 and Jul 17	●	●	Results within expected range including the ICNARC mortality ratio – no action required.
Intensive Care/High Dependency Unit, published Mar 17 and Jun 17	●	●	
Liver Intensive Therapy Unit Report, published Apr 17 and Jul 17	●	●	
National Paediatric Diabetes Audit (NPDA), published Mar 17	●	●	There is an improving downward trend for median HbA1c results.
Myocardial Ischaemia National Audit Project (MINAP), published Jan 17	●	●	Variable performance against process indicators driven by data issues. Actions to improve data collection and transfer are in place.
National Audit of Cardiac Rhythm Management Devices (NaCRMD), published Feb 17	●	●	King's (DH and PRUH) undertakes in excess of the minimum numbers of cardiac implants as recommended by BHRS and NICE. King's has not been identified as an outlier and has reported a sufficient number of implants to satisfy the requirement for training. No action required.
National Prostate Cancer Audit, published Feb 17	●		No outcomes or process data supplied for King's patients and King's patients are treated by Guy's and St Thomas' Hospital (GSTT), which has not been identified as an outlier. No action required.
National Diabetes Inpatient Audit (NaDIA) England & Wales, 2016, published Mar 17	●	●	Medication, prescription, medication management and insulin errors at DH are lower than national figures and have improved since 2015. The proportion of patients admitted at DH with active foot disease seen by Multidisciplinary Diabetic Foot Team within 24 hours is higher than national figures. The number of Mild Hypoglycaemic episodes at DH is lower than national figures and has halved at PRUH since last audit. Medication management errors at PRUH have decreased significantly since 2015 and are now better than national figures. Improvement action continues, focusing on patient satisfaction, medication and insulin errors and access to diabetic foot care at PRUH.
National Diabetes Foot Care Audit, England & Wales, 2016, published Mar 17	●	●	Results appear variable but are not risk-adjusted and DH case mix (specialist diabetic foot service) has a significant impact. No specific improvement actions required.
British Association of Endocrine and Thyroid	●	●	DH and PRUH surgeons in hospital mortality rates are

National Audit Title	King's National Clinical Audit Rating		Summary of actions
	DH	PRUH	
Surgeons (BAETS) – Endocrine Surgery Surgeon Specific Outcomes, published Jan 17			below the national 0.08%. Post-operative stay, related readmissions and re-exploration for bleeding data are all below the national average and within control limits for all surgeons. No improvement actions required.
National Joint Registry – Enhanced Surgeon and Hospital Information (online), published Nov 16	● Orpington	● ●	All sites are within expected range for adjusted 90 day mortality. No King's consultants were identified as being an outlier. No improvement actions required.
National Joint Registry (NJR) Annual Report, published Dec 17	●	●	All sites (DH, PRUH, and Orpington) are within the expected range for hip and knee replacements or revisions adjusted 90 day mortality. No King's Consultants were identified as an outlier. Data entry issues were identified and these are being addressed.
Perinatal Mortality Report: 2015 Births, published Jun 17	●		King's was awarded an overall 'green' rating and no specific improvement actions were identified.
Paediatric Asthma, published Nov 16	●	●	King's give steroids and oxygen for asthma attacks in accordance with BTS guidelines more frequently than UK average. King's offers more tertiary specialist follow-up compared to the rest of UK (a benefit of having the tertiary paediatric respiratory service on site and involved with admissions). Actions are focused on improving admissions to HDU/PICU at PRUH.
Sentinel Stroke National Audit Programme (SSNAP) Hyper Acute Stroke Unit (HASU) and Stroke Unit (SU) data, published Jun and Oct 17	●	●	The overall and team-centred scores for the HASU and SU at Denmark Hill improved, with the HASU score going from B to A. The Standardised Mortality Ratio (SMR) for DH and PRUH HASUs are within expected range. The PRUH HASU overall and team-centred SSNAP scores have maintained a level B score. 'C' ratings for PRUH SU overall SSNAP score and team-centred SSNAP score (deteriorated from 'B' last period) and 'D' rating for PRUH HASU team-centred stroke unit domain, which relates to access to HASU and is in part due to inliers from other specialties in the HASU. DH has improved from a D rating last period to a C rating. A detailed action plan is in place and was reviewed by CQC during 2017 inspection.
Neurosurgical National Audit Programme (NNAP), published May 17	●	●	King's achieved a 30 day risk-adjusted standardised mortality rate of 2.37%. The mortality rate is below expected ratio and within control limits and no specific improvement actions are required.
National Patient Reported Outcome Measures Programme (PROMS) , published May 17):			King's is within expected range for PROMs relevant to hip replacement and groin hernias, and is within control limits for both varicose veins and knee replacement (primary).
Groin hernia	●		<ul style="list-style-type: none"> 28.6% of patients demonstrated improved symptoms for groin hernia (EQ VAS).
Hip replacement	●		<ul style="list-style-type: none"> 98.8% of patients demonstrated improved symptoms for hip replacement (Oxford Hip Score).
Knee replacement	●		<ul style="list-style-type: none"> 100% of patients have improved symptoms for knee replacement (Oxford Knee Score).
Varicose veins	●		<ul style="list-style-type: none"> 70.8% of patients have improved symptoms for varicose veins (Aberdeen Varicose Vein Questionnaire).
National Lung Cancer Audit (NLCA) Annual Report, published Jan 17	●	●	<p>78.9% of small-cell lung cancer (SCLC) patients received chemotherapy, up from 57.1% in previous audit round and better than the expected rate of 70%. 66.0% of King's patients were seen by lung cancer nurse specialist (LCNS). Although this is below the England average of 54.8%, it is better than the network average of 38.5% and an improvement from 51.1% at King's in 2014. King's performance is below expected for 8 out of 13 criteria reported. Survival at King's, 32.4% is below than the network average of 46.5%.</p> <p>A detailed investigation concluded that these results are driven by case mix issues (patients with high levels of</p>

National Audit Title	King's National Clinical Audit Rating		Summary of actions
	DH	PRUH	
			comorbidity) and late presentation to King's. Work is ongoing with primary care to identify opportunities to improve early identification of lung cancer.
Annual Report on Liver Transplantation Report for 2016/17, published Sep 17 – Adult	●	●	In the period 01/04/2008 to 21/03/2012, King's achieved the highest five year risk- adjusted patient survival for both adult elective (85.2%) and super-urgent (87.2%) deceased donor first liver transplants.
Annual Report on Liver Transplantation Report for 2016/17, published Sep 17 – Children	●	●	King's College Hospital undertook the largest number of paediatric liver transplants (elective and super-urgent) nationally and King's achieved the highest five year unadjusted patient survival for paediatric elective deceased donor first liver transplants (93.5%) out of all three transplant centres (91.5% nationally).
Trauma Audit and Research Network (TARN) Online Survival Data Report, published Jul 17	●	●	More trauma patients admitted to DH and PRUH are surviving compared to the number expected based on the severity of their injury. No improvement actions identified.
TARN Clinical Report Issue 2: Core measure for all patients; Orthopaedic injuries, published Jul 17	●	●	Excess survivors standardised according to hospital case mix outcome at 30 days or discharge for DH is 1.22 and PRUH is 1.56. DH (95%) performed better than national average (62%) in completing the rehabilitation prescription for patients with ISS >8. Performance against some process indicators was below national average; however this does not appear to have an impact on patient outcome. Key improvement action relates to care of patients with open fractures and collaboration with GSTT to ensure appropriate plastic surgery cover.
TARN Clinical Report Issue 3: Core measure for all patients; Thoracic and Abdominal injuries and Patients in Shock, published Mar 17	●	●	Excess survivors standardised according to hospital case mix outcome at 30 days or discharge, for DH is 1.74 and PRUH is 3.91. The number of excess survivors has improved in both sites from last year. No specific improvement actions identified.
TARN Clinical Report III: Head & Spinal Injuries, published Nov 17	●	●	Excess survivors standardised according to hospital case mix outcome at 30 days or discharge for DH is 0.55 and PRUH is 1.03. No specific improvement actions were identified.
TARN Major Trauma Dashboard Q1, published Jul 17, Q2, published Nov 17 and Q3, published Jan 18	●	●	Rapid access to specialist MTC care in DH patients transferred to MTC within 2 days of referral request is lower than national figures and is driven by King's capacity issues – senior trust planning is in progress to address this issue and performance for this indicator has improved. DH performed lower than national figures in delivering definitive cover of open fractures within BOAST 4 guidelines, driven by the lack of plastic surgeon availability at DH. The issue has been escalated and is being addressed by the senior management team, and performance on this indicator has improved. DH performed lower than national figures in administering Tranexamic Acid within 3 hours of incident to patients that receive blood products within 6 hours of incident. This is a data interpretation issue - first dose is given at the scene or in the ambulance and a second dose is often not required.
TARN Children's Major Trauma Dashboard Jan – Jun 2017, published Aug 17	●	●	DH performed within the expected range for ten out of fourteen indicators, with above national average performance for six indicators. Improvement actions are focussed on the proportion of patients meeting NICE head injury guidelines that receive CT scan within 60 minutes of arrival at MTC.
National Clinical Audit of Biological Therapies - UK Inflammatory Bowel Disease (IBD) audit, published Sep 16	●	●	DH has improved Infliximab biosimilar prescribing rate and currently more than 95% of patients are treated on the drug. There are actions underway to improve the recording of disease activity score on the biologic prescribing form.
National Paediatric Diabetes Audit (NPDA) Part2: Hospital Admissions and Complications 2012 – 2015, published Jul 17	●	●	The admission rate for King's College Hospital (DH site) in 2014 - 15 was 28.9 % (national average 23.6%) and King's DH site was not identified as an outlier and no specific

National Audit Title	King's National Clinical Audit Rating		Summary of actions
	DH	PRUH	
National Emergency Laparotomy Audit Dec 2015 – Nov 2016, published Oct 2017	●	●	<p>improvement actions were identified.</p> <p>Adjusted 30 day mortality rate at both DH and PRUH is lower than national and both DH and PRUH have performed better than national, and better than last year, against key indicators. Improving performance for emergency laparotomy was a Trust Quality Priority this year and last year, and in September 2017 both DH and PRUH were identified by the national audit team as being amongst the five most improved sites nationally.</p> <p>Current improvement actions are focused on ensuring consultant anaesthetist presence in theatre for high-risk patients at DH and ensuring patients' arrival in theatre is within a time appropriate for the urgency of surgery. Theatre capacity is subject of high-level action planning.</p>
National Audit of Percutaneous Coronary Interventions Annual Public Report 01 Jan-15 - 31 Dec-15, published: Sep 17 (BCIS Aggregate Data Report)	●	●	DH site was not identified as an outlier in the national audit report, and performed better than national average for Door-to-Balloon Time within 90 minutes.
Vascular Surgery Quality Improvement Programme (VSQIP) National Vascular Registry Surgeon Outcomes, published Aug 17	●	●	DH achieved 100% adjusted survival rate for Elective Infra-Renal Abdominal Aortic Aneurysm repair and 97.2% adjusted stroke free survival rate for Carotid Endarterectomy. No improvement actions identified.
Vascular Surgery Quality Improvement Programme (VSQIP) National Vascular Registry 2017 Annual Report, published Nov 17	●	●	The adjusted stroke and/or death rate for carotid endarterectomies was within confidence limits. Adjusted on-hospital mortality for lower limb amputation appears higher than national. This is driven by King's large tertiary referral service of very complex patients, especially diabetic cases with renal failure, with significantly higher expected and observed mortality. The King's data submitted for infra-inguinal bypasses did not include the other minor and moderate procedures that are regularly submitted by peers under the same heading. This is a data design weakness that has been discussed with GSTT colleagues in the joint consultant meeting, where it was agreed to raise this with the NVR administrators, as well as the vascular society, to make the database more meaningful for leg bypasses.
Myocardial Ischaemia National Audit Project (MINAP) Annual Public Report (2015-16 data), published Jun 17	●	●	King's experienced a problem with data submission stemming from transfer of data between databases. Actions have been taken to ensure the issue is addressed in advance of next data submission.
National Heart Failure Audit: April 2015 – March 2016, 9 th Annual Report, published Aug 17	●	●	<p>King's DH and PRUH sites achieved the requirements of the Best Practice Tariff (BPT) for its Acute Heart Failure patients and PRUH site demonstrated an overall improvement compared to 2016 report data.</p> <p>King's sites did not achieve national average for patients receiving input from a specialist (DH: 70.5%, PRUH: 68.8%, National: 79%) and there was an overall decline in performance demonstrated by King's DH site when compared to 2016 report data. These results were driven by bed shortages at King's, which led to fewer patients getting admitted to cardiology wards, coupled with rapid discharge from MAC/AMAU without referral to cardiology and cardiologists only seeing the patients at outpatients. Improvement actions have been taken and early indications from more recent preliminary results are that the situation is looking improved.</p>
National Diabetes Audit Report 1: Care Processes and Treatment Targets England and Wales, 2016, published Jan 17	●	●	Performance has improved for both Type 1 and Type 2 Diabetes in comparison to 2014-15. Local data collected by the Health Innovations Network (HIN) and the preceding Diabetes Modernisation initiative shows that the offer of structured education has improved considerably in recent years in Lambeth and Southwark. The whole area of education provision in South London will be reformed and modernised on the basis of an NHS

National Audit Title	King's National Clinical Audit Rating		Summary of actions
	DH	PRUH	
			transformation project being supported by HIN with KHP clinical leadership. This will establish a hub to manage all structured education referrals across Type 1 and Type 2 diabetes and improve access to courses. This project will generate concrete data on referral and attendance rates and is likely to provide the benchmark for the NHS in this area.
National Diabetes Insulin Pump Audit, published Jul 17	●	●	31.8% of patients in DH with Type 1 Diabetes receive Insulin Pump therapy; nationally 15.3%. Patients in DH who are receiving Insulin Pump Therapy as well as those who are not receiving the therapy have a higher Treatment Target achievement rate than national figures. Improvement actions are focused on data capture in relation to the care processes.
Royal College of Emergency Medicine (RCEM) Moderate and Acute Severe Asthma, published May 17	●	●	DH performance (96%) for giving oxygen on arrival was considerably higher than national figures (19%). Both DH and PRUH performed above national figures for steroids given within 60 minutes of arrival (acute severe), within 4 hours (moderate) and for IV Magnesium 1.2 - 2g over 20 minutes given to adults with acute severe asthma who do not respond well to bronchodilators. Actions are in place to improve recording of key data and the arrival of the E-Prescribing and Medicines Administration (EPMA) system in the Emergency Department (ED) will improve recording of oxygen and medication prescription.
RCEM Consultant Sign-Off 2016-17, published May 17	●	●	DH and PRUH performed better than national figures for Consultant review of patients making an unscheduled return to the ED with the same condition within 72 hours of discharge. Improvement actions relate to recording issues, which have been addressed by encouraging staff to complete the 'senior review' tab on the ED's IT system, a message which is now included in staff local induction.
RCEM Severe Sepsis and Septic Shock, published May 17	●	●	Improving the management of sepsis is a Trust Quality Priority and a Sepsis Working Group is leading on the implementation of trust-wide improvements. This work was reviewed in detail by CQC in its 2017 inspection.
National Audit of Dementia Care in General Hospitals, published Jul 17	●	●	DH performed better than national figures for six out of seven audit themes and was rated as best of 195 hospitals for Discharge Planning, and in the highest score group for Assessment, Staff and Carer rating of Communication and Information and the Carer rating of Patient Care. PRUH performed better than national figures on four out of the seven audit themes , and scored in the highest score group for Assessment and Discharge Planning. Improvement actions relate to the involvement of hospital leads in planning and monitoring care for people with dementia, to nutrition and to communication with carers. Additional dementia nurses have been recruited and will lead on improvement work in these areas.
National Ophthalmology Database Audit Annual Report: Year 2 Annual Report – The First Prospective Report of the National Ophthalmology Database Audit, published Jul 17	●	●	King's was not identified as an outlier for Posterior Capsular Rupture rate and no specific improvement actions were identified.
National Hip Fracture Database Report 2017 Published, Sep 2017	●	●	Performance is better than national at both sites for the proportion of patients meeting best practice criteria. Improvement actions relate to ensuring patients are admitted to orthopaedic ward within four hours, mobilised out of bed by the day after surgery and reducing hip fractures sustained as an inpatient. These areas are the subject of Trust-wide action planning and reducing in-hospital falls has been identified as a Trust Quality Priority for 2018-19.
Fracture Liaison Service Database (FLS-DB) clinical audit, published Apr 17	●	●	98.7% of patients at DH are assessed by Fracture Liaison Service (FLS) within 90 days (audit standard is 80%).

National Audit Title	King's National Clinical Audit Rating		Summary of actions
	DH	PRUH	
			There were issues with data entry leading to insufficient data being submitted for many indicators and unreliable results and a business case is under development for increased data entry support.
UK Renal Registry Annual Report, published Sep 17	●	●	Survival at King's remains good and within expected rates. More prevalent dialysis patients are managed with the home therapy dialysis than the national average. In 2015 infection episodes in our prevalent dialysis patients remain lower than the national rate. No specific improvement actions were identified.
National Neonatal Audit Programme (NNAP), 2016 Annual Report on 2016 data, published Sep 17	●	●	King's overall performance is better than national average 1.12 (0.72 – 1.53), national 1.68 (1.62 – 1.74) for proportion of babies born >34 weeks gestation having an encephalopathy within the first three full calendar days after birth. DH performed better than national average and network performance for all key evidence based process measures. The neonatal team are addressing some data entry issues.
National Cardiac Arrest Audit, published Jul 17	●	●	DH performed better than national average for survival after in-hospital cardiac arrest, for all patient groups. No specific improvement actions identified.
National Chronic Obstructive Pulmonary disease (COPD) Audit: Outcomes from the clinical audit of COPD exacerbations admitted to acute units in England 2014, published Oct 17	●	●	The published data was three years old, the results not risk-adjusted and the sample size small. The data did not prove useful for driving local improvement.
Actual and Potential Deceased Organ Donation Audit, published Oct 17	●		King's was noted as being ' <i>exceptional and good for specialist Nurse presence in approaches to families</i> ' when compared with UK performance. The total number of consented donors that became actual donors increased from 14 last year to 28 this year and the number of patients transplanted has increased from 34 last year to 61 this year. The organ donation team has a comprehensive action plan aimed at continuously improving the number of consented donors, actual donors and organs transplanted.
Paediatric Intensive Care Audit Network Annual Report 2017, published Nov 17	●	●	King's achieved excellent outcomes with an adjusted PIM3 (95% CI) mortality score of 0.85 (0.50 – 1.32). No specific improvement actions were identified.
National Pregnancy in Diabetes Audit (NPID), 2016, published Oct 2017	●	●	King's (DH) performed better than national average for the majority of key outcome indicators, but worse than national average for the key outcome indicator 'percentage of babies at DH born at/after 37 weeks admitted to a neonatal care unit for both Type 1 and Type 2 Diabetes'. King's has second highest number of pregnancies with Type 1 Diabetes in the group of London NHS trusts included in the audit and the sixth highest number of pregnancies with Type 2 Diabetes. A joint group with GSTT and primary care Lambeth & Southwark Comprehensive has formed to drive improvement actions locally, addressing pre-pregnancy counselling, pre-pregnancy planned pregnancy care, development of a pathway for women with Type 1 and Type 2 diabetes and participation in the proposed National Pregnancy in Diabetes Quality Improvement Collaborative.
National Bowel Cancer Audit (NBOCA) Annual Report, published Dec 17	●	●	DH is within expected range for adjusted 90-day mortality rate but was identified as an outlier for adjusted 2-year mortality for patients having a major resection rate. A detailed internal investigation was undertaken and published in the appendix of the national audit report. The investigation did not identify any quality of care issues that led to the high mortality result. It did, however identify that patients presenting to King's have advance disease and are younger than the national average. Work is in progress to identify opportunities for improved screening and early identification of bowel cancer in our local community.

National Audit Title	King's National Clinical Audit Rating		Summary of actions
	DH	PRUH	
National Bowel Cancer Audit (NBOCA) Consultant Outcomes Programme Annual Report, published Dec 17	●	●	King's adjusted 90-day mortality and adjusted 30 day unplanned readmission is within control limits and no specific improvement actions were identified.
British Association of Urological Surgeons Nephrectomy, Consultant Outcomes Publication (COP), published Oct 2017	●	●	King's was not identified as an outlier, however, whilst the patients are from King's, the surgery is undertaken at Guy's and St Thomas', and the results are not a reflection of King's performance.
Serious Hazards of Transfusion Scheme (SHOT) UK National Haemovigilance Scheme, published Jul 17	●	●	There has been a significant decrease in the number of serious adverse reactions due to transfusion from 2015 to 2016. The data shows that King's reported more incidents or near miss incidents to SHOT in 2016 than the benchmark group but this is likely to be driven by good reporting practice.

Local clinical audits are managed within the Trust's Divisional management structure and approximately 300 hundreds of local clinical audits are undertaken every year. The management of these projects is appropriately led at Care Group level and the specific number of projects is not easily retrievable. Clinical audits where many of which were reviewed by CQC in its 2017 inspection and King's was found to be compliant with national requirements. Examples of trust-wide audits are provided below. Action plans are often lengthy documents and can be provided by request to the Associate Director of Governance and Assurance.

Examples of local clinical audit	Actions
Clinical record-keeping and consent trust-wide	Detailed action plans in place, including comprehensive roll out of EPR and review of feasibility of e-consent.
Availability of patient records trust-wide	Routine on-going audit with comprehensive action plan reported to Patient Records Committee monthly. Significant improvements achieved and noted by CQC in its 2017 inspection.
Infection prevention and control audits trust-wide	A comprehensive ongoing infection control audit programme is in place with results reported through the Trust's routine performance monitoring.
Maternity key indicators audits trust-wide	Comprehensive ongoing monitoring against maternity standards is integrated into the Trust's routine performance monitoring.

Information on participation in clinical research

The number of patients receiving relevant health services provided or sub-contracted by the Trust for 2017/18 that were recruited to participate in research and approved by a research ethics committee was 16,472.

Commissioning for Quality and Innovation (CQUIN) framework

A proportion (2.5% of CCG and 2.8% of NHSE) of King's income in 2017/18 was conditional on achieving quality improvement and innovation goals agreed between King's and both NHS South East Commissioning leads and NHJSE England as part of the Commissioning for Quality and Innovation (CQUIN) payment framework. This equated to a total of £16.8m. 0.5% of the CCG contract however was allocated to achieving an agreed control total value which King's has not signed up to which means a loss of income of £2m.

For 16/17 the Trust received £17,119,422 related to CQUIN related income and £986,076 related to other contracts (London Secondary Dental Care, London Breast Screening and NCAs) totalling £18,105,499.

National CQUINS

National CQUINS have been published and the following schemes apply to King's College Hospital Foundation Trust (1.5% = £6,688,400):

National CQUINS	Description	Annual Financial Value
Improving Staff Health and Wellbeing (Continuation from 16/17)	<ul style="list-style-type: none"> 1. Improvement in staff Health and Wellbeing 2. Healthy food for staff, patients and visitors 3. Improving the Flu uptake. 	£1,114,733
Reducing the impact of serious infections (Antimicrobial resistance and Sepsis) (Continuation from 16/17)	<ul style="list-style-type: none"> 1. Timely identification of sepsis in ED and Acute Inpatient areas 2. Timely treatment of sepsis in ED and Acute Inpatient areas 3. Antibiotic review 4. Reduction in antibiotic consumption 	£1,114,733
Mental Health in A&E	Improving services for people with mental health needs who present at A&E	£1,114,733
Supporting proactive and safe discharge (New)	<ul style="list-style-type: none"> 1. Provide emergency care data set (ECDS) 2. Increase proportion of 65+ who are discharged within 7 days to their usual place of residence. 	£1,114,733
Offering Advice and Guidance (New)	Increase areas offering Advice and Guidance	£1,114,733
E-Referrals (New 17/18 only)	All first outpatient appointments are to be available on e-RS	£1,114,733
Preventing ill health by risky behaviours – alcohol and smoking (New 18/19 only)	<ul style="list-style-type: none"> 1. Tobacco screening 2. Tobacco brief advice 3. Tobacco referral medication 4. Alcohol screening 5. Alcohol brief advice 	

Local CQUINS

CCG Contract (0.5% - £2,229,400)

Local CCG CQUINS	Description	Annual Financial Value
Health Promoting Hospital (Continuation from 16/17)	<ul style="list-style-type: none"> • Smoking and Alcohol screening, advice and referral • Implement review of physical activity measurement for patients • Staff training on brief advices and knowledge of Making Every Contact Count (MECC) which this CQUIN is based on • Ensuring that the organisation and staff are aware of process and what is available and is closely linked to the staff health and wellbeing CQUIN. 	£1,114,700
Care Co-ordination – Lambeth and Southwark (Continuation from 16/17)	Develop and implement proactive and person-centred care coordination for people with complex needs and with long term conditions	£557,350
Integrated Care Frailty – PRUH (Continuation from 16/17)	Improving the care for patients that are frail.	£557,350

NHSE CQUINS

(2.8% - £7,306,720)

NHS England CQUINS	Description	Annual Financial Value
Hepatitis C	Improving pathways through ODN's (Continuation from 16/17)	£4,436,222
Haemoglobinopathy	Improving pathways through ODN's	£130,477

Sickle Cell	Automated exchange transfusion for Sickle Cell patients (Continuation from 16/17)	£391,431
Clinical Utilisation Review	Implementation, application and use of system to which will assist in reduction of inappropriate hospital utilisation - (Continuation from 16/17) – PRUH to be rolled out in 18/19	£1,356,962
Cancer Dose Banding IV SACT	Standardising chemo dosages - (Continuation from 16/17)	£260,954
Paediatric Networked Care	To reduce recourse to critical care distant from home.	£234,858
Spinal surgery	Networks, data and MDT oversight	£234,858
Cystic Fibrosis Patient Adherence	This scheme employs an electronic Cystic Fibrosis (CF) adherence indicator captured by an IT platform (CFHealthHub) to deliver a complex behavioural intervention that increases patient activation and adherence, thus delivering better patient outcomes and avoidance of costly escalations. Objective adherence is measured for high cost inhaled therapies collected via chipped nebulisers and displayed in CFHealthHub.	£182,668
Neuro Rehabilitation	NHS England has reviewed neuro-rehabilitation services in London and recognised that the service does not run as part of properly co-ordinated network, instead there are delays in assessment, multiple referrals for assessment, a high level of rejected referrals and poor sign-posting early in the pathway. All of this results in delay for patients accessing the right service at the right time. Additionally NHS England London found that patient experience data was not available in a routine format within units.	£78,206
Difficult to deal with Asthma	The CQUIN scheme aims to ensure assessment and investigation of children with difficult to control asthma within twelve weeks of referral, so to ensure that all eligible children have appropriate and timely assessment and investigation in order to improve asthma control, reduce hospital	£0

	admissions and avoid inappropriate escalation of therapy including the initiation of expensive monoclonal antibodies.	
Dental	Collection and submission of data on priority pathways procedures by Tier using the CQUIN dashboard. Tier 1, 2, 3 – recording of data for oral surgery and orthodontics; to include restorative when published. Understand demand and capacity issues and find solutions as 'one organisation', pooling resources where necessary and producing action plans to overcome problems.	£479,091

Full details on the contracts for 2017-2019 are available on request.

