Council of Governors

Board Room, The Royal Marsden, London

Wednesday 23rd September 2015, 11am - 1pm followed by lunch

1. Welcome from the Chairman

2. Minutes of the meeting held on 10th June 2015
   (Chairman) (enclosed) To approve

3. BRC renewal and PPI Strategy
   (Rachel Turner, Business Manager for Clinical Research / Dr Naureen Starling, Associated Director of Clinical Research) (presentation) To note

4. Sutton and Merton Community Services:
   Procurement outcome and future plans
   (Maggie Gairdner, Divisional Director for Community Services) (enclosed) To discuss

5. Making care decisions in advance: (New Policy on Decision Right)
   (Chief Nurse) (enclosed) To note

6. Finance Performance Report for 5 Months to August 2015
   (Chief Financial Officer) (enclosed) To discuss

7. New Models of Care
   (Chief Nurse) (enclosed) To discuss

8. Quality and Performance
   8.1. Quality Accounts for June, July and August 2015
   (Chief Nurse) (enclosed) To discuss
   8.2. NQB Safer Staffing Levels
   (Chief Nurse) (enclosed) To note
   8.3. Key Performance Indicators Q1
   (Director of Performance and Information) (enclosed) To discuss
   8.4. Pharmacy Waiting Times
   (Jatinder Harchowal, Chief Pharmacist) (enclosed) To discuss

9. Board sub-committee report for the Audit and Finance Committee and Quality, Assurance and Risk Committee
   (Chairs of the Committee’s Ian Farmer and Nancy Hallett) (enclosed) To note

10. Auditor’s Report on the Annual Report and Accounts
    (Heather Bygrave, Deloitte LLP) (enclosed) To discuss

11. Any Other Business

Date of next meeting:
   Wednesday 9th December 2015, 11am - 1pm Board room, Chelsea
Minutes

Present:
- R. Ian Molson (Chairman)
- Governors as per attached attendance list

In attendance
- Cally Palmer (Chief Executive)
- Dame Nancy Hallett (Non-Executive Director)
- Professor Dame Janet Husband (Non-Executive Director)
- Dr. Liz Bishop (Chief Operating Officer)
- Marcus Thorman (Chief Financial Officer)
- Dr. Shelley Dolan (Chief Nurse)
- Professor Martin Gore (Medical Director)
- Steven Francis (Interim Director of Information & Performance)
- Syma Dawson (Trust Secretary) (minutes)
- David Pontin (Deloitte LLP)

The Governors met with the Senior Independent Director (SID), Nancy Hallett and the Trust Secretary in a separate meeting to discuss the Chairman’s appraisal. Governors thanked the SID for following a comprehensive process and accepted the report.

MEETING BUSINESS
The Chairman welcomed new Governor Anne Croudass to the Council who will be representing Cancer Research UK.

1 Apologies – as noted in the attached attendance list

2 Minutes of meeting held on the 4th March 2015
The minutes of meeting held on the 4th March 2015 were approved as an accurate record.

3 Presentation: “Monitoring our Performance”
The Director of Performance and Information delivered his presentation which highlighted the ways in which the Trust monitors its performance with reference to Quarter 4 of the Trust’s Key Performance Indicators, including the role of Governors and the Board.

4 Finance and Capital Report
4.1 Finance Report: Month 12
The Chief Financial Officer (CFO) presented the enclosed report and highlighted that the Audit and Finance Committee approved the Annual Accounts 2014/15. A late change was the Project Diamond funding which the Trust received for 2014/15 prior to submitting the Annual Accounts.

The Council discussed the item for impairment listed in the development reserve for investment. The CFO explained that this related to one of the buildings in Chelsea which had reached its maximum value and therefore any works carried out on the site are reported as impairments. The Council also noted that the Trust has aligned its accounting guidelines with Chelsea and Westminster NHS Foundation Trust in relation to the joint IT venture for Sphere.
4.2. Financial Plan 2015/16
The CFO presented the Financial Plan for 2015/16 which relates to year two of the current Five Year Plan. The work of the new Transformation Board to improve efficiency and resource use was highlighted as well as their newly added work stream ‘seven day working’ which will look to utilise Trust assets more effectively.

The CFO reported that the Trust has submitted a ‘strong 3’ in its risk rating as opposed to a ‘weak 4’ to reflect the economic challenges facing the Trust and the wider NHS. The Council were assured that Monitor will only intervene when the Trust risk rating drops to a ‘2’ or less and so the Trust does not expect any impact from this submission.

The Chairman concluded that the Trust expects further financial pressure which will make it increasingly difficult to achieve efficiency targets whilst enhancing the quality and safety of care. The Chief Executive noted that the Trust is in a ‘year of transition’ which requires not only a conventional efficiency programme but a transformational one. As such, the Trust has established Clinical Business Units to carefully monitor and review performance. The key message from the Trust is that it has worked hard to arrive at a surplus plan for 2015/16 and that it is important to establish a more sustainable funding model for specialist cancer services from 2016/17 onwards.

The Council requested a fuller understanding of Service Line Reporting by division which would be provided in future reporting.

5 Chief Executive Report
The Chief Executive highlighted the following points from her report:

Research
- **Immunotherapy**: The Trust’s excellent breakthrough in cancer treatment using immunotherapy led by Dr James Larkin;
- **MR/Linac Development**: the Trust is one of five centres in the world developing prototype MR/Linac technology;
- **Ralph Lauren Breast Cancer Research Centre**: the CEO reported that this was ahead of its expected completion is February 2016;
- **The BRC mock inspection** illustrated a need for the Trust to demonstrate a new visionary strategy for translational and clinical research to enhance the impact on patient care from its work as a BRC. The Trust’s new clinical research website and magazine called ‘Advance’ is now available.

Treatment and Care
- **Vanguard models**: The Trust’s initial application to pilot a new service and delivery model as part of the Five Year Forward View for the NHS was an extension of the RM@ franchise model across a wider area of London. This proposal has now changed following discussion with the national team and The Christie Hospital in Manchester to a new accountable care network for patients with cancer, based on the successful models already established in the US. This is at an early stage of development and the Trust will submit a bid to develop the model further, supported by national funding, by 31 July. Governors will be updated on progress.

Estate
- **In Chelsea**, the Trust continues to work with the Royal Brompton and NHS England (London) on the development of a Strategic Outline Case for a shared clinical model and shared vision of the estate in Chelsea. This will be ready by the end of July 2015;
- **In Sutton**, work is underway on the development of the Maggie’s Centre and assuming planning permission is granted, the expected completion date is the end of 2016. Alongside this, the Trust continues to support the ICR and Sutton Council with the potential development of the Sutton Hospital site for academy and biotech investment (the “Sutton for life” scheme). It has also been asked to work with Epsom and St Helier which owns the Sutton Hospital site on a potential development for healthcare. Ideally The Royal Marsden would wish all partners to plan and work together on the Sutton site development as this may enhance the chance of success in creating a modern and thriving healthcare and research centre.

The Chief Executive thanked the Chief Financial Officer and Leadership Team for their hard work in achieving a good end of year position in a difficult financial environment.
6 BRC Annual Report
The Chief Operating Officer explained that the Trust was in year four of the BRC grant which was awarded by the National Institute of Health Research (NIHR) and is managed by the Trust supported by the ICR. The key area of work is the renewal of the BRC which is due by June 2016. She identified the areas of strength for example, early phase clinical trials, patient and public involvement (PPI), and areas for development such as better evidence demonstrating the impact of our research on patients. Governor Peter Lewins noted his position as the patient representative on the BRC Steering Group and suggested that Governors provide their feedback / ideas to him regarding PPI.

Governor Robert Shearer queried whether the Trust has discussed a possible collaborative partnership with Imperial Healthcare NHS Trust. The Chief Executive said that a new partnership had already been established with Imperial for genomics, and a wider partnership is being explored currently for research and service.

It was agreed that information about the PPI Strategy would be brought back to the Council.

7 Quality and Performance
7.1. Annual Quality Account
The Chief Nurse informed the Council that this is the first time the Trust has had assistance from the plain English society and reminded Governors that much of the text is mandated. She introduced Mr David Pontin from Deloitte to present the auditor’s report on the Annual Quality Accounts.

David Pontin reported that the auditors looked at three indicators and conducted a consistency review. He highlighted that of the three indicators, the 18 week referral to treatment indicator gave rise to a technical issue. The national target for this indicator is 92% and for the Trust, performance is at 95.8% so the Trust has a good level of compliance. However, the auditors were unable to give an opinion on this as they discovered a number of instances in the sample whereby the patient clock was stopped for reporting purposes later than it should have been. In particular this related to patients for whom a decision not to treat had been taken.

David Pontin commented that this issue has no clinical impact on the Trust and that the complexity of this national metric has led to many other NHS organisations receiving qualifications. David’s opinion was that the Trust has many good processes in place that the auditors have not seen elsewhere. The Director of Performance and Information added that due to the nature of the way 18 week data is structured, there is no easy way to calculate the precise materiality of this error. He had, however, been able to analyse a full month’s recent data to identify all late clock-stops and this suggested the maximum effect of this error would be no more than 0.4%. The Trust will be increasing validation and introducing real time logging of any late notification in order to fully assure the accuracy of this indicator in the future. David Pontin noted that the auditor’s qualification is because the Trust is unable to quantify precisely how much ‘implicit error’ there was which led to their modified opinion.

With regard to the other two indicators, the 62 day cancer wait and outpatient waiting times, David Pontin confirmed that the Trust has robust processes in place and there are no significant findings to report on either.

The Chairman requested a report on how many hours have been spent working on the Quality Accounts.

It was noted that Governors had not received the auditor’s report on the Annual Quality Accounts and so the Trust Secretary agreed to distribute this following the meeting.

The Chief Nurse explained that this is the first time the Trust has had a qualified opinion and in response to this, the Trust has asked the auditors to include a caveat in their report which states that this issue has no clinical impact on the Trust and is a common finding in other NHS organisations.

In response to a query raised by Governor Robert Shearer, the Chief Nurse agreed to provide further details on venous thromboembolism statistics in the monthly Quality
Account. The Chief Nurse also commented on the number of patients who receive holistic needs assessments and explained that this information is uploaded to a national database. In addition, the Trust has put measures in place to raise awareness of the importance of this assessment.

7.2. Quality Accounts for February 2015 – April 2015
The Chief Nurse reported that there is a national problem with nurse recruitment which is acute in London. This is due to a number a factors:
- Insufficient places on relevant degree courses which is currently being looked at by local training boards;
- Cost of living, particularly in London. Many trainees are coming to London for training and then leaving which is affecting key areas such as theatre, intensive care, paediatric and community nurses;
- Retention of staff is proving difficult giving the competitive nature of the labour market.

The Council discussed the national salary scale for nurses and hoped there may be flexibility on this in future as well as other opportunities around affordable housing and travel. Governor Ann Curtis queried whether the Trust can pool nurses from Sutton to which the Chief Nurse responded that this can and does happen when necessary however it is not a sustainable option. David Pontin left the meeting at this point.

7.3. CQC Inpatient Survey
The Chief Nurse explained that the postal survey relates to all adult inpatients and has a good response rate with the national average at 47% and the Trust at 59%. She noted that the Trust has scored highly in 50 out of 58 questions and scored the highest in England for patients being treated with respect and dignity. However, the following two questions were highlighted as areas for improvement; ‘bothered by noise at night from other patients’ and ‘did staff discuss if additional equipment was needed in your home’. Overall the Trust had a very positive outcome from the survey.

7.4. Staff Survey
The Director of Workforce reported that the Trust had performed well overall in the survey and highlighted the key findings, areas for improvement and action plan outlined in the report. Governor Ann Curtis queried the Trust approach to bullying and harassment to which the Director of Workforce responded that there has been a rise in the number of cases which she feels is a good sign because people are raising the issue although numbers are extremely low overall. Governor Robert Shearer asked about the percentage of staff who are experiencing discrimination at work in the last 12 months. The Director of Workforce explained that the Trust’s scores on the diversity indicator are similar to other London Trust scores and so a London wide approach is needed which shares lessons learned. The Chairman added that the Board sub-committee, the Quality, Assurance and Risk Committee have looked at this and feel satisfied with the Trust approach to identify and address such issues.

8 Items from Governors
8.1. Pharmacy Waiting Times
Governor Vikki Orvice informed the Council that a number of patients have raised concerns with her about waiting for drugs to be dispensed in the outpatient clinic. She asked whether the Trust was aware of this issue and were addressing the matter. The Chief Operating Officer confirmed that this is largely caused by a refurbishment taking place and due to finish by July. The Trust expects that waiting times will improve from the 1st July 2015 when e-prescribing goes live. She added that the Trust is working closely with nurses in order to better understand the situation as well as trying to increase batch production via Hospira.

It was agreed that a report regarding Pharmacy Waiting Times would be brought back to the next Council of Governor meeting.

8.2. Surgical Strategy
Governor Duncan Campbell commented on theatre utilisation in Sutton which shows only three quarters in use and asked what the view of the Transformation Board is on this. The Chairman responded that the Trust is currently building a model which will look to invest and build capacity however there is a degree of complexity in doing this which is proving
problematic. The Chief Executive added that there are short to medium term measures that can be implemented to address immediate issues e.g. seven day working, and while the surgical service is safe and of high quality, it is not economically sustainable as it is. Therefore the Trust is required to consider a longer term plan which may involve collaborative working with another NHS organisation such as the Royal Brompton or Epsom and St. Helier.

8.3. IT Strategy
This item was deferred to the Governor Seminar on IT which was due to take place following the Council of Governor meeting.

9. Governor’s Register of Interests – For information
The item was for information only.

10. Any other business
Governor Janet Mountford asked for an update with regard to the SMCS bid. The Chief Executive noted that the Trust has made a firm commitment to put a bid in for both the Sutton contract and Merton contract. She reported that the Trust has passed the first stage of the procurement exercise with Merton Council and expressed the Trust’s concern with regard to the overall process and the two bids being split and managed at different times. The Trust concern is that if only one of the bids is successful then this will pose greater challenges to the Trust and so the ambition is that both are acquired in order to deliver a Service that the Trust strives for. The Trust will know the outcome of the bids by August for Sutton and October for Merton.

Date of next meeting:
23rd September 2015, 11am – 1pm, Board Room, Chelsea

SIGNED…………………………………………………………………………………...

DATED…………………………………………………………………………………..
## Council of Governors

### Attendance List 10\textsuperscript{th} June 2015

<table>
<thead>
<tr>
<th>Elected Governors</th>
<th>Constituency</th>
<th>Signature</th>
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<tbody>
<tr>
<td>Maggie Harkness</td>
<td>Kensington &amp; Chelsea and Sutton &amp; Merton</td>
<td>✓</td>
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<tr>
<td>Joyce Herve</td>
<td>Kensington &amp; Chelsea and Sutton &amp; Merton</td>
<td>✓</td>
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<tr>
<td>Colin Peel</td>
<td>Kensington &amp; Chelsea and Sutton &amp; Merton</td>
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<tr>
<td>Fiona Stewart</td>
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<tr>
<td>Dr Peter Lewins</td>
<td>Elsewhere in London</td>
<td>✓</td>
</tr>
<tr>
<td>Vikki Orvice</td>
<td>Elsewhere in England</td>
<td>✓</td>
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<tr>
<td>Simon Spevack</td>
<td>Elsewhere in England</td>
<td>✓</td>
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<tr>
<td>Lesley-Ann Gooden</td>
<td>Carer</td>
<td>✓</td>
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<tr>
<td>Duncan Campbell</td>
<td>Carer</td>
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### Public Governors

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<th>Constituency</th>
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<tbody>
<tr>
<td>Dr Carol Joseph</td>
<td>Kensington and Chelsea</td>
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</tr>
<tr>
<td>Janet Mountford</td>
<td>Sutton &amp; Merton</td>
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<tr>
<td>Ann Curtis</td>
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<tr>
<td>Robert Shearer</td>
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### Staff Governors

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<tr>
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<tbody>
<tr>
<td>Hardev Sagoo</td>
<td>Corporate Support Services</td>
<td>✓</td>
</tr>
<tr>
<td>Richard Keane</td>
<td>Clinical Professionals</td>
<td>Apologies</td>
</tr>
<tr>
<td>Dr Claire Deardens</td>
<td>Doctor</td>
<td>Apologies</td>
</tr>
<tr>
<td>Maureen Carruthers</td>
<td>Nurse</td>
<td>Apologies</td>
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### Nominated Governors

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<tr>
<th></th>
<th>Constituency</th>
<th>Signature</th>
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<tbody>
<tr>
<td>Cathy Scivier</td>
<td>Institute of Cancer Research</td>
<td>✓</td>
</tr>
<tr>
<td>Robert Freeman</td>
<td>Local Authority: Borough of Kensington &amp; Chelsea</td>
<td>✓</td>
</tr>
<tr>
<td>Kate Law</td>
<td>Cancer Research UK (Charity)</td>
<td>✓</td>
</tr>
<tr>
<td>Cllr Stephen Alambritis</td>
<td>Local Authority: Boroughs of Sutton &amp; Merton</td>
<td>✓</td>
</tr>
<tr>
<td>Dr Chris Elliot</td>
<td>Clinical Commissioning Group</td>
<td>Apologies</td>
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<tr>
<td>Dr Philip Mackney</td>
<td>Clinical Commissioning Group</td>
<td>Apologies</td>
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**Date of Meeting:**
23rd September 2015

**Agenda item**
3.

<table>
<thead>
<tr>
<th><strong>Title of Document:</strong></th>
<th>Presentation: BRC renewal and PPI Strategy</th>
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<tr>
<td><strong>To be presented by</strong></td>
<td>Rachel Turner, Business Manager for Clinical Research / Dr Naureen Starling, Associated Director of Clinical Research</td>
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**Executive Summary**

At the last Council of Governors meeting it was agreed that the Council would be informed on the Trust PPI Strategy in light of the BRC renewal. Thus, Rachel Turner, Business Manager for Clinical Research, and Dr Naureen Starling, Associated Director of Clinical Research, will present on this topic and invite Governors to discuss and ask questions.

<table>
<thead>
<tr>
<th><strong>Author:</strong></th>
<th>Rachel Turner and Dr Naureen Starling.</th>
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<td><strong>Date:</strong></td>
<td>10th September 2015</td>
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| **Contact Number or E-mail:** |  |
|------------------------------| |
NIHR RM/ICR Biomedical Research Centre
BRC Submission: Round 3

Update for Council of Governors

Wednesday 23rd September 2015
Boardroom, Chelsea
Dr Naureen Starling, Consultant Medical Oncologist & Associate Director of Clinical Research
Rachel Turner, Clinical Research Business Manager
NIHR RM/ICR BRC: History

2006
- First capital bid for Centre for Molecular Pathology, £5.5m

2007
- The NIHR RM/ICR Biomedical Research Centre is first established
- £10m per year as one of the original 12 Biomedical Research Centres
- The award followed a competitive international peer review process, in which we were the only BRC applicant to have over 10% of the top-cited research papers in oncology

2009
- Second capital bid for Centre for Molecular Pathology, £5.5m

2012
- We were re-awarded BRC status and remain the only BRC specialising in cancer
- £12.5m per year
- Funding is awarded to support translational and early phase clinical research based in the NHS
NIHR RM/ICR BRC: Round 3

2017
– The current funding award ends on 31\textsuperscript{st} March 2017

Expected submission process
– It is likely that a submission for a new award will be required between April-June 2016
– A panel interview will likely take place at which a short presentation would be required followed by an in depth interview
– Exact details not yet released
NIHR RM/ICR BRC: Round 3
Development of submission

RM Board
ICR Board of Trustees

RM/ICR Joint Research Strategy Working Group

- Immunotherapy
- General strategy
- Integration of germline and tumour genetics, and heterogeneity
- Big data

RM/ICR BRC Writing Group

- Biomarkers (including circulating and imaging)
- Systemic and immunotherapies
- Cancer Genetics
- Breakthrough Breast Cancer
- Surgery
- Health Services Research, palliative care and survivorship
- Radiotherapy
RM/ICR Joint Research Strategy Working Group

- The Joint Research Strategy is the foundation for the BRC Strategy
- Joint Research Strategy to be presented to the RM Trust Board and ICR Board of Trustees in January/February 2016
- Research Strategy Working Group Membership:
  - Professor Paul Workman, ICR CEO & Divisional Head CT
  - Professor Clare Isacke, Academic Dean & Team Leader
  - Professor Johann de Bono, Clinical Senior Lecturer, Consultant Medical Oncologist
  - Professor Mel Greaves, Deputy Head of Division, Molecular Pathology
  - Professor Kevin Harrington, Team Leader, Cancer Biology, Consultant Clinical Oncologist
  - Professor Uwe Oelfke, Head of Unit, Radiotherapy and Imaging
  - Professor Naz Rahman, Head of Division, Genetics And Epidemiology
  - Professor Andrew Tutt, Head of Division, Breast Cancer Research
  - Professor Julian Blagg, Deputy Head of Division, Cancer Therapeutics
  - Professor Martin Gore, RM Medical Director, Consultant Medical Oncologist
  - Professor David Cunningham, Director of Clinical Research/BRC, Consultant Medical Oncologist
  - Professor Stan Kaye, BRC Senior Fellow, Consultant Medical Oncologist
  - Barbara Pittam, Scientific Secretary, Academic Services
  - Dr Fiona Hemsley, ICR Research Operations Director
  - Dr Liz Bishop, RM Chief Operating Officer
NIHR RM/ICR BRC: Writing Group

- BRC Writing Group formed to write the new application
- Membership includes:
  - Professor David Cunningham, Director of Clinical Research/BRC (Chair)
  - Barbara Pittam, Scientific Secretary, Academic Services
  - Dr Naureen Starling, Associate Director of Clinical Research/NIHR Training Lead
  - Jane Lawrence, Assistant Director of Clinical Research
  - Dr Monica Ritco Vonscovici, BRC Manager
  - Dr Fiona Hemsley, ICR Research Operations Director
- Expert advice and input sought from appropriate Theme Leads and key personnel
NIHR RM/ICR BRC: Working Groups

- 7 Working Groups have been established
- Core team:
  - Professor David Cunningham, Director of Clinical Research/BRC (Chair)
  - Professor Paul Workman, ICR CEO
  - Professor Martin Gore, RM Medical Director
  - Professor Mitch Dowsett, Molecular Pathology Theme Lead
  - Professor Kevin Harrington, Radiotherapy Theme Lead
  - Dr Liz Bishop, RM Chief Operating Officer
  - Dr Naureen Starling, Associate Director of Clinical Research/NIHR Training Lead
  - Jane Lawrence, Assistant Director of Clinical Research
  - Dr Monica Ritco Vonscovici, BRC Manager
  - Dr Fiona Hemsley, ICR Research Operations Director

- Core team will be joined at Working Group by an additional cohort of individuals who will be invited to each meeting, dependent on the subject matter
- Each group to generate content for the 2016 submission
- Meetings throughout 2015
NIHR RM/ICR BRC: Key Themes

Emerging themes are:
- Cancer evolution and drug resistance
- Integration of germline and tumour genetics, and heterogeneity
- Immunotherapy
- Integration of imaging into many more areas of research
- Big data
- Targeted, smarter, smaller trials on stratified patient groups
- Better animal models
- Combination therapies and trials based on mechanism-based combination selection
- Image-guided therapies (radiotherapy/proton therapy/combination with therapeutic ultrasound)
NIHR RM/ICR BRC: Anticipated NIHR Themes

– What makes us unique
– Making an impact – BRC research should impact patient care within five years of the research completing; changes in clinical practice; publication of clinical guidelines
– PPI – incorporating, integrating and embedding the perspectives of patients, carers and the public into our research
– Training – building research capacity
– Health & Wealth – being relevant to the Government’s Growth agenda
– Strength of strategic partnerships – including those with Industry and other NIHR-funded research Infrastructure
– Athena SWAN Charter – working towards achieving the Silver Award by 2016
**Date of Meeting:** 23 September 2015

**Title of Document:** Sutton and Merton Community Services: Procurement outcome and future plans

**To be presented by:** Maggie Gairdner

**Background**

The purpose of this report is to update the Council of Governors on the progress to date with the tendering of services currently provided by the Community Services Division.