Care Quality Commission (CQC)

King's College Hospital NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is **Requires Improvement**.

In 2015 the Trust received a rating of **Requires Improvement** Trust-wide and for the Denmark Hill and Princess Royal University sites. Orpington Hospital received an overall rating of **Good**.

In September 2017 the Trust had a further inspection which noted significant improvement; however, the Trust's rating remained the same as not all core areas were inspection on this occasion.

CQC Ratings

CQC's Overall Rating for King's College Hospital NHS Foundation Trust						
	Safe	Effective	Caring	Responsive	Well-led	Overall
Overall Trust	Requires improvement	Requires improvement	Good	Requires improvement	Requires improvement	Requires improvement

Key issues highlighted in the CQC report were:

- **Patient flow** in Outpatients and Emergency Departments as well as referral to treatment times at Denmark Hill and PRUH.
- **Documentation of care** (completion and availability of paper records at PRUH).
- **Environment and Capacity** in Denmark Hill's Liver and Renal outpatients, Maternity, Critical Care wards and PRUH Surgical Admission Lounge.

- **Improving Skills, Knowledge and Processes to Improve Patient Safety** Mental Capacity Act 2005 and Deprivation of Liberty Safeguards policies were reviewed and targeted training is currently implemented.

The Care Quality Commission has not taken enforcement action against King's College Hospital NHS Foundation Trust during 2017/18.

In January 2018 the Trust received the CQC's quality report from the September 2017 inspection. They found that the majority of areas were able to demonstrate improvement. However, the key areas that remained to improve were: capacity and flow issues through the Emergency Department.

Whilst the Trust continues to face challenges related to activity levels, it is generally meeting all the key milestones set out in its CQC Action Plan. These actions are being reviewed through the Planning and Delivery Board at executive meetings and at the Board of Directors.

The Trust is expecting an inspection by the CQC sometime in 2018/19 which will include the NHSI well-resourced criteria.

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

King's College Hospital NHS Foundation Trust has not participated in any special reviews or investigations by the CQC during the reporting period.

Records Submission

1,465,000 submitted records during 2017/18 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data.

The percentage of records in the published data April 2017 - January 2018 which included the patient's valid NHS number was:

:

- 98.5% for admitted patient care;
- 99.0% for outpatient (non-admitted) patient care; and
- 91.3% for accident and emergency care.

The percentage of records in the published data April 2017 - January 2018 which included the patient's valid General Medical Practice Code was:

- 99.8% for admitted patient care;
- 99.8% for outpatient (non-admitted) patient care; and
- 99.5% for accident and emergency care.

Information Governance Assessment

King's College Hospital NHS Foundation Trust Information Governance Assessment Report overall score for 2017/18 was 79% and was graded green / satisfactory.

Payments by Results (PbR)

The Trust was not identified as necessary for a Payment by Results (PbR) clinical coding audit in 2017/18.

Summary Hospital Mortality Index (SHMI)

April 16 – March 17 have been published and the SHMI is 92.31% for last year July 16 – June 17 is the latest SHMI published in Dec-17 and is 90.97% for the 12-month period

Patients deaths with palliative care coded at either diagnosis or speciality level:

- 48.6% for the same 2 published periods above so no change in the figure

Learning from Deaths

During 2017/18 at King's College hospital NHS Foundation Trust 2447 patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period:

- 561 in the first quarter;
- 550 in the second quarter;
- 641 in the third quarter;
- 695 in the fourth quarter.

By 31 March 2018, 299 case record reviews and 61 investigations have been carried out in relation to 360 of the 2447 deaths included above.

In 22 cases a death was subjected to both a case record review and an investigation.

The number of deaths in each quarter for which a case record review or an investigation was carried out was:

- 69 in the first quarter;
- 110 in the second quarter;
- 142 in the third quarter;
- Fourth quarter results will be available end June 2018.

10 representing 3.1% of the patient deaths reviewed during the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient. In relation to each quarter this consisted of:

- 2 representing 2.9% for the first quarter;
- 6 representing 5.5% for the second quarter;
- 2 representing 1.4% for the third quarter;
- Fourth quarter results will be available end June 2018.

These numbers have been estimated using the structured judgment review method of case record review.

Case record reviews indicated possible contributions to death from issues relating to monitoring, use of investigations and medication, and in discharge planning. All cases have been subject to established Trust investigation processes and/or Coronial Inquest with involvement of families and in accordance to Duty of Candour policies.

At King's we aim to ensure that learning from these deaths and other safety incidents are shared widely and become embedded in clinical practice through a variety of internal communication mechanisms, including the new SafetyNet initiative. This includes sharing of summaries of individual incidents and the themes identified from their analysis. For these cases this has included review and modification of results reporting and acknowledgement processes, and training of staff in specific aspects of care that have identified as being of importance.

Aggregated data is not available for case record reviews or investigations completed in relation to deaths which took place before the start of the reporting period, as this is the first reporting period requiring this information.

Action to Improve Data Quality

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

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

The Trust and its Board have sought to take all reasonable steps and exercise appropriate due diligence to ensure the accuracy of the data reported, but recognises that it is nonetheless subject to the inherent limitations noted above.

The Trust acknowledges weaknesses in the quality of internal data produced with respect to 18 Week Referral to Treatment and 4 Hour Accident and Emergency Waiting Times. This is

consistent with the External Auditor's conclusion in their Qualified Opinion. The Trust is currently working on an action plan to identify areas of improvement.

Reporting against core indicators

Performance Measures						Foundation Trusts Comparable Value (Shelford Group)				
Indicator	Measure	Current Period	Value	Previous Period	Value	Highest	Lowest	National Average	Source	Regulatory Statement
Hospital Mortality Index (SHMI)	Observed mortality is lower than expected mortality	1 Dec 2016 – 30 Nov 2017	88 (95% Confidence Interval 85, 92)	1 Dec 2015 – 30 Nov 2016	93 (95% Confidence Interval 90, 96)	70 (95% Confidence Interval 67, 74)	113 (95% Confidence Interval 105, 123)	100	Hospital Episode Statistics via HED	<p><i>The King's College Hospital NHS Foundation Trust considers that this data is as described for the following reasons:</i></p> <ul style="list-style-type: none"> • <i>The Trust prioritises the delivery of excellent patient outcomes and has excellent mortality monitoring processes in place.</i> <p><i>The King's College Hospital NHS Foundation Trust intends to take/has taken the following actions to improve the SHMI, and so the quality of its services, by:</i></p> <ul style="list-style-type: none"> • <i>Continuing to invest in routine monitoring of mortality and detailed investigation of any issues identified.</i>

Indicator	Measure	Current Period	Value	Previous Period	Value	Highest Value Comparable** Foundation Trust	Lowest Value Comparable** Foundation Trust	National Average	Data Source	Regulatory Statement
Patient Reported Outcomes Measures - groin hernia surgery	EQ-5D Index: 21 modelled records	Apr 15 - Mar 16	Adjusted average health gain: *	Apr 14 - Mar 15	Adjusted average health gain: *	0.106 (Oxford University Hospitals NHS Foundation Trust)	0.080 (Sheffield Teaching Hospitals NHS Foundation Trust)	0.088	HSCIC 'Select 10' table, April 2015-March 2016, published August 2017)	<p><i>King's College Hospital NHS Foundation Trust considers that this data is as described for the following reasons - our participation rate was too low. King's College Hospital NHS Foundation Trust intends to take the following actions - this national PROM ceased to be mandatory In October 2017 and, as the routine monitoring of this PROMS has not supported our commitment to ongoing improvement of patient care and outcomes, King's College Hospital NHS Foundation took the decision to cease our participation.</i></p>
	EQ VAS: 48 modelled records		Adjusted average health gain: -1.395		Adjusted average health gain: -08.42	0.770 (Oxford University Hospitals NHS Foundation Trust)	-2.690 (Guy's and St Thomas' NHS Foundation Trust)	-0.817		

Indicator	Measure	Current Period	Value	Previous Period	Value	Highest Value Comparable** Foundation Trust	Lowest Value Comparable** Foundation Trust	National Average	Data Source	Regulatory Statement
Patient Reported Outcomes Measures - varicose vein surgery	EQ-5D Index: 60 modelled records	Apr 15 - Mar 16	Adjusted average health gain: 0.076	Apr 14 - Mar 15	Adjusted average health gain: *	0.104 (University Hospitals Birmingham NHS Foundation Trust)	0.038 (Imperial College Healthcare NHS Trust)	0.096		<p><i>King's College Hospital NHS Foundation Trust considers that this data is as described for the following reasons - our participation rate was too low. King's College Hospital NHS Foundation Trust intends to take the following actions - this national PROM ceased to be mandatory In October 2017 and, as the routine monitoring of this PROMS has not supported our commitment to ongoing improvement of patient care and outcomes, King's College Hospital NHS Foundation took the decision to cease our participation.</i></p>
	EQ VAS: 60 modelled records		Adjusted average health gain: - 0.960		Adjusted average health gain: *	-1.135 (University College London Hospitals NHS Foundation Trust)	-3.524 (Oxford University Hospitals NHS Foundation Trust)	-0.430		
	Aberdeen Varicose Vein Questionnaire: 61 modelled records		Adjusted average health gain: - 8.200		Adjusted average health gain: *	2.980 (Oxford University Hospitals NHS Foundation Trust)	-9.553 (Sheffield Teaching Hospitals NHS Foundation Trust)	-8.626		

Indicator	Measure	Current Period	Value	Previous Period	Value	Highest Value Comparable** Foundation Trust	Lowest Value Comparable** Foundation Trust	National Average	Data Source	Regulatory Statement
Patient Reported Outcomes Measures - hip replacement surgery	EQ-5D Index: 234 modelled records	Apr 15 - Mar 16	Adjusted average health gain: 0.445	Apr 14 - Mar 15	Adjusted average health gain: 0.441	0.480 (Imperial College Healthcare NHS Trust)	0.418 (Sheffield Teaching Hospitals NHS Foundation Trust)	0.438		King's College Hospital NHS Foundation Trust considers that this data is as described for the following reasons - our performance is in line with Shelford Group peers. King's College Hospital NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by continuing to provide excellent elective orthopaedic services.
	EQ VAS: 235 modelled records		Adjusted average health gain: 15.006		Adjusted average health gain: 12.835	15.940 (Imperial College Healthcare NHS Trust)	10.520 (Sheffield Teaching Hospitals NHS Foundation Trust)	12.404		
	Oxford Hip Score: 256 modelled records		Adjusted average health gain: 22.002		Adjusted average health gain: 22.200	24.617 (Imperial College Healthcare NHS Trust)	18.548 (Central Manchester University Hospitals NHS Foundation Trust)	21.607		
Patient Reported Outcomes Measures - knee replacement surgery	EQ-5D Index: 320 modelled records	Apr 15- Mar 16	Adjusted average health gain: 0.294	Apr 14 - Mar 15	Adjusted average health gain: 0.283	0.259 (Oxford University Hospitals NHS Foundation Trust)	0.309 (Guy's and St Thomas' NHS Foundation Trust)	0.320		King's College Hospital NHS Foundation Trust considers that this data is as described for the following reasons - our performance is in line with Shelford Group peers. King's College Hospital NHS Foundation
	EQ VAS: 304 modelled records		Adjusted average health gain: 5.823		Adjusted average health gain: 4.651	8.090 (Cambridge University Hospitals NHS Foundation Trust)	3.734 (Sheffield Teaching Hospitals NHS Foundation Trust)	15.752		

Percentage of patients readmitted within 28 days of being discharged during the 2017/18 reporting period

Patients aged 0-15 (emergency) readmitted within 28 days of being discharged April 2017- March 2018 = 1.25%

Patients aged 16+ (emergency) readmitted within 28 days of being discharged April 2017- March 2018 = 6.97%

N.B. the above data is linked to our Patient Activity System (PAS) and is supplied by our Business Intelligence Unit.

Kings is keen to reduce readmissions and has ongoing programmes across childrens and adult services linking care across the whole system.

Percentage of patients admitted to hospital and who were risk assessed for venous thromboembolism (VTE) during the reporting period

Admitted patients who were risk assess for venous thromboembolism April 2017- March 2018 = 96.7%.

N.B. N.B. the above data is linked to our Patient Activity System (PAS) and is supplied by our Business Intelligence Unit. The data is also linked through to our electronic prescribing system. Kings has been the national exemplar site for VTE prevention for over 10 years.

There is a comprehensive system of education and preparation to improve VTE assessment.

Rate per 1000 bed days of cases of C.difficile infection reported amongst patients aged 2 or over during the reporting period

Cases of C difficile infection reported for patients aged 2 or over – April 2017-March 2018 – reportable cases rate/100,000 bed days = (88 cases) 15.28per 100,000 cases

N.B. Our dedicated Alert organism surveillance team monitor all alert organisms and ensure accuracy of information throughout the Trust.

There is a regular programme of CDT reduction led by the DIPC, Consultant Microbiologists and IPC Team.

The percentage of staff employed by, or under contract to, the trust during the reporting period who would recommend the trust as a provider of care to their family or friends.

Two relevant questions posed by the 2017 staff survey:	% who agreed/strongly agreed
If a friend/relative needed treatment I would be happy with the standard of care provided by the organisation	71%
Care of patients/service users is a top priority for the organisation	74%

N.B. The Trust uses an external provider to monitor the Staff FFT. The workforce directorate have a comprehensive programme to improve staff engagement and well being.

Quality of Care Indicators - Responsiveness to Personal Needs										
Indicator	Measure	Current Period	Value	Previous Period	Value	Highest	Lowest	National Average	Data Source	Regulatory Statement
Were you involved as much as you wanted to be in decisions about your care and treatment?	Score out of 10	2016 National Inpatient Survey	7.1	2015 National Inpatient Survey	7.4	8.8	6.3		CQC	The data presented for these indicators is from the national inpatient survey which is commissioned and validated by the CQC who provide quality assurance of the survey process and produce the results nationally and for each Trust. For each question we are provided with a score using a nationally agreed formula. On this basis, we are assured of the validity of the data. The Trust is tasking its clinical divisions to develop patient, family and carer experience action plans to improve patient experience.
Did you find someone on the hospital staff to talk to about your worries and fears?	Score out of 10 trust-wide	2016 National Inpatient Survey	5.5	2015 National Inpatient Survey	5.8	8.0	4.5		CQC	
Were you given enough privacy when discussing your condition or treatment?	Score out of 10 trust-wide	2016 National Inpatient Survey	8.7	2015 National Inpatient Survey	8.5	9.4	7.9		CQC	
Did a member of staff tell you about medication side effects to watch for when you went home?	Score out of 10 trust-	2016 National Inpatient Survey	4.2	2015 National Inpatient Survey	4.2	7.7	3.5		CQC	

Did hospital tell you who to contact if you were worried about your condition or treatment after you left hospital?	Score out of 10 trust-	2016 National Inpatient Survey	6.9	2015 National Inpatient Survey	7.5	9.7	6.4		CQC	
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Patient Safety Incidents 2017/18

Metric	
Number of Patient Safety Incidents 2017/18	24,971
Patient Safety Incidents/1000 Bed days	47.81
<i>(Bed days taken as 522,331 inpatient bed days Business Intelligence Unit application data 30/4/18)</i>	
Number of incidents contributing to death of patient	18
Percentage where contributing to death of patient	0.07
Number of incident contributing to serious harm (not including death)	96
Percentage where contributing to serious harm (not including death)	0.38

Notes

1. Patient Safety Incidents are only those reported to NHSI via the NRLS reporting system, using their definitions. (e.g. staff related incidents not included if no effect on the patient).
2. Figures as at 30/04/2018 – This includes un-reviewed incidents and incidents subject to investigation so therefore the degree or harm attributed or the validity of the incident may be clarified which would result in changes to these figures.

Part Three

Other information

Performance against the relevant indicators and performance thresholds set out below:

2016/17

Single Oversight Framework		Kings College Hospital NHS Foundation Trust													
	Target	Apr 16	May 16	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16	Dec 16	Jan 17	Feb 17	Mar 17	Total 2016/17	
RTT Incomplete Performance	92.0%	80.7%	80.9%	81.3%	82.0%	82.2%	80.8%	79.1%	78.3%	77.1%	77.3%	76.9%	76.1%	79.4%	
Cancer 62 day referral to treatment - GP Referral	85.0%	87.3%	80.8%	89.8%	77.3%	91.1%	84.6%	90.6%	83.7%	86.8%	86.4%	79.5%	83.3%	85.1%	
Cancer 62 day referral to treatment - Screening	90.0%	93.9%	88.5%	89.1%	78.7%	95.4%	97.2%	91.8%	89.5%	94.0%	79.1%	94.1%	87.5%	89.9%	
Diagnostic Waiting Times Performance < 6 Wks	<1%	5.9%	8.1%	9.4%	6.8%	2.0%	1.0%	0.8%	0.9%	1.0%	1.2%	0.9%	2.4%	3.4%	
A&E 4 hour performance (All Types)	95.0%	83.5%	85.1%	83.8%	83.5%	88.2%	82.0%	81.3%	79.9%	75.5%	78.2%	81.4%	82.6%	82.1%	
Summary Hospital-level Mortality Indicator	<100	97.7	96.9	95.7	94.3	94.3	92.9	93.4	93.2	94.2	95.2	95.0	93.5	94.4	
VTE Risk Assessment	95.0%	97.2%	97.1%	97.4%	97.0%	96.5%	96.9%	96.9%	97.3%	97.2%	97.2%	97.4%	97.3%	97.1%	
Clostridium difficile rates	60	5	5	4	7	6	9	4	10	9	4	3	3	69	

Access to services

This year, 2017/18, has been a challenging year for both emergency and elective access standards with increases in the numbers of people attending our emergency department (ED), non-elective admissions and outpatient referrals. We are seeing more patients attending hospital who are elderly and have a range of healthcare need when they are admitted, increasing the length of time they require hospital services. This growth has pressure on the capacity of the Trust across beds, clinics and diagnostics. King's College Hospital has one of the highest levels of bed occupancy (beds that are full at any point in time), limiting its ability to respond when demand increases above expected levels.

2017/18

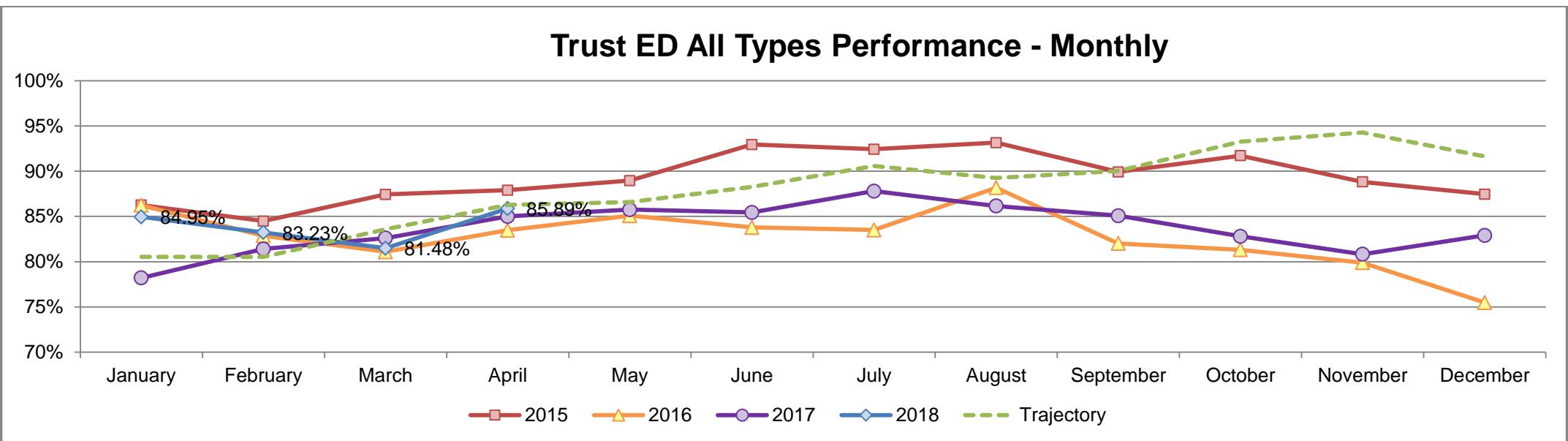
Single Oversight Framework		Kings College Hospital NHS Foundation Trust													England		
	Target	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Total 2017/18	Highest	Lowest	
RTT Incomplete Performance	92.0%	74.9%	76.5%	77.1%	77.5%	77.5%	77.6%	78.6%	79.5%	79.0%	80.3%	81.0%	80.5%	78.2%	100.0%	69.4%	
Cancer 62 day referral to treatment - GP Referral	85.0%	86.6%	75.9%	82.7%	81.3%	86.8%	85.6%	83.8%	84.9%	85.9%	85.8%	77.1%	87.5%	83.8%	100.0%	63.0%	
Cancer 62 day referral to treatment - Screening	90.0%	84.6%	100.0%	94.3%	88.9%	96.7%	100.0%	84.9%	80.0%	94.7%	87.0%	75.0%	87.5%	90.0%	100.0%	33.3%	
Diagnostic Waiting Times Performance < 6	>99%	95.4%	98.4%	98.5%	98.9%	99.2%	99.1%	99.0%	99.1%	98.5%	98.3%	98.1%	97.5%	98.3%	100.0%	50.0%	
A&E 4 hour performance (All Types)	95.0%	85.0%	85.8%	85.5%	87.8%	86.2%	85.1%	83.7%	80.7%	82.9%	85.0%	83.1%	81.5%	84.2%	99.0%	69.1%	
Summary Hospital-level Mortality Indicator	<100	92.7	92.5	91.1	90.7	89.9	90.8	90.2	90.5	90.9				90.9	128.0	72.6	
VTE Risk Assessment	95.0%	97.6%	98.0%	97.9%	97.5%	97.5%	97.8%	97.7%	97.3%	93.6%	94.6%	94.8%	96.2%	96.7%	100.0%	76.0%	
Clostridium difficile rates	72	5	6	10	10	8	4	3	7	11	10	7	7	88	164	0	

Emergency Department performance over time

A&E Compliance by Attendance		Kings College Hospital NHS Foundation Trust												
		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
2016-17	Type 1 A&E Attendances	16688	17656	17247	17404	16316	16771	16936	16842	17326	16752	15070	17810	202818
	Total Attendance	24080	25566	24677	24998	23341	23863	24082	23743	24306	23510	21142	24959	288267
	Type 1 Compliance	78.4%	80.1%	78.4%	78.1%	84.2%	75.9%	74.9%	72.9%	67.2%	70.8%	75.1%	76.7%	76.1%
	Total Compliance	83.48%	85.1%	83.8%	83.5%	88.2%	82.0%	81.3%	79.9%	75.5%	78.2%	81.4%	82.6%	82.1%
2017-18	Type 1 A&E Attendances	16681	17830	17358	17817	16300	16887	18331	17770	17524	16668	14353	16452	203971
	Total Attendance	23168	24945	24529	24736	22714	23571	25437	24827	30457	34866	32547	36798	328595
	Type 1 Compliance	80.4%	81.1%	80.7%	84.3%	81.3%	80.3%	77.4%	75.0%	72.4%	70.4%	64.5%	61.8%	76.0%
	Total Compliance	85.0%	85.8%	85.5%	87.8%	86.2%	85.1%	82.8%	80.8%	82.9%	85.0%	83.2%	81.5%	84.1%

The Trust's ED type 1 attendances performance based on monthly ED Sitrep return submissions is 76.0% for 2017/18 overall. To support the external audit into our ED performance compliance, the auditors were provided with a patient-level attendance dataset based on the latest ED system data available, as this level of data is not available from month-end snapshot data. Performance compliance for 2017/18 based on the datasets provided for audit is lower at 75.2%.

Trust ED All Types Performance - Monthly



Emergency department four-hour standard

The emergency department four hour standard has been a significant challenge nationally and continues to be a key priority for the Trust.

A compressive programme of work has been put in place to improve the emergency pathway, and this overseen by a dedicated weekly oversight Board, inclusive of senior commissioner partners and on-site support from NHSI. This programme provides focus on key areas impacting A&E waiting times, such as; the specific management of frail elderly admissions; innovations in staffing to offset recruitment challenges; balancing planned elective surgery to meet expected emergency bed pressures; maximising the effective flow of patients through the hospital system; and ensuring patients are discharged as soon as they no longer require hospital care, inclusive of those with complex discharge needs (requirements for social care support for example).

Emergency Department (ED) 4-hour Emergency Standard audit findings

Background

Our external auditors looked at the way in which we check whether patients have been seen, treated and transferred within four hours of arriving at the Emergency Department. This is the 'four-hour' standard for emergency care.