**Executive Summary**

We were informed on 3rd August that The Royal Marsden is the preferred bidder for Sutton Community Services for adults and adult & child therapy services for a three year period (with the potential for a further two years extension on a year by year basis) subject to satisfactory conclusion of:

- Internal Board Approvals;
- Successful Alcatel (10-day standstill) Period; and
- Successful contract signing by the preferred Bidder and Contracting Authority.

We have received notification that the standstill period has successfully concluded and that final approval was given at the Sutton CCG Board meeting 9th September 2015.

Having secured the tender the Trust will now commence mobilisation and continued transformation of the service. This will entail working with all commissioners through the Disaggregation Working Group, and establishing a Programme Board, chaired by the Chief Operating Officer, comprising subgroups leading on specific aspects of implementation.

Whilst a significant element of the implementation will include disaggregation of services from Merton CCG this will not be able to conclude until after the other tenders outcomes are announced, in particular Merton Community Services tender results due in early October.
**Recommendations**
The Council is asked to:

- Note the successful outcome of the bid to manage Sutton Community Services with effect from 1st April 2016.
- Note the outcome of the bid to manage Merton Community Services is due on 5th October 2015.
- Note the timeframe for three other specialist areas of service, separately tendered by Sutton and Merton:
  - Merton Adult MSK and Outpatient Physiotherapy Services
  - Sutton Local Authority: Healthy Child Services
  - Sutton Local Authority: Integrated Sexual Health Services
- Note the transfer of the Diabetic Eye Screening Programme to a private provider and Acute Therapies to Epsom & St Helier NHS Trust.

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<tr>
<th>Author:</th>
<th>Contact Number or E-mail:</th>
<th>Date:</th>
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<tbody>
<tr>
<td>Maggie Gairdener, Divisional</td>
<td>8127</td>
<td>9 September 2015</td>
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<td>Director Community Services</td>
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Sutton and Merton Community Services: Procurement outcome and future plans

Introduction

The purpose of this report is to update the Council of Governors on the progress to date with the tendering of services currently provided by the Community Services Division.

1 Sutton Clinical Commissioning Group
Duration - 3Yrs

We were informed on 3rd August that The Royal Marsden is the preferred bidder for Sutton Community Services for adults and adult & child therapy services for a three year period (with the potential for a further two years extension on a year by year basis) subject to satisfactory conclusion of:

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2 Merton Clinical Commissioning Group and Merton Local Authority
Duration 3Yrs (with option to extend for a further two years)

The response to the Invitation to Tender was submitted on 10th July 2015 supplemented by a presentation to the CCG Review Panel on 17th August 2015.

The tender was for the provision of:

- Adult Community Specifications consisting of Proactive Planned Preventative Provision and Reactive, Rapid Response;
- Contraception and Sexual Health Service;
- Healthy Child Services 0-5;
- Healthy Child Services 5-19;
- Children’s Community Therapy and Specialist Healthcare Support and Coordination;
• Specialist Nursing for Children Looked After and Care Leavers and the Multi-agency Safeguarding Hub (MASH).

The CCG will announce its preferred bidder on 5th October with contract award on 16th October 2015 and it will be at this point that the disaggregation process can be concluded given that its impact upon staff will be determined by whether the Trust is selected as service provider for Merton.

3 Merton Adult MSK and Outpatient Physiotherapy Services
Duration 3Yrs (with option to extend for a further two years)

These services were tendered separately by Merton CCG although with the same closing date and a presentation to the review panel on 21st August 2015.

Again, the preferred bidder will be announced on 5th October 2015.

4 Sutton Local Authority: Healthy Child Services
Duration 4Yrs (with potential to extend for up to three further years)

This tender comprises Health Visiting and School Nursing, Family Nurse Partnership and the Weight Management service. The tender response document was submitted on 28th August (following an extension to the timetable by the Commissioners) and a presentation to the review panel will be made on 16th September 2015.

It is expected that the Local Authority will announce its preferred bidder on 18th September with contract award on 2nd October 2015.

5 Sutton Local Authority: Integrated Sexual Health Services
Duration 3Yrs (with potential to extend for a further four years)

Following the transfer of responsibility for commissioning sexual health services into the local authority, the London Borough of Sutton is separately tendering for the provision of an integrated service comprising, contraception and sexual health and the Genito-Urinary Medicine service (GUM) currently provided by Epsom and St Helier NHS Trust. (The provision of HIV services also provided by ESH is not within the scope of the tender.)

The Trust is currently working on the submission document.

Notification of outcome of tendering is expected on 13th October with contract award on 28th October 2015.

6 NHS England: Diabetic Eye Screening Programme (DESP)

Following the withdrawal of the Trust from the tendering process for the provision of DESP in South West London; NHS England announced that the preferred bidder was Medical Imaging Ltd.

The service will transfer to Medical Imaging on 1st November 2015 and will include the TUPE transfer of 13 members of staff. The Trust is working closely with Medical Imaging to ensure that the transfer is as smooth as possible – formal staff consultation commences on 8th September and will run for a period of 28 days.
The transfer of this dedicated and effective group of staff will be a significant loss to the Trust and it is requested that their contribution to patients under The Royal Marsden management is recognised by the Board.

7. **Epsom and St Helier University Hospitals NHS Trust: Acute Therapies**
The Trust has been providing all of the acute therapy provision for Epsom and St Helier at their St Helier site for a number of years. During 2014, NHS Elect carried out a review of these therapies services on their behalf to inform both operational and contractual arrangements going forward. The Trust received notice from Epsom and St Helier that they intended to transfer the acute therapies service from the Royal Marsden to ESH from 1 October 2015. We have been working with them and our staff to ensure that this transfer happens smoothly.

8. **Summary**
The Council of Governors is asked to:

- Note the successful outcome of the bid to manage Sutton Community Services with effect from 1st April 2016.

- Note the outcome of the bid to manage Merton Community Services is due on 5th October 2015.

- Note the timeframe for three other specialist areas of service, separately tendered by Sutton and Merton:
  - Merton Adult MSK and Outpatient Physiotherapy Services
  - Sutton Local Authority: Healthy Child Services
  - Sutton Local Authority: Integrated Sexual Health Services

- Note the transfer of the Diabetic Eye Screening Programme to a private provider and Acute Therapies to Epsom & St Helier NHS Trust.
### Date of Meeting:
23rd September 2015

### Agenda item
Item 5.

### Title of Document:
Making care decisions in advance: (New Policy on Deciding Right)

### To be presented by
Chief Nurse

### Background
Deciding right is an integrated approach to making care decisions in advance. It is a set of core principles which supports that all care decisions must come from a shared partnership between the professional and the child, young person or adult. Developed in the north east of England, this is the first framework in the UK to integrate the principles of making care decisions in advance.

### Executive Summary
Following the positive experience of the North East implementing Deciding Right there is a strong desire for The Royal Marsden to adopt Deciding Right as the framework to support patients and families making care decision in advance.

It is envisaged that to ensure a comprehensive delivery programme that is sustainable the roll out of Deciding Right should be over the next 12 months with ongoing evaluation and audit of the impact within the Trust for both patients and clinicians.

### Recommendations
The Council of Governors are invited to note this paper and the action plan and delivery programme to implement Deciding Right.

### Author:
Dr Shelley Dolan, Chief Nurse

### Contact Number or E-mail:
PA 2121

### Date:
10th September 2015
Making care decisions in advance: (New Policy on Deciding Right)

1.0. Introduction to Deciding Right

Deciding right is an integrated approach to making care decisions in advance. It is a set of core principles which supports that all care decisions must come from a shared partnership between the professional and the child, young person or adult. Developed in the north east of England, this is the first framework in the UK to integrate the principles of making care decisions in advance.

The need for clear decisions and protocols during emergencies has to be balanced against the needs to make decisions in advance that avoid unnecessary or distressing treatment. Problems around such decisions are an individual and organisational risk. This framework has the potential to centre decisions on the individual rather than the organisation. The challenge is to ensure that individuals and carers make informed choices, and that the decisions are communicated efficiently and effectively. The solution lies in the partnership between clinician and individual inherent in shared decision making.

The introduction of Deciding Right will also compliment the study currently being undertaken with the Specialist Palliative care team within the Lung Outpatient service. This pilot study aims to support early integration of palliative care with standard oncological care in patients with metastatic Non Small Cell Lung Cancer which has been shown to result in prolonged survival and clinically meaningful improvements in quality of life and mood. However, referral is highly dependent on the priority given to palliative care by individual healthcare professionals. In order to facilitate timely referral to specialist palliative care services, a new framework has been developed which aims to prompt review of patients’ care plans to ensure timely advance care planning and referral to specialist palliative care where appropriate.

In addition to these trust initiatives the End of Life group of the Strategic Clinical Network are developing a Pan London approach to decision making in care and Deciding Right is part of the tool kit of recommended frameworks.

2.0. The Principles of Deciding Right

2.1 Centre care decisions on the individual rather than the organisation
2.2 Strongly endorse the partnership between the patient, carer or parent and the clinician (shared decision making)
2.3 Are based on the Mental Capacity Act and the latest national guidelines
2.4 Enable individuals and organisations to be compliant with the law, national guidelines and health targets
2.5 Recognise the individual with capacity as key to making care decisions in advance
2.6 Identify the triggers for making care decisions in advance
2.7 Create regional documentation for use in any setting that is recognisable by all health and social care professionals
2.8 Minimise the likelihood of unnecessary or unwanted treatment
2.9 Introduce emergency health care plans as an important adjunct in specialist care settings to tailor care to the individual with complex needs
2.10 Create principles and documentation suitable for all ages (children, young people and adults)
2.11 Have been approved by NHS legal advisors Hempsons
3.0. Implementing Deciding Right at the Royal Marsden NHS Foundation Trust
Following the positive experience of the North East implementing Deciding Right (DR) there is a strong desire for The Royal Marsden to adopt Deciding Right as the framework to support patients and families making care decision in advance. A number of individuals with an interest in this area have been looking at how DR can be successfully implemented in The Royal Marsden learning from the experience of those who have already successfully implemented the framework in their own organisations.
An action plan has been developed and a core steering group will need to be convened to ensure the delivery of DR across the organisation.
It is envisaged that to ensure a comprehensive delivery programme that is sustainable the roll out of DR should be over the next 12 months with ongoing evaluation and audit of the impact within the Trust for both patients and clinicians.

4.0 Action plan to implement Deciding Right
4.1 Learning from the North East – fact finding with palliative care teams and Northern Strategic Clinical Network
4.2 Develop steering group to drive delivery
4.3 Develop a delivery programme with timescales (appendix 1)
4.4 Launch Event in Autumn – Key note speaker Claud Regnard
4.5 Identify DR champions
4.6 Develop Train the Trainer Training Package

5.0. Conclusion
Deciding Right provides an integrated approach to making care decisions in advance using an endorsed framework and set of key principles.

The Council of Governors are invited to note this paper and the action plan and delivery programme to implement Deciding Right.
# Appendix 1

## ACTION PLAN

Please complete and return this action plan to Deputy Chief Nurse.

<table>
<thead>
<tr>
<th>Project title</th>
<th>Deciding Right (DR)</th>
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<tbody>
<tr>
<td>Action plan lead</td>
<td>Name: Sarah Rushbrooke</td>
</tr>
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<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Actions required (specify &quot;None&quot; if none required)</th>
<th>Action by date</th>
<th>Person responsible (name and grade)</th>
<th>Comments/action status (Provide examples of action in progress, changes in practices, problems encountered in facilitating change, reasons why recommendation has not been actioned etc.)</th>
<th>Change stage</th>
</tr>
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</table>
| 1.0 Learning from the North East Experience of Implementing Deciding Right | 1) Teleconference to be arranged with key partners in North East and RM leads for DR | June 2015 | Deputy Chief Nurse | Teleconference arranged for 9th June 2015
Jayne Wood
Sarah Rushbrooke
Anna-Marie Stevens
Colette Hawkins (Consultant in Palliative Care, County Durham & Darlington NHS FT)
Adrienne Moffatt (Network Delivery Lead, Northern Strategic Clinical Network) | 3 |
| 2.0 Gain executive level support & agreement for the implementation of DR | Develop an Introductory paper for the Quality Committees: QAR IGRM NRRAC MAC | June 2015 | Deputy Chief Nurse | Draft paper and Action plan developed | 2 |
| 3.0 Identify a planned process for delivery and sustainability of DR | 3.1) Develop a DR Steering group 3.2) Identify Core membership including both professional and organisational representation 3.3) Identify Deciding Right Champions across the trust in core departments | September 2015 | Deputy Chief Nurse | 1 |
| 4.0 Raise awareness of Deciding Right across the trust | To have a Launch Event in Autumn 2015 | October 2015 | Chair DR Steering Group | Identify & invite key note speakers including: Claud Regnard Colette Hawkins Adrienne Moffatt Julia Riley Agree date, venue & agenda | 1 |
| 5.0 Ensure DR is embedded in the trust | 5.1) Identify DR Champions 5.2) Develop Train the Trainer Package 5.3) Liaise with the RM school & learning & development re training programme | September 2015 | Chair DR Steering group | 1 |
| 6.0 Ensure DR has a coordinated implementation along side Coordinate my Care (CMC) | Liaise with CMC lead regarding time frame for roll out of CMC | September 2015 | Chair DR Steering Group | 1 |
### COUNCIL OF GOVERNOR PAPER
### SUMMARY SHEET

<table>
<thead>
<tr>
<th>Date of Meeting:</th>
<th>Agenda item</th>
</tr>
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<tr>
<td>23rd September 2015</td>
<td>Item 6.</td>
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<table>
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<th>Title of Document:</th>
<th>To be presented by</th>
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<tbody>
<tr>
<td>Finance Performance Report for 5 Months to August 2015</td>
<td>Chief Financial Officer</td>
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</table>

**Executive Summary**

The paper provides a summary of the financial position after five months of 2015/16. The new reporting format has been developed to provide consistent reporting to all Trust Committees and it will be adapted as required by changing requirements.

**Recommendations**

The Council is requested to note the contents of this report and the risks highlighted.

<table>
<thead>
<tr>
<th>Author:</th>
<th>Contact Number or E-mail:</th>
<th>Date:</th>
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<tbody>
<tr>
<td>Marcus Thorman, Chief Financial Officer</td>
<td>x2151</td>
<td>10th September 2015</td>
</tr>
</tbody>
</table>
Finance Performance Report for 5 Months to August 2015

1. Introduction
The paper provides a summary of the financial position after five months of 2015/16. The new reporting format has been developed to provide consistent reporting to all Trust Committees and it will be adapted as required by changing requirements.

The Council is requested to note the contents of this report and the risks highlighted.

2. Summary Financial Position
In the month of August the Trust has underperformed on activity against the plan for both NHS and Private Care resulting in adverse variances on income of (£0.6m) and (£0.7m) respectively. NHS Clinical Income reduced by £1.1m between July and August, a seven percent reduction. This is concerning as in the previous month the income performance had improved significantly from quarter 1 and although a fluctuation in August was anticipated in the plan, it is significantly lower than foreseen. The NHS Clinical Income is now year-to-date a £3.3m adverse variance to plan and is the key reason for the overall deficit at the end of month 5.

The expenditure position in August was a favourable variance of £0.4m. Pay expenditure has been under plan all year and the continued controls on recruiting and agency posts have assisted this position. Year-to-date the pay expenditure is now a favourable variance of £1.3m.

The development reserve for investment in month 5 was an adverse variance of £0.9m, driving a year-to-date position of £2.6m, an adverse variance to plan of £1.6m. Donated asset income is £1.2m behind plan which is the other key factor in the overall Trust position at month 5. The Trust has a retained deficit year to date of £2.8m, £2.7m adverse to the planned deficit of £0.1m at month 5.

The Continuity of Services risk rating has been updated in August by Monitor following consultation. Monitor has added another two metrics similar to the previous Financial Risk Rating metrics; I&E Margin and Variance from Plan. As set out in Appendix 1 the adverse variance on income impacts upon the metrics and means that the Trust is an overall 3 against a planned position of a 4. Following the improvement in financial performance in July the capital debt cover ratio was a 4, in line with plan, however the August performance now means the ratio is a 2. Capital cover measures the number of times revenue for capital cover will cover those liabilities (loan repayments, PDC dividends). The new metrics have both fallen in August due to the income performance in month and are both a 2. The I&E Margin was expected to be a 3 at this point in the plan.

The Key Risk and Issues to highlight are:
- The Trust has not met its target development reserve for investment with an adverse variance of £1.6m.
- Both NHS and Private Care income underperformed against the plan in month. NHS clinical income is now behind plan year to date by £3.3m and is across all activity types.
• Pay costs were underspent in month and remain underspent year-to-date. Spend on agency staffing in August was high (£0.9m), particularly in cancer and community services.
• Debtors increased in month to £42.9m, which is mainly due to Private Care catching up on the billing lag due to the delay in contracts being agreed with key UK sponsors.

3. Income and Expenditure

The Income and Expenditure position for the Trust is set out in Appendix 1. Income for the month was planned to be £29.6m, but was behind plan by £1.3m at £28.3m. The year-to-date position on NHS Clinical Income is an adverse variance of £3.3m, which has been driven by a mixture of lower activity levels and lower casemix when compared to previous years.

The chart below shows performance against the planned development reserve for investment for the first five months of the year, with an adverse variance of £1.6m year-to-date.

![Development Reserve for Investment for 2015/16](image)

The waterfall chart shows the key drivers of the year to date variance. This shows that NHS clinical income is behind plan by £3.9m, whilst the divisions are broadly on plan. The NHS clinical income excludes pass-through drugs for the cancer drug fund which are overperforming by £0.5m year-to-date. They are funded at cost so have offsetting variances in expenditure. With the level of underperformance on clinical activity, it would be expected that there would be reductions in expenditure, however a high level of cost is fixed due to it being pay, which does not flex as easily as the activity.
Income - This year the income plan has been phased based on trends for the last two years. Income was behind plan in month with both NHS clinical income and Private income showing significant adverse variances. The plan took account of the reduction in activity during August, as the chart on NHS Acute Income demonstrates. However, apart from June there has been a reduction both against the plan and last year’s activity. This is concerning as should this trend continue then the Trust will be unable to deliver the financial plan for the year.

NHS clinical activity was below plan in month for all key areas apart from radiotherapy. A key area of underperformance is blood and marrow transplants which at month 5 is £0.9m under plan. The activity is low volume and high cost and despite patient numbers not being significantly different the casemix has been much lower this year. In addition inpatients, daycase and critical care activity are all year-to-date £0.4m behind the plan. The trend chart shows actual income compared to 2015/16 plan, 2014/15 income levels, and also presents the expected average monthly levels of income to deliver the current forecast position (£12.3m per month).

Private care income is also behind plan, although only due to the performance in August. The billing lag has reduced back to normal levels now contracts and prices...
have been finalised with UK sponsors. The assumptions within the forecast have been agreed with the Managing Director for Private Care and are thought to be a reasonable estimate of income required to meet the plan. The trend chart below shows actual income compared to 2015/16 plan, 2014/15 income levels, and also presents the expected average monthly levels of income to deliver the forecast position (£7.3m per month).

The key other adverse position is Research income (£0.7m adverse YTD) which reflects grant income where spend is behind plan (so has offsetting underspends in expenditure). It also reflects those units with deficit positions for their research portfolios (mainly DDU).

**Pay costs** – were underspent by £0.2m in month compared to the plan. The expenditure on pay has been stable for the past few months. Substantive whole time equivalents (WTEs) have reduced from a high point in February 2015, although are still showing an increase compared to the same point last year. A review of the increases demonstrates they are posts that have been through business cases or have been funded separately, for example research posts.

The two charts below provide pay and temporary staffing costs for the last 12 months. Agency staffing costs were high in August compared to the average over the past year, however, they have been reducing over the past two months as areas of high spend, like junior doctors have been successfully recruited to. The first chart shows total pay costs are below budget in August and have been for four of the five months this year. The second chart shows that spend on agency staff is showing an upward trend over the last 12 months, whilst bank staff costs are flat. An increasing focus on agency staffing spend by Monitor is now in place and the Trust has a cap that it is required to work towards.
4. Efficiency Programme
The Trust was behind its efficiency programme after four months, and this is presented in Appendix 2, chart 2.1. The efficiency programme totals £11.6m and is made up of a number of schemes to either increase efficiency, or increase net income. Each scheme has a lead director and a timeline associated with it. Focus needs to continue to ensure that all schemes are delivered in line with the plan. A verbal update will be given at the meeting on the month 5 position as at the time of reporting this was not available. All schemes have been RAG rated with red initiatives indicating schemes where Directors do not expect to meet the plan. Alternative initiatives are being sought to offset these adverse variances.

5. Capital Expenditure
Capital expenditure was behind plan in month and is now £3m underperforming against the plan year-to-date and has only spent 61% of the plan. The Trust is now forecasting to be £7.3m under the plan for the year. The key areas of underperformance against the plan mainly relate to externally funded items like donated income for the MR Linac at Sutton and the reduction in the capital plan due to the Charity funding the Linac purchase at Chelsea.

Performance is shown in chart 2.2 of Appendix 2. The Trust will be required to present a reforecast to Monitor as it now has a variance greater than 15% as highlighted in the chart. Year to date it has spent 61% of plan.
6. **Cash and Debt**

**Cash** – The Trust ended August with £28.6m cash in the bank. This was an increase of £1.1m in month, but is lower than planned following delays in Private Care billing, which has impacted upon debt levels. Chart 2.3 in Appendix 2 shows the trend of cash balances for the last 12 months and future planned balances. Cash is expected to reduce during the year as the capital programme is spent, but is forecast to be above plan at March 2015 at £20.1m.