They were concerned that the Emergency Departments at Denmark Hill and the Princess Royal University Hospital might operate a 'ten-minute grace' approach, where patients who left the Department just after four hours were not always recorded as breaches. We found that there was evidence that this was the case, with patients leaving the Department between 4hr 01min and 4hr 10min being taken off by the IT team that records four-hour performance.

The clinical teams in the Emergency Departments on both sites carry out 'live validation'. This means they look at patients who leave the Department at around the four hour mark, but who are not always taken off the Department's computer system immediately. This is called a 'late click off' and refers to a patient who may have left at 3hr55min, but where the doctor or nurse did not update the system until later while they were busy with another patient. This can be a relatively common event in a busy Emergency Department.

As a result, it is not possible to know how many patients were taken off as a result of clinical 'late click offs' and how many have been taken off by the IT team.

We checked our policy for managing the four-hour access standard. The current version, updated in August 2015, does not mention the 'ten-minute grace' rule. All patients who leave the Department after 4hrs should be counted as a breach, unless they were a late click off.

Key Findings and actions

We wanted to check that this 'ten-minute grace' approach had not distorted our published performance. We could not do this with old data, so instead we carried out a live audit of patients falling into the period from 4hr 01min to 4hr 10min over several days.

Before doing this, we spoke to Deloitte's to make sure they agreed with our approach.

During the audit, each patient who would have fallen into the 'grace' period was reviewed by a senior member of either our nursing or operations teams. We assumed that anyone over 4hrs was to be reported as a breach unless we found clear evidence otherwise.

The results of the audit are below:

Case	Unvalidated time in department	Narrative	Breach?
1	241 minutes	Patient arrived at 08:00, and click off process from Symphony began at 11:59	No
2	243 minutes	Patient arrived at 10:16; last obs before transferring to the ward at 14:05, but not taken off Symphony in timely manner	No
3	241 minutes	Patient arrived at 13:22; CDU form completed at 16:50 and transferred to CDU but not taken off Symphony in timely manner	No
4	246 minutes	Patient arrived at 16:29; last obs at 18:04 and blood results back at 18:06 (was waiting for bloods); started click off at 20:32	No
5	241 minutes	Patient arrived at 17:11; blood results back at 19:54 and DVT proforma completed at 19:35 which indicated patient for discharge but not taken off Symphony in timely manner	No
6	241 minutes	Patient arrived at 21:02; last obs recorded at 23:50 but not taken off Symphony in timely manner	No
7	249 minutes	Breach reason of late click off was recorded by the clinical team in real time	No
8	242 minutes	Patient arrived at 16:57; click off process from Symphony began at 20:36	No
9	242 minutes	Patient arrived at 19:36; according to clinical notes, patient seen and discharged at 22:00, but not taken off of Symphony in timely manner	No
10	242 minutes	Patient arrived at 14:08; last set of obs recorded at 17:45, but not taken off Symphony in timely manner	No
11	247 minutes	Patient arrived at 08:01; patient seen and all results back by 10:55 – for discharge, but not taken off Symphony in timely manner	No
12	242 minutes	Patient arrived at 13:17; patient seen and all results back by 16:30 – for discharge, but not taken off Symphony in timely manner	No

None of these patients should have been reported as breaches. The patients in the 4hr 01min to 4hr 10min period were in two categories:

1. Over four hours because of the time it takes to take them off the system

In interviews with our nursing team, we found that it takes 42 separate clicks in the computer system to confirm that a patient has left the Department. Nine different boxes of information need to be completed, including where the patient has gone, what our diagnosis was, which treatment they received, which doctor saw them, and so on. The most experienced members of staff can do this in under two minutes, but in a busy Department when patients sometimes move very close to four hours this can make a material difference.

2. Time of moving confirmed by another process

In some of these cases, the correct time at which the patient moved was confirmed by looking at other sources of information (e.g. an admission form from another ward). These sources of evidence helped us remove some breaches.

In conclusion, the audit of patients who would have been covered by the '10-minute grace' rule would have been taken off appropriately; each of the cases had clear evidence that the patient departed prior to four hours and was not a reportable breach.

Impact on Reporting

The independent auditor has concluded that while there are errors in the sample and performance period reported, they are unable to quantify the effect on reported four-hour performance in 2017/18. The results of our live audit have suggested this would have little or no material impact on reporting during 2017/18.

Audit Recommendations

With immediate effect, any blanket '10 minute grace' amendments will cease. The ED IT team have been instructed to include every patient who is in the department for four hours or longer (>239 minutes) on the daily breach report that is validated by the senior operational, nursing and medical team. This will ensure that all patients who leave the department after four hours are validated by the senior team.

Referral to Treatment (RTT) – 18 weeks

Referral to Treatment, or so called 18 Weeks, has been a historic challenge for the Trust. Working together with our regulators, and the organisations that commission service from us, we have in place challenging plans to improve RTT compliance. These plans have allowed us to maximise the use of our day case theatres and outpatient clinics in parts of the week we have traditionally been unable to maximise, particularly at the weekend.

Through these plans we have seen month on month reduction in the total number of patients waiting for elective treatment and, more importantly, the number of patients waiting greater than 18 weeks. This has translated into improved compliance at a time when most NHS Trust are seeing 18 week compliance decline, and is set against an increasing need to prioritise of capacity for emergency and cancer pathways.

18 Week RTT – Incomplete Pathways

Audit Findings and Recommendations

Finding 1:

Enhance training and guidance provided to staff involved

From our sample of 20 pathways selected, we identified 4 cases with an incorrect clock start

- In 2 cases this was due to errors by staff inputting the information into the system
- In one case a patient who did not attend (DNA) an appointment had their appointment removed, rather than being rebooked. Therefore the system defaulted to the last event recorded, restarting the clock from this date
- In the final case, we were unable to confirm why an incorrect start date had been entered, but it appears to have been due to input error by staff.

In one case we were unable to confirm the clock start as the referral had not been date stamped

We also identified 4 cases with an incorrect clock stop:

- In one case the clock stop event was linked to another pathway for the same patient, and therefore the clock continued
- In two cases there had been errors by Trust staff in inputting the date or in completing the clinic outcome forms
- In the final case we were unable to identify an underlying cause

Correcting for the errors identified above, there would be no change in the overall breach status. However, as a result of the errors, in six cases, pathways had been misreported, or not reported at all for at least one month.

Recommendation 1:

As per our prior year recommendation, we recommend that training and guidance should be provided to all staff, including key guidance around the recording of clock starts and stops, and the retention of evidence (e.g. date stamping referral letters) to support the dates used. Regular themes and underlying causes for errors should be identified through the Trust's existing data validation processes and communicated across the Trust.

We also recommend that the Trust introduce "RTT Champions" in each Division, and encouraging staff who are unsure, to consult with them.

Management Response: The Trust agrees with the recommendation of introducing 'RTT Champions' to address RTT and DQ issues within the PTL. This would need to be agreed with the divisions and could be a joint responsibility of 'Patient Pathway Coordinators' currently working within Divisions

Timeframe: Two months

Responsibility: Caroline Jared, Performance Manager for Referral to Treatment/Divisional General Managers

Finding 2:

Duplicate referrals

From our sample of 20 tested, we identified two cases that were duplicate referrals.

Recommendation 2

We recommend that management investigate the underlying causes due to which some referrals appear twice in the waiting list population. If a control system(s) can be introduced to address this,

then these should be implemented. Alternatively, duplicate referrals in the population should be identified and validated by the validation team.

Management Response: We have created a duplicate referral report alongside the PTL. The current validation team are working towards removing all duplicates over 18 weeks within 1-2 months, to complete this piece of work will depend on the establishment of a data quality (DQ) team to take overall responsibility of this and other DQ issues within the patient tracker list (PTL).

Timeframe: Initial clean-up of duplicate referrals over 18 weeks 1-2 months – completion of remaining duplicates within the PTL – up to six months pending approval of the establishment of a dedicated DQ team.

Responsibility: Caroline Jared, Performance Manager for Referral to Treatment

Cancer Treatment within 62 Days

Referral demand for Cancer service has increased dramatically in recent years, and 2017/18 has seen that trend continue. To allow us to meet this ever increasing demand we have implanted a number of innovations, including one stop diagnostic clinics in challenged services in which we seek to do all clinical testing required to detect cancer in a single visit to hospital for patients with suspected malignancy.

Alongside, we continue to develop ways of working that eliminate the need for a hospital visit at all via “Virtual Clinics” in which teams of specialist clinicians review patients that GPs and other health professionals may require initial discussion and advice on. This helps us to ensure patients have the right treatment pathway agreed as early as possible, and often avoids the need for a direct referral to hospital, freeing up capacity for those patients with a higher likelihood of requiring treatment for Cancer.

Diagnostic Test within 6 Weeks

Our ability to sustain compliance of greater than 99% has been significantly impacted by the pressures of our beds. In periods where emergency demand exceeds the available beds within our wards we are often forced to admit patients to planned escalation areas such as our Endoscopy Suite overnight. This has a significant impact on our ability provide our endoscopy services as we plan to, leading to unavoidable waits of longer than 6 weeks.

Our teams are working continuously to find solutions to these types of pressures on delivery, and starting in late February 2018 we will be able to access additional endoscopy capacity in Croydon having worked with local health provider partners with the support of the Cancer Network.

Progress of Prior Year Recommendations

Recommendation	17/18 Update	Evidence to Support 17/18 Update (If recommendation has progressed)
<p><u>All Indicators</u></p> <p>As per prior year recommendation, enhance training and guidance provided to staff involved</p> <p>Training and guidance provided to staff needs to be enhanced to reinforce the key areas such as:</p> <ul style="list-style-type: none"> • Recording correct clock start dates in line with the RTT guidance • Ensuring there is appropriate evidence of treatment being provided before recording clock stop dates <p>Staff should be made aware of the consequences for inaccurate data recording, with regular offenders identified through the Trust's existing data validation processes being provided additional training.</p>	<p>The Trust has an established RTT training team within the central RTT validation team, which is responsible for the documentation of agreed RTT-related data collection procedures and for the relevant training to staff.</p>	<p>All RTT training modules include sections on recording correct clock starts in Trust systems and to ensure that all clock stops are correctly recorded (either for treatment or other clock stop reasons - non treatment).</p> <p>RTT training also indicates the consequences of recording inaccurate data i.e. could cause treatment delays for patients which could result in harm; patients may be booked out of sequence as well as making it extremely difficult for services to manage pathways with poor data quality.</p> <p>Staff should be monitored locally to ensure that they are adhering to the Trust processes for data quality and should be managed accordingly.</p> <p>The RTT Tracking team will speak to individual staff that they discover are not adhering to best practice for DQ these staff may also be flagged to team leaders or managers if they do not improve.</p>
<p><u>A&E 4hr Waits indicator</u></p> <p>Data validation</p> <p>Investigate whether the current system can be upgraded to include a field that identifies when validation has taken place and allows validation comments to be included.</p>	<p>The ED 'Symphony' system has a field to enable the recording of the main reason for breach, and also includes a free text field to record details of any root cause analysis.</p>	<p>This action has been implemented in-year, and breaches are updated on the following day where they have not been recorded in real-time.</p>

Patient safety indicators:

The following table of information is sourced from the Datix adverse incident reporting system regarding DoC compliance, Galaxy Theatre system records for Surgical Safety checklist compliance and NHSI published data.

Indicators	Reason for selection	Trust Performance 2017/18	Trust Performance 2016/17	Peer Performance (Shelford Group Trusts) 2017/18
Duty of Candour	Duty of Candour was chosen as high performance is a key objective for the Trust as it demonstrates its positive and transparent culture. The Trust changed its reporting mechanism in April 2017 making it more robust, measuring full compliance rather than spot check audits. The higher the compliance % the better.	>90%	Not available	Not available
WHO Surgical Safety compliance	Even though the Trust has not listed Surgical Safety as a quality priority for 18/19 it remains a key objective and work stream at the Trust. Since the beginning of 2017 the Trust has been able to electronically monitor compliance with the WHO checklist. The higher the compliance % the better.	93%	Not available	Not available
Total number of never events	Outside of Surgical Safety, the Trust has a number of work streams that aim to reduce the number of Never Events.	8	8	Information available at: https://improvement.nhs.uk/resources/never-events-data/

Clinical effectiveness indicators:

The following table of information is sourced from the Hospital Episode Statistics data via Healthcare Evaluation Database (HED)

Indicators	Reason for selection	Trust Performance	Trust Performance	Peer performance (Shelford Group Trusts)
		Dec 2016 to Nov 2017 ¹	Dec 2015 to Nov 2016	Dec 2016 to Nov 2017
SHMI Elective admissions	Key patient outcomes performance indicator, addressing Trust objective 'to deliver excellent patient outcomes'.	79.0 (95% CI 64.7, 95.5)	80.4 (95% CI 65.6, 97.5)	95.0 (95% CI 89.7, 100.5)
SHMI Non-elective admissions	Key patient outcomes performance indicator, addressing Trust objective 'to deliver excellent patient outcomes'.	88.8 (95% CI 85.7, 92.1)	93.6 (95% CI 90.3, 97.1)	85.8 (95% CI 84.6, 86.9)
SHMI Weekend admissions	Key patient outcomes performance indicator, addressing Trust objective 'to deliver excellent patient outcomes'.	93.3 (95% CI 87.0, 99.9)	98.6 (95% CI 91.8, 105.8)	94.7 (95% CI 90.3, 95.2)

¹ Hospital Episode Statistics (HES) data is compiled from a variety of data sources and is subject to rigorous validation and data cleaning, resulting in a lag time of several months before publication.

Patient experience indicators:

Patient Friends & Family Tests – Emergency Department							Comparable Foundation Trust Value				
Indicator	Measure	Current Period	Value	Previous Period	Value	King's Score	Highest	Lowest	National Average January 2018	Data Source	Regulatory Statement
Patients discharged from Accident & Emergency (types 1/2) who would recommend the Trust as a provider of care to their family or friends?	%	Sept 2017 - March 2018 (latest available data)	81%	Sept 2016 - March 2017	78%	82% Jan 2018	100% Jan 2018	66% Jan 2018	86% Jan 2018	NHS England	<i>King's College Hospital considers that this data is as described. The Trust is tasking its clinical divisions to develop patient, family and carer experience action plans to improve patient experience. Work is also underway to transform the emergency pathway through the King's Way Trust Transformation programme and this includes patient experience</i>

Patient Friends & Family Tests - Inpatients						Comparable Foundation Trust Value				
Indicator	Measure	Current Period	Value	Previous Period	Value	Highest	Lowest	National Average January 2018	Data Source	Regulatory Statement
Inpatients the Trust as a provider of care to their family or friends?	%	Sept 17 - March 2018 (latest available data)	94%	Sept 16 - March 2017	94%	100% Jan 2018	75% Jan 2018	95% Jan 2018	NHS England	<i>King's College Hospital considers that this data is as described. The Trust is tasking its clinical divisions to develop patient, family and carer experience action plans to improve patient experience.</i>

Patient Friends & Family Tests - Outpatients						Comparable Foundation Trust Value				
Indicator	Measure	Current Period	Value	Previous Period	Value	Highest	Lowest	National Average January 2018	Data Source	Regulatory Statement
Would Outpatients recommend the Trust as a provider of care to their family or friends?	%	Sept 17 - March 2018 (latest available data)	88%	Sept 16 - March 2017	87%	100% Jan 2018	75% Jan 2018	93% Jan 2018	NHS England	<i>King's College Hospital considers that this data is as described. The Trust is tasking its clinical divisions to develop patient, family and carer experience action plans to improve patient experience.</i>

Annex 1 - Statements from commissioners, local HealthWatch organisations and Overview and Scrutiny Committees

Local Clinical Commissioning Group's response to King's College Hospital NHS Foundation Quality Account for 2017/2018

Thank you giving commissioners the opportunity to comment on the draft quality account for 2017/18. We do appreciate the on-going collaboration and continued open dialogue with Trust's senior clinicians at the monthly Clinical Quality Review Group, and in the other quality meetings commissioners are invited to attend. And we congratulate the Trust on the positive work you are doing to drive quality improvements and lead innovation at what we acknowledge is a very challenging time.

We note the significant amount of work that was undertaken last year towards achieving your priorities; the improvements in safer surgery and the National Emergency Abdominal Surgery Audit for instance where – the Trust were amongst the top 5 most improved hospitals in the country in this area. We also note good progress in improving experience for cancer patients. The focus on the role of the CNS and providing accessible information for patients has been an important part of this achievement and we note the Trust's comments regarding a continued focus in this area. Bromley CCG is especially keen to work with the PRUH site on cancer patient experience and by combining the CCG's approach with primary care to the Trust's work we hope to resolve many of the interface issues between GP and the hospital which patients have identified. We are also aware of the significant engagement work in order to understand the issues and concerns relating to the experience of outpatients, however, I'm sure you would agree that progress towards achieving a better patient experience has been slow. We look forward to seeing tangible outcomes from this work in 2018/19. Bromley CCG would wish to see a pilot or implementation of In Touch on the PRUH site as soon as possible and would like the Trust to consider the use of tele-dermatology as part the dermatology outpatient improvement programme follow a soft launch of this in Bromley.

We support the prioritisation for improving the care of people with mental health needs in A&E and beyond. The Trust has made good progress at Denmark Hill in this area however the work has focussed on an interface with SLAM and similar work at PRUH with other local mental health providers especially Oxleas is encouraged.

Bromley CCG welcomes the introduction of EPR on the PRUH site and looks forward to seeing real quality improvements as a result of this, for example in sepsis recording on the PRUH site.

Overall we agree with the priorities for next year, being a mix of new and continuing areas. We note your comments that the work for some priorities chosen last year became bigger than was anticipated and so caution that adequate scoping and project management be given at the start of each initiative. Similarly, progress on some priorities will include working with partners and we would encourage early contact to maximise the opportunities of system-wide input and learning.

Commissioners welcome the innovation and leadership around quality which is part of the King's culture and will continue to push for innovation and resource to be spread across all Trust's sites.

Submitted by:

Dr Noel Baxter
Chair of KCH CQRG, May 2018

Healthwatch Lambeth's response to King's College Hospital NHS Foundation Quality Account for 2017/2018

General comments

We commend King's College Hospital for the accomplishments in all seven priority areas under the three main headings: patient's outcomes, experience, and safety. The report is easy to read and the tone is accessible to ordinary people who are not familiar with clinical terms. We however feel that further work has to be done on the following:

- 1) **Establishing baseline** - It can be noticed that all of the seven but one were 'partially achieved'. It can be appreciated that the 'partially achieved' aims are meant for a three-year implementation. The report does not give justice to the good work and progress made in most of the areas. We suggest specifying the sub-objectives and tasks in each year and measure accomplishments against specific targets.
- 2) **Taking stock** – It can be noticed that there was very little reflection or analysis of risks and challenges and how KCH mitigated those. A more in-depth analysis will not only guide future planning but also set context as to why some areas are not achieved.
- 3) **Listening to patients** - Although the achievement was good, KCH is still below other London hospitals in engaging and listening to patients. More work can be done on this. There is a strong engagement goal but the engagement team needs to be resourced at least in the first two years until engagement and listening to patients is embedded in all KCH's culture. We noted that there are 'champions' who can be further trained to help in engaging with patients. However, we strongly feel that engagement should be embedded in the culture so it can be sustained.
- 4) **Mind and Body** – It can be appreciated that this is a long term goal. There was very little mention of what models worked or previous research studies already conducted in this area. We suggest that further investigation is done to inform the approach to use and determine achievable, realistic outcomes and how long it will take to achieve those outcomes.
- 5) **Data presentation** – Overall, there is adequate amount of data, mostly in graphs and tables. We suggest that an explanation/analysis is provided. Data can be interpreted differently and so the report should help the readers understand them and the whole report.

Additional comments:

Some things that had not been said in the report that we would like to highlight are the following:

KCH's volunteer programme

KCH volunteers programme was given an exceptional Lammy Award by Lambeth NHS CCG last year in recognition of their tireless work with the victims of Grenfell Tower who had been brought into the Denmark Hill site. The Lammy Awards were launched by Lambeth CCG in 2015 to recognise NHS and council staff, health and care teams, and individuals who live and work in the borough who go the extra mile to support the health and care of others.

We recognise KCH for going over and beyond their daily duty and encouraging volunteerism to help traumatised children and adults to feel safe and secure. In addition, King's – as one of the Capital's four Major Trauma Centres - also treated patients from the Westminster Bridge attack, London Bridge and Borough attacks.

Robust engagement and partnership with HWL

We also appreciate the work of KCH's engagement team and the continuous work with Healthwatch Lambeth to understand patients' experiences. We commend their work with us on Right 4 Everyone programme. This programme empowers adults with learning disabilities and their carers to participate in projects, and to assess how accessible and kind KCH services are for people. The R4E volunteers feel well respected and recognised by the Trust, and want to continue working with the Trust.

We also appreciate the quarterly meeting between KCH and HW offices (Lambeth, Lewisham and Southwark) which shows the intention to work collaboratively with us.

What HWL can commit

As the consumers' champion, we would like to offer our support to KCH and to continuing our good working relationship to facilitate genuine engagement of patients, their families, and carers. We hope to collaborate in your work for children and young people, older people, people with learning disabilities, and in mental health and wellbeing.

Submitted by:

Healthwatch Lambeth, May 2018

Healthwatch Southwark's response to King's College Hospital NHS Foundation Quality Account for 2017/2018

Overall, we are pleased to see a strong commitment to quality, including a clear emphasis on implementing measurable and sustainable solutions and cultural change. We were particularly encouraged to see the ongoing commitments to staff training and process simplification.

Healthwatch Southwark was overall supportive of the priorities that were set for the 2017/18 year and the initiatives in progress. Given patient feedback, we are particularly pleased that the care of people with mental health needs and improved outpatient experience continue to be priorities.

Presentation-wise, the explanation of the approach to reporting is clear, as are the objectives, priorities set and progress achieved. However, the volume of information has resulted in a very large report, which is not accessible to a lay reader. We suggest more use of annexes if possible.

The 'Results and achievements for the 2017/18 Quality Account priorities' table could benefit from an additional column being added that shows how many years each priority has existed for (this is not entirely clear in the 'Our Quality Priorities over time' table presented above).

The latter part of the section entitled 'Mandatory declarations and assurances' could benefit from some simple narrative that explains terms such as 'EQ-5D' and 'EQ VAS', and the significance of a 95% confidence interval.

Priorities ended or transferred to other programmes

- **Improve quality of the surgical safety checks (patient safety)**

After three years of prioritising, we note that the number of surgical/invasive Never Events reported during 2017/18 was 4 (down from 6 in the previous year). It is commendable that the priority has yielded results in line with expectations. However, we would like to understand the basis for this decision not to continue to prioritise this, given that success has been based on a 10% year-on-year improvement, but no national targets have been provided.

- **Enhanced recovery in surgery (ERAS) after hepatobiliary surgery (patient outcomes)**

We note the role that DH plays in delivering specialist hepatobiliary surgery and therefore support the focus being given to this via the King's Way Transformation Team.

- **Improve emergency abdominal surgery outcomes (patient outcomes)**

Progress in meeting/exceeding national averages and, in some cases, targets is positive to see. It is noted that the presence of a consultant surgeon and consultant anaesthetist in surgery at Denmark Hill (DH) is still below the national target, as is the post-operative assessment by a care of the elderly specialist. We note that the programme of initiatives will now fall within the standard quality improvement work programme.

Priorities retained or broadened

- **Improve the care of people with mental, as well as physical, health needs (patient outcomes)**

Healthwatch Southwark, on the basis of public feedback, continues to prioritise mental health (and particularly care in a mental health crisis, including at A&E). We are therefore pleased that KCH has chosen this priority and launched an ambitious 3-year programme. We will monitor the progress of the broader King's Health Partners Mind and Body Programme with interest.

- **Improve outpatient experience (patient experience)**

Feedback to Healthwatch Southwark corroborates the areas that continue to be problematic, including appointment booking, delays in clinic and patients not being informed about delays. It is encouraging to see that a suite of Outpatient Experience Standards has been developed and will likely form the KPI basis. It would be helpful to see what the national averages and targets look like.

It is interesting to note the effort being put into automating appointment booking and running the actual appointments themselves. Healthwatch Southwark hopes that these options will be offered in addition to, rather than as a substitute for direct patient contact.

- **Improve experience of cancer patients and their families (patient experience)**

Healthwatch Southwark has received a number of signposting queries and concerns from cancer patients and their relatives. As such, a focus on standardising the overall approach to patient support and increasing access to clinical nursing specialist support is welcome.

Whilst KCH has been rated the 40th most improved trust, as measured by the National Cancer Patient Survey (NCPS), it was still ranked 136th out of 209 cancer care providers. We would like to understand KCH's ambition for the three-year improvement programme.

- **Improve implementation of sepsis bundles (patient safety)**

The reader will welcome an explanation of what the UK 'sepsis 6 bundle' entails and what is meant by a 'Shelford ranking'. We would appreciate an explanation of the challenges posed by timely administration of intravenous fluid.

New priorities introduced

- **Improving outcomes for people having primary hip replacement**

Particularly in the context of long-term discussions about arrangements for orthopaedic surgery in South East London it makes sense to share learning and optimise practices across the different sites. If outcomes measures do not already exist then we support the need to establish them.

- **Improving outcomes for people with heart failure**

Given the prevalence of and harm caused by heart failure we must support this priority. We particularly support the patient-focused measures around a 'one-stop-shop' service and information provision, and better coordination with non-hospital services such as GP practices and post-hospital care. However, further measures in this area (including patient feedback) might help to ensure quality and that these measures have the desired effect.

- **Reducing harm to patients due to falls in the hospital**

In light of the audit mentioned and the patient demographic, this priority is sensible. It would be useful to see the baseline figures for falls and falls with harm, compliance with screening, blood pressure assessments and post-falls protocol. We are not sure what is meant by 'non-therapies assessments' and the 'DAD' team.

Submitted by:

Healthwatch Southwark, May 2018

Healthwatch Bromley's response to King's College Hospital NHS Foundation Trust Quality Account for 2017-2018

Healthwatch Bromley thanks you for the opportunity to comment on King's NHS Foundation Trust Quality Account for 2017-2018. In the London Borough of Bromley, local residents access services across several King's sites, including: Denmark Hill, (DH); the Princess Royal University Hospital (PRUH); and Orpington Hospital.

Healthwatch Bromley welcomes the focus on improving care for mental health, as well as physical health, and notes the initiatives and systems put into place across the trust to achieve this, such as closer working with SLaM. Healthwatch supports the continuation of this as a priority, as well as the work being done to increase the number of outpatients being screened for mental health. Healthwatch is also pleased to see outpatients and cancer experience continuing as priorities.

Healthwatch Bromley has established close working relations with King's, in particular at the PRUH site, and we look forward to working with you in partnership on your priorities for 2018/2019.

Submitted by:
Healthwatch Bromley, May 2018

Overview Scrutiny Committee's (OSC) response to King's College Hospital NHS Foundation Trust Quality Account for 2017-2018

Unfortunately, this year, we were unable to formally consult with the Overview and Scrutiny Committees (OSCs) because we had fallen into a period of purdah and all council committees had been dissolved pending the outcome of local elections.

The OSCs are re-established post-election and a full council meeting will be held where committee chairs and committee members are elected.

Full council meetings for King's local boroughs will be taking place in late May – early June and OSC meetings will resume in June.

Annex 2 - Statement of Directors' Responsibilities for the Quality Report

The quality report must include a statement of directors' responsibilities, in the following form of words:

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

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

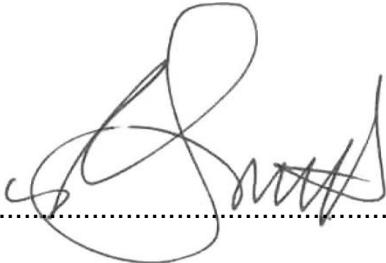
In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

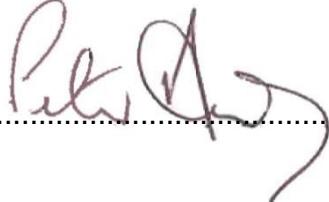
- *the content of the Quality Report meets the requirements set out in the NHS foundation trust annual reporting manual 2017/18 and supporting guidance*
- *the content of the Quality Report is not inconsistent with internal and external sources of information including:*
 - *board minutes and papers for the period April 2017 to 6th June 2018*
 - *papers relating to quality reported to the board over the period April 2017 to 6th June 2018*
 - *feedback from commissioners dated May 2018*
 - *feedback from governors dated May 2018*
 - *the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 31/05/2018*
 - *the national patient surveys published in 2015/16 as well as the latest friends and family survey (published end March 2018)*
 - *the 2017 national staff survey 06/03/2018*
 - *the Head of Internal Audit's annual opinion of the trust's control environment dated 08/05/2018*
 - *CQC inspection report dated 31/01/2018*
- *the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered*
- *the performance information reported in the Quality Report is reliable and accurate*
- *there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice*

- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and
- the Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.

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

By order of the board

June 14, 2018 Date.....  Chairman

14 June 2018 Date.....  Interim Chief Executive

Annex 3 - Independent Auditor's Report to the Council of Governors

Independent auditor's report to the council of governors of King's College Hospital NHS Foundation Trust on the quality report

We have been engaged by the council of governors of King's College Hospital NHS Foundation Trust to perform an independent assurance engagement in respect of King's College Hospital NHS Foundation Trust's quality report for the year ended 31 March 2018 (the 'quality report') and certain performance indicators contained therein.

This report, including the conclusion, has been prepared solely for the council of governors of King's College Hospital NHS Foundation Trust as a body, to assist the council of governors in reporting King's College Hospital NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2018, 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 King's College Hospital NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Scope and subject matter

The indicators for the year ended 31 March 2018 subject to limited assurance consist of the national priority indicators as mandated by NHS Improvement:

- referral to treatment within 18 weeks for patients on incomplete pathways; and
- 4 hour A&E waiting times.

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

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the quality report in accordance with the criteria set out in the 'NHS foundation trust annual reporting manual' issued by NHS Improvement.

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

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS foundation trust annual reporting manual' and supporting guidance;
- the quality report is not consistent in all material respects with the sources specified in the guidance; and
- the indicators in the quality report identified as having been the subject of limited assurance in the quality report are not reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual' and the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports'.

We read the quality report and consider whether it addresses the content requirements of the 'NHS foundation trust annual reporting manual' and supporting guidance, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the quality report and consider whether it is materially inconsistent with the specified documents in the detailed guidance.

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

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

Assurance work performed

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

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- testing key management controls;
- analytical procedures on monthly and departmental data;
- 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 testing of indicators other than the two selected mandated indicators, or consideration of quality governance.

Basis for qualified conclusion

Percentage of patients with total time in A&E of four hours or less from arrival to admission, transfer or discharge

The “percentage of patients with total time in A&E of four hours or less from arrival to admission, transfer or discharge” indicator requires that the NHS Foundation Trust accurately record the start and end times of each patient’s wait in A&E, in accordance with detailed requirements set out in the national guidance. This 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 admission, transfer or discharge as an inpatient.

Our procedures included testing a risk based sample of 22 items, and so the error rates identified from that sample should not be directly extrapolated to the population as a whole.

We identified the following errors:

- In 3 cases of our sample of patients’ records tested, the start or end time of treatment was not accurately recorded affecting the calculation of the published indicator;
- In 6 cases of our sample of patients’ records tested, the start or end time of treatment was not accurately recorded, but did affect the calculation of the published indicator; and
- In 7 cases of our sample of patients’ records tested, we were unable to obtain sufficient supporting evidence to confirm the details necessary to test the calculation of the published indicator.

As a result of the issues identified, we have concluded that there are errors in the calculation of the “percentage of patients with total time in A&E of four hours or less from arrival to admission, transfer or discharge” indicator for the year ended 31 March 2018. We are unable to quantify the effect of these errors on the reported indicator.

Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period

The “percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period” indicator requires that the NHS Foundation Trust accurately record the start and end dates of each patient’s treatment pathway, in accordance with detailed requirements set out in the national guidance. This 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.

Our procedures included testing a risk based sample of 20 items, and so the error rates identified from that sample should not be directly extrapolated to the population as a whole.

We identified the following errors:

- In 2 cases of our sample of patients’ records tested, the pathway fell outside the indicator definition and should not have been included in the calculation of the published indicator;
- In 8 cases of our sample of patients’ records tested, the pathway was incorrectly recorded (including start or end date of treatment not accurately recorded), but did not affect the calculation of the published indicator; and
- In 1 case of our sample of patients’ records tested, we were unable to obtain sufficient supporting evidence to confirm the details necessary to test the calculation of the published indicator.

As a result of the issues identified, we have concluded that there are errors in the calculation of the “percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period” indicator for the year ended 31 March 2018. We are unable to quantify the effect of these errors on the reported indicator.

The “Action to Improve Data Quality” section of the NHS Foundation Trust’s Quality Report details the actions that the NHS Foundation Trust is taking to resolve the issues identified in its processes.

Qualified Conclusion

Based on the results of our procedures, except for the matters set out in the ‘Basis for qualified conclusion’ section above, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2018:

- the quality report is not prepared in all material respects in line with the criteria set out in the ‘NHS foundation trust annual reporting manual’;
- the quality report is not consistent in all material respects with the sources specified in the detailed guidance; and
- the indicators in the quality report subject to limited assurance have not been reasonably stated in all material respects in accordance with the ‘NHS foundation trust annual reporting manual’ and supporting guidance.

Deloitte LLP

St Albans

13 June 2018

Glossary

ACRONYM/WORD	MEANING – To be updated
A&E	Accident & Emergency
ACC	Accredited Clinical Coder
AHP	Allied Health Professionals i.e. Physiotherapists, Occupational Therapists, Speech & Language Therapists etc.
AHSC	Academic Health Science Centre
ANS	Association of Neurophysiological Scientists Standards
BCIS	Bone Cement Implantation Syndrome
BHRS	British Heart Rhythm Society
BME	Black and Minority Ethnic
BREEAM	Building Research Establishment Environmental Assessment Method
BSCN	British Society for Clinical Neurophysiology
BSI	The British Standards Institution
BSS	Breathlessness Support Service
CCG	Clinical Commissioning Groups (previously Primary Care Trusts)
CCS	Crown Commercial Service
CCUTB	Critical Care Unit over Theatre Block
C-difficile	Clostridium difficile
CDU	Clinical Decisions Unit
CEM	Royal College of Emergency Medicine
CHD	Congenital Heart Disease
CHR – UK	Child Health Clinical Outcome Review Programme (UK)
CLAHRC	Collaboration for Leadership in Applied Research and Care
CLINIWEB	The Trust's internal web-based information resource for sharing clinical guidelines and statements.
CLL	Chronic Lymphocytic Leukaemia
CLRN	Comprehensive Local Research Network
CNS	Clinical Nurse Specialist
COPD	Chronic Obstructive Pulmonary Disease
COPD	Chronic Obstructive Pulmonary Disease
COSD	Cancer Outcomes and Services Dataset
COSH	Control of Substances Hazardous to Health
CPPD	Continuing Professional and Personal Development
CQC	Care Quality Commission
CQRG	Clinical Quality Review Group (organised by local commissioners)
CQUIN	Commissioning for Quality and Innovation
CRF	Clinical Research Facility
CRISP	Community for Research Involvement and Support for People with Parkinson's
CT	Computerised Tomography
DAHNO	National Head & Neck Cancer Audit
DH	Denmark Hill. The Trust acute hospital based at Denmark Hill
DNAR	Do Not Attempt Cardiopulmonary Resuscitation
DoH	Department of Health
DTOC	Delayed Transfer of Care
ED	Emergency Department
EDS	Equality Delivery System
EMS	Environmental Management System
EPC	Energy Performance Contract
EPMA	Electron Probe Micro-Analysis
EPR	Electronic Patient Record
ERR	Enhanced Rapid Response
ESCO	Energy Service Company
EUROPAR	European Network for Parkinson's Disease Research Organization
EWS	Early Warning Score
FFT	Staff Friends & Family Test
FY	Financial Year

GCS	Glasgow Coma Scale
GP	General Practitioner
GSTS Pathology	Venture between King's, Guy's and St Thomas' and Serco plc
GSTT	Guy's St Thomas' NHS Foundation Trust
H&S	Health & Safety
HASU	Hyper Acute Stroke Unit
HAT	Hospital Acquired Thrombosis
HAU	Health and Aging Units
HCAI	Healthcare Acquired Infections
HCAs	Health Care Assistants
HESL	Health Education South London
HF	Heart Failure
HIV	Human Immunodeficiency Virus
HNA	Holistic Needs Assessment
HQIP	Healthcare Quality Improvement Partnership
HRWD	'How are we doing?' King's Patient/User Survey
HSCIC	Health and Social Care Information Centre
HSE	Health and Safety Executive
HTA	Human Tissue Authority
IAPT	Improving Access to Psychological Therapies
IBD	Inflammatory Bowel Disease
ICAEW	Institute of Chartered Accountants in England and Wales Code of Ethics
ICCA	IntelliSpace for Critical Care and Anaesthesia
ICNARC	Intensive Care National Audit & Research Centre
ICO	Information Commissioner's Office
ICT	Information and Communications Technology
ICU	Intensive Care Unit
IG Toolkit	Information Governance Toolkit
IGSG	Information Governance Steering Group
IGT	Information Governance Toolkit
IHDT	Integrated Hospital Discharge Team
iMOBILE	Specialist critical care outreach team
IPC	Integrated Personal Commissioning
ISO	International Organization for Standardization
ISS	Injury Severity Score
JCC	Joint Consultation Committee
KAD	King's Appraisal & Development System
KCH, KING's, TRUST	King's College Hospital NHS Foundation Trust
KCL	King's College London – King's University Partner
KHP	King's Health Partners
KHP Online	King's Health Partners Online
KPIs	Key Performance Indicators
KPMG LLP	King's Internal Auditor
KPP	King's Performance and Potential
KWIKI	The Trust's internal web-based information resource. Used for sharing trust-wide policies, guidance and information. Accessible by all staff and authorised users.
LCA	London Cancer Alliance
LCN	Local Care Networks
LIPs	Local Incentive Premiums
LITU	Liver Intensive Therapy Unit
LUCR	Local Unified Care Record
MACCE	Major Adverse Cardiac and Cerebrovascular Event
MBRRACE-UK	Maternal, Newborn and Infant Clinical Outcome Review Programme
MDMs	Multidisciplinary Meeting
MDS	Myelodysplastic Syndromes
MDTs	Multidisciplinary Team
MEOWS	Modified Early Obstetric Warning Score
MHRA	Medicine Health Regulatory Authority

MINAP	The Myocardial Ischaemia National Audit Project
MRI	Magnetic Resonance Imaging
MRSA	Methicillin-resistant staphylococcus aureus
MTC	Major Trauma Services
NAC	N-acetylcysteine
NADIA	National Diabetes Inpatient Audit
NAOGC	National Audit of Oesophageal & Gastric Cancers
NASH	National Audit of Seizure Management
NBOCAP	National Bowel Cancer Audit Programme
NCEPOD	National Confidential Enquiry into Patient Outcome & Death Studies
NCISH	National Confidential Inquiry into Suicide & Homicide for People with Mental Illness
NCPES	National Cancer Patient Experience Survey
NDA	National Diabetes Audit
NEDs	Non-Executive Directors
NEST	National Employment Savings Trust
NEWS	National Early Warning System
NHFD	National Hip Fracture Database
NHS	National Health Service
NHS Safety Thermometer	A NHS local system for measuring, monitoring, & analysing patient harms and 'harm-free' care
NHSBT	NHS Blood and Transplant
NICE	National Institute for Health & Excellence
NICU	Neonatal Intensive Care Unit
NIHR	National Institute for Health Research
NJR	National Joint Registry
NNAP	National Neonatal Audit Programme
NPDA	National Paediatric Diabetes Audit
NPID	Pregnancy Care in Women with Diabetes
NPSA	National Patient Safety Agency
NRAD	National Review of Asthma Deaths
NRLS	National Reporting and Learning Service
NSCLC	Non-Small Lung Cancer
OH/ORPINGTON HOSPITAL	The Trust acquired services at this hospital site on 01 October 2013
OSC	King's Organizational Safety Committee
PALS	Patient Advocacy & Liaison Service
PbR	Payment by Results
PICANet	Paediatric Intensive Care Audit Network
PiMS	Patient Administration System
PLACE	Patient Led Assessments of the Care Environment
POMH	Prescribing Observatory for Mental Health
POTTS	Physiological Observation Track & Trigger System
PROMS	Patient Reported Outcome Measures
PRUH	Princess Royal University Hospital. The Trust acquired this acute hospital site on 01 October 2013
PUCAI	Paediatric Ulcerative Colitis Activity Index
PwC	PricewaterhouseCoopers
QMH	Queen Mary's Hospital
RCPCH	Royal College of Paediatric and Child Health
RIDDOR	Reporting of Injuries, Dangerous Diseases and Dangerous Occurrences Regulations
ROP	Retinopathy of Prematurity
RRT	Renal Replacement Therapy
RTT	Referral to Treatment
SBAR	Situation, Background, Assessment & Recognition factors for prompt & effective communication amongst staff
SCG	Specialist Commissioning Group (NHS England)
SEL	South East London

SEQOHS	Safe Effective Quality Occupational Health Service
SHMI	Standardised Hospital Mortality Index. This measures all deaths of patients admitted to hospital and those that occur up to 30 days after discharge from hospital.
SIRO	Senior Information Risk Owner
SLAM	South London & Maudsley NHS Foundation Trust
SLHT	South London Health Care Trust. SLHT dissolved on 01 October 2013 having being entered into the administration process in July 2012.
SLIC	Southwark & Lambeth Integrated Care Programme
SSC	Surgical Safety Checklist
SSIG	Surgical safety Improvement Group
SSNAP	Sentinel Stroke National Audit Programme
SUS	Secondary Uses Service
SW	Social Worker
TARN	Trauma Audit & Research Network
TTAs	Tablets to take away
TUPE	Transfer of Undertakings (Protection of Employment) Regulations
UAE	United Arab Emirates
UNE	Ulnar Neuropathy at Elbow
VTE	Venous-Thromboembolism
WHO	World Health Organisation
WTE	Whole Time Equivalent

Annual Accounts



**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS AND
BOARD OF DIRECTORS OF KING'S COLLEGE HOSPITAL NHS FOUNDATION
TRUST**

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of King's College Hospital NHS Foundation Trust (the 'foundation trust') and its subsidiaries (the 'group'):

- **give a true and fair view of the state of the group and foundation trust's affairs as at 31 March 2018 and of the group and foundation trust's income and expenditure for the year then ended;**
- **have been properly prepared in accordance with the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts; and**
- **have been prepared in accordance with the requirements of the National Health Service Act 2006.**

We have audited the financial statements which comprise:

- the consolidated statement of comprehensive income;
- the group and foundation trust statements of financial position;
- the group and foundation trust statements of changes in taxpayers' equity;
- the group and foundation trust statements of cash flow; and
- the related notes 1 to 28.

The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the foundation trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We draw attention to note 1.26 in the financial statements, which indicates that the Group:

- Incurred a net deficit before impairments and capital donations of £139.0 million during the year ended 31 March 2018;
- Has an underlying deficit of approximately £150 million for 2018/19 and is forecasting an increased deficit in 2018/19;
- Has a cost improvement plan of £44 million for 2018/19;
- Has prepared cash flow forecasts that show a minimum level of headroom of £3 million throughout 2018/19;
- Has a revenue financing requirement of £131.8 million to support its deficit position in year, is working with NHSI to secure additional distressed capital resource of £54m and is looking

-
- to secure further revenue financing to support the forecast deficit;
- Has only agreed contract values with key commissioners amounting to £336 million, noting that the new NHS England contract has yet to be agreed;
 - Has significant existing loan arrangements falling due within the next 12 months including a term loan of £98.9 million due in November 2018; and
 - Is in a net liabilities position on the Statement of Financial Position.

The foundation trust has identified that additional funding is required before the end of 2018/19 to support the foundation trust in meeting its liabilities which is yet to be formally agreed. Without additional funding, the Group will have insufficient working capital to meet its liabilities as they fall due.

In response to this, we:

- reviewed the Group's financial performance in 2017/18 including its achievement of planned cost improvements in the year;
- held discussions with management to understand the funding arrangements that have been agreed, confirming to signed loan agreements, and regarding management's expectation around further funding requirements;
- reviewed the Group's cash flow forecasts and the Group's financial plan submitted to NHS Improvement;
- challenged the key assumptions used in the cash flow forecasts by reference to NHS Improvement guidance and by benchmarking information for other acute providers; and
- considered the consistency and historical accuracy of the budgeting process used by the Group.

As stated in note 1.26, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's and the foundation trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Summary of our audit approach

Key audit matters	<p>The key audit matters that we identified in the current year were:</p> <ul style="list-style-type: none"> • Recognition of NHS revenue; • Property valuations; • Accounting for capital expenditure; • Going concern (see 'material uncertainty relating to going concern' section); • Management override of controls; and • Arrangement to secure value for money (see matters on which we are required to report by exception – use of resources section). <p>Within this report, any new key audit matters are identified with  and any key audit matters which are the same as the prior year identified with .</p>
Materiality	The materiality that we used for the group financial statements was £11.2m which was determined on the basis of 1% of revenue.
Scoping	Our group audit was scoped by obtaining an understanding of the group and its environment, including internal controls, and assessing the risks of material misstatement at the group level. Audit work was performed at the group's head offices in Denmark Hill directly by the audit engagement team, led by the engagement lead. We performed a fully substantive audit on the foundation trust and one of the foundation trust's subsidiaries, KCH Interventional Facilities Management LLP, which together account for over 99% of the revenue of the group.

Significant changes in our approach	Due to the increase in the size of the foundation trust's capital program which was £55.0m in 2017/18 compared to £88.7m in 2016/17 (including significant one-off transactions of £47.0m), including £39.7m of additions to assets under construction, we identified capital expenditure as a key audit matter for 2017/18.
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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the 'material uncertainty relating to going concern' section and the 'matters on which we are required to report by exception – use of resources' section , we have determined the matters described below to be the key audit matters to be communicated in our report.

Recognition of NHS revenue 	
Key audit matter description 	<p>As described in note 1.7 and note 1.27, there are significant judgements in recognition of revenue from care of NHS patients and in provisioning for disputes with commissioners due to the judgemental nature of provisions for disputes, including in respect of outstanding overperformance and non-contracted income for quarters 3 and 4.</p> <p>Details of the Group's income, including £993.6m of Commissioner Requested Services, are shown in note 2.2 to the financial statements. NHS debtors are shown in note 13 to the financial statements.</p> <p>The Group earns revenue from a wide range of commissioners, increasing the complexity of agreeing a final year-end position. The settlement of income with Clinical Commissioning Groups continues to present challenges, leading to disputes and delays in the agreement of year end positions.</p>
How the scope of our audit responded to the key audit matter 	<p>We evaluated the design and implementation of controls over recognition of NHS income.</p> <p>We performed detailed substantive testing on a sample basis of the recoverability of unsettled revenue amounts, and evaluated the results of the agreement of balances exercise.</p> <p>We challenged key judgements around specific areas of dispute and actual or potential challenge from commissioners and the rationale for the accounting treatments adopted. In doing so, we considered the historical accuracy of provisions for disputes and reviewed correspondence with commissioners.</p>
Key observations 	<p>Whilst we concluded that NHS revenue and provisions were recognised appropriately, our testing indicates the Group continues to be towards the optimistic end of our acceptable range in their provision for impaired receivables.</p> <p>Our evaluation of the design and implementation of controls identified a number of weaknesses.</p>
Property valuations 	
Key audit matter description	The Group holds property assets within Property, Plant and Equipment at a modern equivalent use valuation of £455.5m. The valuations are by nature significant estimates which are based on specialist and management

	<p>assumptions (including the floor areas for a Modern Equivalent Asset, the basis for calculating build costs, the level of allowances for professional fees and contingency, and the remaining life of the assets) and which can be subject to material changes in value.</p> <p>The net valuation movement on the Group's estate shown in note 10 is an impairment of £11.0m.</p>
How the scope of our audit responded to the key audit matter 	<p>We evaluated the design and implementation of controls over property valuations, and tested the accuracy and completeness of data provided by the foundation trust to the valuer.</p> <p>We used Deloitte internal valuation specialists to review and challenge the appropriateness of the key assumptions used in the valuation of the Group's properties, including through benchmarking against revaluations performed by other foundation trusts at 31 March 2018.</p> <p>We challenged the Group's assumption that an alternative, lower value, site could be used in calculating a Modern Equivalent Asset value by reviewing the Group's clinical strategy, and critically evaluating whether the alternatives considered would be viable given the nature of the foundation trust's activities. We have reviewed the disclosures in notes 1.10 and 7 and evaluated whether these provide sufficient explanation of the basis of the valuation and the judgements made in preparing the valuation.</p> <p>We assessed whether the valuation and the accounting treatment of the impairment were compliant with the relevant accounting standards, and in particular whether impairments should be recognised in the Income Statement or in Other Comprehensive Income.</p>
Key observations 	<p>We have concluded the Group's valuation assumptions fall within the expected range highlighted by Deloitte internal valuation specialists. Our evaluation of the design and implementation of controls identified a number of weaknesses.</p>
Management override of controls 	
Key audit matter description 	<p>We consider that in the current year there continues to be a heightened risk across the NHS that management may override controls to fraudulently manipulate the financial statements or accounting judgements or estimates. This is due to the increasingly challenging financial circumstances of the NHS and close scrutiny of the reported financial performance of individual organisations.</p> <p>The areas of judgement which are more susceptible to management override include accruals, deferred income, injury cost recovery debtors, partially completed patient spells, bad debt provisions, property valuations, and useful economic lives of assets.</p> <p>Details of critical accounting judgements and key sources of estimation uncertainty are included in note 1.27.</p>
How the scope of our audit responded to the key audit matter 	<p>Manipulation of accounting estimates</p> <p>Our work on accounting estimates included considering each of the areas of judgement identified above. We have considered both the individual judgements and their impact individually and in aggregate upon the financial statements. In testing each of the relevant accounting estimates, engagement team members were directed to consider their findings in the context of the identified fraud risk. Where relevant, the recognition and valuation criteria used were compared to the specific requirements of IFRS.</p> <p>We tested accounting estimates (including in respect of NHS revenue and provisions and property valuations discussed above), focusing on the areas of greatest judgement and value. Our procedures included comparing amounts recorded or inputs to estimates to relevant supporting information from third party sources.</p>

We evaluated the rationale for recognising or not recognising balances in the financial statements and the estimation techniques used in calculations, and considered whether these were in accordance with accounting requirements and were appropriate in the circumstances of the Group.

Manipulation of journal entries

We used data analytic techniques to select journals for testing with characteristics indicative of potential manipulation of reporting focusing in particular upon manual journals.

We traced the journals to supporting documentation, considered whether they had been appropriately approved and evaluated the accounting rationale for the posting. We evaluated individually and in aggregate whether the journals tested were indicative of fraud or bias.

We tested the year-end adjustments made outside of the accounting system between the general ledger and the financial statements and consolidation adjustments and journals.

Accounting for significant or unusual transactions

We considered whether any transactions identified in the year required specific consideration and did not identify any requiring additional procedures to address this key audit matter.

Key observations



We agreed with management that the treatment of the accounting estimates, journal entries and significant or unusual transactions is appropriate. Our evaluation of the design and implementation of controls identified a number of weaknesses.

Accounting for capital expenditure

Key audit matter description



The Group has £39.7 million of additions to assets under construction as per note 10 of the financial statements, primarily in relation to the Critical Care Unit. Where the Group develops properties as part of its capital programme, determining whether or not expenditure should be capitalised under International Financial Reporting Standards and depreciation commenced, can involve judgement.

Given the significance of the capital plan for the year ending 31 March 2018, we have elevated this area to a key audit matter in the current year.

How the scope of our audit responded to the key audit matter



We evaluated the design and implementation of controls around the capitalisation of costs.