**Debt** – Invoices raised but not yet paid has increased to £42.9m at the end of August, an increase of £3.1m over July. The key increase in debt in the month relates to Private Care, an increase of £6.3m, due to the billing lag for UK sponsored contracts. The contracts have now been signed and the billing lag has therefore reduced to normal levels. Debt with embassies and overseas sponsors continues to grow with particular concerns about Kuwait which have now been escalated. Offsetting this was a reduction in NHS Commissioning debt of £2.9m, reducing the debt for this area to the lowest for over 12 months. All NHSE overperformance for 2014/15 has now been paid. Chart 2.4 in Appendix 2 provides a trend of debtor balances for the last twelve months, by age of debt.

7. **Conclusion and Recommendation**

After five months the Trust is behind its financial plan, largely due to NHS activity being lower than planned. There is now concern that this may not be able to be recovered, although it is expected that activity will increase over the coming months, which will reduce the adverse variance on NHS clinical income.
The Trust’s plan was to deliver a development reserve for investment of £0.5m in month 5, but actual performance was an adverse variance of £0.9m. The table shows NHS income was behind plan (£0.6m) as well as Private Care income (£0.7m). Offsetting this, expenditure was below plan (£0.4m), resulting in the adverse variance of £0.9m. This takes the YTD Financial Risk Rating to 3, compared to a plan of 4, being driven by the low income levels.
Appendix 2: CIPs, Capital, Debt and Cash

2.1 Performance against annual Efficiency Programme

- Month 5 to be updated verbally

2.2 Capital Programme

- Actual
- Plan
- Forecast
- +15%
- -15%

2.3 Cash Balance

- Actual
- Forecast
- Plan

2.4 Receivables - Aging over time

- 0-30
- 30-60
- 60-90
- 90-365
- >365

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Efficiency programme - to be updated verbally

Capital - was behind plan year to date (£3m) and is forecasting to underspend by £7.3m at the end of the year.

Cash - the cash balance increased by £1.1m in month, but was £1.2m lower than planned. The Trust is forecasting to have £19.8m cash at year end.

Debt - invoices raised to customers not yet paid has increased to £42.9m in month. Private care have reduced their billing lag to normalised levels now contracts are finalised but this has resulted in debt increasing by £6.2m. NHS debt has decreased by £2.9m in month.
## Executive Summary

In February 2015 The Royal Marsden submitted an application under the first Vanguard: New Care Model (NCM) programme in the category of Additional Models for Smaller Viable Hospitals: “Focusing on delivering specialist tertiary services across multiple sites- for example, cancer services – using an NHS franchise model”. This application was short listed and positively evaluated but The Royal Marsden was not awarded Vanguard status as the whole category was paused by the national team while they reviewed national priorities for service delivery. The new expression of interest for Acute Care Collaboration was published at the end of May 2015 with an updated specification and applications to be submitted by July 31st.

A revised bid to establish an Accountable Clinical Network for Cancer (ACNC) based on the ACOs in the United States was subsequently developed. An outline proposal was taken to The Royal Marsden Board on the 8th July and this paper provides an update on the Vanguard application process and the application that was submitted on the 31st July (Appendix 1).

## Recommendations

The Council of Governors are invited to discuss this paper and provide advice or recommendations on the key principles to follow if the proposal proceeds to the next stage.

## Author:

Dr Shelley Dolan, Chief Nurse

## Contact Number or E-mail:

x2121

## Date:

10th September 2015
New Models of Care

1. Introduction

In February 2015 The Royal Marsden submitted an application under the first Vanguard: New Care Model (NCM) programme in the category of Additional Models for Smaller Viable Hospitals: “Focusing on delivering specialist tertiary services across multiple sites- for example, cancer services – using an NHS franchise model”. This application was short listed and positively evaluated but The Royal Marsden was not awarded Vanguard status as the whole category was paused by the national team while they reviewed national priorities for service delivery. The new expression of interest for Acute Care Collaboration was published at the end of May 2015 with an updated specification and applications to be submitted by July 31st.

A revised bid to establish an Accountable Clinical Network for Cancer (ACNC) based on the ACOs in the United States was subsequently developed. An outline proposal was taken to The Royal Marsden Board on the 8th July and this paper provides an update on the Vanguard application process and the application that was submitted on the 31st July (Appendix 1).

2. Research and decision making re ACNC model

The literature on ACOs, particularly the Kings Fund analysis was reviewed. Teleconferences were held with ACO Medical Directors and CEs in the US, including the MiamiDade Cancer specialist ACO and Tampa specialist ACO. Utilising all the advice and evidence the following decisions were made:

- Based on population size (approx 3.2 million) and current cancer flows that The Royal Marsden & Partners ACNC should cover West London (North and South).

- That there should be a Lead Provider and that should be, if acceptable to relevant parties, The Royal Marsden.

- That the ACNC should include acute providers but also primary, community care and hospices.

- That the funding model as per the US but also UK advice should be on a capitated funding model covering a defined catchment.

3. Gaining support from partners and other specialist organisations

The Royal Marsden team kept close to the national Vanguard team for support and advice throughout the process. The key advice was to design a bid that was ambitious, transformative and that if successful could be codified and used elsewhere, perhaps also across other disease groups. The other important advice was that to achieve a model of this ambition and complexity would require the assistance of the national teams, for example the arms length bodies who are all part of the national Vanguard team (Monitor/TDA, CQC, NHSE, HEE, Kings Fund) a major benefit of the Vanguard programme. The final piece of advice was not to try and overcomplicate the design and that the details of the ACNC would
be co-designed by partners. This first step was to gain interest and sign up to design the model together with the national teams.

The Royal Marsden Chief Executive (CE) and Chief Nurse (CN) then met face to face with all 10 CEs from West London, including:

North West London Acute Providers:
- Imperial Healthcare NHS Trust
- Hillingdon NHS FT
- London North West (includes St.Marks) NHS Trust
- West Middlesex (now part of Chelsea and Westminster)
- Chelsea and Westminster NHS FT
- The Brompton NHS FT

South West London Providers:
- Epsom & St. Helier NHS Trust
- Kingston NHS FT
- St. Georges NHS FT
- Croydon NHS Trust.

There was unanimous support from all 10 providers for the proposal to establish an ACNC with The Royal Marsden as Lead Provider. The Trusts have different concerns and needs around cancer but were all appreciative of The Royal Marsden’s branding, quality and track record, and were keen to support the Vanguard application.

Support has also been secured from primary care, the voluntary sector, and specialist advisers who also signed up to the outline proposal.

**Vanguard selection process and timescale**

This is the third Vanguard New Care Models Programme. The first attracted 286 applications and 29 were awarded, two in London: Primary Care in Tower Hamlets and Primary Care and Care Homes Sutton CCG (RM Community Services are involved in the Sutton CCG Vanguard). The second programme was Urgent and Emergency Care and eight were awarded. There are 69 applications for this third phase and it is likely that only 8-10 will be selected. The Royal Marsden and Partners ACNC has been shortlisted and following a presentation of our proposals on 8th September we will be advised of the outcome on the 20th September.

The Vanguard programme is funded to a total of £200 million with individual applicants receiving between £2-8 million.
4. Conclusion

The Acute Care Collaboration Vanguard Programme is a significant opportunity for The Royal Marsden to work with its principal Trust and primary care partners to improve quality, safety and patient experience for cancer patients in West London. If the application is successful there will need to be a swift response to designing the model in more detail with the national teams to run in a shadow form from April 2016. Governors will note from the last section of the application (Appendix 1) that funding is requested to ensure the necessary level of management and financial resource. Governors are invited to discuss this paper and provide advice or recommendations on the key principles to follow if the proposal proceeds to the next stage.
Appendix 1: The Royal Marsden & Partners Application

Forward View into Action: Confidential

REGISTRATION OF INTEREST FOR FUTURE MODELS OF ACUTE CARE COLLABORATION

Please keep your applications to no more than 4 pages.

Q1. Who is making the application?

(What is the entity or partnership that is applying? Interested areas may want to list wider partnerships in place, e.g. with the voluntary sector. Please include the name and contact details of a single CEO best able to field queries about the application and whether you are applying to lead a partnership or are applying to be part of a partnership.)

Ms Cally Palmer CBE
Chief Executive
c/o The Royal Marsden NHS Foundation Trust
Fulham Road
London
SW3 6JJ 0207 808 2101

The Royal Marsden (RM) is applying as the Lead Provider for an Accountable Clinical Network for Cancer (ACNC). The Partners of the ACNC (Appendix 1) with national teams will develop the ACNC model.

Q2. What are you trying to do? (Please outline your vision and what you want to achieve by being part of the new care models programme)

Our aim is to create an Accountable Clinical Network for Cancer (ACNC) to establish a formal joint vehicle between the partners to deliver cancer services across SWL and NWL (West London) (pop. 3.5 million) in a totally new way. The ACNC will use a new funding model and an Outcomes Based Commissioning framework to drive delivery of improvements in outcome, quality of care, safety and patient / family experience. The ACNC will introduce closer alignment of services through shared incentives to deliver earlier detection and diagnosis, optimum place of care (closer to home), improved efficiencies (reduced duplication and hand offs), greater patient involvement in care design and self management. The geographically-defined area allows the ACNC to test the efficiencies and increase in productivity from this new model. The model design will incorporate recognition of cancer flows in and out of West London. The ACNC is based on the successful Accountable Care Organisations (ACO) in the U.S. where significant quality and efficiency gains have been realised within defined populations.

Cancer now affects 1 in 2 of the population and therefore remains both a public health and economic issue (CR UK 2015). Although outcomes for some cancers in England are now improving and are similar to those in Western Europe, for others survival rates continue to be lower. There is unacceptable variation across London in timely access to diagnostics, quality of care, availability of clinical trials and patient / family experience each of which alone represents a case for change. Primary care both commissioning and providers will be essential partners in the ACNC and successful discussions are continuing with CCGs and GP Federations. ACNC partners, NHS England, specialist, local commissioners and specialist advisers will design a logical framework of essential outputs based on international cancer research, the Five Year Forward View and Report of the Independent Cancer Taskforce: Achieving world-class outcomes (July 2015). The results from the ACNC West London program will provide evidence-based solutions for variations in cancer care that will be translatable across London and other parts of England.

The London Cancer Alliance (LCA) has a critically important role in bringing together over 3000 clinicians to develop research led
guidelines, exemplar pathways and a cancer minimum dataset. The ACNC is an ambitious new model building on the work of the LCA and RM@ to deliver a wholly new partnership to radically change the delivery of cancer care across West London. The ACNC partners will use their collective power to deliver the best cancer care to accelerate sustained improvement across the patient pathway from improved public awareness with rapid referral and diagnosis through timely treatment to survivorship initiatives, expert supportive and palliative care. Examples of previous experience in innovative delivery modules in West London are:

- The co-design and hosting of The London Cancer Alliance across 16 hospitals
- The design of an Electronic Palliative Care Coordination System (Epics) across London (CMC).
- The Shaping a Healthier Future programme
- The Whole Systems Integrated Care (WSIC) programme in North West London
- The franchise model, for example RM@ in Kingston Hospital since 2008
- The Sutton Vanguard Primary Care and Care Homes

Utilising their systems leadership experience the partners are keen to work together in a wholly new delivery model to accelerate change at scale and pace across West London for the benefit of people with cancer and their families. Examples of the benefits that will be driven through the ACNC are:

1. Improved early diagnosis and support through:
   - Work with Public Health, pharmacies and primary care: to raise awareness of cancer and encourage everyone especially “hard to reach groups” to come forward and diagnose cancers at an early stage;
   - Every contact matters: expert cancer nurses and pharmacists in collaboration with the cancer charities, to run prevention, self management wellbeing and supportive care workshops at public events, in primary and community care;
   - Work with primary care: to transform input into early diagnosis utilising direct access to imaging and new models to accelerate access to secondary / tertiary care;
   - Work with West London’s expert clinical researchers from Imperial College: early detection of malignancy for example utilising “breath tests” to detect gastric cancer.

2. Improved Patient Engagement and Experience / Improved staff engagement and experience
   - Ensure that every patient/family has access to a Clinical Nurse Specialist (CNS): utilising new workforce support models to increase CNS time with patients/families thereby improving coordination and support and improved patient experience;
   - Systematic continuous and comparative metrics: for Patient/Family engagement and experience across all ACNC care pathways, led by “iWantGreatCare” and including patient reported outcomes for all treatments. Providing qualitative and quantitative assessment across whole ACNC;
   - Risk stratified follow up and access to expert research driven cancer care close to home: – Reduction in unnecessary hospital follow up;
   - Ensure that all cancer patients living with and beyond cancer in the ACNC: have access to the “Recovery Package”;
   - Collaboration with The Point of Care Foundation: to ensure all staff have access to Schwartz rounds and other methods to engage and support staff to be able to provide compassionate effective care;
   - Build capacity and capability in patient -centred quality improvement: developed across the ACNC using Patient and Family Centred Care (PFCC) models;
   - Improved staff morale and patient centred culture: through real-time sharing of comparative patient feedback to front-line teams across the ACNC (via iWGC);
   - Coordinated access to research driven supportive and palliative care provided by the voluntary sector and NHS together.

3. Improved Quality & Safety:
   - Delivery of research-driven cancer care closer to home linked to expert multi-professional teams e.g. chemotherapy for common cancers provided in all cancer units across West London. Improved access to molecular diagnostics, precision medicine, novel therapies and clinical trials across the ACNC;
   - Harmonisation of research regulation: throughout the ACNC;
   - Safety of cancer care: improved by collaboration with the two AHSNs and Sign Up to Safety Metrics;
   - Eliminate: unnecessary hospital attendances and travel to cancer centres;
   - Improve Acute Oncology: in cancer units by effective partnership with the cancer centres;
   - Delivery of timely access: to definitive cancer care using the London Cancer Alliance (LCA) timed pathways, and best practice exemplars to eliminate delays as evidenced by improvements in the 62-day cancer wait and all other access targets.

4. Improved efficiency:
   - Reduction of inefficiencies and costs caused by current fragmented system: reduction in duplication of imaging and pathology, replication of data entry, unnecessary outpatient attendance, safety complications across systems
- **New staffing models**: best value shared workforce planning in collaboration with the LETBs for example shared or rotational posts: CNS and Research Nurse Posts, Specialist AHPs;
- **Straight to test model**: improved diagnostics and use of the London Cancer Alliance pathway timings from primary care to cancer units and centres;
- **Prevention of emergency cancer admissions through Emergency Departments**: using Acute Oncology Services and a trial of direct admissions through GP-accessed dedicated secondary care clinics. The trial will be led by Chelsea and Westminster Hospital and will deliver reduced length of stay for non-elective admissions by strengthening the multi-professional Acute Oncology Services;
- **Utilising incentivised payment methodologies**: to reward efficiency for example using best practice exemplar pathways and standardised follow up;
- **Shared procurement**: models across the ACNC using evidence from the Carter review to reduce spend on cancer related high cost products and joint models of commissioning radiotherapy by evaluation.
- **Medicines optimisation and new patient-facing pharmacy**: models delivered across the ACNC.

All the partners in the ACNC bring particular benefits, for example excellence in education and research at Imperial College, innovative staff engagement at Croydon, improved patient experience at St. Georges, the Care Information Exchange (ICHT charity) enabling full interoperability of patient records across organisations.

**As Lead provider the RM is able to offer the following to the ACNC:**

1. **Exclusive focus on cancer**: All the ACNC partners are an important component of the ACNC with each bringing different strengths. RM because of its exclusive focus on cancer brings decades of experience and expertise in leading a successful comprehensive cancer centre

2. **Excellence in translational research**: The RM’s academic partner is the Institute of Cancer Research (ICR) ranked as fourth in the world for research excellence. The ACNC will utilise this expertise and experience with all partners ensuring that patients receive research-based care critical to improved outcomes and experience

3. **Strong international branding for cancer care**: The RM has a strong internationally identifiable brand for excellence in cancer care, research and education; all ACNC partners will benefit from the brand.

4. **Excellence in the provision of cancer education and training**: from the Royal Marsden School for all healthcare staff from GPs, hospital doctors, nurses and allied healthcare professionals (4 consecutive years accreditation as ‘Excellent’ for quality by NHS England, NHSE).

**Q3.** Please articulate how your vision will deliver clinically and financially sustainable high quality acute services to maintain local access for patients and their families and/or how you will help codify and replicate effective clinical and managerial operating models in order to reduce avoidable variations in the cost and quality of care?

| 1. **Clinically sustainable** | The ACNC will be a clinically led partnership across a defined population of London. Partners will include Primary Care, Community Services, Acute Hospitals, Hospices, Academic Teaching and Research Institutes, Health and Wellbeing Boards, iWantGreatCare, AHSNs, The Point of Care Foundation. The ACNC will work with partners to drive improved outcomes in terms of survival, quality, safety, patient/family experience and regulatory compliance and to measure these improvements versus traditional delivery of care. |
| 2. **Financially sustainable** | The ACCN is a new delivery and financial model for cancer care. The ACNC will work with NHSE, Monitor, TDA and others to move towards a capitated budget approach for its financial structure. As a first step to ensuring viability, baseline activity and expenditure data will be collated across the West London ACNC. Following this, the ACNC partners will decide a provider financial incentivisation scheme to improve clinical and financial outcomes. The ACNC will draw on the expertise and experience of others including international experience in designing financial incentive structures that will deliver on this objective. To do this the ACNC will need to work closely with the NHS, Monitor and the TDA to ensure that this new model gains traction and is compatible with NHS systems, appropriately reflecting the principles of risk and reward for both patients and the wider NHS. |
| 3. **Deliverability** | The RM on behalf of the partners has secured the support of an international Consultancy (FTI Consulting) to enable links with the US to co-design the ACNC. The proposal is to take a stage-gate appraisal process for the establishment of a transformative ACNC. The three key stages in partnership with the Vanguard team will be: |

1. **Selection**: All potential partners agree in principle - completed
2. Definition: in progress, being in work up phase with Monitor and the Vanguard team.


The key principles underlining the clinically-led partnership will be:

1. **Improved outcomes:** defined by disease and stage-specific 1-year and 5-year survival. The ACNC will build on the LCA common minimum dataset to create a sophisticated interlinked dataset which will track activity, quality and cost;

2. **Improved staff and patient engagement:** systematically measuring quantitative and qualitative patient experience outcomes with iWantGreatCare and The Point of Care Foundation (PoCF) to ensure ACNC is always patient-centred. In collaboration with PoCF health and social care staff will learn to shadow patients to gain insights into the quality of the care and building the motivation and will to improve;

3. **The person and their family at the centre of care:** Care co-designed by the patient with expertise from across cancer nursing, Allied Health Professionals, specialist palliative care, mental health, health and social care to deliver precision medicine and personalised care;

4. **Reduction of unwanted variation:** by utilising a common patient tracking system and joined up CQRG accelerate improvement in access to cancer care as evidenced by the 62-day cancer waiting times and other Cancer Waiting Time targets, access to the best evidence-based treatment first time by the most appropriate person/team;

5. **Access to clinical trials:** evidenced by increase in recruitment to cancer clinical trials across the ACNC;

6. **Transformative financial structure:** incentivising improved performance, experience and outcomes across the ACNC utilising both specialist and local cancer funding streams;

7. **Improved operational productivity and efficiency:** utilising the increased scale as leverage to improve value for money across the ACNC. This will be evidenced by improved pathways, reduction in unnecessary repeated tests (e.g. imaging), ability to harmonise blood tests between primary care and cancer units/centres to allow greater uptake of cancer care and trials locally, modernisation of pharmacy and medicines optimisation, improved staffing models including new innovative roles across primary, secondary and tertiary care, reduction in equipment costs with joint procurement across the ACNC;

8. **Clear metrics established:** to evaluate quality improvement and impact;

9. **A sustainable approach:** to the long term continuous improvement of cancer services across the population;

10. **Expert cancer care closer to home and centralise:** only where necessary.

Q4. Please describe where you are currently and what steps you have already taken in thinking through and delivery towards your proposed care model.

The partners have taken the following steps to prepare for an ACNC in West London:

1. **Preparatory research and developmental thinking:** The RM has worked with the leads for the Montefiore ACO in the Bronx to understand their model. The RM team have also liaised with other ACO leaders in the US including Dr. George Isham MD and MiamiDade Cancer ACO. The lessons learnt have been used in the design of the ACNC model;

2. **Discussion between ACNC partners:** Meetings have been held with all key partners on the principle and model of an ACNC with the RM as Lead Provider. All named partners in Appendix 1 have agreed in principle to develop the model and where possible taken written proposals to their Boards: Meetings have also been held with the developing GP Federations these essential relationships will be developed further.

3. **Preparation with national influencers and regulators:** The RM Chief Executive is a core member of the Cancer Taskforce and is therefore at the centre of recent proposals relating to national cancer strategy in England. The ACNC model and possible funding structures have been discussed with Monitor, including new pricing structures. The model has also been discussed with commissioners and will be discussed further with NHSE specialist and local commissioners.

5. **RM Board support:** The RM Board has confirmed that it is willing to be Lead provider of the ACNC.

6. **National cancer preparation:** The RM and The Christie have held several cancer seminars over 2015 to develop separate but mutually supportive ACNC models that can be used as national comparators and benchmarks. The vision is to join the ACNCs across England using a National Cancer Institute model.

Q5. Where do you think you could get to over the next year? (Please describe the changes, realistically, that could be achieved by then.)

Utilising a stage–gate approach the ACNC will work with the national teams to move beyond agreement in principle through the following steps:
Stage 1. to be completed by December 2015

1. Agreed operating model
2. Agreed governance structures
3. Agreed financial structure and a defined programme of work to deliver this significant change in arrangements
4. Agreed reporting structure and minimum data set
5. Agreed regulatory reporting
6. Baseline information on activity and funding collected across the ACNC
7. Agreed principles of a partner financial incentive commissioning structure
8. Agreement of international stakeholders network
9. Defined commercial and legal model
10. Agreement by all partnership boards December 2015

Stage 2. to be completed by March 2016

1. Baseline activity and funding assumptions agreed by Monitor and Trust Development Authority (TDA) and NHSE
2. Design partner financial incentive commissioning structure
3. New ACNC model endorsed by NHSE and all Arms Length Bodies
4. Preparation for shadow pilot of ACNC.
5. First meeting of ANCN Board in shadow preparation

Stage 3. To commence April 2016

1. First year of ACNC pilot in shadow form as a Vanguard National pilot
2. First year of partner financial incentive commissioning structure in shadow form
3. First regulatory inspections of ACNC
4. First published dataset in conjunction with the Cancer Disease Registration Centre and Public Health England (PHE)
5. Regular stakeholder assessment including patients/families and Arms Length Bodies (ALBs)
6. Shadow arrangements in place for new funding model

Stage 4. To commence April 2017

1. First year of ACNC in its substantive form

N.B. Throughout the London and Manchester ACNCs Led respectively by the RM and The Christie will compare progress, challenges and quick wins to work towards an effective national delivery model.