We tested spending on a sample basis to assess whether it complies with the relevant accounting requirements, and whether the depreciation rates adopted are appropriate.

We reviewed the status of individual projects to evaluate whether they have been depreciated from the appropriate point.

Key observations



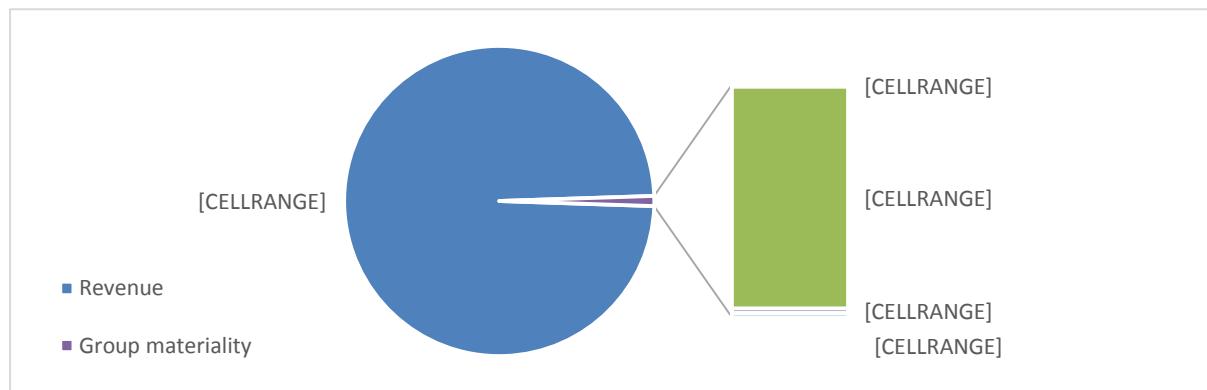
We are satisfied that capital expenditure has been recognised appropriately. Our evaluation of the design and implementation of controls identified a number of weaknesses.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Foundation trust financial statements
Materiality	£11.2 million (2017: £11.1 million)	£11.1 million
Basis for determining materiality	1% of revenue (2017: 1% of revenue)	1% of revenue
Rationale for the benchmark applied	Revenue was chosen as a benchmark as the foundation trust is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements.	Revenue was chosen as a benchmark as the foundation trust is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements.



We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £223,000 (2017: £222,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our group audit was scoped by obtaining an understanding of the group and its environment, including internal controls, and assessing the risks of material misstatement at the group level. Audit work was performed at the group's head offices in Denmark Hill directly by the audit engagement team, led by the engagement lead.

We performed specific audit procedures on the foundation trust and one of the foundation trust's subsidiaries, KCH Interventional Facilities Management LLP, which together account for over 99% of the revenue of the group.

Our audit work was executed at the level of materiality determined on an entity by entity basis, all of which were lower than group materiality.

At the group level we also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information of the remaining components not subject to audit or audit of specified account balances.

The audit team included integrated Deloitte specialists bringing specific skills and experience in property valuations and information technology systems.

Other information

The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

We have nothing to report in respect of these matters.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of accounting officer

As explained more fully in the accounting officer's responsibilities statement, the accounting officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the group's and the foundation trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the group or the foundation trust or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the National Health Service Act 2006

In our opinion:

- the parts of the Directors' Remuneration Report and Staff Report to be audited have been properly prepared in accordance with the National Health Service Act 2006; and
- the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Use of resources

We are required to report to you if, in our opinion the NHS Foundation Trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Adverse conclusion

On the basis of our work, having regard to the guidance issued by the Comptroller & Auditor General in December 2017, we are not satisfied that, in all significant respects, King's College Hospital NHS Foundation Trust put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018.

Basis for adverse conclusion

- There are weaknesses in the foundation trust's arrangements for agreeing, monitoring and recording of contracts with third parties as evidenced by:
 - the absence of a complete contracts register;
 - the absence of formalised and signed contractual arrangements with some commissioners; and
 - the identification of contractual arrangements entered into that have subsequently been identified by the foundation trust as not representing value for money.

This issue is evidence of weaknesses in proper arrangements for commissioning services and procuring supplies effectively to support the delivery of strategic priorities.

- In March 2015 Monitor issued enforcement and discretionary undertakings under section 106 of the Health and Social Care Act 2012. Monitor stated that it had reasonable grounds to suspect that the foundation trust has material financial, quality and operational issues that have affected the foundation trust's ability to fully deliver its plan and to operate on a sustainable basis in the

future, resulting in the breach of the following conditions of its licence: CoS3(1)(a),(b) and FT4(5)(a),(d) and (f). These breaches demonstrate shortcomings in the corporate governance arrangements and financial management standards, in particular but not limited to a failure by the Licensee to establish and effectively implement systems and/or processes.

- There are weaknesses in the foundation trust's arrangements for the preparation and review of business cases.
- There are weaknesses in the foundation trust's arrangements for developing budgets and monitoring costs against budgets, including in relation to a significant variance to planned pay and non-pay costs, and an internal restructure of cost centres resulting in difficulties in tracking costs accurately against budgets.
- There are weaknesses in the internal control environment of the foundation trust which have been identified by the foundation trust's internal auditor, including arrangements in respect of recording and reviewing waivers of the foundation trust's Standing Financial Instructions; the recruitment of medical locums; standardisation of the foundation trust's approach to clinical handover; and the foundation trust's capital and estates planning arrangements.
- The foundation trust was inspected by the CQC in the year, with its report being issued in January 2018. The report indicated that overall the foundation trust 'Requires improvement', with the same rating being given across all five indicators with the exception of 'Are services effective' and 'Are services caring' which were both rated 'Good'.
- There are weaknesses in the foundation trust's arrangements for the governance and oversight of its commercial services and related subsidiary companies. The foundation trust's internal auditor gave a 'Partial assurance with improvements required' rating in this area. They identified significant weaknesses in the manner in which the governance structure allows the foundation trust to hold the commercial services accountable. Weaknesses have also been identified in the financial control arrangements of KCH Interventional Facilities Management LLP ("KIFM"). These issues include weaknesses in respect of maintenance of stock levels, purchasing of fixed assets, and differences in agreement on contractual matters between the foundation trust and the subsidiary.

These issues are evidence of weaknesses in proper arrangements for acting in the public interest, through demonstrating and applying the principles and values of sound governance.

- A number of significant financial reporting control weaknesses were identified through our audit of the 2017/18 annual report and financial statements of the Trust and the Trust did not meet the 2017/18 financial reporting deadline.

This issue is evidence of weaknesses in the Trust's arrangements in respect of producing reliable and timely financial reporting that supports the delivery of strategic priorities.

- There are weaknesses in the foundation trust's arrangements to ensure the quality of performance data as evidenced by our limited assurance report on the content of the quality report and mandated performance indicators which contains a qualified conclusion because of errors identified which affected the calculation of the 18 week Referral-to-Treatment and Accident and Emergency 4 hour wait performance indicators in 2016/17 and 2017/18.
- There are weaknesses in the reliability of data being produced by the foundation trust and reported at executive level, including activity data which drives the amount of revenue the foundation trust seeks from its commissioners.

These issues are evidence of weaknesses in proper arrangements for understanding and using appropriate and reliable financial and performance information to support informed decision making and performance management.

-
- The foundation trust incurred a deficit of £139.0m before impairments and capital donations for the year ended 31 March 2018, against an originally planned deficit of £38.2m. The foundation trust's 2018/19 plan submission in March 2018 showed a forecast deficit of £178.1m (expected to reduce in the June submission) for 2018/19 after capital donations of £2.5m and after impairments of £27.2m. In order to fund these deficits, the directors received financial support in the form of new loans from the Department of Health in 2017/18 of £224.1m and is seeking financial support in 2018/19 of £277.8m Interim Revenue Support Loan and £54.2m Interim Capital Support Loan from the same source. These new loans assume the repayment of a £98.9m loan in November 2018.
 - In 2016/17, an independent report was provided to the foundation trust that estimated the foundation trust's backlog maintenance costs to be approximately £200m, excluding costs in respect of equipment. The foundation trust now estimates this cost to be well in excess of £200m. Due to limitations in available funding, which is not wholly within the control of the foundation trust, the foundation trust has allocated limited funding to capital developments and has a planned capital spend in 2018/19 of £82.3m, which is dependent on capital funding that is currently not agreed. The foundation trust is exposed to significant risks related to the age and condition of the estate that could impact levels of service provision.
 - The foundation trust was placed into financial special measures on 11 December 2017 because The foundation trust agreed a control total but reported a significant negative variance against the control total plan and is forecasting a significant deficit.

These issues are evidence of weaknesses in proper arrangements for planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions.

Annual Governance Statement and compilation of financial statements

Under the Code of Audit Practice, we are required to report to you if, in our opinion:

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with information of which we are aware from our audit; or
- proper practices have not been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

Reports in the public interest or to the regulator

Under the Code of Audit Practice, we are also required to report to you if:

- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit; or
- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the foundation trust, or a director or officer of the foundation trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency.

We have nothing to report in respect of these matters.

Certificate

We certify that we have completed the audit of the accounts in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

This report is made solely to the Board of Governors and Board of Directors (“the Boards”) of King’s College Hospital NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the foundation trust and the Boards as a body, for our audit work, for this report, or for the opinions we have formed.

**Jonathan Gooding, FCA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
St Albans, United Kingdom
14 June 2018**

Consolidated Statement of Comprehensive Income for year ended 31 March 2018

Certificate on FT Consolidation Schedules

FTC Summarisation Schedules for King's College Hospital NHS Foundation Trust

Summarisation schedules numbers FTC01 to FTC40 and accompanying WGA sheets for 2017/18 are attached.

Finance Director Certificate

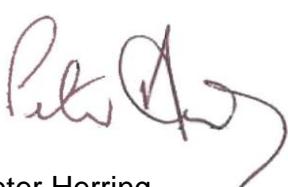
1. I certify that the attached FTC schedules have been compiled and are in accordance with:
 - The financial records maintained by the NHS foundation trust; and
 - Accounting standards and policies which comply with the Department of Health Group Accounting Manual issued by the Department of Health; and
 - the template accounting policies for NHS foundation trusts issued by NHS Improvement, or any deviation from these policies has been fully explained in the confirmation questions in the FTC.
2. I certify that the FTC schedules are internally consistent and that there are no validation errors.
3. I certify that the information in the FTC schedules is consistent with the financial statements of the NHS Foundation Trust.



Iain Alexander
Interim Chief Financial Officer
14 June 2018

Chief Executive Certificate (Accounting Officer)

1. I acknowledge the attached FTC schedules, which have been prepared and certified by the Interim Chief Financial Officer, as the FTC schedules which the Foundation Trust is required to submit to NHS Improvement.
2. I have reviewed the schedules and agree the statements Chief Financial Officer above.



Peter Herring
Accounting Officer and Interim Chief Executive
14th June 2018



Annual Accounts
for the year ended 31 March 2018

FOREWORD TO THE ACCOUNTS

King's College Hospital NHS Foundation Trust

These accounts, for the year ending 31 March 2018, have been prepared by King's College Hospital NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 and comply with the guidance for NHS Foundation Trusts within the Department of Health Group Accounting Manual.

Signed:



Date: **14th June 2018**

Peter Herring
Interim Chief Executive

Statement of the Chief Executive's responsibilities as the Accounting Officer of King's College Hospital NHS Foundation Trust

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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require King's College Hospital NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of King's College Hospital NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health Group Accounting Manual and in particular to:

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the *NHS Foundation Trust Annual Reporting Manual (and the Department of Health Group Accounting Manual)* have been followed, and disclose and explain any material departures in the financial statements
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance and
- prepare the financial statements on a going concern basis.

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

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

Signed:



Date: 14th June 2018

Peter Herring
Interim Chief Executive

Consolidated Statement of Comprehensive Income for year ended 31 March 2018

	Group	2017-18	2016-17
	Note	£000	£000
Operating income from patient care activities	2	1,004,454	975,107
Other operating income	2	111,345	135,112
Total operating income from continuing operations		1,115,799	1,110,219
Operating expenses	3	(1,222,151)	(1,167,112)
Operating deficit from continuing operations		(106,352)	(56,893)
Finance income and costs			
Finance income	5	164	161
Finance expense - financial liabilities	6	(34,982)	(31,203)
Public Dividend Capital Dividends payable		-	(4,375)
Net finance costs		(34,818)	(35,417)
Other gains / (losses)	8	187	(322)
Share of profit of Associates and Joint Ventures	11	(1,268)	214
Corporate tax expense		-	(142)
Deficit from continuing operations		(142,251)	(92,560)
Surplus of discontinued operations and the gain on disposal of discontinued operations		-	9,648
Deficit for the year		(142,251)	(82,912)
Other comprehensive (expense)/income, that will not be reclassified subsequently to income and expenditure			
Impairments	7	(10,464)	(6,356)
Revaluations	22	4,102	13,431
Other reserve movements		(435)	-
Total other comprehensive (expenditure)/income		(6,797)	7,075
Total comprehensive expense for the year		(149,048)	(75,837)
Allocation of losses for the year			
Deficit for the year attributable to:			
(i) non-controlling interest; and		-	-
(ii) owners of the parent		(142,251)	(82,912)
Total		(142,251)	(82,912)
Total comprehensive expense for the year attributable to:			
(i) non-controlling interest; and		-	-
(ii) owners of the parent		(149,048)	(75,837)
Total		(149,048)	(75,837)

**Consolidated Statement of Comprehensive Income for year ended 31 March 2018
(continued)**

		Group	
	Note	2017-18	2016-17
Note to Statement of Comprehensive Income		£000	£000
Total comprehensive expense for the year		(149,048)	(75,837)
Plus other comprehensive expense/(income)		6,797	(7,075)
Deficit for the year		(142,251)	(82,912)
Add back impairments and reversal of impairments *	3	4,617	34,258
Remove capital donations / grants I&E impact		(1,318)	(1,180)
Net deficit excluding items above		(138,952)	(49,834)

This is the primary view which is used by the Board of Directors to monitor the Trust's financial performance and is in line with NHSI's financial performance control total.

* *This is the total impairments and impairment reversals charged to the Consolidated Statement of Comprehensive Income in the year as disclosed in note 3.1 and note 7.*

The Group's deficit for the year was £142.3m and this figure includes the asset impairment cost of £4.6m. This charge relates to impairments that arise from a clear consumption of economic benefits or service potential in the asset. The NHS Improvement (NHSI) financial performance control total measures the surplus/(deficit) before impairments and transfers. The Group's consolidated operational deficit for the year was £139.0m.

The Trust has taken advantage of the exception afforded by the Companies Act to omit the Statement of Comprehensive Income for the Foundation Trust parent. The deficit relating to the parent Trust for the year ended 31 March 2018 is £139.614m (2017: £84.033m) and total operating income for the year is £1,115.954m (2017: £1,106.693m).

Statements of Financial Position as at 31 March 2018

		Group		Trust	
		31 March 2018	31 March 2017	31 March 2018	31 March 2017
	Note	£000	£000	£000	£000
Non-current assets					
Intangible assets	9	8,400	4,330	8,123	4,330
Property, plant and equipment	10	577,008	563,170	569,369	554,518
Investment in associates and joint ventures	11	3,049	4,317	250	250
Other investments	11	335	335	335	335
Trade and other receivables	13	13,011	7,485	18,590	23,279
Total non-current assets		601,803	579,637	596,667	582,712
Current assets					
Inventories	12	16,053	16,121	7,713	9,088
Trade and other receivables	13	134,639	162,038	162,827	184,899
Non-current assets for sale and assets in disposal groups	11	600	-	600	-
Cash and cash equivalents	14	54,386	33,894	50,525	31,213
Total current assets		205,678	212,053	221,665	225,200
Total assets		807,481	791,690	818,332	807,912
Current liabilities					
Trade and other payables	15	(148,858)	(185,806)	(161,365)	(206,838)
Borrowings	17	(112,779)	(7,969)	(112,581)	(7,774)
Provisions	19	(2,336)	(1,281)	(2,266)	(1,281)
Other liabilities	16	(9,627)	(13,660)	(9,627)	(13,660)
Total current liabilities		(273,600)	(208,716)	(285,839)	(229,553)
Net current (liabilities)/assets		(67,922)	3,337	(64,174)	(4,353)
Total assets less current liabilities		533,881	582,974	532,493	578,359
Non-current liabilities					
Borrowings	17	(552,104)	(452,793)	(551,149)	(451,683)
Provisions	19	(5,171)	(5,792)	(5,171)	(5,792)
Total non-current liabilities		(557,275)	(458,585)	(556,320)	(457,475)
Total (liabilities)/assets employed		(23,394)	124,389	(23,827)	120,884
Financed by:					
Taxpayers' equity					
Public Dividend Capital		226,194	224,929	226,194	224,929
Revaluation reserve	22	92,847	99,716	92,847	99,716
Income and expenditure reserve		(342,435)	(200,256)	(342,868)	(203,761)
Total taxpayers' equity		(23,394)	124,389	(23,827)	120,884

The notes on pages 9 to 53 form part of these accounts.

The financial statements on pages 4 to 8 were approved by the Board on 8th June 2018 and signed on its behalf by

Signed:



Date: 14th June 2018

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2018

Group	Note	Public Dividend Capital	Income and expenditure reserve	Revaluation reserve	Total reserves
		£000	£000	£000	£000
Balance at 1 April 2017		224,929	(200,256)	99,716	124,389
Deficit for the year		-	(142,251)	-	(142,251)
Impairments	22	-	-	(10,464)	(10,464)
Revaluations - property, plant and equipment	22	-	-	4,102	4,102
Transfer to retained earnings on disposal of assets	22	-	507	(507)	-
Public Dividend Capital received		1,265	-	-	1,265
Other reserve movements		-	(435)	-	(435)
Balance at 31 March 2018		226,194	(342,435)	92,847	(23,394)

Group	Note	Public Dividend Capital	Income and expenditure reserve	Revaluation reserve	Total reserves
		£000	£000	£000	£000
Balance at 1 April 2016		223,838	(121,903)	97,201	199,136
Deficit for the year		-	(82,912)	-	(82,912)
Impairments	22	-	-	(6,356)	(6,356)
Revaluations - property, plant and equipment	22	-	-	13,431	13,431
Transfer to retained earnings on disposal of assets	22	-	4,560	(4,560)	-
Public Dividend Capital received		1,091	-	-	1,091
Balance at 31 March 2017		224,929	(200,256)	99,716	124,389

Group	Note	Public Dividend Capital	Income and expenditure reserve	Revaluation reserve	Total reserves
		£000	£000	£000	£000
Balance at 1 April 2017		224,929	(203,761)	99,716	120,884
Deficit for the year		-	(139,614)	-	(139,614)
Impairments	22	-	-	(10,464)	(10,464)
Revaluations - property, plant and equipment	22	-	-	4,102	4,102
Transfer to retained earnings on disposal of assets	22	-	507	(507)	-
Public Dividend Capital received		1,265	-	-	1,265
Balance at 31 March 2018		226,194	(342,868)	92,847	(23,827)

Group	Note	Public Dividend Capital	Income and expenditure reserve	Revaluation reserve	Total reserves
		£000	£000	£000	£000
Balance at 1 April 2016		223,838	(124,288)	97,201	196,751
Deficit for the year		-	(84,033)	-	(84,033)
Impairments	22	-	-	(6,356)	(6,356)
Revaluations - property, plant and equipment	22	-	-	13,431	13,431
Transfer to retained earnings on disposal of assets	22	-	4,560	(4,560)	-
Public Dividend Capital received		1,091	-	-	1,091
Balance at 31 March 2017		224,929	(203,761)	99,716	120,884

Statement of Cash Flows for the year ended 31 March 2018

		Group	Trust		
		2017-18	2016-17	2017-18	2016-17
	Note	£000	£000	£000	£000
Cash flows from operating activities					
Operating deficit from continuing operations		(106,352)	(56,893)	(102,710)	(59,244)
Operating deficit from discontinued operations		-	(457)	-	1,185
Operating deficit		(106,352)	(57,350)	(102,710)	(58,059)
Non-cash income and expense					
Depreciation and amortisation	3	24,580	24,423	23,118	23,483
Impairments	3	4,617	34,258	4,617	34,258
Income recognised in respect of capital donations		(2,033)	(1,889)	(2,033)	(1,889)
Decrease/(increase) in trade and other receivables		21,642	(56,351)	24,283	(92,910)
Decrease in inventories		68	1,627	1,375	8,659
(Decrease)/increase in trade and other payables		(42,514)	33,731	(51,039)	54,028
(Decrease)/increase in other liabilities		(4,033)	4,482	(4,033)	4,482
Increase in provisions		418	72	348	72
Tax paid		-	(142)	-	-
Net cash used in operations		(103,607)	(17,139)	(106,074)	(27,876)
Cash flows used in investing activities					
Interest received		170	155	486	90
Purchase of intangible assets	9	(3,989)	(1,582)	(3,663)	(1,582)
Purchase of property, plant and equipment		(45,981)	(83,933)	(45,581)	(83,933)
Sales of property, plant and equipment		1,128	10,596	1,128	20,187
Receipt of cash donation to purchase asset		2,033	1,889	2,033	1,889
Net cash used in investing activities		(46,639)	(72,875)	(45,597)	(63,349)
Cash flows from financing activities					
Public Dividend Capital received		1,265	1,091	1,265	1,091
Public Dividend Capital repaid		-	-	-	-
Movement in loans from the Department of Health and Social Care		206,901	141,600	206,901	141,600
Movement in other loans		(153)	(209)	-	-
Capital element of finance lease repayments		-	(77)	-	(77)
Capital element of PFI and other service concession	23	(3,918)	(3,897)	(3,918)	(3,897)
Interest paid		(8,886)	(5,076)	(8,794)	(5,012)
Interest element of finance lease		-	(1,863)	-	(1,863)
Interest element of PFI and other service concession obligations		(24,261)	(23,406)	(24,261)	(23,406)
Public Dividend Capital dividend paid		(210)	(3,236)	(210)	(3,236)
Net cash generated from financing activities		170,738	104,927	170,983	105,200
Increase in cash and cash equivalents		20,492	14,913	19,312	13,975
Cash and cash equivalents at 1 April		33,894	18,982	31,213	17,238
Cash and cash equivalents at 31 March		54,386	33,894	50,525	31,213

Notes to the accounts

1. Accounting policies

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2017/18 issued by the Department of Health and the Foundation Trust Annual Reporting Manual 2017/18 (FT ARM) and the update to the FT ARM issued in January 2018. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to accounts.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.2 Charitable funds

The King's College Hospital Charity and Friends of King's are independent charities and are not under the control of the Foundation Trust. Therefore, these charities have not been consolidated within these accounts.

1.3 Subsidiaries

Subsidiary entities are those over which the Foundation Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines.

The amounts consolidated are drawn from the draft financial statements of the subsidiaries for the year. Where subsidiaries' accounting policies are not aligned with those of the Foundation Trust then the amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

The Foundation Trust has a wholly owned subsidiary company, KCH Commercial Services Ltd, which wholly owns Agnentis Ltd and KCH Management Ltd. The accounts for this company have been consolidated into the Trust's annual accounts.

In 2016/17, the Foundation Trust formed King's Interventional Facilities Management LLP in partnership with Kings Commercial Services Ltd. The accounts for this partnership have been consolidated into the Trust's annual accounts.

The primary statements and notes to the accounts have been presented with separate 'Group' and 'Trust' columns. Where the difference between the 'Group' and 'Trust' figures is considered immaterial, the 'Trust' version of the note has been omitted. The Foundation Trust has taken advantage of the exception afforded by the Companies Act to omit the Statement of Comprehensive Income for the Foundation Trust parent. The deficit relating to the parent Trust for the year ended 31 March 2018 is £139.614m (2017: £84.033m).

1. Accounting Policies (continued)

1.4 Associates

Associate entities are those over which the Foundation Trust has power to exercise a significant influence. Associate entities are recognised in the Foundation Trust's financial statements using the equity method of accounting. The investment is initially recognised at cost. It is increased or decreased subsequently to reflect the Foundation Trust's share of the entity's profit or loss or other gains and losses (e.g. revaluation gains on the entity's property, plant or equipment) following acquisition. It is also reduced when any distribution (e.g. share dividends) are received by the Foundation Trust from the associate.

1.5 Joint ventures

Joint ventures are arrangements in which the Foundation Trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method.

1.6 Joint operations

Joint operations are arrangements in which the Foundation Trust has joint control with one or more other parties, and has the rights to the assets, and obligations for the liabilities, relating to the arrangement. The Foundation Trust includes within its financial statements its share of the assets, liabilities, income and expenses.

1.7 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Foundation Trust is contracts with commissioners in respect of health care services. At the year end, the trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

The Foundation Trust has accounted for income for incomplete spells of patient activity at 31 March. The work in progress is derived from patients admitted before the year end but not discharged as at 31 March. The calculation is based on the number of bed days and the average bed price.

The Foundation Trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid e.g. by an insurer. The Foundation Trust recognises the income when it receives notification from the Department of Work and Pensions' Compensation Recovery Unit that the individual has logged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts.

Additional contributions from central bodies (such as the Department of Health) designated as revenue contributions are recognised as revenue when received or receivable, and are separately disclosed, in accordance with the requirements of the DH GAM 2017/18 .

Charitable donations received as contributions against expenditure are accounted for under IAS 20 - Accounting for Government Grants per the DH GAM 2017/18. The donation is credited to income unless the donor has imposed a condition about the use and application of the grant or donation, in which case, the grant is recognised as deferred and carried forward to future financial years to the extent that the condition has not yet been met.

1. Accounting policies (continued)

1.8 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments, such as social security costs and the apprenticeship levy, are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension Costs

Past and present employees are covered by the provisions of the NHS Pension Scheme. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

Employers pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to operating expenses at the time the foundation trust commits itself to the retirement, regardless of the method of payment.

1.9 Expenditure on other goods and services

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

1.10 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to the foundation trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

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

1. Accounting policies (continued)

Measurement

Valuation

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

All assets are measured subsequently at valuation. Land and buildings are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any impairment. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- non-specialised buildings – market value for existing use; and
- land and specialised buildings – depreciated replacement cost.

Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Valuation – Professional Standards UK January 2014 (revised April 2015). Valuations are based on the IFRS 13 definition of Fair Value and the definition adopted by the International Accounting Standards Board (IASB), being the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. All land and buildings are restated to fair value every five years, with a three year interim revaluation. The last asset valuations were undertaken in 2016.

Depreciated Replacement Cost (DRC) is recognised under IAS 16 as a method of valuation for financial reporting purposes. DRC assessments were undertaken for those assets considered to be specialised properties (e.g. NHS patient treatment facilities). The Department of Health has adopted the Modern Equivalent Asset approach (MEA) in carrying out the DRC assessment method.

Depreciated Replacement Cost has been adopted because of the asset classification as specialist properties which are rarely sold in the open market. The MEA approach is based on valuing the cost of a modern equivalent asset that has the same service potential as the existing asset and then adjusted to take account of obsolescence.

For properties where Fair Value has been arrived at based on a comparable basis (Market Value), an assumption has been made that there would be a ready demand without major works required for alternative uses. The comparable methodology has been adopted to arrive at the values reported, allowing for reasonable costs relating to adaptations for current use or for non-operational properties, i.e. costs to make these properties marketable for alternative uses.

Only that plant and machinery forming part of the building services installations has been included. Total external works for each site which have been allocated to each building based upon a percentage of replacement build costs adopted.

The valuation included the Foundation Trust's PFI schemes.

The carrying values of property, plant and equipment are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. The costs arising from financing the construction of the property, plant and equipment are not capitalised but are charged to the Statement of Comprehensive Income in the year to which they relate. All impairments resulting from price changes are charged to the Statement of Comprehensive Income. If the balance on the revaluation reserve is less than the impairment the difference is taken to the Statement of Comprehensive Income.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

1. Accounting policies (continued)

Operational equipment other than IT equipment, which is considered to have nil inflation, is valued at net current replacement cost through annual uplift by the change in the value of the GDP deflator. Equipment surplus to requirements is valued at net recoverable amount.

An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

Subsequent expenditure

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

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the foundation trust, respectively.

Buildings, installations and fittings are depreciated on their current value over the estimated remaining life of the asset as advised by GVA. Leaseholds are depreciated over the primary lease term.

Equipment is depreciated on current cost evenly over the useful economic life of the asset. Standard useful economic lives are estimated for each major category of equipment and individual lives will only be applied where it is clear that the standard lives are materially inappropriate. Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The major categories and their useful economic lives are:

vehicles - 7 years;

- furniture - 10 years;
- office and IT equipment - 5 years;
- soft furnishings - 7 years;
- short life medical and other equipment - 5 years;
- medium life medical equipment - 10 years;
- long life medical equipment - 15 years; and
- mainframe-type IT installations - 8 years.

Finance-leased assets (including land) are depreciated over the shorter of the useful economic life or the lease term, unless the trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that had previously been recognised in operating expenses, in which case they are recognised as operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

1. Accounting policies (continued)

Impairments

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

An impairment that arises from a clear consumption of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised. Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales; and
- the sale must be highly probable, i.e.:
 - management are committed to a plan to sell the asset;
 - an active programme has begun to find a buyer and complete the sale;
 - the asset is being actively marketed at a reasonable price;
 - the sale is expected to be completed within 12 months of the date of classification as 'held for sale'; and
 - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

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

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated, government grant or other grant-funded assets

Donated and grant-funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor. In which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met. The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Private finance initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as "on-Statement of Financial Position" by the trust. In accordance with IAS 17, the underlying assets are recognised as property, plant and equipment at their fair value, together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate. The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charges for services.

1. Accounting policies (continued)

The service charge is recognised in operating expenses and the finance cost is charged to Finance Costs in the Statement of Comprehensive Income. Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Foundation Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is predetermined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively. Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised, and is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the Foundation Trust for use in the scheme continue to be recognised as items of property, plant and equipment in the foundation trust's Statement of Financial Position.

1.11 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of being sold separately from the rest of the Foundation Trust's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the trust; where the cost of the asset can be measured reliably.

Software

Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer, lists and similar items are not capitalised as intangible assets. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the trust intends to complete the asset and sell or use it;
- the trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits, e.g., the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the trust to complete the development and sell or use the asset; and
- the trust can measure reliably the expenses attributable to the asset during development.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently, intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is

1. Accounting policies (continued)

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The Trust amortise intangibles over the following useful lives range:

- software license, 3 - 10 years;
- development cost, 5 - 10 years.

1.12 Revenue from government grants and other contributions to expenditure

Government grants are grants from government bodies other than income from commissioners or NHS trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider, the corresponding notional expense is also recognised at the point of recognition for the benefit.

1.13 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the First In, First Out method. This is considered to be a reasonable approximation to current cost due to the high turnover of stocks.

1.14 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. These balances exclude monies held in the Foundation Trust's bank account belonging to patients. Account balances are only set off where a formal agreement has been made with the bank to do so. In all other cases overdrafts are disclosed within payables. Interest earned on bank accounts and interest charged on overdrafts is recorded as, respectively, interest receivable and interest payable in the periods to which they relate. Bank charges are recorded as operating expenditure in the periods to which they relate.

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

1.15 Financial instruments and financial liabilities

Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Foundation Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs, i.e. when receipt or delivery of the goods or services is made.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below. All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

De-recognition

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

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

1. Accounting policies (continued)

Classification

Financial assets are categorised as Loans and receivables or 'Available-for-sale financial assets'. Financial liabilities are classified as 'Other Financial liabilities'.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The Trust's loans and receivables comprise: cash and cash equivalents, NHS debtors, accrued income and 'other debtors'. Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income. Loans from the Department of Health are not held for trading and are measured at historic cost with any unpaid interest accrued separately.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets which are either designated in this category or not classified in any of the other categories. They are included in long-term assets unless the Trust intends to dispose of them within 12 months of the Statement of Financial Position date. Available-for-sale financial assets are recognised initially at fair value, including transaction costs, and measured subsequently at fair value, with gains or losses recognised in reserves and reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'. When items classified as 'available-for-sale' are sold or impaired, the accumulated fair value adjustments recognised are transferred from reserves and recognised in 'Finance Costs' in the Statement of Comprehensive Income.

Financial liabilities

All financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method.

The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability. They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined using discounted cash flow analysis.

Impairment of financial assets

At the Statement of Financial Position date, the Foundation Trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' is impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced directly or through the use of a bad debt provision.

1. Accounting policies (continued)

The carrying amount of the trade receivable is reduced when the outstanding debt is greater than one year and payment has not been agreed with the respective debtor. Overseas visitor's debts less than one year are provided for based on historical recoverability. Private Patient debts and salary overpayments are provided for based on management estimation of the percentage of recoverability. The Foundation Trust applies the percentage provided by the Department of Health to gross debts for injury costs recovery (RTA).

1.16 Leases

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

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Foundation Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as an item of property plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

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

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

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

1.17 Provisions

The Foundation Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount.

The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Foundation Trust. The total value of clinical negligence provisions carried by NHS resolution on behalf of the Foundation Trust is disclosed in note 19 but is not recognised in the Foundation Trust's accounts.

1. Accounting policies (continued)

Non-clinical risk pooling

The Foundation Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the foundation trust pays an annual contribution to the NHS Resolution and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any "excesses" payable in respect of particular claims are charged to operating expenses as and when the liability arises.

1.18 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 20 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in Note 20, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.19 Public dividend capital

Public Dividend Capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Foundation Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS foundation trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for:

- donated assets (including lottery funded assets);
- average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility and;
- any PDC dividend balance receivable or payable;
- any incentive or bonus Sustainability and Transformation Funding.

In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the 'pre-audit' version of the annual accounts.

The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.20 Value added tax

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

1. Accounting policies (continued)

1.21 Corporation tax

The Finance Act 2004 amended S519A Income and Corporation Taxes Act 1988 provided power to the Treasury to make certain non-core activities of Foundation Trusts potentially subject to corporation tax. This legislation is effective from September 12 2005. Any outstanding payments of corporation tax as at the end of the financial year are provided for in the Statement of Comprehensive Income. The Foundation Trust did not incur Corporation Tax in 2017/18 as the Foundation Trust did not generate any taxable income.

1.22 Foreign exchange

The functional and presentational currency of the Foundation Trust is sterling. A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction. The Foundation Trust does not have material foreign currency transactions. Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise. Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

1.23 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS foundation trust has no beneficial interest in them. However, third party assets are disclosed in Note 25 to the accounts in accordance with the requirements of HM Treasury's Financial Reporting Manual.

1.24 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS bodies not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

1.25 Segmental analysis

The Foundation Trust has a number of business divisions which are aggregated under one reportable segment being the provision of healthcare. The Foundation Trust provides Private Patient, Research and Development and Training and Education services within this healthcare sector, but as they do not have a material impact they are aggregated under this one reportable segment. Note 2 entitled "Other Operating Income" includes the relevant income figures for these services.

The subsidiary figures have not been disclosed separately in this note as separate Group and Trust only accounts have been provided. The subsidiaries support the Trust in the overall provision of healthcare.

1.26 Going concern

These accounts have been prepared on a going concern basis.

IAS 1 requires management to undertake an assessment of the NHS Foundation Trust's ability to continue as a going concern. Due to the materiality of the financial issues, the Board has carefully considered whether the accounts should be prepared on the basis of being a 'Going Concern'. The Board considered the advice in the Government Reporting Manual that "The anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in published documents, is normally sufficient evidence of going concern."

1. Accounting policies (continued)

The Trust has prepared its financial plans and cash flow forecasts on the assumption that support funding will continue to be received through the Department of Health/NHSI.

The current economic environment for all NHS Trusts and NHS Foundation Trusts is challenging with on-going internal 2% efficiency gains within the annual tariff (price) in respect to funding cost pressures such as national pay structures; non-pay (drug and rent) cost inflation; as well as NHSLA premium cost pressures. If the Trust does not agree a Sustainability and Transformation control total with NHSI for 2018/19, the Trust will also be subject to nationally set contract penalties for contract performance deviations. There is additional efficiency pressure from local Clinical Commissioning Group (CCG) QIPP targets such as reducing activity through local area networks. The QIPP plans for 2018/19 are built into the CCG signed activity contracts but the Specialised Services QIPP (NHSE) is all at Commissioner's risk for 2018/19. The Trust is working with local commissioners to deliver a combined Sustainability and Transformation (STP) plan for South East London NHS.

The Group has incurred a deficit of £142.3m (£139.0m before impairment of assets and the I&E impact of capital donations/grants) for the year ended 31 March 2018. The control total provided by NHS Improvement at the start of 2017/18 was a surplus target of £28.6m which was reliant on receiving £30.6m funding from NHS Improvement through the Sustainability and Transformation Fund (STF). This outturn position was considered unachievable by the Trust and a forecast deficit position of £38.8m was reflected in plans submitted by the Trust. Further financial pressures materialised throughout the financial year, including a shortfall of £18.2m against the £66m CIP target; NHS clinical income shortfall against plans due to theatre closures and winter pressures; pay and non-pay cost pressures to deliver services; and increases in provisions. Although the control total was not varied formally it was understood that the Trust would not be able to achieve the control total or the planned deficit.

The Trust has an underlying deficit of circa £150m for 2018/19 when non-recurrent income and underlying cost pressures are factored into the Trust's Financial Recovery Plan. The Directors consider that the outlook presents significant challenges in terms of cash-flow for the reasons outlined above, including planned reductions in activity commissioned from the Trust and the need to reduce the underlying cost base of the Trust to continuously align capacity and demand.

The Trust required working capital financing to support its deficit revenue position in year of £131.8m and further revenue financing support will need to be secured through NHSI/DoH to support the forecast deficit position in 2018/19. This funding will be required for the duration of the financial year whilst the internal savings plans are embedded.

The Trust's reported total borrowings of £664.9m include liabilities against the private finance initiative schemes of £150m and borrowings with the Department of Health and Social Services comprising capital loans of £137.2m and revenue / working capital loans of £377.7m.

As a result of the Trust's deficit position in 2017/18 and the level of borrowings required to support this position, the Trust is reporting a net liability position on the Statement of Financial Position.

The Trust is in a period of transformation and planning undertaken by the Trust has recognised that without significant change, the Trust will remain in deficit during the foreseeable future with the 2018/19 planned deficit yet to be agreed but expected to be higher than the current year. The 2018/19 savings plans consist of new schemes with a current target value of £44m including the full year effect of 2017/18 schemes totalling £10.1m.

Positive cash balances are likely to be maintained throughout the period only through successfully securing commitments to necessary funding from external bodies (DoH/NHSI) and contracts with the lead commissioners which give assurance of income flows. The Trust has agreed contract values with the key local CCGs for 2018/19 to a value of £336m. The NHSE contract for 2018/19 is under negotiation after settling the 2017/18 financial contract value.

The significant risks facing the Trust are summarised as follows:

- The Trust has prepared a cash flow forecast which shows a minimum level of headroom of £3m. The Trust has developed its financial plans to include interim funding and thus continue on a going concern basis. The Trust has included a revenue funding requirement from Department of Health and Social Services of c.£150m in its 2018/19 annual plan at this point in time.

1. Accounting policies (continued)

- The Trust is working with NHSI to secure additional distressed capital resource with a Capital funding requirement included in its 2018/19 annual plan of c.£54m.
- A term loan from the Department of Health of £98.9m will fall due in November 2018 and the Trust will need to secure funding to cover this repayment or an extension of the loan.
- There is uncertainty over whether the Trust can deliver its financial plans including efficiency savings, which has been assumed in its financial plan for 2018/19. £44m is a level of savings which is extremely challenging and must be supported with adequate clinical focus and engagement in quality process improvement against agreed and appropriately detailed delivery plans.

NHSI financial support is not yet confirmed, which in combination with the above, represents a material uncertainty that may cast significant doubt as to the Trust's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that would result if the going concern basis were not appropriate.

After making enquiries, the directors have concluded that there is sufficient evidence that services will continue to be provided and that there is financial provision within the forward plans of commissioners. This provision will also be dependent on both acceptance and delivery of the financial recovery plans and continuation of support from the Department of Health. The Directors have a reasonable expectation that this will be the case and have therefore prepared these financial statements on a going concern basis.

1.27 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Foundation Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an on-going basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

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

- Land and buildings have been valued on a Depreciated Replacement Cost (DRC) basis as at 31st March 2018 by an independent professionally qualified valuer (see Note 1.10). In between formal valuations, management make judgements about the condition of assets and review their estimated lives;
- In recognising provisions and in addition to widely used estimation techniques, judgement is required when determining the probable outflow of economic benefits relating to early voluntary retirement pension and injury benefit liabilities; and Management has used their judgement to decide when to write-off receivables or to provide against the probability of not being able to collect debt.

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

- Clinical Income from activities includes an estimate in respect of income relating to patient care spells that are part-completed at the year end (see note 1.7);
- Estimations as to the recoverability of receivables have been made in determining the carrying amounts of these assets.
- The use of estimated asset lives in calculating depreciation (see note 1.10 and 1.11); and
- Provisions for early voluntary retirement pension contributions and injury benefit obligations are estimated using expected life tables and discounted at the pensions rate.

1.28 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2017/18.

1. Accounting policies (continued)

1.29 Future changes in accounting policy

The DH GAM does not require the following Standards and Interpretations to be applied in 2017/18. These standards are still subject to HM Treasury FReM adoption.

- IFRS 9 Financial Instruments – Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRS 14 Regulatory Deferral Accounts - Not yet EU-endorsed. Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable to DHSC group bodies.
- IFRS 15 Revenue from Contracts with Customers -- Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRS 16 Leases – Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted.
- IFRS 17 Insurance Contracts - Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted.
- IFRIC 22 Foreign Currency Transactions and Advance Consideration – Application required for accounting periods beginning on or after 1 January 2018.
- IFRIC 23 Uncertainty over Income Tax Treatments – Application required for accounting periods beginning on or after 1 January 2019.

Following the release of the 2018/19 Department of Health and Social Care Group Accounting Manual in May 2018, the Trust is assessing the likely impact of IFRS 9, IFRS 15 and IFRS 16 (and adaptations included in the GAM). Areas the Trust is reviewing include non-contract income; overseas patients, research income and the approach to provisioning for non-NHS debtors. The Trust is also considering the impact of IFRS 15 in contract negotiations over the planned Integrated Care System.

2. Operating income

2.1 Income from activities by classification

	Group 2017-18 £000	2016-17 £000
Elective income	160,433	157,728
Non-elective income	198,063	180,323
First outpatient income	87,371	82,066
Follow up outpatient income	55,806	59,457
Accident and emergency income	32,950	29,252
High cost drugs income from commissioners (excluding pass-through costs)	119,479	120,686
Other NHS clinical income*	321,517	324,512
Additional income for delivery of healthcare services		
Private Patient income	20,367	14,629
Other clinical income	8,468	8,096
Total income from activities	1,004,454	976,749
Less: Income related to discontinued operations	-	(1,642)
Total income from continuing operations	1,004,454	975,107
Other operating income	111,345	135,112
Total operating income	1,115,799	1,110,219

* Other NHS clinical income includes HIV/AIDS funding, NSCG funding for liver services, bone marrow transplant funding, critical care funding from CCGs, CQUIN funding, off-tariff drugs and devices, renal dialysis, direct access, community midwifery, community dental services, national screening programmes, RTA funding and IVF services.

Other operating income includes the following:

	Group 2017-18 £000	2016-17 £000
Research and development	16,237	15,468
Education and training	43,220	44,994
Cash donations for the purchase of capital assets - received from other bodies	2,033	1,889
Charitable and other contributions to expenditure - received from other bodies **	7,000	15,061
Non-patient care services to other bodies	13,500	26,550
Income in respect of employee benefits accounted on a gross basis	7,374	7,233
Rental revenue from operating leases	1,311	1,207
Other***	20,670	22,710
Total	111,345	135,112

** Charitable donation received from The Fetal Medicine Foundation for investment in the Trust's Fetal Medicine services as a key stakeholder in the clinical service and is acknowledged as non-recurrent financial support.

*** Other income includes PFI transitional support, clinical excellence awards, staff nursery, car parking, accommodation and commercial rents.

2.2 Income from activities arising from commissioner requested and non-commissioner requested services

Under the terms of its Provider License, the trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider license and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	Group 2017-18 £000	2016-17 £000
Commissioner requested services	993,605	967,307
Non-commissioner requested services	122,194	142,912
Total	1,115,799	1,110,219

2.3 Operating lease income

	Group 2017-18 £000	2016-17 £000
	31 March 2018 £000	31 March 2017 £000
Rental revenue from operating leases	1,311	1,207
Future minimum lease payments due on leases of buildings expiring		
- not later than one year	1,311	1,204
- between one and five years	345	345
Total	1,656	1,549

The above note discloses income generated in operating lease agreements where King's College Hospital NHS FT is the lessor. The operating leases relate to the lease of space and buildings owned by the Trust.

2.4 Income from activities by type

	Group 2017-18 £000	2016-17 £000
NHS Foundation Trusts	740	911
NHS Trusts	1,518	1,473
Clinical Commissioning Groups and NHS England	960,739	937,570
NHS Other (including Public Health England and Prop Co)	2,131	1,508
Non-NHS		
Local Authorities	4,657	7,403
Private patients	20,367	14,629
Overseas patients (non-reciprocal)	6,043	5,449
Injury costs recovery*	3,671	3,999
Other**	4,588	3,807
Total income from activities	1,004,454	976,749
Less: Income related to discontinued operations	-	(1,642)
Total income from continuing operations	1,004,454	975,107

* NHS Injury Scheme income is subject to a provision for doubtful debts of 22.84% (2016/17: 22.94%) to reflect expected rates of collection. The total outstanding claims against this scheme at 31 March 2018 were £13.142m (31 March 2017: £12.581m), and a provision of £3.002m (31 March 2017: £2.886m) was raised against this amount.

** Non-NHS Other income includes patient care provided to devolved administrations, personal contributions for IVF treatment and services to prisons.

2.5 Overseas visitors

	Group 2017-18 £000	2016-17 £000
Income recognised this year	6,043	5,449
Cash payments received in-year	1,006	841
Provision for impairment of receivables	3,425	1,895
Amounts written off in-year	3,937	4,917

2.6 Fees and charges - aggregate of all schemes that, individually, have a cost exceeding £1m

	Group 2017-18 £000	2016-17 £000
Income	20,367	14,629
Full cost	(18,305)	(11,864)
Surplus	2,062	2,765

3. Operating expenses

3.1 Operating expenses by type

	Group	2016-17
	2017-18 £000	2016-17 £000
		Restated
Drug costs	145,936	146,560
Supplies and services - clinical	92,469	102,699
Supplies and services - general	15,594	6,417
Staff and executive directors costs	682,686	640,357
Non-executive director benefits	191	177
Establishment	4,902	5,789
Transport	9,743	9,890
Premises	31,734	22,213
Rentals under operating leases - minimum lease payments	7,907	11,424
PFI service costs	57,884	51,772
Clinical negligence	32,558	26,549
Purchase of healthcare from non-NHS bodies	49,011	29,918
Services from NHS and DHSC bodies	13,817	14,545
Non-cash movement on non-current assets		
Depreciation on property, plant and equipment	23,372	23,131
Amortisation on intangible assets	1,208	1,292
Impairments and reversals of property, plant and equipment	4,617	34,258
Non-cash movements on provisions		
Increase in provision for impairment of receivables	14,337	5,958
Consultancy costs	3,401	4,632
Audit fees payable to the external auditor		
Statutory audit	183	191
Other audit-related assurance services	15	-
Internal audit costs	144	173
Other *	<u>30,442</u>	<u>31,266</u>
Total operating expenses	<u>1,222,151</u>	<u>1,169,211</u>
Less: operating expenses related to discontinued operations	-	(2,099)
Total operating expenses from continuing operations	<u>1,222,151</u>	<u>1,167,112</u>

* Other operating expenses include expenditure relating to equipment leases, training and legal fees.

3.2 Operating leases

Rentals under operating leases include the following:

	Group 2017-18 £000	2016-17 £000
Operating lease expense		
Minimum lease payments	7,907	11,424
Total	7,907	11,424

Future minimum lease payments fall due as follows:

	2017-18 £000	2016-17 £000
Hire of plant and machinery		
- not later than one year	5,268	6,426
- between one and five years	12,113	14,551
- later than five years	2,995	4,201
Total hire of plant and machinery	20,376	25,178
Rental of buildings		
- not later than one year	2,144	3,725
- between one and five years	1,166	1,188
- later than five years	1,539	1,681
Total rental of buildings	4,849	6,594
Total	25,225	31,772

This note discloses costs and commitments incurred under cancellable operating lease arrangements where King's College Hospital NHS FT is the lessee. The Trust does not have any non-cancellable operating leases.

3.3 Better Payment Practice Code - measure of compliance

The Better Payment Practice Code requires the Foundation Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is the earlier. The target is to pay 95% of invoices, in terms of value and volume, within 30 days.

The Foundation Trust's performance against this target was as follows:

	Group 2017-18		Group 2016-17	
	Number	£000	Number	£000
Non-NHS trade invoices:				
Paid in the year	157,340	691,415	213,569	712,112
Paid within target	143,587	652,585	123,738	567,205
Percentage paid within target	91%	94%	58%	80%
NHS trade invoices				
Paid in the year	5,382	160,538	5,227	151,549
Paid within target	3,504	147,279	1,459	119,442
Percentage paid within target	65%	92%	28%	79%
Total trade invoices				
Paid in the year	162,722	851,953	218,796	863,661
Paid within target	147,091	799,864	125,197	686,647
Percentage paid within target	90%	94%	57%	80%

3.4 Late Payment of Commercial Debts (Interest) Act 1998

	2017-18 £000	2016-17 £000
Compensation paid to cover debt recovery costs under this legislation	7	26

3.5 Audit fees (external auditors)

There was no limitation on auditor's liability in 2017/18 or in 2016/17.

4 Employee benefits

4.1 Employee benefits

	Group	2017-18	2016-17
	Total	Total	
Salaries and wages	£000	£000	
486,182	448,851		
Social security costs	49,107	46,106	
Apprenticeship levy	2,318	-	
Employer contributions to NHS Pensions	56,783	54,144	
Temporary staff (including agency)	89,915	91,985	
Total gross employee benefits	684,305	641,086	
Recoveries from other bodies in respect of staff cost netted off expenditure	-	(729)	
Total employee benefits	684,305	640,357	
Of which			
Costs capitalised as part of assets	(1,619)	-	
Total employee benefits excluding capitalised costs	682,686	640,357	

4.2 Staff sickness absence

	2017-18	2016-17
	Number	Number
Total days lost	78,229	116,830
Total staff years	10,953	9,419
Average working days lost	7.1	12.4

Average sickness absence days are provided by the Department of Health, and are calculated using calendar years, rather than financial years.

4.3 Early retirements due to ill health

	2017-18	2016-17
	Number	Number
Early retirements on the grounds of ill-health	3	5
	£000	£000
Early retirements on the grounds of ill-health	317	250

The cost of ill-health retirements is borne by NHS Pensions.

4.4 Termination benefits

4.4a By number of cases:	2017-18	2016-17
Exit package cost band (including any special payment element)		
Less than £10,000	15	24
£10,000-£25,000	3	7
£25,001-£50,000	1	-
£50,001-£100,000	2	1
£100,001 - £150,000	-	1
Total	21	33

4.4b By value of payments:

4.4b By value of payments:	2017-18	2016-17
Exit package cost band (including any special payment element)		
Less than £10,000	46	88
£10,000-£25,000	42	110
£25,001-£50,000	30	-
£50,001-£100,000	181	57
£100,001 - £150,000	-	130
Total	299	385

All termination benefits related to other agreed departures. There were no amounts payable as a result of compulsory redundancies.