Q6. What do you want from a structured national programme?

(Aside from potential investment and recognition: i.e. what other specific support is sought?)

- The professional expertise from the national vanguard team and the ALBs to co-design a transformative funding structure building on Monitor and NHS England’s work to date on the Tariff that incentivises improved outcomes, performance across the system.
- The set up costs for the new delivery model
- The leadership and influence of NHS England to make this transformative change happen to ensure better outcomes and experience for patients but also sustainability and improved value for money of cancer services
- Assistance and expertise from Monitor, TDA and PHE to ensure cancer activity and funding data is correct for the baseline assumptions
- To ensure that the model that is developed is robust, able to be codified and published and is replicable across England to improve cancer outcomes nationally.
- Assistance with creating a commissioning finance model for 3-5 year rolling contracts to enable the investment and development that is required, coupled with transition capitated funding when appropriate.

Please send the completed form to the New Care Models Team (england.newcaremodels@nhs.net) by 31 July
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<td>1.</td>
<td>The Royal Marsden NHS Foundation Trust</td>
<td>Ms Cally Palmer</td>
<td>CEO</td>
<td>Cally Palmer</td>
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<td>2.</td>
<td>St Georges University Hospitals NHS Foundation Trust</td>
<td>Mr Miles Scott</td>
<td>CEO</td>
<td>Miles Scott</td>
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<td>3.</td>
<td>Imperial College Healthcare NHS Trust</td>
<td>Dr Tracey Batten</td>
<td>CEO</td>
<td>Tracey Batten</td>
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<td>4.</td>
<td>Chelsea &amp; Westminster NHS Foundation Trust</td>
<td>Ms Elizabeth McManus</td>
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<td>5.</td>
<td>The Hillingdon Hospitals NHS Foundation Trust</td>
<td>Mr Shane De Garis</td>
<td>CEO</td>
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<td>7.</td>
<td>Epsom &amp; St Helier University Hospitals NHS Trust</td>
<td>Mr Daniel Elkeles</td>
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<td>8.</td>
<td>West Middlesex University Hospital NHS Trust</td>
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<td>9.</td>
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<td>Kingston Hospital NHS Foundation Trust</td>
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<td>11.</td>
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<td>Mr Roger Spencer</td>
<td>CEO</td>
<td>Roger Spencer</td>
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<td>Name</td>
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<td>12. St. Raphael's Hospice</td>
<td>Ms Gail Lineham</td>
<td>Director of Nursing</td>
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<td>13. Trinity Hospice</td>
<td>Dr Sarah Lund</td>
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<td>14. CCG: Merton</td>
<td>Mr Adam Doyle</td>
<td>Chief Officer</td>
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<td>15. Institute of Cancer</td>
<td>Professor Paul Workman</td>
<td>CEO</td>
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<td>16. iWantGreatCare</td>
<td>Dr Neil Bacon</td>
<td>CEO</td>
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<td>17. The Point of Care</td>
<td>Dr Jocelyn Cornwell</td>
<td>CEO</td>
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<td>Foundation</td>
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<td>18. Imperial AHSN</td>
<td>Dr Adrian Bull</td>
<td>Managing Director</td>
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<td>Cancer Charities</td>
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<td>19. Marie Curie</td>
<td>Dr Jane Collins</td>
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<td>20. The Rarer Cancers Foundation</td>
<td>Mr Andrew Wilson</td>
<td>CEO</td>
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## Agenda item

**Item 8.1.**

**Title of Document:** Quality and Performance: Quality Accounts for June 2015 – August 2015

**To be presented by** Chief Nurse

### Executive Summary

The monthly Quality Account reports the current Trust performance against the targets for 2015/16 described in the Annual Quality Account (2014/15) under the following three nationally agreed categories:

- Safe care
- Effective care
- Patient experience.

### Recommendations

The Council is invited to note the performance of the Trust against the agreed national and local quality targets for June 2015 to August 2015, and the actions being taken.

### Author:

Shelley Dolan, Chief Nurse

### Contact Number or E-mail:

X2121

### Date:

10th September 2015
1.0. Introduction

The monthly Quality Account reports the current Trust performance against the targets for 2015/16 described in the Annual Quality Account (2014/15) under the following three nationally agreed categories:

- Safe care
- Effective care
- Improved Patient experience.

1.1. Data Quality

Information and data at the Royal Marsden is produced by a centralised expert team separate from the clinical and operational teams. This separation and expertise is critical to ensure that the data is accurate and is not affected by the operational teams who are trying to comply with local and national improvement targets. All healthcare associated incidents, falls, medication incidents and pressure ulcers are reported locally onto the central Datix incident reporting system. The Datix analyst from the risk management team who is completely separate to the clinical care team compiles the reports for the quality account. All falls and medication incidents are also reviewed by subject matter experts to ensure accuracy and learning from themes. Every month a report is generated for each clinical area and if there is a reduction in reporting there is a central and local alert with action taken.

2.0. Safe Care

2.1. Reduction in Healthcare Associated Infections (MRSA bactereamia and C Difficile infections)

Target: <31 C Difficile infections and <1 MRSA bactereamia
Table 2.1

<table>
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<th>Organism</th>
<th>RM attributable June 15</th>
<th>RM attributable July 15</th>
<th>RM attributable August 2015</th>
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<td>2.</td>
<td>C.Difficile</td>
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<td>4</td>
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*MRSA has a target of zero but Monitor has a de minimus of six cases.

2.2. Rate of patient safety incidents and percentage resulting in severe harm or death

To include:
- Reduction of severe/moderate risk medication errors
- Reduction of harm from falls

Target: Reduction in the rate of patient safety incidents per 100 admissions and the proportion that have resulted in severe harm or death

Performance:

2.3. (1) Reduction in Falls

Target: < 0.7 moderate and above (resulting in harm) falls per 1000 bed days

Year to date - to the end of August 2015 the Trust has met the target.
Attributable Patient Fall Incidents

Analysis of data between years reviewed at Falls Steering Group.
Result of Attributable Patient Fall Incidents

Analysis of data between years reviewed at Falls Steering Group, conclusions may differ from data below.
### Severity of Patient Fall incidents:

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<td>Low / Minor (Minimal harm)</td>
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<td>4</td>
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<td>6</td>
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<td>Moderate (Short term harm)</td>
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<td>Severe / Major (Permanent or long term harm)</td>
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% Harm Patient Fall: 13% 22% 19% 26% 16% 25% 45% 21% 35% 14% 54% 17% 58% 29%

#### 2.4. (2) Reduction in medication errors

**Target:** To increase the reporting of near misses and decrease the incidents that cause actual harm (low < 2 per 1000 bed days and moderate < 0.17 per 1000 bed days).

**N.B.** To place medication errors in perspective, annually 0.06% of all medicines administered result in a medication error. For August 2015, the figure is 0.07%

There has been a 29% reduction in medication incidents categorised as near miss in comparison to the same period in 2013/2014. A streamlined near miss reporting method utilising the current IT system is now available for all Trust staff in order to encourage/facilitate an increase in the reporting of near miss incidents.

In the current period, 965 attributable medication incidents have been reported using the IT system Datix, of which 76% caused no harm. 226 incidents have been categorised as low severity and 9 incidents as moderate severity (resulting in harm), this represents 3.61 and 0.14 medication incidents per 1000 bed days respectively. As such, the Trust has missed the target relating to low severity medication incidents, however the target relating to moderate severity incidents has been met.
Severity: Harm as a % of all Attributable Medications Incidents

Analysis of data between years reviewed at Executive Medications Safety Group. Conclusions may differ from data.
Severity of medication incidents:

### 3 - Severity - Current Period

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<td>61</td>
<td>62</td>
<td>72</td>
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<td>Low / Minor (Minimal harm)</td>
<td>8</td>
<td>11</td>
<td>14</td>
<td>11</td>
<td>13</td>
<td>14</td>
<td>7</td>
<td>11</td>
<td>20</td>
<td>19</td>
<td>42</td>
<td>29</td>
<td>34</td>
<td>226</td>
</tr>
<tr>
<td>Moderate (Short term harm)</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>9</td>
</tr>
<tr>
<td>Severe / Major (Permanent or long term harm)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Death / Catastrophic (Caused by the incident)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Totals:</td>
<td>68</td>
<td>66</td>
<td>77</td>
<td>70</td>
<td>94</td>
<td>75</td>
<td>75</td>
<td>64</td>
<td>70</td>
<td>80</td>
<td>104</td>
<td>102</td>
<td>85</td>
<td>965</td>
</tr>
</tbody>
</table>

| % Harm Medication Incidents | 13% | 18% | 18% | 20% | 14% | 23% | 9% | 17% | 29% | 24% | 40% | 29% | 41% | 24% |

2.5 Percentage of admitted patients risk assessed for Venous Thrombo-embolism (VTE)

**Target:** 95% have completed VTE risk assessments

**Performance:** The Trust consistently achieves >90% compliance with risk assessment (CQUIN target is 90%). All patients with confirmed VTE as reported by radiology undergo a Root Cause Analysis (RCAs). The VTE steering board monitor all confirmed VTE and scrutinise the RCAs.
3.0 Effective Care

3.2 Incidence of Trust acquired pressure ulcers

3.2.1 The number and severity of healthcare acquired pressure ulcers are used internationally as a proxy for the effectiveness of care provision. Many people with cancer and or co-morbidity are more vulnerable to tissue damage for the following reasons; multiple hospital admissions, frailty, multiple drugs including high dose steroids (decreases skin elasticity), immobility, malnutrition or susceptibility to infection.

3.2.2 Data for this report was taken on 2nd September (hospital) and on 7th September (SMCS) 2015 from DATIX. Data may have been updated since.

Total number of patients with the Trust (hospital/community services) attributable pressure ulcers for the month of June 2015: 65 [Hospital= 22, Community services= 43] and July 2015: 60 [Hospital=28, Community services=32] Aug 2015: 60 [Hospital=26, Community services=34]

For serious incident reporting to Steis [Strategic Executive Information System] as Hospital/Community Services. Number of patients with Trust attributable pressure ulcers at categories 3 and 4 for the month of
June 2015: 4 [Hospital= 0, Community services= 4] and July 2015: 5 [Hospital=0, Community services=5]
Aug 2015: 5 [Hospital=1, Community services=4]

3.2.3 Number of patients with Trust attributable category 3 and 4 pressure ulcers

Number of patients with Trust attributable category 3 and 4 pressure ulcers,
April 2014- August 2015
Patients with Trust attributable pressure ulcers, all categories, April 2014 - August 2015
Number of patients with Trust attributable pressure ulcers monthly and cumulative totals April 2015 to August 2015
Description of European Pressure Ulcer Advisory Panel (EPUAP) pressure ulcer classification system.

<table>
<thead>
<tr>
<th>EPUAP</th>
<th>Description of Stage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Non blanching redness of intact skin</td>
</tr>
<tr>
<td>2</td>
<td>Partial thickness skin loss or blister</td>
</tr>
<tr>
<td>3</td>
<td>Full thickness skin loss (fat visible)</td>
</tr>
<tr>
<td>4</td>
<td>Full thickness tissue loss (muscle/bone visible)</td>
</tr>
</tbody>
</table>

3.3. Emergency re-admissions to hospital within 28 days of discharge

Target: Reduction in the number of avoidable re-admissions to hospital within 28 days of discharge

Some emergency re-admissions following discharge from hospital are an unavoidable consequence of the original treatment, however some can be potentially avoided through ensuring the delivery of optimal treatment according to each patient’s needs, careful planning and support for self care. It is important to note that some readmissions will inevitably include patients who are admitted with side effects of treatment therefore it may be difficult to explain any differences between RMH with other acute Trusts.

Performance: Within 28 days of original admission there were the following emergency admissions:
4.1 Outpatient Waiting Times

The nursing and administrative teams within the Outpatient Departments routinely work in collaboration with clinical teams to reduce outpatient waiting times. This work has included introduction of Administrative Clinic Co-ordinators to improve patient flow through the outpatient environment and routine liaison with Consultant teams to revise outpatient clinic templates and manage over bookings.

Despite local improvements within individual clinics, the table below demonstrates that outpatient waiting times remain at an unacceptable standard whereby patient experience is negatively affected. The ‘Outpatient Transformation Project’ has been established to deliver wide scale changes to the way in which outpatient clinics and associated waiting times are managed.

<table>
<thead>
<tr>
<th></th>
<th>Quarter 1 2014/15</th>
<th>Quarter 2 2014/15</th>
<th>Quarter 3 2014/15</th>
<th>Quarter 4 2014/15</th>
<th>Quarter 1 2015/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total patients seen in all outpatient clinics</td>
<td>39,430</td>
<td>40,352</td>
<td>39,956</td>
<td>40,256</td>
<td>39,696</td>
</tr>
<tr>
<td>Patients seen in 30 minutes or less (target &lt;90%)</td>
<td>32,116 (81.5%)</td>
<td>32,635 (80.9%)</td>
<td>32,392 (81.1%)</td>
<td>32,213 (80.0%)</td>
<td>32,637 (82.2%)</td>
</tr>
<tr>
<td>Patients seen after 30 minutes and up to 1 hour</td>
<td>5,010 (12.7%)</td>
<td>5,273 (13.1%)</td>
<td>4,991 (12.5%)</td>
<td>5,438 (13.5%)</td>
<td>4,721 (11.9%)</td>
</tr>
<tr>
<td>Patients seen after 1 hour</td>
<td>2,304 (5.8%)</td>
<td>2,444 (6.1%)</td>
<td>2,573 (6.4%)</td>
<td>2,605 (6.5%)</td>
<td>2,338 (5.9%)</td>
</tr>
</tbody>
</table>

4.2 Transformation Work streams

There are 3 work streams within the ‘Outpatient Transformation Project’ which each aim to reduce outpatient waiting times. The project is led by the Deputy Director for Clinical Services and is sponsored by the Deputy Chief Nurse.

<table>
<thead>
<tr>
<th>No.</th>
<th>Work stream</th>
<th>Description</th>
<th>Timescale</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Managing Activity</td>
<td>This work stream seeks to develop a model for streamlining clinical pathways to ensure that patients are only required to attend the hospital when absolutely necessary. It is anticipated that streamlined pathways will reduce demand within individual outpatient clinics thereby reducing waiting times.</td>
<td>Business case to be presented in October 2015</td>
</tr>
<tr>
<td>No.</td>
<td>Work stream</td>
<td>Description</td>
<td>Timescale</td>
</tr>
<tr>
<td>-----</td>
<td>------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>---------------</td>
</tr>
<tr>
<td>1</td>
<td></td>
<td>The work stream will initially focus upon the prostate pathway whereby there is an opportunity to develop a ‘one stop’ diagnostic service for all new patients and a revised follow up/ discharge pathway which may include innovative ways of working (e.g. a group discharge seminar, telephone consultations, online tools etc.). Following implementation of the revised prostate pathway, it is anticipated that the model may be replicated for other tumour sites and outpatient clinics. The work stream will also focus upon developing a model for regular review of clinic utilisation and capacity and demand to gain assurance that outpatient productivity is maximised.</td>
<td>November 2015</td>
</tr>
</tbody>
</table>
| 2   | Clinic Processes & Workforce | This work stream will review patient pathways within the outpatient department to ensure that clinic processes are streamlined. The work stream will initially focus upon one outpatient clinic on each site with the aim of developing a model for improvement which may be universally applied:  
  • Observe and map the patient journey to identify root causes of poor clinic performance.  
  • Develop a robust escalation policy for delays/ incidents which may negatively impact upon waiting time performance and patient experience.  
  • Identify opportunities for re-alignment of staff roles and responsibilities (e.g. identification of extended roles for nurses, HCAs, administrative coordination & volunteers). | November 2015 |
<p>| 3   | Patient                      | This work stream will seek to update and enhance approaches to                                                                                                                                              | Q4 2015/16    |</p>
<table>
<thead>
<tr>
<th>No.</th>
<th>Work stream</th>
<th>Description</th>
<th>Timescale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience</td>
<td>gathering patient feedback within the outpatient environment (e.g. 15 steps challenge; running clinic based listening events; running ‘outpatient story’ feedback sessions). The work stream aims to ensure that future transformation work is directly informed by the patient experience.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5.0 Patient Experience

5.1 Reduction in chemotherapy waiting times and improvement in patient experience related to waiting times

Target: Reduction in chemotherapy waiting times at Sutton/Chelsea and improvement in the patient experience related to waiting times

Performance:
Data in the following graphs are for all chemotherapy attendances, for NHS and Private Patients.
Table 1: Chelsea chemotherapy waiting times

The Royal Marsden
NHS Foundation Trust

Chemotherapy Waiting Times (from patient’s arrival in clinic to start of treatment) for each branch
Chelsea
All Clinical Units
NHS and Private Patients
15/16

All Chemo Waiting Time Bands:
- No waiting
- 1min-1hr
- >1hr-2hrs
- >2hrs-3hrs
- >3hrs-4hrs
- >4hrs-5hrs
- >5hrs-6hrs
- >6hrs-8hrs
- Over 8hrs

Graph showing chemotherapy waiting times for Chelsea from April 2015 to March 2016.
Table 2: Sutton chemotherapy waiting times

Chemotherapy Waiting Times (from patient’s arrival in clinic to start of treatment) for each branch

Sutton
All Clinical Units
NHS and Private Patients
15/16

All Chemotherapy Waiting Time Bands:
- No waiting
- 1min-1hr
- >1hr-2hrs
- >2hrs-3hrs
- >3hrs-4hrs
- >4hrs-5hrs
- >5hrs-6hrs
- >6hrs-8hrs
- Over 8hrs
Table 3: Kingston chemotherapy waiting times
The Trust has established a project group to introduce e-prescribing for chemotherapy. The existing paper based proforma printing system for chemotherapy requires transfer of paper prescriptions and orders which can be timely in peak times and slow down the chemotherapy pathway. E-prescribing of chemotherapy allows decisions to be communicated in real time to all relevant departments so that work can commence in preparing a patient’s chemotherapy as soon as a doctor has assessed them as fit to receive it. This reduces process inefficiencies, lost drug charts as well as allowing each step of the pathway to be electronically auditable to facilitate future quality initiatives. The e-prescribing system also aids medical staff in prescribing subsequent cycles of treatment for patients through use of a re-prescribe function, supporting pre-ordering of chemotherapy which has continued to be a challenge in 2014-15. The Trust went live with a pilot with the Lung cancer unit in October 2014 and has since rolled out ‘e-Chemo’ to the breast unit in January 2015, GI in March 2015 and the remainder of the rollout is in the table below:

6.1 eChemo Roll Out Schedule

<table>
<thead>
<tr>
<th>Unit</th>
<th>Go Live</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lung</td>
<td>Complete</td>
</tr>
<tr>
<td>Breast</td>
<td>Complete</td>
</tr>
<tr>
<td>GI</td>
<td>Complete Mon 27/04/15</td>
</tr>
<tr>
<td>Urology &amp; Melanoma</td>
<td>(1st Melanoma Clinic 27/04/15)</td>
</tr>
<tr>
<td></td>
<td>(1st Urology Clinic 28/04/15)</td>
</tr>
<tr>
<td>Gynae and Neuro-oncology*</td>
<td>Mon 25/05/15</td>
</tr>
<tr>
<td>Head and Neck and Thyroid / Sarcoma</td>
<td>Mon 29/06/15</td>
</tr>
<tr>
<td>Haematology (Staged roll out)</td>
<td></td>
</tr>
<tr>
<td>Myeloma</td>
<td>03/08/15</td>
</tr>
<tr>
<td>Lymphoma</td>
<td>14/09/15</td>
</tr>
<tr>
<td>Leukemia – CML, CLL</td>
<td>12/10/15</td>
</tr>
<tr>
<td>Leukemia – AML, ALL</td>
<td>16/11/15</td>
</tr>
<tr>
<td>Paediatrics (Staged roll out)</td>
<td></td>
</tr>
<tr>
<td>UKALL Protocol (and adult ALL)</td>
<td>16/11/15</td>
</tr>
<tr>
<td>Leukemia</td>
<td>16/11/15</td>
</tr>
<tr>
<td>Solid Tumours</td>
<td>11/01/16</td>
</tr>
<tr>
<td>Brain Tumours (*incl neuro-one)</td>
<td>11/01/16</td>
</tr>
</tbody>
</table>
*Neuro-oncology was originally considered as part of the paediatric rollout but there are significant numbers of adult patients.

In addition to the e-chemo rollout, the pharmacy department is looking at a number of other systems to improve the prescribing, reconstitution and supply of chemotherapy. For example, the pharmacy team is now doing a weekly Systemic Anti Cancer Treatment screening update (see below) which will allow pharmacy to keep on top of screening chemo as this is one element of the delays in the system. If ‘red pharmacy will introduce ‘waiting list’ type initiatives where staff stay for a couple of hours to screen more.

6.2 Chemotherapy Waiting Times

**Oral Chemotherapy**

![Chart showing average weekly waiting times for oral chemotherapy over a period from 1st July to 28th August 2015, comparing Chelsea and Sutton locations. The chart indicates a declining trend in waiting times over the weeks.]
The above graph shows the waiting times from the Boots outpatient pharmacy partnership. It demonstrates a steady improvement since opening on 1 July on both sites of RMH. However, it must be pointed out that significant support has been needed by RMH staff to Boots to maintain the service. Key performance indicators have been set with Boots and these will be reviewed each month to ensure the expectations are being met.

6.3 IV Chemotherapy waiting times

There is considerable focus on trying to keep improving the waiting times, in particular the time of expected administration to actual administration. The below graph shows the current performance.

The graphs below show the wait from 'treatment appointment time' to 'treatment start time'
Chemotherapy 2-Stop Treatment Waits, Sutton

- Sutton,
- Sutton, >30mins to 1hr
- Sutton, Within 30mins
The table at the end of this paper shows some further data that has been broken down into the prescribing rates and then subsequent clinical screening rates for chemotherapy. These are 2 key steps in the process when ordering chemotherapy for patients and there is room for improvement in these. The e-chemo system has helped in many ways but has also thrown up some challenges. However, we feel a fresh look at all the processes is now required to see where
improvements can be made. Therefore a detailed process mapping exercise of all the steps from prescribing, making and administering chemotherapy will be carried out in October to identify bottlenecks and how we can improve this.

### Table 1. Chemotherapy prescribing and screening times from pharmacy

<table>
<thead>
<tr>
<th>BRANCH</th>
<th>PROFORMA-CLIN-UNIT</th>
<th>Number of Records</th>
<th>Prescribed &gt;5 days Before Admin.</th>
<th>First Screened &gt;4 days Before Admin</th>
<th>Last Screened &gt; 4 days Before Admin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chelsea</td>
<td>BREAST</td>
<td>1,011</td>
<td>69.6%</td>
<td>56.7%</td>
<td>42.8%</td>
</tr>
<tr>
<td></td>
<td>GI TRACT</td>
<td>463</td>
<td>79.7%</td>
<td>75.6%</td>
<td>51.8%</td>
</tr>
<tr>
<td></td>
<td>LUNG</td>
<td>206</td>
<td>50.5%</td>
<td>44.2%</td>
<td>29.1%</td>
</tr>
<tr>
<td></td>
<td>NEURO-ONCOLOGY</td>
<td>2</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td></td>
<td>SARCOMA</td>
<td>66</td>
<td>6.1%</td>
<td>4.5%</td>
<td>1.5%</td>
</tr>
<tr>
<td></td>
<td>SKIN</td>
<td>124</td>
<td>53.2%</td>
<td>50.0%</td>
<td>37.9%</td>
</tr>
<tr>
<td></td>
<td>UROLOGY</td>
<td>199</td>
<td>20.1%</td>
<td>15.1%</td>
<td>12.1%</td>
</tr>
<tr>
<td><strong>Chelsea Total</strong></td>
<td></td>
<td><strong>2,071</strong></td>
<td><strong>62.1%</strong></td>
<td><strong>53.5%</strong></td>
<td><strong>38.9%</strong></td>
</tr>
<tr>
<td>Kingston</td>
<td>BREAST</td>
<td>321</td>
<td>92.5%</td>
<td>91.6%</td>
<td>74.8%</td>
</tr>
<tr>
<td></td>
<td>GI TRACT</td>
<td>184</td>
<td>94.6%</td>
<td>95.7%</td>
<td>68.5%</td>
</tr>
<tr>
<td></td>
<td>LUNG</td>
<td>95</td>
<td>72.6%</td>
<td>72.6%</td>
<td>47.4%</td>
</tr>
<tr>
<td></td>
<td>UROLOGY</td>
<td>46</td>
<td>80.4%</td>
<td>82.6%</td>
<td>76.1%</td>
</tr>
<tr>
<td><strong>Kingston Total</strong></td>
<td></td>
<td><strong>646</strong></td>
<td><strong>89.3%</strong></td>
<td><strong>89.3%</strong></td>
<td><strong>69.0%</strong></td>
</tr>
<tr>
<td>Sutton</td>
<td>BREAST</td>
<td>1,336</td>
<td>87.4%</td>
<td>66.3%</td>
<td>53.3%</td>
</tr>
<tr>
<td></td>
<td>GI TRACT</td>
<td>663</td>
<td>87.5%</td>
<td>70.4%</td>
<td>42.7%</td>
</tr>
<tr>
<td></td>
<td>LUNG</td>
<td>321</td>
<td>70.7%</td>
<td>51.4%</td>
<td>33.0%</td>
</tr>
<tr>
<td></td>
<td>NEURO-ONCOLOGY</td>
<td>48</td>
<td>29.2%</td>
<td>22.9%</td>
<td>16.7%</td>
</tr>
<tr>
<td></td>
<td>SARCOMA</td>
<td>2</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td></td>
<td>SKIN</td>
<td>20</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td></td>
<td>UROLOGY</td>
<td>256</td>
<td>61.3%</td>
<td>41.4%</td>
<td>30.5%</td>
</tr>
<tr>
<td><strong>Sutton Total</strong></td>
<td></td>
<td><strong>2,646</strong></td>
<td><strong>81.1%</strong></td>
<td><strong>61.8%</strong></td>
<td><strong>44.9%</strong></td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td></td>
<td><strong>5,363</strong></td>
<td><strong>74.8%</strong></td>
<td><strong>61.9%</strong></td>
<td><strong>45.5%</strong></td>
</tr>
</tbody>
</table>
7.1 Ensure that we are responding to inpatient’s personal needs

The Friends and Family Test

The NHS “Friends and Family Test” was announced by the Prime Minister on 25 May 2012. The national mandated question asked is:

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

The patients then select their answer from the following Likert Scale:

Extremely likely; Likely; Neither likely nor Unlikely; Unlikely; Extremely unlikely; Don’t know.

The Royal Marsden has then chosen to add a second question:

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

Patients answer this question with free text comments.

June 1125 responses overall: Inpatients 304, Day Care 549, Outpatient (OPD) 272

Inpatient: 43 patients made suggestions for improvement:-

“The length of time to be discharged is always a problem.”

“I spent 10 days in the hospital and was moved to 3 different wards which was unsettling”.

“Lack of schedule of the chemo cycles has left me in the dark about what is happening, asking questions resulted in different answers and frustration.”

Day care 93 patients made suggestions for improvement:
47 negative comments were on the Bud Flanagan Ambulatory Care all around the same area of waiting times, lack of staff and waiting area.

“My mother has a reaction to one of the drugs and we have to remind the nurses she needs to take piriton each time. There should be a system or an empty box on patients file to write extra notes”

**OPD 25 patients made suggestions for improvement:**

“It would be beneficial to the patient to be able to view the CT scan image on the screen as the results are being given.”

“some of the rooms weren’t equipped (e.g. tissues, plug sockets etc.) so the consultant had to move me to a different room before the consultation could start”

**July overall 525 responses: Inpatients 223, Day Care 251, OPD 51**

**Inpatients 28 patients made suggestions for improvement:**

“The only improvement I would suggest is the communication of the shared care hospital with The Marsden could improve. Some information got lost on occasions.”

“WIFI not working”

“air conditioning was freezing all night”

“The feedback I received on why my chemo was delayed needs to be improved”

**Day care 27 patients made suggestions for improvement:**

“waiting for blood results takes a very long time to return. Have waited on numerous occasions for very long periods of time for blood results to return”

“The one area where improvement could be made is on the communication/systems side of things. There have sometimes been problems in communication in both directions between KH & the Marsden”
“apt @12.30; chemo finally arrived @ 14.05”

**OPD 3 patients made suggestions for improvement:**

“It would be good to have a more consistent doctor rather than a different one most times.”

**August 640 responses overall: Inpatients 165, Day Care 297, OPD 121**

**Inpatient** 13 suggestions for improvement:

“Could not sleep at night. I complained about air conditioning but nurse said they could not switch it off. It was blowing on me.”

“The discharge procedure seems a little confused.”

“I found the ward quite noisy but that is to be expected with all the equipment used today in helping patients get the best possible care.”

“Difficult to reach the toilet roll when sitting on the toilet. No where to put my wipes and clean sanitary items other than the disposal bins so that I could reach them when sitting on the toilet.”

“Available staff generally excellent one member of catering team had a very poor attitude. This was the exception rather than the rule.”

“More visible clocks as it is quite disorientating not knowing the time of day.”

**Day care 40 patients made suggestions for improvement:**

Attitude of staff- There were four very specific comments about how good the Sutton medical day unit staff were in comparison to the outpatients staff who were not as good.

“outpatients are rude and unhelpful, lazy”

“mdu is a credit to the Marsden trust…the same cannot be said for outpatients who I’ve found to be unhelpful and lazy, they like to pass the buck immediately. Perhaps the Marsden should have the mdu nurses training the outpatients nurses…”
Waiting times and delays—there were 14 patients who commented about this.

“Treatment seemed well coordinated. Short of nurses? As delays in starting treatment.”

“Sometimes it can be very hectic and running very late”

“Waiting time could be improved but usually that seems to be a pharmacy issue”

**OPD 6 patients made suggestions for improvement:**

Two made comments about the system and price of car parking.

Two made comments about waiting times.
National FFT inpatient results reporting:

From November 2014 NHS England report a percentage of those who would recommend the Trust to friends and family.

Inpatient data was collected for 170 Acute NHS trusts and independent sector providers. Nationally, the overall average inpatient percentage for those who would recommend the service to friends and family was 95.9% in July. The Trust is just below this with an average of 95% in June (97% London and 93% Sutton).

The table below shows the results for the Trust each quarter to date. At the time of reporting (4th September 2015) national figures were available up to July 2015.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>The Royal Marsden percentage of inpatients who would recommend</td>
<td>94%</td>
<td>97%</td>
<td>99%</td>
<td>97%</td>
<td>96%</td>
<td>97%</td>
<td>97%</td>
<td>95%</td>
</tr>
<tr>
<td>National average</td>
<td>94%</td>
<td>95%</td>
<td>95%</td>
<td>96%</td>
<td>95.5%</td>
<td>95.7%</td>
<td>95.8%</td>
<td>95.9%</td>
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<tr>
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<td>1986</td>
<td>596</td>
<td>587</td>
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<td>468</td>
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</tbody>
</table>
**Equipment**
- Service stickers showed IV machine calibration was out of date

**Delays**
- Delay in diagnosis of cancer recurrence

**Treatment**
- Failure to administer dexamethasone (Incident 18726)
- Advised there were no more treatment options
- Inadequate provision of sensory integration occupational therapy
- Poor treatment meant three visits to A&E
Communication

- Poor communication concerning end of life care
- Staff attitude x 3
- Poor record keeping
- Request for update on actions promised previously (in 2000)

8.2

Complaints by Directorate and Subject July 2015

Equipment

- Delay in the supply of aids, adaptions and continence products
- Concerns over physical layout of the pharmacy
Delays

- Delay to podiatry appointments
- Delays in receiving test results
- Administration of chemotherapy drugs
- Urine sample not returned from laboratory

Communication

- Staff attitude in relation to hygiene
- Letter sent to another trust with which the patient disagrees
- Disrespectful and upsetting attitude of a doctor
- District Nurse communication and care at end of life
- Staff attitude and future communication channels

Treatment

- Unsatisfactory outcome of breast surgery
- Brevity of the appointment
- Refusal to provide a hospital bed after treatment
- Lack of physiotherapy while an inpatient
Communication
- Attitude of staff
- Lack of co-ordinated support post-treatment

Diagnosis and Treatment
- Physiotherapy treatment causing pain
- Quality of surgery and aftercare

Delays
- Waiting times PPMDU
- Waiting times OPD
9.0. Safer staffing

From June 2014 all Trusts are required by the Department of Health, Monitor and Care Quality Commission to be able to assure their Boards around the provision of nursing care on its wards and units. This new requirement follows the national failings in care at Mid Staffordshire NHS Foundation Trust and other Trusts since put on “special measures”. The final Francis report recommended that Boards regularly check that levels of nurse staffing are appropriate for good quality care. Therefore from June 2014 the RM Board has received a monthly summary of planned numbers of nurses and Health Care Assistants (HCA) during the day and at night, versus the actual numbers. It is also mandated that the Board receive a six monthly report from the Chief Nurse regarding all issues regarding Safe Nurse staffing across the Trust. Such a report has been presented to the June 2014 and January 2015 Board and will be presented again in July 2015.

The following data is the planned and actual nurse staffing for June 2015.
Overall the percentages are as follows:

<table>
<thead>
<tr>
<th>Staff Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average fill rate for Night staff</td>
<td>100.0%</td>
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<tr>
<td>Average fill rate for Day staff</td>
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<tr>
<td>Average fill rate for Registered</td>
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</tr>
<tr>
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<td></td>
</tr>
<tr>
<td>Average fill rate for Care staff</td>
<td>104.9%</td>
</tr>
<tr>
<td>Average Trust wide fill rate</td>
<td>99.8%</td>
</tr>
</tbody>
</table>

The following data is the planned and actual nurse staffing for July 2015.
Overall the percentages are as follows:

<table>
<thead>
<tr>
<th>Staff Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average fill rate for Night staff</td>
<td>100.2%</td>
</tr>
<tr>
<td>Average fill rate for Day staff</td>
<td>99.6%</td>
</tr>
<tr>
<td>Average fill rate for Registered</td>
<td>99.4%</td>
</tr>
<tr>
<td>staff</td>
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</tr>
<tr>
<td>Average fill rate for Care staff</td>
<td>101.5%</td>
</tr>
<tr>
<td>Average Trust wide fill rate</td>
<td>99.8%</td>
</tr>
</tbody>
</table>
9.1. Nursing Leavers and Starters Report

The tables below show the number of nurse starters and leavers over a two year period. In the financial year 2013/14 the number of nurse leavers equated to 12 nurses per month on average. For the current financial year more nurses have been recruited at this point than in the last financial year however the Trust still continues to lose more nurses than recruited. In November the Chief Nurse began a monthly recruitment meeting to address the issues around recruitment and retention of nurses. For the first time in February the meeting was able to review the results of a small exit questionnaire, questionnaires were sent retrospectively to 35 nurses who had left and nine were returned. In all but one case the nurses left for personal or financial reasons. In one case the nurse was keen to stay if she could have attained promotion at the Trust – this case is currently being investigated.

The RM is keen to improve recruitment and retention of nurses particularly at bands 5 and 6 (junior and senior Staff Nurses). The new recruitment group is facilitating HR, senior nursing, marketing and communications to work together and look at innovative solutions. The Board will be kept updated on this important issue through regular reports at QAR.

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<thead>
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<td>15</td>
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<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
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<tr>
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<td>8</td>
<td>14</td>
<td>13</td>
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<td>18</td>
<td>11</td>
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### Nursing June Leavers 2015

<table>
<thead>
<tr>
<th>Area</th>
<th>Job Title</th>
<th>Leaving date</th>
<th>LOS</th>
<th>Band</th>
<th>WTE</th>
<th>Reason for leaving</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bud Flanagan East</td>
<td>Staff Nurse</td>
<td>26-Jun-2015</td>
<td>0 y 3 m</td>
<td>6</td>
<td>1.00</td>
<td>Voluntary Resignation - Other/Not Known</td>
</tr>
<tr>
<td>G I Tract Unit ($)</td>
<td>Clinical Nurse Specialist</td>
<td>07-Jun-2015</td>
<td>4 y 11 m</td>
<td>7</td>
<td>1.00</td>
<td>Voluntary Resignation - Other/Not Known</td>
</tr>
<tr>
<td>Kingston MDU</td>
<td>Senior Staff Nurse</td>
<td>25-Jun-2015</td>
<td>4 y 11 m</td>
<td>6</td>
<td>1.00</td>
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#### Clinical Research Division

<table>
<thead>
<tr>
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<th>Job Title</th>
<th>Leaving date</th>
<th>LOS</th>
<th>Band</th>
<th>WTE</th>
<th>Reason for leaving</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drug Development - Ex</td>
<td>Staff Nurse</td>
<td>16-Jun-2015</td>
<td>10 y 9 m</td>
<td>6</td>
<td>.61</td>
<td>Voluntary Resignation - Relocation</td>
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</table>

#### Clinical Services Division

<table>
<thead>
<tr>
<th>Area</th>
<th>Job Title</th>
<th>Leaving date</th>
<th>LOS</th>
<th>Band</th>
<th>WTE</th>
<th>Reason for leaving</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lymphoedema (L)</td>
<td>Lymphoedema Practitioner</td>
<td>30-Jun-2015</td>
<td>4 y 11 m</td>
<td>6</td>
<td>1.00</td>
<td>Voluntary Resignation - Work Life Balance</td>
</tr>
<tr>
<td>Theatres ($)</td>
<td>Staff Nurse</td>
<td>08-Jun-2015</td>
<td>6 y 2 m</td>
<td>6</td>
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<td>1.00</td>
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</tr>
<tr>
<td>Outpatients (L)</td>
<td>Senior Staff Nurse</td>
<td>19-Jun-2015</td>
<td>0 y 10 m</td>
<td>6</td>
<td>1.00</td>
<td>Voluntary Resignation - Work Life Balance</td>
</tr>
<tr>
<td>Outpatients ($)</td>
<td>Senior Staff Nurse</td>
<td>05-Jun-2015</td>
<td>0 y 10 m</td>
<td>6</td>
<td>1.00</td>
<td>Voluntary Resignation - Work Life Balance</td>
</tr>
<tr>
<td>Theatres ($)</td>
<td>Staff Nurse</td>
<td>30-Jun-2015</td>
<td>15 y 8 m</td>
<td>6</td>
<td>1.00</td>
<td>Retirement Age</td>
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#### Private Care

<table>
<thead>
<tr>
<th>Area</th>
<th>Job Title</th>
<th>Leaving date</th>
<th>LOS</th>
<th>Band</th>
<th>WTE</th>
<th>Reason for leaving</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Care Clinical Nurse</td>
<td>Clinical Nurse Specialist Me</td>
<td>11-Jun-2015</td>
<td>0 y 4 m</td>
<td>7</td>
<td>1.00</td>
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#### Community Services

<table>
<thead>
<tr>
<th>Area</th>
<th>Job Title</th>
<th>Leaving date</th>
<th>LOS</th>
<th>Band</th>
<th>WTE</th>
<th>Reason for leaving</th>
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</thead>
<tbody>
<tr>
<td>East Merton</td>
<td>Community Nurse</td>
<td>05-Jun-2015</td>
<td>3 y 8 m</td>
<td>5</td>
<td>.27</td>
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<tr>
<td>Night Nursing</td>
<td>Community Nurse</td>
<td>05-Jun-2015</td>
<td>3 y 8 m</td>
<td>5</td>
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<td>Voluntary Resignation - Promotion</td>
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**Total WTE - 10.61**

### Leavers in July 2015

<table>
<thead>
<tr>
<th>Area</th>
<th>Job Title</th>
<th>Leaving date</th>
<th>LOS</th>
<th>Band</th>
<th>WTE</th>
<th>Reason for leaving</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teenage and Young Adult Ward</td>
<td>Staff Nurse</td>
<td>07-Jul-2015</td>
<td>0 y 4 m</td>
<td>6</td>
<td>1.00</td>
<td>Voluntary Resignation - Work Life Balance</td>
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</table>
### Clinical Services Division

<table>
<thead>
<tr>
<th>Area</th>
<th>Job Title</th>
<th>Leaving date</th>
<th>LOS</th>
<th>Band</th>
<th>WTE</th>
<th>Reason for leaving</th>
</tr>
</thead>
<tbody>
<tr>
<td>Critical Care Unit (L)</td>
<td>Senior Staff Nurse</td>
<td>26-Jul-2015</td>
<td>5 y 0 m</td>
<td>6</td>
<td>1.00</td>
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</tr>
<tr>
<td>Outpatients (S)</td>
<td>Staff Nurse</td>
<td>31-Jul-2015</td>
<td>4 y 1 m</td>
<td>5</td>
<td>1.00</td>
<td>Voluntary Resignation - Relocation</td>
</tr>
<tr>
<td>Theatres (L)</td>
<td>Staff Nurse</td>
<td>23-Jul-2015</td>
<td>1 y 6 m</td>
<td>5</td>
<td>1.00</td>
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<tr>
<td>Endoscopy</td>
<td>Staff Nurse</td>
<td>10-Jul-2015</td>
<td>0 y 7 m</td>
<td>6</td>
<td>1.00</td>
<td>Voluntary Resignation - Relocation</td>
</tr>
<tr>
<td>Outpatients (S)</td>
<td>Staff Nurse</td>
<td>03-Jul-2015</td>
<td>0 y 5 m</td>
<td>5</td>
<td>1.00</td>
<td>Voluntary Resignation - Relocation</td>
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### Private Care

<table>
<thead>
<tr>
<th>Area</th>
<th>Job Title</th>
<th>Leaving date</th>
<th>LOS</th>
<th>Band</th>
<th>WTE</th>
<th>Reason for leaving</th>
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<tr>
<td>PP Medical Day Unit (S)</td>
<td>Staff Nurse</td>
<td>29-Jul-2015</td>
<td>16 y 3 m</td>
<td>6</td>
<td>.60</td>
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<tr>
<td>Robert Tiffany Unit (S)</td>
<td>Staff Nurse</td>
<td>05-Jul-2015</td>
<td>5 y 0 m</td>
<td>6</td>
<td>1.00</td>
<td>Voluntary Resignation - Other/Not Known</td>
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### Community Services

<table>
<thead>
<tr>
<th>Area</th>
<th>Job Title</th>
<th>Leaving date</th>
<th>LOS</th>
<th>Band</th>
<th>WTE</th>
<th>Reason for leaving</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sutton &amp; Cheam</td>
<td>Team Sister</td>
<td>24-Jul-2015</td>
<td>3 y 9 m</td>
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<tr>
<td>Merton SN</td>
<td>School Nurse</td>
<td>31-Jul-2015</td>
<td>3 y 9 m</td>
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<tr>
<td>East Merton</td>
<td>Practice Educator</td>
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<td>Night Nursing</td>
<td>Professional Development Facilitator Night Nursing</td>
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<td>3 y 9 m</td>
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<tr>
<td>Night Nursing</td>
<td>Community Nurse</td>
<td>28-Jul-2015</td>
<td>3 y 9 m</td>
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<td>West Merton</td>
<td>Senior Sister</td>
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<td>1.00</td>
<td>Voluntary Resignation - Other/Not Known</td>
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### Total WTE 11.5

### Nursing August Leavers 2015

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<tr>
<td>Children's OPD</td>
<td>Staff Nurse</td>
<td>10-Aug-2015</td>
<td>4 y 6 m</td>
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<tr>
<td>G I Tract Unit (L)</td>
<td>Clinical Nurse Specialist</td>
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<td>5 y 1 m</td>
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<tr>
<td>Kingston MDU</td>
<td>Senior Staff Nurse</td>
<td>12-Aug-2015</td>
<td>0 y 11 m</td>
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<td>Markus Ward</td>
<td>Staff Nurse</td>
<td>08-Aug-2015</td>
<td>21 y 2 m</td>
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<td>Position</td>
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<td>Age</td>
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<td>31-Aug-2015</td>
<td>5 y 1 m</td>
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</tr>
<tr>
<td>Critical Care Unit (L)</td>
<td>Staff Nurse</td>
<td>16-Aug-2015</td>
<td>5 y 1 m</td>
<td>Band 6</td>
<td>.61</td>
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<tr>
<td>PP Medical Day Unit (S)</td>
<td>Staff Nurse</td>
<td>07-Aug-2015</td>
<td>3 y 1 m</td>
<td>Band 6</td>
<td>.76</td>
<td></td>
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<tr>
<td><strong>Community Services</strong></td>
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<td>Carshalton</td>
<td>Community Staff Nurse</td>
<td>21-Aug-2015</td>
<td>1 y 5 m</td>
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<tr>
<td>Disability in Children</td>
<td>School Nurse (Special Needs)</td>
<td>03-Aug-2015</td>
<td>0 y 8 m</td>
<td>Band 5</td>
<td>.69</td>
<td></td>
</tr>
<tr>
<td>Night Nursing</td>
<td>Community Nurse</td>
<td>07-Aug-2015</td>
<td>1 y 8 m</td>
<td>Band 5</td>
<td>.29</td>
<td></td>
</tr>
<tr>
<td>Sutton &amp; Cheam</td>
<td>Team Sister</td>
<td>23-Aug-2015</td>
<td>0 y 11 m</td>
<td>Band 5</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>Sutton &amp; Cheam</td>
<td>Team Sister</td>
<td>23-Aug-2015</td>
<td>0 y 11 m</td>
<td>Band 5</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>Wallington Locality Team W91605</td>
<td>Community Nurse</td>
<td>20-Aug-2015</td>
<td>2 y 4 m</td>
<td>Band 5</td>
<td>1.00</td>
<td></td>
</tr>
</tbody>
</table>

**Total WTE 12.42**

10.0. Council Members are invited to note the performance of the Trust against the agreed national and local quality targets for June, July and August 2015 and the actions being taken.
**Executive Summary**

The purpose of this report is to provide the Council of Governors with an overview of nurse staffing levels as detailed in the national nurse staff guidance published by the National Quality Board (NQB 2014) “How to Ensure the Right People, with the Right Skills are in the Right place at the Right Time”. For the purposes of this report staffing includes all ward based nursing and health care assistant roles. This third six monthly report provides the Council of Governors with information on the following areas:

- The planned and actual hours worked per ward
- To bring to the attention of the Board any red flags or workforce safety issues
- The number of nurse vacancies across the Trust
- The current nurse turnover per nurse banding / pay scale.