4.4c Other departures agreed are as follows:

	2017-18			2016-17		
	Number	£000		Number	£000	
Voluntary redundancies including early retirement contractual costs	-	-		9	259	
Contractual payments in lieu of notice	<u>21</u>	<u>299</u>		<u>24</u>	<u>126</u>	
Total	<u>21</u>	<u>299</u>		<u>33</u>	<u>385</u>	
Of which:						
where the payment value was more than 12 months of their annual salary	-	-		-	-	

4.5 Salary and pension entitlements of senior managers

4.5a Median salary disclosures

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

	2017-18 (bands of £5,000)	2016-17 (bands of £5,000)
Band of highest paid director/member's total remuneration	255 - 260	250 - 255
Median total remuneration (£)	26,002	28,238
Ratio	9.9	8.9

In 2017/18, 30 (2016/17: 6) employees received remuneration in excess of the highest-paid director/member. Remuneration ranged from £14 to £632k (2016/17: £128 to £540k).

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

4.5b Business related travel and subsistence expenses

- 1 Executive Director received travel and subsistence expenses totalling £27 (2016-17: two, £433).
- 1 Non-Executive Director received travel and subsistence expenses totalling £1,187 (2016-17: two, £873).
- 2 Governors received travel and subsistence expenses totalling £604 (2016-17: one, £207).

4.5 Salary and pension entitlements of senior managers

4.5c Remuneration

Name	Title	2017-18			2016-17 Restated		
		Salary & Fees (bands of £5,000)	Pension Related Benefits (bands of £2,500)	Total (bands of £5,000)	Salary & Fees (bands of £5,000)	Pension Related Benefits (bands of £2,500)	Total (bands of £5,000)
Chairman and Non-Executive Directors							
Lord Kerslake	Chair	40 - 45	-	40 - 45	60 - 65	-	60 - 65
Ian Smith	Chair	15 - 20	-	15 - 20	-	-	-
Faith Boardman	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Professor Gulam J Mutti	Non-Executive Director	15 - 20	-	15 - 20	15 - 20	-	15 - 20
Sue Slipman	Non-Executive Director	15 - 20	-	15 - 20	10 - 15	-	10 - 15
Chris Stooke	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Professor Jon Cohen	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Dr Alix Pryde	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Erik Nordkamp	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Professor Richard Trembath	Non-Executive Director	10 - 15	-	10 - 15	0 - 5	-	0 - 5
Executive Directors							
Nicholas Moberly	Chief Executive	255 - 260	7.5 - 10	260 - 265	250 - 255	345 - 347.5	595 - 600
Alan Goldsman	Interim Chief Financial Officer / Director of Financial Recovery / Interim Director of Strategy	175 - 180	72.5 - 75	320 - 325	70 - 75	-	70 - 75
Colin Gentile	Chief Financial Officer	185 - 190	-	185 - 190	175 - 180	-	175 - 180
Professor Julia Wendon	Executive Medical Director	225 - 230	-	225 - 230	250 - 255	-	250 - 255
Michelle (Shelley) Dolan	Chief Nurse / Interim Chief Operating Officer	170 - 175	105 - 107.5	275 - 280	75 - 80	80 - 82.5	160 - 165
Amanda (Jane) Farrell	Chief Operating Officer	205 - 210	10 - 12.5	220 - 225	180 - 185	357.5 - 360	535 - 540
Paula Townsend	Acting Director of Nursing and Midwifery	-	-	-	30 - 35	-	30 - 35
Dr Geraldine Walters	Executive Director of Nursing, Midwifery and Infection Control	-	-	-	35 - 40	57.5 - 60	95 - 100
Dawn Brodrick	Executive Director of Workforce Development	150 - 155	-	150 - 155	150 - 155	-	150 - 155
Abigail Stapleton	Director of Strategy	50 - 55	10 - 12.5	60 - 65	-	-	-
Trudi Kemp	Director of Strategy	30 - 35	360 - 362.5	390 - 395	60 - 65	-	60 - 65
Toby Lambert	Interim Director of Strategic Development	-	-	-	110 - 115	-	110 - 115
Lisa Hollins	Director of Transformation & ICT	140 - 145	67.5 - 70	205 - 210	70 - 75	75 - 77.5	150 - 155
Jane Bond	Director of Capital, Estates and Facilities	150 - 155	32.5 - 35	185 - 190	80 - 85	17.5 - 20	100 - 105
Co-opted members of the Trust's board							
Judith Seddon	Director of Corporate Affairs	-	-	-	35 - 40	-	35 - 40
Ahmad Toumajd	Interim Director of Estates and Capital	-	-	-	100 - 105	-	100 - 105
Salary relating to non-managerial role							
Julia Wendon		180 - 185	-	180 - 185	205 - 210	-	205 - 210
Paula Townsend					20 - 25	-	20 - 25
Judith Seddon					25 - 30	-	25 - 30
The remuneration of the interim directors includes agency fees and VAT							
Alan Goldsman held three roles in the Trust during 2017/18							
Alan Goldsman	Interim Chief Financial Officer	80 - 85					
Alan Goldsman	Director of Financial Recovery	65 - 70					
Alan Goldsman	Interim Director of Strategy	25 - 30					

The NHS Pensions Agency informed the Trust that pensions figures provided for Alan Goldsman for the financial year 2016-17 were incorrect. Based on the corrected figures, his Pension Defined Benefit for 2016-17 has decreased from the £12.5k - £15k range to Nil.

4.5 Salary and pension entitlements of senior managers

4.5c Remuneration (Cont'd)

Lord Kerslake	Chair	1 April 2017 - 10 December 2017
Ian Smith	Chair	18 December 2017 - 31 March 2018
Faith Boardman	Non-Executive Director	1 April 2017 - 31 March 2018
Professor Gulam J Mufti	Non-Executive Director	1 April 2017 - 31 March 2018
Sue Slipman	Non-Executive Director	1 April 2017 - 31 March 2018
Chris Stooke	Non-Executive Director	1 April 2017 - 31 March 2018
Professor Jon Cohen	Non-Executive Director	1 April 2017 - 31 March 2018
Dr Alix Pryde	Non-Executive Director	1 April 2017 - 31 March 2018
Erik Nordkamp	Non-Executive Director	1 April 2017 - 31 March 2018
Professor Richard Trembath	Non-Executive Director	1 April 2017 - 31 March 2018
Nicholas Moberly	Chief Executive	1 April 2017 - 31 March 2018
Colin Gentile	Chief Financial Officer	1 April 2017 - 01 November 2017
Alan Goldsman	Interim Chief Financial Officer	2 November 2017 - 31 March 2018
Alan Goldsman	Director of Financial Recovery	1 June 2017 - 31 October 2017
Alan Goldsman	Interim Director of Strategy	1 April 2017 - 31 May 2017
Professor Julia Wendon	Executive Medical Director	1 April 2017 - 31 March 2018
Michelle (Shelley) Dolan	Chief Nurse	1 April 2017 - 31 March 2018
Michelle (Shelley) Dolan	Interim Chief Operating Officer and Chief Nurse	8 November 2017 - 31 March 2018
Paula Townsend	Acting Director of Nursing and Midwifery	1 July 2016 - 30 September 2016
Dawn Brodrick	Executive Director of Workforce Development	1 April 2017 - 31 March 2018
Trudi Kemp	Director of Strategy	1 April 2017 - 18 July 2017
Toby Lambert	Interim Director of Strategic Development	3 May 2016 - 31 October 2016
Abigail Stapleton	Director of Strategy	16 October 2017 - 31 March 2018
Amanda (Jane) Farrell	Chief Operating Officer	1 April 2017 - 07 November 2017
Lisa Hollins	Director of Transformation & ICT	1 April 2017 - 31 March 2018
Jane Bond	Director of Capital and Estates	1 April 2017 - 31 March 2018

None of the Non-Executive or Executive Directors received benefits in kinds in 2016-17 or 2017-18

4.5d Pension entitlements at 31 March 2018

Name	Title	Real increase in pension at pension age £000 (bands of £2,500)	Real increase in pension lump sum at pension age £000 (bands of £2,500)	Total accrued pension at pension age £000 (bands of £5,000)	Lump sum at pension age £000 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2017 £000	Real increase in Cash Equivalent Transfer Value £000	Cash Equivalent Transfer Value at 31 March 2018 £000	Employer's Contribution to stakeholder pension £000
Non-Executive Directors									
Non-Executive Directors do not receive pensionable remuneration.									
Executive Directors									
Nicholas Moberly	Chief Executive Interim Chief Financial Officer /	2.5 - 5	10 - 12.5	65 - 70	205 - 210	1,281	109	1,390	34
Alan Goldsman	Director of Financial Recovery / Interim Director of Strategy	2.5 - 5	12.5 - 15	40 - 45	130 - 135	895	119	1,014	25
Michelle (Shelley) Dolan	Chief Nurse	5 - 7.5	15 - 17.5	60 - 65	190 - 195	1,297	194	1,491	25
Amanda (Jane) Farrell	Chief Operating Officer	0 - 2.5	0 - 2.5	70 - 75	220 - 225	1,579	63	1,683	17
Abigail Stapleton	Director of Strategy	0 - 2.5	-	0 - 5	-	-	3	6	8
Trudi Kemp	Director of Strategy	2.5 - 5	12.5 - 15	50 - 55	150 - 155	-	-	-	-
Lisa Hollins	Director of Transformation & ICT	2.5 - 5	2.5 - 5	45 - 50	110 - 115	628	94	722	20
Jane Bond	Director of Capital, Estates and Facilities	2.5 - 5	-	0 - 5	-	16	30	46	22

During the 2017/18 the total value of employer contributions to the pension scheme in respect of Board member directors was £156k (2016/17: £76k).

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs and other disclosures are provided by NHS Pensions, and are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

The real increase in CETV reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Trudi Kemp CETV at 1 April 2017 was £666k, as per the guidance which states that CETV will not be disclosed for Senior Managers over NPA her CETV and Real Increase has not been shown above.

4.6 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period. The total employer contribution payable in the year ended 31 March 2018 was £55.715m (31 March 2017: £53.416m).

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2018, is based on valuation data as 31 March 2017, updated to 31 March 2018 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2016 and is currently being prepared. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

5 Finance revenue

	Group	
	2017-18 £000	2016-17 £000
Interest on bank accounts	99	92
Interest on other investments/financial assets	65	69
Total	164	161

6 Finance expenses

	Group	
	2017-18 £000	2016-17 £000
Loans from the Department of Health and Social Care		
Capital loans	2,989	1,724
Revenue support / working capital loans	4,328	2,099
Revolving working capital facilities	3,294	1,639
Finance leases	-	2,198
Other Loans	-	64
Finance costs on PFI and other service concession arrangements		
Main finance cost	16,813	16,641
Contingent finance cost	7,448	6,765
Total interest expense	34,872	31,130
Unwinding of discount on provisions	16	73
Other finance costs	94	-
Total finance costs	34,982	31,203

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

7 Impairments

	Group	
	2017-18 £000	2016-17 £000
Changes in market price - charged to operating expenses	4,617	34,258
Changes in market price - charged to the revaluation reserve	10,464	6,356
Total	15,081	40,614

Asset valuations were undertaken in 2018 as at the prospective valuation date of 31 March 2018. This was based on alternative site which included a review of the Trust's patient base, through an analysis of postcode information allocated between outpatients and inpatients.

The revaluation resulted in an overall increase of £1.946m in the value of land owned by the Trust and an overall decrease of £12.926m in the net book value of buildings and dwellings.

An impairment amount of £4.617m has been charged to the Statement of Comprehensive Income and £10.464m to revaluation reserve and a revaluation surplus of £4.102m transferred to revaluation reserve. The buildings with material decrease in value include the Princess Royal University Hospital (£3.110m), Golden Jubilee Wing (£2.605m), Ruskin Wing (£1.147m), Venetian Building (£0.969m), Day Surgery Building (£0.720m), the Dental Institute (£0.519m), the Theatre Block (£0.515m), Boiler House (Denmark Hill) (£0.481m), Helipad (£0.392m) and other buildings (£3.233m).

8 Other gains / (losses)

	Group	
	2017-18 £000	2016-17 £000
Gains on disposal of assets	227	219
Losses on disposal of assets	(40)	(541)
Total gains / (losses) on disposal of assets	187	(322)

8.1 Share of operating profit / (loss) in associates and joint ventures

	Group	
	2017-18 £000	2016-17 £000
Viapath Group LLP	(1,268)	214
King's Hewitt Fertility Centre	-	(456)
	(1,268)	(242)

9 Intangible non-current assets

9.1 Intangible non-current assets - current year

Group	Group		
	Software licences £'000	Development expenditure £'000	Total £'000
Cost or valuation			
At 1 April 2017	11,291	707	11,998
Additions purchased	3,989	-	3,989
Additions leased	1,289	-	1,289
At 31 March 2018	16,569	707	17,276
Amortisation			
At 1 April 2017	6,961	707	7,668
Charged during the year	1,208	-	1,208
At 31 March 2018	8,169	707	8,876
Net book value			
Purchased	7,111	-	7,111
Leased	1,289	-	1,289
Total at 31 March 2018	8,400	-	8,400
Revaluation reserve balance			
At 1 April 2017	37	-	37
At 31 March 2018	37	-	37

Development expenditure represents the implementation cost of the Activity Based Costing project, which was completed in 2006-07, and is still in use.

9.2 Intangible non-current assets - current year

Trust	Trust		
	Software licences £'000	Development expenditure £'000	Total £'000
Cost or valuation			
At 1 April 2017	11,291	707	11,998
Additions purchased	3,387	-	3,387
Additions leased	1,289	-	1,289
At 31 March 2018	15,967	707	16,674
Amortisation			
At 1 April 2017	6,961	707	7,668
Charged during the year	1,160	-	1,160
At 31 March 2018	8,121	707	8,828
Net book value			
Purchased	6,557	-	6,557
Leased	1,289	-	1,289
Total at 31 March 2018	7,846	-	7,846
Revaluation reserve balance			
At 1 April 2017	37	-	37
At 31 March 2018	37	-	37

The range of useful economic lives over which intangible assets are amortised is included in note 1.11.

For all categories of intangible assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

9 Intangible non-current assets - continued

9.3 Intangible non-current assets - prior year

Group	Group		
	Software licences	Development expenditure	Total
	£000	£000	£000
Cost or valuation			
At 1 April 2016	8,734	707	9,441
Additions purchased	1,582	-	1,582
Reclassifications	975	-	975
At 31 March 2017	11,291	707	11,998
At 1 April 2016	5,656	707	6,363
Charged during the year	1,292	-	1,292
Reclassifications	13	-	13
At 31 March 2017	6,961	707	7,668
Net book value			
Purchased	4,330	-	4,330
Total at 31 March 2017	4,330	-	4,330
Revaluation reserve balance			
At 1 April 2016	37	-	37
At 31 March 2017	37	-	37

Development expenditure represents the implementation cost of the Activity Based Costing project, which was completed in 2006-07, and is still in use.

9.4 Intangible non-current assets - prior year

Trust	Trust		
	Software licences	Development expenditure	Total
	£000	£000	£000
Cost or valuation			
At 1 April 2016	8,734	707	9,441
Additions purchased	1,582	-	1,582
Reclassifications	975	-	975
At 31 March 2017	11,291	707	11,998
At 1 April 2016	5,656	707	6,363
Charged during the year	1,292	-	1,292
Reclassifications	13	-	13
At 31 March 2017	6,961	707	7,668
Net book value			
Purchased	4,330	-	4,330
Total at 31 March 2017	4,330	-	4,330
Revaluation reserve balance			
At 1 April 2016	37	-	37
At 31 March 2017	37	-	37

The range of useful economic lives over which intangible assets are amortised is included in note 1.11.

For all categories of intangible assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

10 Property, plant and equipment

10.1 Property, plant and equipment - current year

	Group							
Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation								
At 1 April 2017	58,496	418,527	2,875	45,411	69,619	21,787	2,142	618,857
Additions purchased	-	57	-	37,978	2,093	7,527	42	47,697
Additions leased	-	-	-	-	-	-	-	-
Additions donated	-	12	-	1,736	265	20	-	2,033
Impairments charged to operating expenses	(35)	(8,262)	-	-	-	-	-	(8,297)
Impairments charged to the revaluation reserve	(659)	(18,614)	(219)	-	-	-	-	(19,492)
Reversal of impairments credited to operating expenses	37	460	-	-	-	-	-	497
Reversal of impairments credited to the revaluation reserve	-	-	-	-	-	-	-	-
Revaluations	2,602	(1,736)	-	-	-	-	-	866
Reclassifications	-	3,602	-	(3,602)	-	-	-	-
Transfers to/from assets held for sale and assets in disposal groups	(175)	-	(425)	-	-	-	-	(600)
Disposals	(271)	-	(686)	-	(1,292)	-	-	(2,249)
At 31 March 2018	59,995	394,046	1,545	81,523	70,685	29,334	2,184	639,312
Depreciation								
At 1 April 2017	-	334	-	-	43,798	10,349	1,206	55,687
Charged during the year	-	15,150	112	-	4,982	2,953	175	23,372
Impairments charged to operating expenses	-	(2,601)	-	-	-	-	-	(2,601)
Impairments charged to the revaluation reserve	-	(8,939)	(89)	-	-	-	-	(9,028)
Reversal of impairments credited to operating expenses	-	(582)	-	-	-	-	-	(582)
Reversal of impairments credited to the revaluation reserve	-	-	-	-	-	-	-	-
Revaluations	-	(3,236)	-	-	-	-	-	(3,236)
Disposals	-	-	(23)	-	(1,285)	-	-	(1,308)
At 31 March 2018	-	126	-	-	47,495	13,302	1,381	62,304
Net book value								
Owned - purchased	42,627	192,281	1,274	80,901	18,399	15,954	795	352,231
Owned - donated	1,843	12,837	271	39	1,329	78	8	16,405
On balance sheet PFI	15,525	188,802	-	583	3,462	-	-	208,372
Total at 31 March 2018	59,995	393,920	1,545	81,523	23,190	16,032	803	577,008
Revaluation reserve balance								
At 1 April 2017	22,855	70,168	1,798	-	4,601	-	257	99,679
Revaluation and indexation in year	1,943	(8,176)	(637)	-	-	-	-	(6,870)
At 31 March 2018	24,798	61,992	1,161	-	4,601	-	257	92,809

The effective date of land and building revaluation was 31 March 2018 and the valuation was carried out by an independent valuer.

The range of useful economic lives over which property plant and equipment are depreciated are included in note 1.10.

For all categories of non-property assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

10 Property, plant and equipment - continued

10.2 Property, plant and equipment - current year

Trust

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Information technology £000	Furniture & fittings £000	Total £000	
Trust									
Cost or valuation									
At 1 April 2017									
Additions purchased	-	57	-	37,978	1,970	7,527	42	47,574	
Additions leased	-	-	-	-	-	-	-	-	
Additions donated	-	12	-	1,736	265	20	-	2,033	
Impairments charged to operating expenses	(35)	(8,262)	-	-	-	-	-	(8,297)	
Impairments charged to the revaluation reserve	(659)	(18,614)	(219)	-	-	-	-	(19,492)	
Reversal of impairments credited to operating expenses	37	460	-	-	-	-	-	497	
Reversal of impairments credited to the revaluation reserve	-	-	-	-	-	-	-	-	
Revaluations	2,602	(1,736)	-	-	-	-	-	866	
Reclassifications	-	3,602	-	(3,602)	-	-	-	-	
Transfers to/from assets held for sale and assets in disposal groups	(175)	-	(425)	-	-	-	-	(600)	
Disposals	(271)	-	(686)	-	(1,292)	-	-	(2,249)	
At 31 March 2018	59,995	394,046	1,545	81,523	47,303	29,334	2,184	615,930	
Depreciation									
At 1 April 2017									
Charged during the year	-	334	-	-	29,191	10,349	1,206	41,080	
Impairments charged to operating expenses	-	15,150	112	-	3,569	2,953	175	21,959	
Impairments charged to the revaluation reserve	-	(2,601)	-	-	-	-	-	(2,601)	
Reversal of impairments credited to operating expenses	-	(8,939)	(89)	-	-	-	-	(9,028)	
Reversal of impairments credited to the revaluation reserve	-	-	-	-	-	-	-	-	
Revaluations	-	(582)	-	-	-	-	-	(582)	
Disposals	-	(3,236)	-	-	-	-	-	(3,236)	
At 31 March 2018	-	126	-	-	(1,285)	31,475	13,302	1,381	46,284
Net book value									
Owned - purchased	42,627	192,281	1,274	80,901	11,037	15,954	795	344,869	
Owned - donated	1,843	12,837	271	39	1,329	78	8	16,405	
On balance sheet PFI	15,525	188,802	-	583	3,462	-	-	208,372	
Total at 31 March 2018	59,995	393,920	1,545	81,523	15,828	16,032	803	569,646	
Revaluation reserve balance									
At 1 April 2017									
Revaluation and indexation in year	22,855	70,168	1,798	-	4,601	-	257	99,679	
At 31 March 2018	1,943	(8,176)	(637)	-	-	-	-	(6,870)	
	24,798	61,992	1,161	-	4,601	-	257	92,809	

The effective date of land and building revaluation was 31 March 2018 and the valuation was carried out by independent valuer.

The range of useful economic lives over which property plant and equipment are depreciated are included in note 1.10.

For all categories of non-property assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

10 Property, plant and equipment - continued

10.3 Property, plant and equipment - prior year

Group	Group								Total £000
	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Information technology £000	Furniture & fittings £000		
Cost or valuation									
At 1 April 2016	56,013	409,751	2,818	37,380	69,781	18,845	2,098	596,686	
Additions purchased	-	49,475	-	26,704	1,457	4,049	42	81,727	
Additions leased	-	-	-	-	655	-	-	655	
Additions donated	-	277	-	943	669	-	-	1,889	
Impairments charged to operating expenses	-	(36,780)	-	(117)	-	-	-	(36,897)	
Impairments charged to the revaluation reserve	-	(9,495)	-	-	-	-	-	(9,495)	
Revaluations	2,483	-	57	-	158	-	9	2,707	
Reclassifications	-	19,499	-	(19,499)	-	(975)	-	(975)	
Disposals	-	(14,200)	-	-	(3,101)	(132)	(7)	(17,440)	
At 31 March 2017	58,496	418,527	2,875	45,411	69,619	21,787	2,142	618,857	
Depreciation									
At 1 April 2016	-	2,563	18	-	40,836	8,071	1,021	52,509	
Charged during the year	-	14,614	108	-	5,796	2,430	183	23,131	
Reversal of impairments credited to operating expenses	-	(2,639)	-	-	-	-	-	(2,639)	
Reversal of impairments credited to the revaluation reserve	-	(3,139)	-	-	-	-	-	(3,139)	
Revaluations	-	(10,686)	(126)	-	84	-	4	(10,724)	
Reclassifications	-	-	-	-	-	(13)	-	(13)	
Disposals	-	(379)	-	-	(2,918)	(139)	(2)	(3,438)	
At 31 March 2017	-	334	-	-	43,798	10,349	1,206	55,687	
Net book value									
Owned - purchased	41,128	209,945	2,578	45,382	20,230	11,363	926	331,552	
Owned - donated	1,843	13,360	297	29	1,199	75	10	16,813	
On balance sheet PFI	15,525	194,888	-	-	4,392	-	-	214,805	
Total at 31 March 2017	58,496	418,193	2,875	45,411	25,821	11,438	936	563,170	
Revaluation reserve balance									
At 1 April 2016	20,539	66,079	1,615	-	8,277	-	252	96,762	
Revaluation and indexation in year	2,316	4,089	183	-	(3,676)	-	5	2,917	
At 31 March 2017	22,855	70,168	1,798	-	4,601	-	257	99,679	

The range of useful economic lives over which property plant and equipment are depreciated are included in note 1.10.

For all categories of non-property assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

10 Property, plant and equipment - continued

10.4 Property, plant and equipment - prior year

Trust	Trust								Total £000
	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings		
	£000	£000	£000	£000	£000	£000	£000	£000	
Cost or valuation									
At 1 April 2016	56,013	409,751	2,818	37,380	69,781	18,845	2,098	596,686	
Additions purchased	-	49,475	-	26,704	1,457	4,049	42	81,727	
Additions leased	-	-	-	-	655	-	-	655	
Additions donated	-	277	-	943	669	-	-	1,889	
Impairments charged to operating expenses	-	(36,780)	-	(117)	-	-	-	(36,897)	
Impairments charged to the revaluation reserve	-	(9,495)	-	-	-	-	-	(9,495)	
Revaluations	2,483	-	57	-	158	-	9	2,707	
Reclassifications	-	19,499	-	(19,499)	-	(975)	-	(975)	
Disposals	-	(14,200)	-	-	(26,360)	(132)	(7)	(40,699)	
At 31 March 2017	58,496	418,527	2,875	45,411	46,360	21,787	2,142	595,598	
Depreciation									
At 1 April 2016	-	2,563	18	-	40,836	8,071	1,021	52,509	
Charged during the year	-	14,614	108	-	4,856	2,430	183	22,191	
Reversal of impairments credited to operating expenses	-	(2,639)	-	-	-	-	-	(2,639)	
Reversal of impairments credited to the revaluation reserve	-	(3,139)	-	-	-	-	-	(3,139)	
Revaluations	-	(10,686)	(126)	-	84	-	4	(10,724)	
Reclassifications	-	-	-	-	-	(13)	-	(13)	
Disposals	-	(379)	-	-	(16,585)	(139)	(2)	(17,105)	
At 31 March 2017	-	334	-	-	29,191	10,349	1,206	41,080	
Net book value									
Owned - purchased	41,128	209,945	2,578	45,382	11,578	11,363	926	322,900	
Owned - donated	1,843	13,360	297	29	1,199	75	10	16,813	
On balance sheet PFI	15,525	194,888	-	-	4,392	-	-	214,805	
Total at 31 March 2017	58,496	418,193	2,875	45,411	17,169	11,438	936	554,518	
Revaluation reserve balance									
At 1 April 2016	20,539	66,079	1,615	-	8,277	-	252	96,762	
Revaluation and indexation in year	2,316	4,089	183	-	(3,676)	-	5	2,917	
At 31 March 2017	22,855	70,168	1,798	-	4,601	-	257	99,679	

The range of useful economic lives over which property plant and equipment are depreciated are included in note 1.10.