**Recommendations**

The Council of Governors are asked to discuss the nurse staffing position against the NQB metrics for the last six months. It should be noted that there remains a problem with finding temporary staff at short notice to cover shifts. This can affect patient care and on 31 occasions across 14 wards over six months a patient safety alert was raised. All such alerts are investigated on none of these occasions was there actual harm to patients but nurses were concerned and are encouraged to report.
NQB Safer Staffing six monthly report

1.0. Introduction

The purpose of this report is to provide the Council of Governors with an overview of nurse staffing levels as detailed in the national nurse staff guidance published by the National Quality Board (NQB 2014) “How to Ensure the Right People, with the Right Skills are in the Right place at the Right Time”. For the purposes of this report staffing includes all ward based nursing and health care assistant roles. This third six monthly report provides the Council of Governors with information on the following areas:

- The planned and actual hours worked per ward
- To bring to the attention of the Board any red flags or workforce safety issues
- The number of nurse vacancies across the Trust
- The current nurse turnover per nurse banding / pay scale.

2.0. Background

In July 2014 the Board received a detailed report on the NQB requirements for all Trust Boards to receive six monthly reports on the following:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Difference between current establishment and recommendations following the use of evidence based tool(s)</td>
</tr>
<tr>
<td>2.</td>
<td>Allowance made in establishments for planned and unplanned leave</td>
</tr>
<tr>
<td>3.</td>
<td>Demonstration of the use of evidence based tool(s)</td>
</tr>
<tr>
<td>4.</td>
<td>Details of any element of supervisory allowance that is included in establishments for the lead sister / charge nurse or equivalent</td>
</tr>
<tr>
<td>5.</td>
<td>Evidence of triangulation between the use of tools and professional judgement and scrutiny</td>
</tr>
<tr>
<td>6.</td>
<td>The skill mix ratio before the review, and recommendations for after the review</td>
</tr>
<tr>
<td>7.</td>
<td>Details of any plans to finance any additional staff required</td>
</tr>
</tbody>
</table>
### 3.0 Reporting against the NQB requirements

<table>
<thead>
<tr>
<th>NQB Metric</th>
<th>RM report for July 2105</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.  Difference between current establishment and recommendations following the use of evidence based tool(s)</td>
<td>In January 2015 a validated evidence based tool: the Association of United Kingdom University Hospitals (AUKUH) Safer staffing tool was used across all the wards in the Trust and the establishments of staff assessed as compared to the England average. The ward staffing review found the following: The RM staffing was richer than comparisons across England. This can partly be explained by the fact that most general hospitals have student nurses as part of the skill mix whereas the RM as a specialist Trust only has a small number of student nurses during an elective placement. The review was also confounded in comparing like with like as several of the RM wards are very small and much smaller than the average across England. The smaller the ward the less efficient staffing appears.</td>
</tr>
</tbody>
</table>
It should be noted that no other specialist Trust was included in the analysis and no other cancer specialist trust. However when requested to do a further analysis comparing RM data only with OncHeam wards in London Trusts there were more similarities.

The establishments are as they were in January 2015 with no material changes in ward environment, type of patient care or skill mix. A further analysis in December 2015 will be conducted when the newer iPAMs tool is available as this should take into account the complexities of specialist cancer care.

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Allowance made in establishments for planned and unplanned leave</td>
<td>22% [national is 26%]</td>
</tr>
<tr>
<td>3.</td>
<td>Demonstration of the use evidence based tool(s)</td>
<td>AUKUH as above</td>
</tr>
<tr>
<td>4.</td>
<td>Details of any element of supervisory allowance that is included in establishments for the lead sister / charge nurse or equivalent</td>
<td>There is no such allowance this is continuously reviewed by the Matrons through to the Chief Nurse.</td>
</tr>
<tr>
<td>5.</td>
<td>Evidence of triangulation between the use of tools and professional judgement and scrutiny</td>
<td>All RM ward /Unit establishments have been reviewed by the Sister, Matron, Divisional Clinical Nurse Director and Chief Nurse. These nurses make a professional judgement which includes, the activity on the ward or unit, available skills and seniority of the staff and this is incorporated in the chart being used and displayed in all wards/units. The development of this methodology was ratified at the Senior Nurse meetings.</td>
</tr>
<tr>
<td>6.</td>
<td>The skill mix ratio before the review, and recommendations for after the review</td>
<td>76:24 – this is in line with ratios seen on specialist cancer wards (AUKUH)</td>
</tr>
<tr>
<td>7.</td>
<td>Details of any plans to finance any additional staff required</td>
<td>None at present but this is reviewed regularly depending on patient acuity and service change.</td>
</tr>
<tr>
<td>8.</td>
<td>The difference between the current staff in post and current establishment and details of how this gap is being covered and resourced</td>
<td>The major issues for the ward safe staffing are short term absence and challenges in cover and recruitment / retention issues.</td>
</tr>
<tr>
<td>9.</td>
<td>Details of workforce metrics - for example data on vacancies (short)</td>
<td>As provided in section 5 below</td>
</tr>
</tbody>
</table>
and long-term), sickness / absence, staff turnover, use of temporary staffing solutions (split by bank / agency / extra hours and over-time)

10. Information against key quality and outcome measures - for example, data on: safety thermometer or equivalent for non-acute settings, serious incidents, healthcare associated infections (HCAIs), complaints, patient experience / satisfaction and staff experience / satisfaction

This data is provided in summary form to the Board in the monthly Quality Account and a comprehensive set of metrics against the CQC standards is provided to QAR in the quarterly Integrated Risk Monitoring Report.

### 4.0. Planned and Actual staffing difference for the last six months by ward

**Key:** Day / Night % = Staffing coded as adequate and appropriate secondary to patient acuity and dependency review- Numbers out of a possible 30 (calendar days) averaged over six months.

Red flag safety report – where a nurse has raised an incident report due to low staffing numbers on one shift.

<table>
<thead>
<tr>
<th>No.</th>
<th>Ward</th>
<th>Planned v’s Actual RN</th>
<th>No. of times shifts unable to be filled by temporary staff</th>
<th>Red Flag safety report on Datix</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>BC</td>
<td>97.37%</td>
<td>17</td>
<td>0</td>
</tr>
<tr>
<td>2.</td>
<td>Ellis</td>
<td>101.07%</td>
<td>28</td>
<td>0</td>
</tr>
<tr>
<td>3.</td>
<td>Markus</td>
<td>98.43%</td>
<td>24</td>
<td>1</td>
</tr>
<tr>
<td>4.</td>
<td>Wilson</td>
<td>101.12%</td>
<td>35</td>
<td>0</td>
</tr>
<tr>
<td>5.</td>
<td>Horder</td>
<td>109.41%</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td>6.</td>
<td>Wiltshaw (PP)</td>
<td>100.17%</td>
<td>36</td>
<td>2</td>
</tr>
<tr>
<td>7.</td>
<td>GH1,2,3</td>
<td>99.8%</td>
<td>43</td>
<td>9</td>
</tr>
<tr>
<td>8.</td>
<td>Sutton</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>BudFlan East</td>
<td>92.49%</td>
<td>27</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>BudFlan West</td>
<td>94.27%</td>
<td>35</td>
<td>1</td>
</tr>
</tbody>
</table>
5.0. May Nursing workforce metrics

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>Vacancy Rate</th>
<th>Sickness Rate</th>
<th>Turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td>Band 2</td>
<td>2.62%</td>
<td>3.45%</td>
<td>23.44%</td>
</tr>
<tr>
<td>Band 3</td>
<td>9.05%</td>
<td>4.26%</td>
<td>8.82%</td>
</tr>
<tr>
<td>Band 4</td>
<td>9.37%</td>
<td>5.55%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Overall Rate (band 2 to 4)</td>
<td>7.06%</td>
<td>4.09%</td>
<td>13.57%</td>
</tr>
<tr>
<td>Band 5</td>
<td>17.41%</td>
<td>2.54%</td>
<td>19.01%</td>
</tr>
<tr>
<td>Band 6</td>
<td>10.40%</td>
<td>3.88%</td>
<td>15.76%</td>
</tr>
<tr>
<td>Band 7</td>
<td>4.67%</td>
<td>1.40%</td>
<td>10.33%</td>
</tr>
<tr>
<td>Band 8 - Range A</td>
<td>-4.62%</td>
<td>2.19%</td>
<td>17.87%</td>
</tr>
<tr>
<td>Band 8 - Range B</td>
<td>-1.19%</td>
<td>7.45%</td>
<td>13.96%</td>
</tr>
<tr>
<td>Band 8 - Range C</td>
<td>-18.92%</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Band 8 - Range D</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Overall Rate (band 2 to 8D)</td>
<td>8.92%</td>
<td>3.03%</td>
<td>14.64%</td>
</tr>
</tbody>
</table>

6.0. Safer Staffing actions

There are three main foci for safer nurse staffing:

- Improved recruitment to both substantive and bank positions
• Improved data on exit interviews to gain more data on turnover rates this is now included in the monthly Board Quality Account.
• The implementation of the Allocate V.10 module to facilitate automated workforce data and alignment between bank and substantive staff, this is due to be live in autumn 2015.

The Chief Nurse now chairs a monthly nurse recruitment steering board which focuses on the above. The key initiatives are:

• No adhoc recruitment but focused monthly recruitment - achieved
• Focused marketing campaign – achieved.
• New RM recruitment microsite on the website – achieved.
• Focus on exit interview data to understand retention issues – achieved.
• Focused work on “affordable housing” being led by the RM in progress
• RM attendance at national job fairs – achieved
• RM Open Day planned Saturday 4th July

The Director of Workforce is a key member of the nurse recruitment steering group. The business case for Allocate V.10 module was agreed at the February Financial Strategy Group and the new modules start to come on line in 2015.

7.0. Conclusion

The Council of Governors are asked to discuss the nurse staffing position against the NQB metrics for the last six months. It should be noted that there remains a problem with finding temporary staff at short notice to cover shifts. This can affect patient care and on 31 occasions across 14 wards over six months a patient safety alert was raised. All such alerts are investigated on none of these occasions was there actual harm to patients but nurses were concerned and are encouraged to report.

Recruitment and retention of nurses in London remains a major challenge with a national and local shortage as presented in the paper to the Board in December 2014 and further discussed in May 2015. The monthly nurse recruitment steering board chaired by the Chief Nurse is focusing on key areas including national and international recruitment. The Chief Nursing Officer for England Jane Cummings is leading a national group to action key areas to improve nurse recruitment and retention, the Chief Nurse of the RM is one of three CNs in London on this group.
<table>
<thead>
<tr>
<th>Date of Meeting:</th>
<th>Agenda item</th>
</tr>
</thead>
<tbody>
<tr>
<td>23rd September 2015</td>
<td>Item 8.3.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Title of Document:</th>
<th>To be presented by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance and Quality Report: Key Performance Indicators Quarter 1</td>
<td>Director of Performance and Information</td>
</tr>
</tbody>
</table>

**Executive Summary**

This paper provides a report on the Trust’s performance for quarter 1 2015/16 including the balanced scorecard for the Trust and a commentary on the red rated indicators and actions underway to improve performance.

**Recommendations**

The Council is asked to discuss and note the Trust’s performance against the balanced scorecard indicators for quarter 1 2015-16.

<table>
<thead>
<tr>
<th>Author:</th>
<th>Contact Number or E-mail:</th>
<th>Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catherine Kirk, Service Manager, Performance and Strategy</td>
<td>Ext. 4957</td>
<td>10th September 2015</td>
</tr>
</tbody>
</table>
KEY PERFORMANCE INDICATORS

QUARTER 1 2015/16

1. PURPOSE

This paper is intended to provide the Council of Governors with an update on the Trust’s performance for quarter 1 2015/16. The scorecard and narrative is also submitted to the Board.

The report includes the balanced scorecard for the Trust and a commentary on the red-rated indicators in the quarter 1 report including actions underway to improve performance.

The Staff Friends and Family Test did not take place in quarter 3 as the annual staff survey is undertaken during this time period and therefore this is intentionally left blank on the scorecard.

2. KPI REVIEW

The scorecard, including its KPIs and definitions and thresholds, will continue to be reviewed during 2015/16 to ensure the indicators remain relevant. New measures have been included for quarter 1 and these are detailed below.

2.1 Death in hospitals audit

As stated in last quarter’s report, a quarterly audit is now carried out to review all patient deaths within the hospital to add context to the HSMR metric. The RAG ratings applied are as follows:

No concern    Green
Requires further investigation   Amber
Concern    Red

2.2 Friends and Family Test

The Trust no longer undertakes the Picker satisfaction surveys within inpatients, outpatients and the day areas. The Trust carries out a range of satisfaction surveys in line with national requirements, including the Friends and Family Test (FFT), the National Cancer Patient Experience Survey and the National Inpatient Survey. The scorecard now includes the combined FFT score on whether patients would be either likely or extremely likely to recommend The Royal Marsden to their friends and family, however work is in progress with the Patient Experience and Quality Accounts Committee to develop a suite of KPIs for the scorecard.

2.3 Finance measures

A new set of finance measures have been introduced to reflect the changing focus of areas of scrutiny and to cover a broader range of financial areas, in line with the Trust’s annual financial plan.

Monitor has replaced the Continuity of Service Risk Rating with the Financial Sustainability Risk Rating. This new rating is a composite measure consisting of a trust’s:
• Liquidity
• Capital servicing capacity
• Income and expenditure margin
• Variance to plan in relation to the above margin.

A new monitor target has also been introduced whereby trusts are required to measure nursing agency spend as a % of total nursing pay. Monitor and the NHS Trust Development Authority have jointly launched a set of rules for nursing agency spend in order to assist trusts to meet the complex workforce challenges meeting the sector and to help improve patient safety. Monitor will formally measure this KPI from Q3 onwards.

In addition, the following new measures have been introduced:

• Agency spend as a % of total pay
• Cash
• PP Debtors over 90 days (% of total PP debtors) – RAG ratings TBC
• Non-PP Debtors over 90 days (% of total non-PP debtors)
• Capital Expenditure Variance (£000)

2.3 Radiology measures

The previous radiology indicator measured activity only and has been removed while a broader discussion takes place regarding how productivity should be measured. Following approval from the Diagnostic Imaging and Radioisotope Therapy (DIRIT) group two additional radiology measures have been put in place measuring the variance to the target number of reporting minutes split by NHS and private care. The target has been set at 5% growth in NHS, which represents a slowing in growth compared to previous years and 10% growth for private care. Thresholds have been set in line with the Trust’s strategy to reduce the growth in NHS reporting (to a limit) and increase the growth in private care reporting.

2.5 Workforce measures

New targets and revised thresholds were proposed after reviewing performance against the HR metrics data for the last 12 months. These changes have been approved at both Performance Group and PRG.

Threshold review

Both vacancy rates and sickness rates consistently met the standard and therefore it was appropriate to introduce a stretch target to support further improvement in HR performance. The turnover target had not been met and on review had been set at an unachievable level so this was amended to reflect current trends across London. In addition, the target for agency spend as a percentage of the total pay bill has also been adjusted to ensure the Trust has competitive local bank rates in order to recruit and retain quality staff bank.

New workforce measures for the scorecard are:

• Stability rate
• Re-introduction of sickness rate
• Completed induction
2.6 No of inpatients discharged whose LOS > 15 days

This measure has been put on hold as a new medical model is being implemented. Two new acute physicians commence in October 2015 who will be tackling average length of stay as part of their job plans. Therefore, a new measure of medical length of stay versus surgical length of stay is recommended and will be worked up for Q2 scorecard.

3. PERFORMANCE FOR QUARTER 1

The Trust met all of the Monitor indicators and targets for quarter 1, although two were rated amber. The Monitor targets are indicated on the scorecard.

RMH achieved amber for the Financial Sustainability Risk Rating due to a low income and expenditure margin in Q1. This has improved in Q2 and RMH expects to achieve level 4 and return to green.

In addition, RMH achieved amber for nursing agency spend as a % of the nursing pay bill and aims for this to be green by Q3 when Monitor begins formally to measure this.

Attachment 1 shows the balanced scorecard report for quarter 1 for 2015/16.

As agreed a commentary is only provided for indicators where performance is ‘red’ rated.

### 3.1 62 day wait for first treatment – GP referral to treatment (before reallocation)

<table>
<thead>
<tr>
<th>Q1</th>
<th>Actual: 73.1%</th>
<th>Target: 85%</th>
<th>Forecast: Meet trajectory, now revised to March 2016</th>
</tr>
</thead>
</table>

RMH did not meet the 62 day urgent GP referral standard (before reallocations) with performance at 73.1%. The Trust met the standard following LCA reallocations. Please note that the Trust has not been able to reallocate non-LCA late referrals as there is no national reallocation policy.

During quarter 1 there were 48.5 accountable breaches.

**Out of the Trust’s control**

- Late referral (37.0)
- Late notification from referring Trust of 62 day pathway (1.0)
- Patient complexity (6.0)
- Patient choice (1.5)

**Within the Trust’s control**

- Admin delays/delays to diagnostics (2.5)
  - Capacity (0.5)

RMH continues to receive a high number of late referrals and this is shown against performance in the chart below.
A full action plan is in place and has been shared with commissioners and Monitor and covers internal improvements and work with referring Trusts. The Trust was not able to meet its initial trajectory for Q1 of 79.9%. As highlighted in last quarter’s commentary, meeting the trajectory is dependent on referring Trusts referring patients earlier in the pathway. RMH did not receive a sufficient number of timely referrals to make it possible to meet the trajectory. This has been highlighted to Monitor and NHS England and RMH’s trajectory has now been revised to March 2016 for compliance.

The Trust expects to continue to meet the standard post LCA reallocation. A full report including the key issues and actions put in place to recover performance has been submitted to the Trust Board for review.

<table>
<thead>
<tr>
<th>Q1</th>
<th>62 day wait for first treatment – screening (before reallocation)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual: 89.8%</td>
</tr>
</tbody>
</table>

RMH did not meet the 62 day screening target (before reallocations) with performance at 89.8%. The Trust had been on track to meet the target before reallocations however, four minutes before the national lockdown, a referrer screening service changed the start date of the pathway on the national reporting system which resulted in a late breach for RMH. The Trust had been provided with inaccurate information by the referrer. RMH has written to the screening service in question to express concern over this error and the implications this has for the Trust and patient pathways.
3.3 Q1  |  No. of patients waiting >52 weeks (distinct patients across the quarter)
| Actual: 3 | Target: 0 | Forecast: 0 excluding breaches due to patient choice

All three cases are benign pathways with patient choice adjustments which will be applied to the pathway once completed. Therefore these will not be 52 week breaches once complete.

Each of these pathways has been carefully reviewed and shared with commissioners. There are currently no 52 week waiters.

3.4 Q1  |  Non-PP Debtors over 90 days (% of total debtors)
| Actual: 41% | Target: <25% | Forecast: Amber

Processes are being reviewed and measures put in place to bring this debt down in the coming quarters and maintain it at a lower level. There were a number of significant commissioner invoices due at the end of Q1 which have subsequently been paid. It is difficult to accurately forecast a position for Q2 as this is largely outside the control of the Trust however the aim is to reduce the percentage and achieve amber.

3.5 Q4 (1Q in arrears)  |  Percentage of closed commercial interventional trials meeting contracted recruitment target
| Actual: 64% | Target: >85% | Forecast: N/A

This measure includes trials that the Trust has hosted over the past 12 months and includes clinical trials with a status of either ‘open to recruitment’, ‘closed to recruitment – in follow up’, or ‘closed to recruitment – follow up complete’. For many trials, there is an extremely long follow-up period which can, in some cases, be up to ten years meaning that some trials can remain part of this measure for up to 11 years. Many of the older trials were set up when investigators were less realistic with recruitment targets which subsequently resulted in failure to meet them. These trials however cannot be removed from this measure until their status has been closed to recruitment i.e. follow up is complete for 12 months.

The NIHR CCF is currently undergoing a review of how they analyse and report performance against this benchmark. It is likely that any agreed changes in the reporting process will result in better analysis and may address some of the above issues. This review is still ongoing.