For all categories of non-property assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

11 Investments

11.1 Subsidiary undertakings, associates and joint ventures held

The Foundation Trust's principal subsidiary undertakings, associates and joint ventures as included in its consolidated accounts are set out below.

The accounting date of the financial statements for the subsidiaries is 31 March 2018, and for the associate, 31 December 2017. For the associate undertaking that has a different accounting year end date, draft accounts for year ending 31 December 2017, extrapolated to 31 March 2018, have been consolidated.

The Trust holds a £250k investment in KCH Commercial Services Ltd.

	Country of Incorporation	Beneficial interest	Principal activity
Directly owned subsidiary undertakings			
KCH Commercial Services Ltd	UK	100%	Holding company
KCH Interventional Facilities Management LLP *	UK	100%	Interventional Facilities Management
Indirectly owned subsidiary undertakings			
KCH Management Ltd	UK	100%	Healthcare services
Agentis Ltd	UK	100%	Software consultancy and supply
Associates			
Viapath Group LLP (Viapath)	UK	33.3%	Healthcare services
Joint operations			
NIHR/Wellcome Trust Clinical Research Facility (CRF) **	UK		
Equity		35%	Research
Constructions		54%	Research
Other investments			
King's Fertility Limited	UK	10%	Healthcare services

* KCH Interventional Facilities Management LLP (KIFM) is a limited liability partnership between King's College Hospital NHS Foundation Trust (99%) and KCH Commercial Services Ltd (1%). KIFM started trading on 1 July 2016 and was set up to provide an efficient transformation and procurement service to the Trust. The income, expenses, assets, liabilities, equity and reserves of KIFM have been consolidated in full into the appropriate financial statement lines.

** The Foundation Trust entered into a joint operation with King's College London and South London and Maudsley NHS Foundation Trust for the construction and use of premises known as the NIHR/Wellcome Trust Clinical Research Facility, which opened in November 2012.

The Foundation Trust has capitalised 54% of the cost of the building, and equipment assets therein based on the construction proportion. The Foundation Trust recognises 35% of revenue and expenditure generated by the facility, based on the equity proportion as stipulated in the Collaboration Agreement.

11.2 Carrying value of associates

Group	2017-18 Viapath £000	2016-17 Viapath £000
Balance at 1 April	4,317	4,103
Share of profit	(1,268)	214
Balance at 31 March	3,049	4,317

The investment balance in Viapath LLP had been overstated due historical losses not being fully recognised. This has been corrected in the current financial year and these losses of £1.7m have been recognised on the Statement of Comprehensive Income.

11.3 Fair value of associates

	2017-18 Viapath £000	2016-17 Viapath £000
Total gross assets of the entity as at 31 March	47,686	46,549
Total gross liabilities of the entity as at 31 March	(41,217)	(41,037)
Total revenues for the year ending 31 March	116,656	107,026
Profit for the year ending 31 March	1,196	1,297

The above figures are estimates based on the Viapath annual accounts for the year ended 31 December 2017.

11.4 Carrying value of other investments

	Group and Trust 31 March 2018 £000	31 March 2017 £000
King's Fertility Limited	335	335

11.5 Non-current assets held for sale and assets in disposal groups

	Group and Trust	
	31 March 2018 £000	31 March 2017 £000
NBV of non-current assets for sale and assets in disposal groups at 1 April	-	-
Assets classified as available for sale in the year	600	-
NBV of non-current assets for sale and assets in disposal groups at 31 March	600	-

Non-current assets classified as available for sale consist of the long leasehold interest in two residential flats. The decision has been taken to dispose of these units as they have become surplus to requirements. The Trust expects to dispose of the flats within the first half of 2018/19 through auction or sale on the open market. On revaluation of the properties at 31 March 2018, the Trust recognised an impairment against the Revaluation Reserve of £62k.

12 Inventories

12.1 Inventories - current year

	Group		
	Drugs £000	Consumables £000	Energy £000
At 1 April 2017	6,062	10,041	18
Additions	145,954	42,131	501
Inventories consumed and expensed	(145,936)	(42,199)	(519)
At 31 March 2018	6,080	9,973	-

Inventories - current year

	Trust		
	Drugs £000	Consumables £000	Energy £000
At 1 April 2017	6,062	3,008	18
Additions	145,954	9,923	501
Inventories consumed and expensed	(145,936)	(8,952)	(519)
Consumables sold to Subsidiary during year	-	(2,346)	-
At 31 March 2018	6,080	1,633	-

12.2 Inventories - prior year

	Group		
	Drugs £000	Consumables £000	Energy £000
At 1 April 2016	6,488	11,248	12
Additions	145,764	97,249	376
Inventories consumed and expensed	(146,190)	(98,456)	(370)
At 31 March 2017	6,062	10,041	18

Inventories - prior year

	Trust		
	Drugs £000	Consumables £000	Energy £000
At 1 April 2016	6,488	11,248	12
Additions	145,764	95,958	376
Inventories consumed and expensed	(146,190)	(96,317)	(370)
Consumables sold to Subsidiary during year	-	(7,881)	-
At 31 March 2017	6,062	3,008	18

13 Trade and other receivables

13.1 Trade and other receivables

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
Current				
Trade receivables	64,400	49,626	64,400	49,626
Receivables due from related parties (including NHS charities)	13,658	6,101	13,658	6,101
Provision for impaired receivables	(15,866)	(9,150)	(15,866)	(9,150)
Deposits and advances	1,878	2,098	1,874	2,098
Prepayments (non-PFI)	6,153	5,209	5,330	4,847
Accrued income	20,025	31,226	21,598	35,323
Interest receivable	-	6	-	6
PDC dividend receivable	1,000	790	1,000	790
VAT receivable	12,564	8,650	6,875	8,833
Other receivables due from subsidiaries	-	-	33,785	17,761
Other receivables	30,827	67,482	30,173	68,664
Total current receivables	134,639	162,038	162,827	184,899
Non-current				
Other receivables due from subsidiaries	-	-	22,797	21,557
Provision for impaired receivables *	(2,682)	-	(14,622)	-
Other Receivables	15,693	7,485	10,415	1,722
Total non-current receivables	13,011	7,485	18,590	23,279
Total	147,650	169,523	181,417	208,178
Of which are receivable from NHS and DHSC group bodies:				
Current	77,746	67,029	77,746	67,029
Non-current	-	-	-	-
	77,746	67,029	77,746	67,029

The majority of trade is with NHS England and Clinical Commissioning Groups. As these bodies are funded by the UK Government to buy NHS patient care services, no credit scoring of them is considered necessary.

The largest outstanding debtor at 31 March 2018 was NHS England totalling £36.694m (2017: £36.391m).

* After review of the recoverability of intercompany balances, the Trust has provided for an impairment of £10.1m against the loan to King's Interventional Facilities Management LLP of £16.2m and a further impairment of £1.8m against the loan to KCH Management Ltd of £2.9m. A further general provision of £2.7m has been raised against non-current receivables.

13.2 Provision for impairment of receivables

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
Balance at 1 April				
9,150	8,450	9,150	8,450	
(4,939)	(5,258)	(4,939)	(5,258)	
(776)	(295)	(776)	(295)	
 15,113	6,253	27,053	6,253	
Balance at 31 March	18,548	9,150	30,488	9,150

13.3 Ageing of impaired financial assets

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
Trade and other receivables				
0 - 30 days	-	-	-	-
30 - 60 Days	6	67	6	67
60 - 90 days	14	25	14	25
90 - 180 days	101	233	101	233
over 180 days	18,427	8,825	30,367	8,825
Total	18,548	9,150	30,488	9,150

13.4 Ageing of non-impaired financial assets past their due date

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
Trade and other receivables				
0 - 30 days	-	-	-	-
30 - 60 Days	9,751	13,059	9,525	13,059
60 - 90 days	14,574	8,146	14,530	8,146
90 - 180 days	23,579	13,748	23,437	13,748
over 180 days	46,146	26,333	46,146	26,333
Total	94,050	61,286	93,638	61,286

14 Cash and cash equivalents

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
Opening balance				
Net change in year				
Closing balance	33,894	18,982	31,213	17,237
	20,492	14,912	19,312	13,976
	54,386	33,894	50,525	31,213
Made up of				
Cash with Government Banking Service	44,324	23,271	41,085	21,261
Commercial banks and cash in hand	10,062	10,623	9,440	9,952
Cash and cash equivalents as in statement of financial position	54,386	33,894	50,525	31,213
Patients' money held by the Foundation Trust, not included above				
	14	13	14	13

15 Trade and other payables

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
Current				
Trade payables	23,978	27,472	21,739	35,159
Capital payables	7,693	3,944	7,693	3,944
Accruals	89,153	83,285	104,193	97,006
Receipts in advance	2,031	2,008	2,031	2,008
Social security costs	7,349	7,057	7,349	6,681
Other taxes payable	6,950	5,766	6,693	5,766
Accrued interest on loans	2,983	1,166	2,983	1,166
Other payables	8,721	55,108	8,684	55,108
Total	148,858	185,806	161,365	206,838
Of which are receivable from NHS and DHSC group bodies:				
Current	18,062	21,052	18,062	21,052
Non-current	-	-	-	-

All trade and other payables are current; there are no non-current balances.

16 Deferred income

	Group and Trust	
	31 March 2018 £000	31 March 2017 £000
Current		
Deferred income	9,627	13,660
Total	9,627	13,660

All deferred income is current; there are no non-current balances.

17 Borrowings

	Group		Trust	
	31 March 2018	31 March 2017 £000	31 March 2018	31 March 2017 £000
Current				
Loans from DHSC				
Capital loans	9,038	3,868	9,038	3,868
Revenue support / working capital loans	98,900	-	98,900	-
Other loans	197	195	-	-
Obligations under finance leases	430	-	430	-
Obligations under PFI contracts	4,214	3,906	4,213	3,906
Total current borrowings	112,779	7,969	112,581	7,774
Non-current				
Loans from DHSC				
Capital loans	128,162	58,239	128,162	58,239
Revenue support / working capital loans	187,677	154,768	187,677	154,768
Revolving working capital facilities	89,600	89,600	89,600	89,600
Other loans	955	1,110	-	-
Obligations under finance leases	859	-	859	-
Obligations under PFI contracts	144,851	149,076	144,851	149,076
Total non-current borrowings	552,104	452,793	551,149	451,683
Total	664,883	460,762	663,730	459,457

The Trust has secured additional revenue support / interim working capital loans of £131.8m from the Department of Health in 2017/18 (2016/17: £55.9m). These are repayable between March 2020 to March 2021. The Trust also received Capital loans of £79.9m in 2017/18 (2016/17: £0m).

18 Finance lease obligations

	Group and Trust	
	31 March 2018	31 March 2017
	£000	£000
Gross lease liabilities		
Of which liabilities are due:		
- not later than one year	445	-
- later than one year and not later than five years	890	-
- later than five years	-	-
Total	1,335	-
Finance charges allocated to future periods	(46)	-
Net lease liabilities	1,289	-
Of which liabilities are due:		
- not later than one year	430	-
- later than one year and not later than five years	430	-
- later than five years	429	-
Total	1,289	-

19 Provisions

19.1 Provisions - current year

Group	Total £'000	Early Departure costs £'000	Legal claims £'000	Other £'000
At 1 April 2017	7,073	6,165	880	28
Arising during the year	1,360	-	190	1,170
Utilised during the year - cash	(635)	(543)	(92)	-
Utilised during the year - accruals	(178)	(178)	-	-
Reversed unused	(263)	-	(263)	-
Change in discount rate	134	112	22	-
Unwinding of discount	16	13	3	-
At 31 March 2018	7,507	5,569	740	1,198
Expected timing of cash flows:				
No later than one year	2,336	721	417	1,198
Later than one year and not later than five years	3,108	2,883	225	-
Later than five years	2,063	1,965	98	-
Total	7,507	5,569	740	1,198

KCH Commercial Services Ltd has included a VAT provision of £70k which is consolidated in the group provisions within "Other provisions". This is excluded from the Trust only provision figures on the Statement of Financial Position. The timing of the provisions cash flow represents our best estimate of future liabilities based on available input from NHS professionals in the respective areas.

19.2 Provisions - prior year

Group	Total £'000	Early Departure costs £'000	Legal claims £'000	Other £'000
At 1 April 2016	6,928	5,798	631	499
Arising during the year	364	-	364	-
Utilised during the year - cash	(795)	(728)	(67)	-
Utilised during the year - accruals	(471)	-	-	(471)
Reversed unused	(51)	-	(51)	-
Change in discount rate	1,025	1,025	-	-
Unwinding of discount	73	70	3	-
At 31 March 2017	7,073	6,165	880	28
Expected timing of cash flows:				
No later than one year	1,281	727	526	28
Later than one year and not later than five years	3,133	2,911	222	-
Later than five years	2,659	2,527	132	-
Total	7,073	6,165	880	28

The timing of the provisions cash flow represents our best estimate of future liabilities based on available input from NHS professionals in the respective areas.

19.3 Provisions - further information

Clinical negligence

£519.117m (31 March 2017: £415.984m) is included in the provisions of the NHS Litigation Authority at 31 March 2018, in respect of the estimated clinical negligence liabilities and existing liabilities of the Foundation Trust. As such, no provision is included in the Trust's accounts

Pensions

The measure of the Foundation Trust's pension liability for early retired staff was recalculated in 2012-13, using the Office for National Statistics life expectancy tables. Expected future cash flows have been discounted using the real discount rate of 0.10% (2016/17: 0.24%) (set by HM Treasury) to determine the full liability.

Legal claims

The provision is based upon information provided by the NHS Litigation Authority and refers to non-clinical claims against the Foundation Trust (e.g. public and employer's liability cases).

Other

The Foundation Trust has provided £0.056m (31 March 2017: £0.028m) for outstanding Employment Tribunal cases and associated legal fees. There is a further provision for VAT charges on drugs and the billing of haematology drugs in respect to commercial clinical trials (£0.8m).

20 Contingencies

	Group and Trust	
	31 March 2018 £000	31 March 2017 £000
Contingent liabilities		
Non-clinical legal claims	114	198

The above contingencies refer to non-clinical legal claims, dealt with by the NHS Litigation Authority on behalf of the Foundation Trust. This represents our best estimate of future liabilities based on available input from NHS professionals in the respective areas.

The Foundation Trust has no contingent assets.

21 Contracted capital commitments

	Group and Trust	
	31 March 2018 £000	31 March 2017 £000
Property, plant and equipment	17,610	48,594

These contracts include the Critical Care Unit (£15.3m), DH Site Redevelopment (£0.17m), Main Theatre Upgrade (£1.4m), Fire Precaution Upgrade (£0.05m), Replacement Boilers (£0.07m) and Cath Lab 3 (£0.58m). It is anticipated that all these projects will be completed in the next financial year except Critical Care Unit.

22 Revaluation reserve

	Group and Trust		31 March 2018	31 March 2017
	Intangibles £000	Property, plant and equipment £000	Total £000	Total £000
At 1 April	37	99,679	99,716	97,201
Net impairments	-	(10,464)	(10,464)	(6,356)
Revaluations	-	4,102	4,102	13,431
Transfer to I&E reserve upon asset disposal	-	(507)	(507)	(4,560)
At 31 March	37	92,810	92,847	99,716

23 PFI - additional information

23.1 On SoFP liabilities

	Group and Trust	
	31 March 2018 £000	31 March 2017 £000
Gross PFI liabilities	375,605	391,754

Of which liabilities are due:

- not later than one year	20,709	20,627
- later than one year and not later than five years	81,370	78,853
- later than five years	273,526	292,274

Total

Finance charges allocated to future periods

Net PFI liabilities

Of which liabilities are due:		
- not later than one year	4,214	3,906
- later than one year and not later than five years	12,773	13,366
- later than five years	132,078	135,710

Total

149,065 152,982

23.2 Commitments

	Group and Trust	
	31 March 2018 £000	31 March 2017 £000
Total future payments committed of which will fall due:		
- not later than one year	74,109	72,108
- later than one year and not later than five years	315,384	308,648
- later than five years	1,464,426	1,551,589
Total	1,853,919	1,932,345

23.3 Total unitary payment payable to service concession operators

	Group and Trust	
	31 March 2018 £000	31 March 2017 £000
Unitary payment payable to service concession operator (total of all schemes)		
Consisting of:		
- Interest charge	16,813	16,641
- Repayment of finance lease liability	3,918	3,897
- Service element	45,752	41,317
- Revenue lifecycle maintenance	3,231	2,711
- Contingent rent	7,448	6,765
Total	77,162	71,331
Other amounts paid to operator due to a commitment under the service concession contract but not part of the unitary payment		
	8,901	7,744
Total	86,063	79,075

23.4 PFI Schemes

King's College Hospital

The PFI consisted of two phases: phase 1 (construction of the new Golden Jubilee Clinical Wing) and phase 2 (refurbishment of the existing Ruskin Wing). The project enabled the centralisation of acute services on the Denmark Hill site following the transfer of services from Dulwich Hospital and Mapother House. As part of the scheme, Hpc (King's College Hospital) plc also took responsibility for the provision of site-wide catering, domestic and portering services from April 2000. As a result recurrent revenue savings were achieved.

The project has been financed by a means of a wrapped, index linked bond guaranteed by MBIA-AMBAC and debt and equity capital provided by Costain, Skanska, Sodexho and Edison Capital. The contract period is 38 years. The annual payments by the Trust are dependent on availability and service quality standards being met. The commitments above include an inflationary increase of 3.28% (2016/17: 1.18%).

Princess Royal Hospital - building PFI

Under the building PFI, United Healthcare (Bromley) Ltd provided the land, building and site-wide hard and soft facilities management at the Princess Royal Hospital.

The capital funding is a combination of senior debt and equity finance. The senior debt financing was originally provided by way of loan from Commerzbank AG (and others). There was a refinancing process in 2004 which involved the issue of 3.018% index-linked guaranteed secure bonds, repayable in 66 six monthly instalments which commenced in 2004 and will end in 2036, and are subject to half yearly indexation in line with RPI.

Princess Royal Hospital - managed equipment services PFI

The MES PFI Scheme agreement dated 22 March 2002 is a 30 year PFI agreement and relates to the purchase of medical equipment, and the installation, maintenance and replacement of this and other clinical equipment. This agreement is between (1) The Trust, (2) United Healthcare (Bromley) Limited and (3) Healthsource (Bromley) Limited and commenced on the 1st of January 2003.

24 Financial instruments

24.1 Risk profile and management

Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Foundation Trust has with NHS England and clinical commissioning groups, and the way those commissioners are financed, the Foundation Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Foundation Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Foundation Trust in undertaking its activities.

The Foundation Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Foundation Trust's standing financial instructions and policies agreed by the board of directors. This treasury activity is subject to review by the internal auditor.

Currency risk

The Foundation Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Foundation Trust has no overseas operations. The Foundation Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

70% of the Foundation Trust's financial assets and 100% of its financial liabilities carry nil or fixed rates of interest. The Foundation Trust is not, therefore, exposed to significant interest-rate risk. The two tables below show the interest rate profiles of the Foundation Trust's financial assets and liabilities.

Credit risk

Because the majority of the Foundation Trust's revenue comes from contracts with other public sector bodies, the Foundation Trust has low exposure to credit risk. The maximum exposures as at 31 March 2018 are in receivables from customers, as disclosed in the trade and other receivables note (note 13). Trade and other receivables outstanding but not past due date are considered recoverable and are not impaired. Factors determining the of impairment of trade and other receivables past due is included in note 1.15.

Liquidity risk

The Foundation Trust's operating costs are incurred under contracts with clinical commissioning groups and NHS England, which are financed from resources voted annually by Parliament. The Foundation Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Foundation Trust is not, therefore, exposed to significant liquidity risks.

24.2 Financial assets

	Total £000	Floating rate £000	Fixed rate £000	Non- interest bearing £000
Group				
Gross financial assets				
at 31 March 2018	173,552	54,386	-	119,166
at 31 March 2017	181,631	33,894	-	147,737
Trust				
Gross financial assets				
at 31 March 2018	212,637	50,525	-	162,112
at 31 March 2017	213,382	31,213	-	182,169

The weighted average interest rate for total financial assets was 0.11% (2016-17: 0.16%).

The weighted average period for which fixed years was unlimited (2016-17: unlimited).

The non-interest bearing weighted average term years was nil (2016-17: nil).

24.3 Financial liabilities

	Total £000	Floating rate £000	Fixed rate £000	Non- interest bearing £000
Group				
Gross financial liabilities				
at 31 March 2018	804,902	1,153	671,236	132,513
at 31 March 2017	637,867	1,305	465,622	170,940
Trust				
Gross financial liabilities				
at 31 March 2018	816,442	-	671,166	145,276
at 31 March 2017	657,972	-	465,622	192,350
The weighted average interest rate for total financial liabilities was 4.61% (2016-17: 5.05%).				
The weighted average period for which fixed years was unlimited (2016-17: unlimited).				
The non-interest bearing weighted average term years was nil (2016-17: nil).				

24.4 Fair values of financial assets by category

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
Trade and other receivables - with NHS and DH bodies	70,105	64,812	70,105	103,647
Trade and other receivables - with other bodies	45,677	78,272	91,422	78,272
Other investments	3,384	4,653	585	250
Cash and cash equivalents	54,386	33,894	50,525	31,213
Total	173,552	181,631	212,637	213,382

24.5 Fair values of financial liabilities by category

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
Borrowings (excluding finance leases and the PFI liability)	514,529	307,780	513,376	306,475
Obligations under finance leases	1,289	-	1,289	-
Obligations under PFI arrangements	149,065	152,982	149,065	152,982
Trade and other payables excluding non-financial liabilities - with NHS and DH bodies	15,665	24,347	15,665	45,757
Trade and other payables excluding non-financial liabilities - with other bodies	116,848	146,593	129,611	146,593
Provisions under contract	7,507	6,165	7,437	6,165
Total	804,902	637,867	816,443	657,972

Fair value does not differ significantly from book value due to expected cash flows being discounted at the HM Treasury discount rate of 0.10% in real terms when determining fair value. Fair value measurements fall within level 2 of the fair value hierarchy as quoted prices for similar assets or liabilities in active markets and inputs other than quoted prices e.g. interest rates are available.

24.6 Maturity of financial liabilities

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
In one year or less	247,715	179,637	260,212	200,920
In more than one year but not more than two years	90,268	107,905	90,070	107,534
In more than two years but not more than five years	239,263	168,125	238,671	172,537
In more than five years	227,657	182,200	227,490	176,981
Total	804,902	637,867	816,443	657,972

25 Third party assets

At 31 March 2018, the Foundation Trust held £13,917 (31 March 2017: £13,161) cash at bank and in hand that related to monies held by the Foundation Trust on behalf of patients. This has been excluded from the cash at bank and in hand figure reported in the accounts.

26 Events after the reporting period

There have been no material adjusting or non-adjusting events after 31 March 2018.

27 Related parties

King's College Hospital NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health.

During the year, none of the Board members, the Foundation Trust's governors, members of the key management staff or parties related to them have undertaken any material transactions with the Foundation Trust.

The Department of Health and Social Care is regarded as a related party. During the year, the Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent entity, including CCGs, NHS Trusts and NHS England, as well as the NHS Litigation Authority and the NHS Business Services Authority (including NHS Supply Chain).

The Foundation Trust received revenue and capital payments from charitable funds, principally the King's College Hospital Charitable Fund and these transactions have been disclosed below.

In addition, the Trust has significant transactions with King's College London in respect of education, training and research and development.

The Foundation Trust has entered into the following material related party transactions:

	Income £000	Expenditure £000	Receivables £000	Payables £000
Department of Health and Social Care	5,289	-	-	-
NHS England	457,017	-	36,694	153
NHS Bexley CCG	40,237	-	2,628	134
NHS Bromley CCG	174,513	-	4,322	1,323
NHS Croydon CCG	21,408	-	3,562	145
NHS Dartford, Gravesham And Swanley CCG	10,584	-	-	87
NHS Greenwich CCG	18,792	-	-	1,036
NHS Lambeth CCG	74,378	-	3,660	1,195
NHS Lewisham CCG	36,191	-	1,131	353
NHS Medway CCG	4,091	-	712	-
NHS Southwark CCG	89,583	-	4,554	1,458
NHS Wandsworth CCG	2,884	-	592	-
NHS West Kent CCG	10,196	-	198	22
Guys And St Thomas NHS Foundation Trust	8,010	1,962	2,320	3,302
South London and Maudsley NHS Foundation Trust	1,599	1,617	670	551
Lewisham and Greenwich NHS Trust	1,200	3,638	812	1,986
Oxleas NHS Foundation Trust	1,373	8,768	782	1,714
Health Education England	43,354	-	103	609
NHS Resolution	109	32,575	-	18
NHS Blood and Transplant	2,260	7,022	137	91
HM Revenue and Customs	-	51,425	12,564	14,299
NHS Pension Scheme	-	56,062	-	178
Viapath Group LLP	2,754	39,895	6,341	2,598
King's College Hospital Charitable Fund	1,808	2	175	-
Kings College London	7,333	7,330	6,859	2,779
King's College Hospital Clinics LLC	234	-	965	-

28 Losses and special payments

Group and Trust	2017-18		2016-17	
	Number	Value £000	Number	Value £000
Losses of cash due to:				
- overpayment of salaries	134	50	48	23
Bad debts and claims abandoned in relation to:				
- private patients	97	291	67	302
- overseas visitors	890	3,937	999	4,917
- other	-	-	110	91
Damage to buildings, property etc. due to:				
- theft, fraud etc.	24	29	14	8
Total losses	1,145	4,307	1,238	5,341
Special, ex-gratia, payments due to:				
- loss of personal effects	-	-	7	4
Total special payments	-	-	7	4
Total losses and special payments	1,145	4,307	1,245	5,345

In 2017-18 there were nil cases where the loss or special payment exceeded £300,000 (2016-17: nil cases).

Losses and special payments are disclosed on an accruals, rather than a cash, basis, but exclude provision for future losses.