3.6 Q1  |  Completed induction
| Actual: 46.7% | Target: >70% | Forecast: Red

Local induction reporting remains a significant challenge and the rate remains steady and consistently below target. HR reviews with managers suggest local inductions are being completed but not reported. An individual follow up exercise is in progress to ensure that all completed inductions are recorded. An alternative way of reporting the completion of a local induction for all new starters has been agreed and this has already seen an increase in month 4 data. This is expected to improve during the rest of quarter 2.
<table>
<thead>
<tr>
<th>Patient Safety, Quality &amp; Experience</th>
<th>Q1 (Apr-Jun 15/16)</th>
<th>Q4 (Jan-Mar 14/15)</th>
<th>Q3 (Oct-Dec 14/15)</th>
<th>Q2 (Jul-Sep 14/15)</th>
<th>Q1 (Apr-Jun 15/16)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitor governance risk rating</td>
<td>G</td>
<td>G</td>
<td>G</td>
<td>G</td>
<td>G</td>
</tr>
<tr>
<td>Quality Account indicators</td>
<td>G</td>
<td>A</td>
<td>A</td>
<td>G</td>
<td>G</td>
</tr>
<tr>
<td>Certification against compliance regarding access to health care for people with a learning disability</td>
<td>G</td>
<td>G</td>
<td>G</td>
<td>G</td>
<td>G</td>
</tr>
<tr>
<td>Serious incidents (excl pressure sores)</td>
<td>3</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Complaints - % upheld</td>
<td>22.2%</td>
<td>27.7%</td>
<td>25.6%</td>
<td>32.3%</td>
<td>New in Q2</td>
</tr>
<tr>
<td>Mortality</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hospital Standardised Mortality Ratio (rolling 12 month - qtr in arrears - NHS patients only)</td>
<td>90.4</td>
<td>95.0</td>
<td>97.2</td>
<td>88.6</td>
<td>88.2</td>
</tr>
<tr>
<td>Mortality audit (based on qtr data in arrears)</td>
<td>G</td>
<td>New in Q1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30 day mortality post surgery</td>
<td>0.6%</td>
<td>0.9%</td>
<td>0.6%</td>
<td>1%</td>
<td>0.7%</td>
</tr>
<tr>
<td>30 day mortality post chemotherapy</td>
<td>0.3%</td>
<td>0.3%</td>
<td>0.3%</td>
<td>0.3%</td>
<td>0.3%</td>
</tr>
<tr>
<td>100 day HSCT mortality in previous 6 months (Deaths related to SCT)</td>
<td>7.3%</td>
<td>5.4%</td>
<td>5.0%</td>
<td>8.6%</td>
<td>6.1%</td>
</tr>
<tr>
<td>100 day HSCT mortality in previous 6 months (All deaths)</td>
<td>7.3%</td>
<td>5.4%</td>
<td>5.0%</td>
<td>8.6%</td>
<td>7.6%</td>
</tr>
<tr>
<td>Cancer staging</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staging data completeness sent to Thames Cancer Registry (1 qtr in arrears)</td>
<td>71%</td>
<td>76.0%</td>
<td>68.0%</td>
<td>70%</td>
<td>74%</td>
</tr>
<tr>
<td>Patient satisfaction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Friends and Family Test (inpatient and day care - new measure)</td>
<td>97%</td>
<td>New in Q1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Friends and Family Test (outpatients - new measure)</td>
<td>97%</td>
<td>New in Q1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waiting times for day chemotherapy (over 3 hrs)</td>
<td>11.4%</td>
<td>11.0%</td>
<td>11.3%</td>
<td>11.0%</td>
<td>11.0%</td>
</tr>
<tr>
<td>Mixed sex accommodation breaches</td>
<td>0 0 0 0 0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PP access to single rooms - Chelsea %</td>
<td>99.8%</td>
<td>99.4%</td>
<td>99.9%</td>
<td>99.9%</td>
<td>99.8%</td>
</tr>
<tr>
<td>PP access to single rooms - Sutton %</td>
<td>98.9%</td>
<td>99.0%</td>
<td>99.0%</td>
<td>98.1%</td>
<td>99.0%</td>
</tr>
<tr>
<td>Cancer waiting times targets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 wk wait from referral to date first seen: all cancers</td>
<td>96.2%</td>
<td>98.4%</td>
<td>96.8%</td>
<td>97.0%</td>
<td>94.3%</td>
</tr>
<tr>
<td>31 day wait from diagnosis to first treatment</td>
<td>94.2%</td>
<td>95.6%</td>
<td>96.4%</td>
<td>93.3%</td>
<td>93.5%</td>
</tr>
<tr>
<td>31 day wait for subsequent treatment: surgery</td>
<td>99.5%</td>
<td>99.1%</td>
<td>99.4%</td>
<td>99.7%</td>
<td>99.4%</td>
</tr>
<tr>
<td>31 day wait for subsequent treatment: drug treatment</td>
<td>99.8%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>99.8%</td>
<td>99.6%</td>
</tr>
<tr>
<td>31 day wait for subsequent treatment: radiotherapy</td>
<td>98.3%</td>
<td>98.4%</td>
<td>99.0%</td>
<td>96.7%</td>
<td>98.1%</td>
</tr>
<tr>
<td>31 day wait for first treatment: GP referral to treatment (reallocated)</td>
<td>85.4%</td>
<td>86.1%</td>
<td>86.9%</td>
<td>84.2%</td>
<td>87.0%</td>
</tr>
<tr>
<td>31 day wait for first treatment: GP referral to treatment (before reallocations)</td>
<td>73.1%</td>
<td>76.8%</td>
<td>79.4%</td>
<td>71.1%</td>
<td>77.0%</td>
</tr>
<tr>
<td>31 day wait for first treatment: Screening referral (reallocated)</td>
<td>93.0%</td>
<td>90.6%</td>
<td>91.6%</td>
<td>95.5%</td>
<td>88.2%</td>
</tr>
<tr>
<td>31 day wait for first treatment: Screening referral (before reallocations)</td>
<td>93.9%</td>
<td>91.4%</td>
<td>93.9%</td>
<td>93.8%</td>
<td>91.1%</td>
</tr>
<tr>
<td>Referral to treatment waiting times</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maximum time of 18 wks from referral to treatment admitted</td>
<td>96.2%</td>
<td>95.2%</td>
<td>95.4%</td>
<td>95.1%</td>
<td>95.9%</td>
</tr>
<tr>
<td>Maximum time of 18 wks from referral to treatment non-admitted</td>
<td>98.2%</td>
<td>98.9%</td>
<td>98.2%</td>
<td>97.8%</td>
<td>97.5%</td>
</tr>
<tr>
<td>Maximum time of 18 wks from referral to treatment still waiting (incomplete)</td>
<td>93.2%</td>
<td>94.5%</td>
<td>95.1%</td>
<td>96.5%</td>
<td>97.1%</td>
</tr>
<tr>
<td>No of patients waiting &gt; 52 wks. (distinct patients across the quarter)</td>
<td>3 4 3 0 0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. To improve the productivity and efficiency of the Trust in a financially sustainable manner, within an effective governance framework

### Finance & Efficiency

<table>
<thead>
<tr>
<th>Metric</th>
<th>Q1 (Apr-Jun 15/16)</th>
<th>Q4 (Jan-Mar 14/15)</th>
<th>Q3 (Oct-Dec 14/15)</th>
<th>Q2 (Jul-Sep 14/15)</th>
<th>Q1 (Apr-Jun 14/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitor financial sustainability risk rating</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Agency spend (% of total pay)</td>
<td>6.7%</td>
<td>New in Q1</td>
<td>4.3%</td>
<td>New in Q1</td>
<td></td>
</tr>
<tr>
<td>Nursing agency spend (% of nursing pay bill)</td>
<td>30.9</td>
<td>New in Q1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NHS activity Income Variance (£000)</td>
<td>-2000</td>
<td>-2,144</td>
<td>299</td>
<td>877</td>
<td>568.0</td>
</tr>
<tr>
<td>PP activity Income Variance (£000)</td>
<td>-95</td>
<td>4,144</td>
<td>-5,622</td>
<td>-5,472</td>
<td>-6,114</td>
</tr>
<tr>
<td>PP Debtors over 90 days (% of total PP debtors) - RAG ratings TBC</td>
<td>47%</td>
<td>New in Q1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-PP Debtors over 90 days (% of total non PP-debtors)</td>
<td>41%</td>
<td>New in Q1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Achievement of Efficiency Programme (%)</td>
<td>93%</td>
<td>65%</td>
<td>66%</td>
<td>44%</td>
<td>51%</td>
</tr>
<tr>
<td>Capital Expenditure Variance (£000)</td>
<td>-414</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LOQIS % achievement (formerly CQUINS) Acute</td>
<td>100%</td>
<td>99.9%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>LOQIS % achievement (formerly CQUINS) Sutton and Community Services</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Asset utilisation

<table>
<thead>
<tr>
<th>Metric</th>
<th>Chelsea</th>
<th>Sutton</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bed occupancy - Chelsea</td>
<td>82%</td>
<td>88%</td>
</tr>
<tr>
<td>Bed occupancy - Sutton</td>
<td>82%</td>
<td>84%</td>
</tr>
<tr>
<td>Theatre utilisation - Chelsea</td>
<td>93%</td>
<td>93%</td>
</tr>
<tr>
<td>Theatre utilisation - Sutton</td>
<td>77%</td>
<td>77%</td>
</tr>
</tbody>
</table>

### Clinical and Research Strategy

<table>
<thead>
<tr>
<th>Metric</th>
<th>Q1 (Apr-Jun 15/16)</th>
<th>Q4 (Jan-Mar 14/15)</th>
<th>Q3 (Oct-Dec 14/15)</th>
<th>Q2 (Jul-Sep 14/15)</th>
<th>Q1 (Apr-Jun 14/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>New referrals</td>
<td>5849</td>
<td>5471</td>
<td>5505</td>
<td>5538</td>
<td>5525</td>
</tr>
<tr>
<td>Total new referrals</td>
<td>5849</td>
<td>5471</td>
<td>5505</td>
<td>5538</td>
<td>5525</td>
</tr>
<tr>
<td>Total GP referrals</td>
<td>2643</td>
<td>2436</td>
<td>2466</td>
<td>2414</td>
<td>2489</td>
</tr>
<tr>
<td>GP referrals - urgent suspected cancers for diagnosis</td>
<td>1638</td>
<td>1486</td>
<td>1484</td>
<td>1506</td>
<td>1558</td>
</tr>
<tr>
<td>Referrals from Surrey</td>
<td>994</td>
<td>916</td>
<td>950</td>
<td>932</td>
<td>888</td>
</tr>
</tbody>
</table>

### Personalised care - building molecular diagnostics

<table>
<thead>
<tr>
<th>Metric</th>
<th>Q1 (Apr-Jun 15/16)</th>
<th>Q4 (Jan-Mar 14/15)</th>
<th>Q3 (Oct-Dec 14/15)</th>
<th>Q2 (Jul-Sep 14/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal referrals to the service</td>
<td>1837</td>
<td>1549</td>
<td>915</td>
<td>864</td>
</tr>
<tr>
<td>External referrals to the service</td>
<td>1423</td>
<td>973</td>
<td>994</td>
<td>917</td>
</tr>
</tbody>
</table>

### Stratified Medicine Programme

<table>
<thead>
<tr>
<th>Metric</th>
<th>Q1 (Apr-Jun 15/16)</th>
<th>Q4 (Jan-Mar 14/15)</th>
<th>Q3 (Oct-Dec 14/15)</th>
<th>Q2 (Jul-Sep 14/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of samples sent from patients recruited to CRUK</td>
<td>192</td>
<td>68</td>
<td>42</td>
<td>46</td>
</tr>
</tbody>
</table>

### Private care

<table>
<thead>
<tr>
<th>Metric</th>
<th>Q1 (Apr-Jun 15/16)</th>
<th>Q4 (Jan-Mar 14/15)</th>
<th>Q3 (Oct-Dec 14/15)</th>
<th>Q2 (Jul-Sep 14/15)</th>
<th>Q1 (Apr-Jun 14/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PP referrals</td>
<td>1056</td>
<td>997</td>
<td>1034</td>
<td>New in Q3</td>
<td></td>
</tr>
</tbody>
</table>

### Efficient clinical models

<table>
<thead>
<tr>
<th>Metric</th>
<th>Q1 (Apr-Jun 15/16)</th>
<th>Q4 (Jan-Mar 14/15)</th>
<th>Q3 (Oct-Dec 14/15)</th>
<th>Q2 (Jul-Sep 14/15)</th>
<th>Q1 (Apr-Jun 14/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No of inpatients discharged whose LOS &gt; 15 days</td>
<td>On hold</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Radiology

<table>
<thead>
<tr>
<th>Metric</th>
<th>Q1 (Apr-Jun 15/16)</th>
<th>Q4 (Jan-Mar 14/15)</th>
<th>Q3 (Oct-Dec 14/15)</th>
<th>Q2 (Jul-Sep 14/15)</th>
<th>Q1 (Apr-Jun 14/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NHS Radiologist reporting time – variance to target (new measure)</td>
<td>-6.6%</td>
<td>New in Q1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PP Radiologist reporting time – variance to target (new measure)</td>
<td>-4%</td>
<td>New in Q1</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Research (1 Qtr in arrears)

<table>
<thead>
<tr>
<th>Metric</th>
<th>Q1 (Apr-Jun 15/16)</th>
<th>Q4 (Jan-Mar 14/15)</th>
<th>Q3 (Oct-Dec 14/15)</th>
<th>Q2 (Jul-Sep 14/15)</th>
<th>Q1 (Apr-Jun 14/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>70 day target (for externally sponsored trials)</td>
<td>90%</td>
<td>95%</td>
<td>94%</td>
<td>97%</td>
<td>97%</td>
</tr>
<tr>
<td>Accrual to target (1Q in arrears)</td>
<td>64%</td>
<td>61%</td>
<td>59%</td>
<td>60%</td>
<td>60%</td>
</tr>
</tbody>
</table>
4. To recruit, retain and develop a high performing workforce to deliver high quality care and the wider strategy of the Trust

<table>
<thead>
<tr>
<th>Workforce Productivity</th>
<th>Q1 (Apr-Jun 15/16)</th>
<th>Q4 (Jan-Mar 14/15)</th>
<th>Q3 (Oct-Dec 14/15)</th>
<th>Q2 (Jul-Sep 14/15)</th>
<th>Q1 (Apr-Jun 14/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank and agency as % of total pay bill</td>
<td>10.3%</td>
<td>5.4%</td>
<td>4.8%</td>
<td>5.1%</td>
<td>5.9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Workforce Productivity</th>
<th>Q1 (Apr-Jun 15/16)</th>
<th>Q4 (Jan-Mar 14/15)</th>
<th>Q3 (Oct-Dec 14/15)</th>
<th>Q2 (Jul-Sep 14/15)</th>
<th>Q1 (Apr-Jun 14/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vacancy rate</td>
<td>5.8%</td>
<td>5.6%</td>
<td>6.6%</td>
<td>7.5%</td>
<td>8.2%</td>
</tr>
<tr>
<td>Staff turnover rate</td>
<td>13.6%</td>
<td>13.4%</td>
<td>12.6%</td>
<td>12.8%</td>
<td>12.3%</td>
</tr>
<tr>
<td>Stability rate (new measure)</td>
<td>88.8%</td>
<td>New in Q1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sickness rate</td>
<td>2.8%</td>
<td>New in Q1</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quality &amp; Development</th>
<th>Q1 (Apr-Jun 15/16)</th>
<th>Q4 (Jan-Mar 14/15)</th>
<th>Q3 (Oct-Dec 14/15)</th>
<th>Q2 (Jul-Sep 14/15)</th>
<th>Q1 (Apr-Jun 14/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultant appraisal (number with current appraisal)</td>
<td>81.8%</td>
<td>81.4%</td>
<td>84.0%</td>
<td>82%</td>
<td>81%</td>
</tr>
<tr>
<td>Appraisal &amp; PDP rate</td>
<td>78.4%</td>
<td>69.7%</td>
<td>68.0%</td>
<td>71%</td>
<td>74%</td>
</tr>
<tr>
<td>Completed induction (new measure)</td>
<td>7.9%</td>
<td>New in Q1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Statutory and Mandatory Staff Training</td>
<td>84.2%</td>
<td>80.3%</td>
<td>81.0%</td>
<td>83%</td>
<td>81%</td>
</tr>
</tbody>
</table>

5. Monitor Community Measures

<table>
<thead>
<tr>
<th>Community care completeness</th>
<th>Q1 (Apr-Jun 15/16)</th>
<th>Q4 (Jan-Mar 14/15)</th>
<th>Q3 (Oct-Dec 14/15)</th>
<th>Q2 (Jul-Sep 14/15)</th>
<th>Q1 (Apr-Jun 14/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>referral treatment information</td>
<td>75.0%</td>
<td>75.0%</td>
<td>75.0%</td>
<td>75.0%</td>
<td>75.0%</td>
</tr>
<tr>
<td>referral information</td>
<td>75.0%</td>
<td>78.6%</td>
<td>78.6%</td>
<td>91.7%</td>
<td>91.7%</td>
</tr>
<tr>
<td>activity information</td>
<td>76.2%</td>
<td>76.2%</td>
<td>76.2%</td>
<td>84.2%</td>
<td>84.2%</td>
</tr>
</tbody>
</table>

6. Staff Friends and Family Test - How likely are you to recommend this organisation to friends and family... as a place to receive care or treatment (‘care’)... as a place to

<table>
<thead>
<tr>
<th></th>
<th>Q1 (Apr-Jun 15/16)</th>
<th>Q4 (Jan-Mar 14/15)</th>
<th>Q3 (Oct-Dec 14/15)</th>
<th>Q2 (Jul-Sep 14/15)</th>
<th>Q1 (Apr-Jun 14/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommend – Care</td>
<td>94.7%</td>
<td>96%</td>
<td>n/a</td>
<td>96%</td>
<td>95%</td>
</tr>
<tr>
<td>Not recommend – Care</td>
<td>1.7%</td>
<td>1%</td>
<td>n/a</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>
**Executive Summary**

The Boots Partnership opened on 1 July on both sites. The service is now settling and improving well. A process mapping and review of the ordering and making of IV Chemotherapy is taking place in October 2015 to identify areas for improvement.

**Recommendations**

The Council of Governors is asked to note the progress with eChemo and the plans to improve waiting times.

<table>
<thead>
<tr>
<th>Author:</th>
<th>Contact Number or E-mail:</th>
<th>Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jatinder Harchowal, Chief Pharmacist</td>
<td>Ext. 8130</td>
<td>9th September 2015</td>
</tr>
</tbody>
</table>
Pharmacy Waiting Times

Jatinder Harchowal
Chief Pharmacist
Boots Partnership

Out Patients Average Weekly Waiting Times
(1st July - 28th August 15)
‘Treatment appointment time' to 'treatment start time'

Chemotherapy 2-Stop Treatment Waits, Chelsea

- Chelsea, >1hr
- Chelsea, >30mins to 1hr
- Chelsea, Within 30mins
‘Treatment appointment time' to 'treatment start time'

Chemotherapy 2-Stop Treatment Waits, Sutton
E-Chemo update

• Solid tumours live (357 + 75 republished):
  – Lung Oct 14 (55)
  – Breast Jan 15 (39)
  – GI Mar 15 (99)
  – Skin and Urology Apr 15 (56)
  – Neuro Onc May 15 (16)
  – Sarcoma (43), Gynae (32), H&N (17) Jul 15

• Haem 250 (Oct), Paeds 450 (end 15)

• Trials 950 (to be rationalised)
Next steps

• A detailed process mapping exercise of all the steps from prescribing, making and administering chemotherapy will be carried out in October to identify bottlenecks and how we can improve this.
Date of Meeting: 23rd September 2015

**Title of Document:**
Board sub-committee report for the Audit & Finance Committee and Quality, Assurance & Risk Committee

**To be presented by**
Ian Farmer, Chair of Audit and Finance Committee / Nancy Hallett, Chair of Quality, Assurance and Risk Committee

**Background**
The NHS Act 2006 as amended by the Health and Social Care Act 2012 specifies that it is the duty of the Council of Governors to hold the Non-Executive Directors (NEDs) to account for the performance of the Board. In summary, “holding the NEDs to account” requires Governors to scrutinise how well the Board is working, challenge the board in respect of its effectiveness, and ask the Board to demonstrate that it has sufficient quality assurance in respect of the overall performance of the Trust. In contrast, Directors are responsible and accountable for the performance of the Trust (‘Your Statutory Duties’, Monitor).

**Executive Summary**
The performance of the Board sub-committees is an important consideration for Governors in order to help them hold the NEDs to account for the performance of the Board. The purpose of this report, which will be reported on an annual basis, is to set out how the Board sub-committees have met their terms of reference whilst highlighting key issues the Committee has considered for the year of 2014/15.

**Recommendations**
The Council is asked to note the report and are invited to raise any questions.

**Author:**
Ian Farmer, Chair of Audit and Finance Committee / Nancy Hallett, Chair of Quality, Assurance and Risk Committee

**Contact Number or E-mail:**

**Date:** 10th September 2015
1. Introduction

The NHS Act 2006 as amended by the Health and Social Care Act 2012 specifies that it is the duty of the Council of Governors to hold the Non-Executive Directors (NEDs) to account for the performance of the Board. In summary, “holding the NEDs to account” requires Governors to scrutinise how well the Board is working, challenge the board in respect of its effectiveness, and ask the Board to demonstrate that it has sufficient quality assurance in respect of the overall performance of the Trust. In contrast, Directors are responsible and accountable for the performance of the Trust (‘Your Statutory Duties’, Monitor).

The performance of the Board sub-committees is therefore an important consideration for Governors in order to help them hold the NEDs to account for the performance of the Board. The purpose of this report, which will be reported on an annual basis, is to set out how the Board sub-committees have met their terms of reference whilst highlighting key issues the Committee has considered for the year of 2014/15.

2. Background

2.1. Committee Membership and Attendance

<table>
<thead>
<tr>
<th>Membership of Committees</th>
<th>Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit and Finance</td>
<td></td>
</tr>
<tr>
<td>Ian Farmer (Chair)</td>
<td>4 of 4</td>
</tr>
<tr>
<td>Dame Nancy Hallett</td>
<td>3 of 4</td>
</tr>
<tr>
<td>Dame Professor Janet Husband</td>
<td>3 of 3 (started Jun 2014)</td>
</tr>
<tr>
<td>Richard Turnor</td>
<td>3 of 4</td>
</tr>
<tr>
<td>Quality, Assurance and Risk</td>
<td></td>
</tr>
<tr>
<td>Dame Nancy Hallett (Chair)</td>
<td>4 of 4</td>
</tr>
<tr>
<td>R. Ian Molson</td>
<td>3 of 4</td>
</tr>
<tr>
<td>Cally Palmer</td>
<td>4 of 4</td>
</tr>
<tr>
<td>Richard Turnor</td>
<td>4 of 4</td>
</tr>
<tr>
<td>Paul Workman</td>
<td>0 of 4</td>
</tr>
<tr>
<td>Liz Bishop</td>
<td>4 of 4</td>
</tr>
<tr>
<td>Shelley Dolan</td>
<td>4 of 4</td>
</tr>
<tr>
<td>Alan Goldsman</td>
<td>1 of 3 (left Dec 2014)</td>
</tr>
<tr>
<td>Marcus Thorman</td>
<td>1 of 1 (started Jan 2015)</td>
</tr>
<tr>
<td>Martin Gore</td>
<td>4 of 4</td>
</tr>
<tr>
<td>Dame Professor Janet Husband</td>
<td>4 of 4</td>
</tr>
<tr>
<td>Sir John Craven</td>
<td>3 of 4</td>
</tr>
</tbody>
</table>

3. Key Issues

<table>
<thead>
<tr>
<th>Key Issues</th>
<th>Key Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit and Finance Committee</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Discussion on the results of the audit and Letter of Representation.</td>
</tr>
<tr>
<td></td>
<td>• The Committee members held a closed session with Deloitte in September 2014 following good</td>
</tr>
</tbody>
</table>
### 2. Annual Report and Accounts
- The Committee considered the annual accounts and took specific note on the following areas:
  - Discussions on asset valuation processes and impairment charges.
  - A review of the bad debt provisions.
  - Presentation of the results on the Trust and clarification on the way accounting impairment adjustments were explained.
  - Charity consolidation – the RMCC does not fall under the definition of a subsidiary necessary for consolidation.
- The Committee also reviewed the Quality Accounts and local quality indicator in conjunction with Quality, Assurance and Risk Committee.

### 3. Performance of the Internal Auditor
- The Committee reviewed the final internal audit reports from 2013/14 in its April meeting. These included:
  - Monitor’s Provider Licence
  - Risk Management and the Board Assurance Framework
  - Financial Systems and Reporting
  - Board Governance
  - Community Services – performance reporting and governance
  - IT Project Governance
- The Committee reviewed seven reports during the year relating to 2014/15. These included:
  - Community Services – Security arrangements
  - Compliance Review – Tissue Governance
  - Divisional Risk Management
  - Divisional Governance arrangements
  - Financial Management and Financial Reporting
  - Review of Temporary Staffing
  - Private Patient Income arrangements
- The Committee received a technical update from KPMG at each of its meetings including a specific seminar on Cyber Security.
- The Committee held a closed session with KPMG in January 2015 following good practice guidelines.

### 4. Anti-Fraud
- KPMG were awarded the contract for anti-fraud services at the completion of the contract with TIAA.
- A number of investigations took place during the year and the Committee received updates and reports on each area.

### 5. Internal Control and Risk Management
- The Committee reviewed a number of other areas for assurance purposes. These included:
  - Annual review of Reference Costs
  - Pharmacy Outsourcing
  - Service Line Management
  - Clinical Research
  - Private Care Business Case
  - Sutton & Merton Community
Services tenders
  o IT Shared Services (Sphere)

6. Terms of Reference review

• There were no changes to the Terms of Reference. These were reviewed by the Chair and Committee and approved at the September 2014 meeting.

Quality, Assurance and Risk Committee

1. Terms of Reference review

The terms of reference were reviewed and readopted at the September 2014 meeting.

2. Quality related mandatory inspections

Annual staff survey: The Trust had a positive survey report with staff rating the Trust as a good place to work and receive health care. A few areas for attention were noted.

3. Risk register

The change of a number of risks highlighted from the risk register were discussed, including junior doctor experience, emerging financial risk and uncertainties about the future of the community services contract. Others included the risk associated with future Biomedical Research Centre funding, nursing and middle grade doctor staffing & recruitment and capacity of diagnostic laboratories.

4. Board Assurance Framework

Issues included space restrictions, the London paediatric services review and how to continue excellent standards as the gap between income and spend increases.

5. Face to face frontline staff reports

Attendance by frontline staff: staff nurses / sisters/matrons, junior doctors, therapeutic radiographers and laboratory scientists.

6. Monthly and annual quality accounts

The quality accounts were reviewed. At QAR’s request information validating the data in the accounts was added to the documents.

7. Emergency and fire planning

Preparedness for emergencies and fire was scrutinised.

8. Research governance

Governance structures between the Trust and the Institute of Cancer Research are now integrated.

9. Annual clinical audit forward plan

The Trust’s clinical audit programme was reviewed.

10. Complaints monitoring

Selected complaints and complaints summaries were monitored as indicators of quality of care.

11. Safeguarding vulnerable adults and children

Trust arrangements for protecting vulnerable adults and children were discussed at each meeting. No issues were identified.

12. Integrated Governance Monitoring Report

The Integrated Governance Monitoring Report, describing the governance of care, research and infrastructure, assured QAR of the quality of care provided by the Trust.

3. Coordination between Audit & Finance Committee and Quality, Assurance & Risk Committee

The Chair of the Audit and Finance Committee (AFC) and Quality, Assurance and Risk Committee (QAR) have discussed priorities for the respective Committees and the use of internal audit resources to provide assurance in key risk areas. In addition, forward Agendas
and Minutes are regularly provided to each Committee and key items from QAR are reported at each AFC meeting as a standing item.

5. Conclusion

The Chairs of each Committee confirm the following:

- The Terms of Reference for each Committee have been reviewed during 2014/15;
- The Committee has adhered to the terms outlined in its Terms of Reference as well as received good attendance from its members;
- The performance of the external auditor is deemed satisfactory by the Audit and Finance Committee;
- There are no major concerns or issues to raise with the Governors with respect to the performance of the Trust.

The Council is asked to note the report and are invited to raise any questions with regard to the above matters.
**Date of Meeting:**
23rd September 2015

**Agenda item**
Item 10.

**Title of Document:**
Auditor’s Report - Annual Report and Accounts

**To be presented by**
Heather Bygrave, Deloitte LLP

**Executive Summary**

Heather Bygrave, Partner at Deloitte LLP, will attend for this item and present the auditor’s report on the Trust’s Annual Report and Accounts for the year ended 31st March 2015. Governors will have received their copy of the Annual Report and Accounts already.

**Recommendations**

Governors are asked to note the auditor’s report and discuss accordingly.

**Author:**
Deloitte LLP

**Contact Number or E-mail:**
PA 2151

**Date:**
10th September 2015
The Royal Marsden NHS Foundation Trust
Report to the Audit Committee on the year ended 31 March 2015 audit

28 May 2015
A reminder of our audit plan:

- **Materiality:** £3.2m (2014: £3.2m)
- **Threshold for reporting misstatements:** £158k (2014: £158k)
- Significant risks over recognition of NHS revenue and related recoverability of debtors, property valuations, accounting for capital expenditure, and management override of controls
- We have taken a mainly substantive audit approach

The findings from our work on the Quality Report are set out in the accompanying report, a copy of which will be provided to the Council of Governors at their next meeting.
Partner introduction
Partner introduction

The key messages in this report

I have pleasure in presenting our final report to the Audit Committee for the year ended 31 March 2015 audit. I would like to draw your attention to the key messages of this paper:

<table>
<thead>
<tr>
<th>Conclusions from our testing</th>
<th>The key judgements in the audit process related to:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Recognition of NHS revenue of £216.1m and the associated provisioning around the gross NHS debtors of £18.8m,</td>
</tr>
<tr>
<td></td>
<td>• Land has been revalued upwards by £1.6m and property revalued downwards by £6.1m; and</td>
</tr>
<tr>
<td></td>
<td>• Accounting for capital expenditure given the continued significant asset construction ongoing across both Sutton and Chelsea sites, with £21.8m expensed in the year</td>
</tr>
<tr>
<td></td>
<td>• We have identified an uncorrected audit adjustment and disclosure deficiency on which further details are on page 25.</td>
</tr>
<tr>
<td></td>
<td>• We have completed our audit. We have issued an unmodified audit opinion, with no reference to any matters in respect of the Trust’s arrangements to secure economy, efficiency and effectiveness in the use of resources, or the Annual Governance Statement.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Audit Certificate</th>
<th>Our audit certificate is qualified based on the conclusion on the Quality Report.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality Accounts</td>
<td>We issued a qualified conclusion in respect of our testing of 18 week Referral to Treatment incomplete pathways. The findings from our work are set out in the accompanying paper, which will also be presented to the Council of Governors at their next meeting.</td>
</tr>
<tr>
<td>Insight</td>
<td>We have identified a number of insights, more details of which have been included on page 16 of this paper.</td>
</tr>
<tr>
<td>Status of the audit</td>
<td>Our audit is complete.</td>
</tr>
</tbody>
</table>

Heather Bygrave
Lead audit partner

Audit quality is our number one priority. When planning our audit we set the following audit quality objectives for this audit:

- A robust challenge of the key judgements taken in the preparation of the financial statements.
- A strong understanding of your internal control environment.
- A well planned and delivered audit that raises findings early with those charged with governance.
## Our audit explained

### Significant risk dashboard

<table>
<thead>
<tr>
<th>Fraud risk</th>
<th>Controls approach and findings</th>
<th>Consistency of judgements with Deloitte expectations</th>
<th>Included in the significant issues section of the Audit Committee’s report</th>
<th>Expected to be included in our audit report</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Recognition</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>NHS debtors of £18.8m are significantly higher than in prior year (£9.8m). We note the Trust has had strong recoverability of over-performance having billed for this monthly, but £7.8m of the increase is in relation to the settlement of Funding for Complex Patients (formerly known as Project Diamond) income. The level of provisioning against NHS debtors is a key judgement in approval of the financial statements.</td>
</tr>
<tr>
<td></td>
<td>Evaluate design and implementation</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No significant observations noted.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property valuations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>The Trust’s revaluation has increased land values by £1.6m, and impaired buildings by £6.1m. The Trust is required to hold property assets within Property, Plant and Equipment at a modern equivalent use valuation, used for valuing the Trust's properties in line with other NHS bodies, is particularly judgemental.</td>
</tr>
<tr>
<td></td>
<td>Evaluate design and implementation</td>
<td>❌</td>
<td>✔</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No significant observations noted.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital expenditure</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>The Trust continues to have a significant capital programme, with £21.8m capital expenditure in the period, and £11.2m of assets under the course of construction at year-end. The decisions to capitalise costs can be judgmental, as well as the decision when to begin depreciation on those assets that are completed.</td>
</tr>
<tr>
<td></td>
<td>Evaluate design and implementation</td>
<td>❌</td>
<td>✔</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No significant observations noted.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management override of controls</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Our testing has including considering journals using data analytic techniques and considering key accounting estimates.</td>
</tr>
<tr>
<td></td>
<td>Evaluate design and implementation</td>
<td>✔</td>
<td>❌</td>
<td>❌</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No significant observations noted.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Overly prudent, likely to lead to future credit ❌ ❌ ✔ + + Overly optimistic, likely to lead to future debit.
Significant risks
Recognition of NHS revenue and recoverability of receivables

We have not identified significant issues in relation to the recoverability of NHS receivables.

Risk identified

As set out in our Audit Plan, we identified recognition of NHS revenue and associated provisions as a key risk due to the complexity of the payment by results revenue regime, the judgemental nature of provisions for unsettled balances with commissioners and the risk of revenue not being recognised at fair value due to adjustments agreed in settling current year disputes and agreement of future year contracts.

Furthermore, International Standards on Auditing (UK and Ireland) require us to presume that there is an increased risk of fraud and/or error in revenue recognition. We have considered the main risk in this area to be in the coding of income under Payment by Results (PbR) given that this represents the majority of Trust operating income.

Key judgements

NHS debt of £18.8m is significantly higher than in prior year, reflecting a £7.8m increase in relation to the agreement of Funding for Complex Patients income (formerly known as Project Diamond income).

The level of provisioning against NHS debtors as a whole is a key judgement in approval of the financial statements. The provision has increased significantly over the period, reflecting the shift in the ageing of the debts. Most notably in the year ended 31 March 2014, over 90% of the Trust’s NHS receivables were 1–30 days overdue, however in the year ended 31 March 2015, this is only 58%.

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross NHS receivables</th>
<th>Provisions as at 31 March</th>
<th>Net NHS receivables</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£m</td>
<td>£m</td>
<td>£m</td>
</tr>
<tr>
<td>2014/15</td>
<td>18.8</td>
<td>2.3</td>
<td>16.5</td>
</tr>
<tr>
<td>2013/14</td>
<td>9.7</td>
<td>0.8</td>
<td>8.9</td>
</tr>
</tbody>
</table>

The table below summarises the Trust’s top 5 Debtors (NHS) at 31 March 2015 and the amount agreed in the Agreement of Balances exercise that the Trust partakes in:

<table>
<thead>
<tr>
<th>Debit</th>
<th>Receivables at 31 March 2015</th>
<th>Agreement of balances</th>
<th>Amounts provided against receivable</th>
<th>Remaining exposure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£m</td>
<td>£m</td>
<td>£m</td>
<td>£m</td>
</tr>
<tr>
<td>NHS England</td>
<td>6.7</td>
<td>6.2</td>
<td>-0.5</td>
<td>-</td>
</tr>
<tr>
<td>Health Education England</td>
<td>2.1</td>
<td>2.1</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>NHS Sutton CCG</td>
<td>0.6</td>
<td>0.6</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Epsom and St Helier University Hospital Trust</td>
<td>1.8</td>
<td>1.2</td>
<td>-0.6</td>
<td>-</td>
</tr>
<tr>
<td>St George’s Healthcare Trust</td>
<td>0.4</td>
<td>0.3</td>
<td>-0.1</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>11.6</strong></td>
<td><strong>10.4</strong></td>
<td><strong>-1.2</strong></td>
<td>-</td>
</tr>
</tbody>
</table>

The Trust has recovered 30% of the NHS England debtor balance, and 100% of the Health Education England balance post year-end.

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Recognition of NHS revenue and recoverability of receivables

We have not identified significant issues in relation to the recoverability of NHS receivables.

Deloitte view

The increasingly established nature of the Trust’s commissioning relationships would be expected to increase the reliability of revenue recognition and debtor recovery estimates. Despite this debtors have increased compared to last year, but there is a significant part of this (£7.8m) in relation to funding for complex patients.

We do not consider there to be evidence of management bias in the revenue recognition policies adopted. In our view, there is an appropriate level of disclosure around the risks of debtor recovery.

Our clearance to the National Audit Office will note the provisions noted outside the Agreement of Balances exercise.

The chart above shows how the Trust’s debtors compare to other trusts that we audit. As this shows, the level of debtors during the year remains high, impacting on working capital requirements.

Deloitte response

- We have reviewed the Payment by Results process and the design and implementation of controls over the provisioning process, and not identified any significant issues in respect of PbR revenue process.
- We have agreed a sample of baseline contract income to underlying contracts, and a sample of significant year-end income balances to activity data.
- We have tested the recoverability of over performance income through the year, and noted 84% over-performance recovery for the sample selected for the first eleven months of the year (with lower recovery to date in the final quarter).
- We have reviewed the results of the agreement of balances exercise and have investigated significant disagreements between parties.
- We note that the Trust agreed £7.8m of additional income in relation to the funding for complex patients income – the Trust do not expect to receive this income stream in the future. We consider the Trust’s recognition of this revenue in the year ended 31 March 2015 to be reasonable.

Deloitte view

Whilst your NHS debtor balances have increased, we understand the reasons for this rise. We believe the NHS revenue recognition and the debtor positions at year-end to be materially correct.

Inclusion in our audit report

We have included this risk in our audit report because it had a significant effect upon our overall audit strategy, allocation of resources, and direction of the efforts of the team.
Property valuations
The estate has decreased by £4.4m as a result of the revaluation exercise

Risk Identified
The Trust is required to hold property assets within Property, Plant and Equipment at valuation, which will usually be on a modern equivalent use basis. As detailed in our Audit Plan, valuations are by nature significant estimates which are based on specialist and management assumptions and which can be subject to material changes in value. The Trust has had an independent valuation carried out for the purposes of the 31 March 2015 financial statements.

Key judgements
The Trust’s revaluation has increased land values by £1.6m, and reduced the value of buildings and dwellings by £6.0m. The impact of this will be to decrease PDC dividends payable in the coming year by £154k. The chart below shows the movements in the period.

The result of the valuation is a loss of £4.4m recognised in the Statement of Other Comprehensive Income. There has been no impairment charged to Statement of Comprehensive Income in the year as the assets which were impaired in the current year had a related revaluation gain associated with them.

Movement in property valuations

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>£m</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>25.3</td>
<td>26.9</td>
</tr>
<tr>
<td>Revaluation gain on land</td>
<td>148.0</td>
<td>140.9</td>
</tr>
<tr>
<td>Revaluation loss on buildings</td>
<td>5.6</td>
<td>6.0</td>
</tr>
<tr>
<td>Reclassification and disposals</td>
<td>1.6</td>
<td>4.7</td>
</tr>
</tbody>
</table>

Source: Management information

Deloitte response
We engaged our property specialists Deloitte Real Estate to review the assumptions and methodology used to value the estate. We have used their findings to challenge management’s assumptions. We note that all assumptions used by the Gerald Eve are within a tolerable threshold of what our property specialists would expect to be used.

The Modern Equivalent Asset method, used for valuing most of the Trust’s properties in line with other NHS bodies, is particularly judgemental. There are a variety of assumptions that must be made, which we have summarised in the table below, together with the potential impact to give an indication of where the Trust lies within the acceptable range.

We note that the reclassifications from the assets under the course of construction of £4.4m were effectively eliminated as a result of the revaluation exercise. We note that this is was accounted for in line with the Modern Equivalent Asset method.

Inclusion in audit report
We have included this risk in our audit report because it had a significant effect upon our overall audit strategy, allocation of resources, and direction of the efforts of the team.

Deloitte view
The Trust’s valuation assumptions are in line with other Trusts and fall within the expected range highlighted by Deloitte Real Estate. We note on page 16 a finding with regards to the revaluation reserve.

We note that the Trust does not have a revaluation reserve split out by asset, and we have made a recommendation on page 16 in relation to this.
Accounting for capital expenditure
The Trust continues to implement an extensive capital programme across both Chelsea and Sutton sites

Risk Identified
The Trust has an extensive capital programme, including £11.2m of assets under construction at year-end, with capital expenditure in the year of £21.8m. As detailed in our Audit Plan, accounting for capital expenditure can involve significant judgements.

Key judgements
The table below summarises the movements in the assets under construction balance in the year.

<table>
<thead>
<tr>
<th>£m</th>
<th>31 March 2014</th>
<th>Costs capitalised in year</th>
<th>Transfers out</th>
<th>Impaired</th>
<th>31 March 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets under construction</td>
<td>8.5</td>
<td>21.8</td>
<td>(17.6)</td>
<td>(1.4)</td>
<td>11.3</td>
</tr>
</tbody>
</table>

Deloitte response
- We have reviewed the Trust’s capital plans with input from our property specialists, Deloitte Real Estate,
- We have tested the design and implementation of controls around the capitalisation of costs,
- We have tested spending on a sample basis to confirm that it complies with the relevant accounting requirements, and that the depreciation rates adopted are appropriate,
- We have reviewed the projects ledger and the status of individual projects to evaluate whether they have been depreciated from the appropriate point, and
- We have challenged management’s assessment whether any impairment arises in respect of newly capitalised expenditure

Inclusion in audit report
We have included this risk in our audit report because it had a significant effect upon our overall audit strategy, allocation of resources, and direction of the efforts of the team.

Deloitte view
Within our sample we noted two errors. These errors were in relation to assets not being transferred out of assets under construction in a timely manner when it became operational. This therefore resulted in a delay in the depreciation being started, these errors were cumulatively immaterial, and immaterial upon extrapolation over the AUC balance.

We note that within the Trust the estates team and finance team look to continually communicate. We have noted in the instances of the aforementioned immaterial errors that the communication needs to be improved on these samples, and as such raise a recommendation on page 16 of this report.

We note that there was a £1.4m impairment within the assets under course of construction as a result of a number of feasibility studies not materialising into a tangible asset.

We note that the Trust was below its capital spend (£21.8m) per the annual plan (£30.2m) for year ended 31 March 2015

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Management override of controls
We did not identify any significant transactions outside the normal course of business or transactions

Risk Identified
International Standards on Auditing requires auditors to identify a presumed risk of management override of control. This presumed risk cannot be rebutted by the auditor. This recognises that management may be able to override controls that are in place to present inaccurate or even fraudulent financial reports.

Key judgements
Our audit work is designed to test for instances of management override of controls. We have summarised above our work on key estimates around revenue recognition, property valuations and capital accounting. We have also carried out procedures on provisioning and the funding for complex patients income received in the year.

Deloitte response
We have considered the overall sensitivity of judgements made in preparation of the financial statements, and note that:
• the Trust’s reported results were behind plan by £0.4m;
• the Trust’s COSRR rating of 4 was broadly consistent within the year;
We have considered these factors and other potential sensitivities in evaluating the judgements made in the preparation of the financial statements. Specific areas of work are:

Journals
We have made inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments.
We have used Spotlight data analytics tools to test a sample of journals, based upon identification of items of potential audit interest. Our analysis identified the 578,098 journals posted in the year. Investigation of items sampled using Spotlight did not identify indicators of management override.

Accounting estimates
In addition to the key estimates discussed above, we have tested the basis for other estimates used in the financial statements including depreciation and accruals.

Significant transactions
We did not identify any significant transactions outside the normal course of business or transactions where the business rationale was not clear. We have audited the balances in relation to the Sphere joint venture.

Inclusion in audit report
We have not referenced this risk in our auditor’s report because it did not have a significant effect upon our overall audit strategy, allocation of resources, or direction of the efforts of the team.

Deloitte view
We have not identified any significant bias in the key judgements made by management.
The control environment is appropriate for the size and complexity of the Trust.
Value for money
Value for money

We will not reference any issues in our audit report.

**Value for money**

We are required to consider whether the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. Our work takes account of:

- the Accounting Officer’s statement in the Annual Governance Statement; and
- the results of work of relevant regulators, including the Care Quality Commission and Monitor.

**Overall financial and quality performance**

The table below illustrates how the Trust’s performance compares to plan and prior year:

<table>
<thead>
<tr>
<th></th>
<th>Current year 2014/15</th>
<th>Planned 2014/15</th>
<th>Variance</th>
<th>Prior year 2013/14</th>
<th>Planned 2015/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus</td>
<td>£1.0m</td>
<td>£1.4m</td>
<td>-£0.4m</td>
<td>£1.6m</td>
<td>£3.8m</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>4.3%</td>
<td>4.8%</td>
<td>-0.5%</td>
<td>4.8%</td>
<td>4.8%</td>
</tr>
<tr>
<td>CIP target and identified to date</td>
<td>£9.6m (£8.1m revenue generation &amp; £1.5m cost improvement)</td>
<td>£15.3m (£11.5m revenue generation &amp; £3.8m cost improvement)</td>
<td>-£5.7m</td>
<td>£12.8m (£8.6m revenue generation &amp; £4.1m cost improvement)</td>
<td>£10.9m (£8.5m revenue generation &amp; £2.4m cost improvement)</td>
</tr>
<tr>
<td>Monitor Continuity of Service Risk Rating</td>
<td>4</td>
<td>4</td>
<td>0</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Monitor governance risk rating</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Breaches of Monitor performance targets</td>
<td>None</td>
<td>None</td>
<td></td>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

**Work performed**

We have obtained an understanding of the Trust’s arrangements for securing “value for money”, through a combination of:

- “high level” interviews with the Chief Financial Officer and quality leads;
- review of the Trust’s draft Annual Governance Statement;
- consideration of issues identified through our other audit and assurance work;
- review of CQC inspections in the year of which there were none published;
- consideration of the Trust’s results, including benchmarking of actual performance. This includes the Trust’s CIP delivery which despite not being achieved, is not deemed to be a qualification with respect to value for money. The rationale for this is that the Trust have delivered a surplus in the year, the Trust’s 2014/15 CIP was recognised as challenging, and the Trust is not an outlier in the sector for not achieving their CIPs;
- review of Monitor’s continuity of service and governance risk ratings; and
- benchmarking of the Trust’s performance

**Conclusion**

We have not identified any issues which we need to report in our audit opinion in respect of:

- the Trust’s arrangements for securing the economy, efficiency and effectiveness of the use of resources; or
- the Annual Governance Statement.

We note that the qualification with respect to the referral to treatment indicator is not indicative of quality issues in the Trust, but rather a need to improve the keyness of reporting. This qualification has not impacted our conclusion on the economy, efficiency and effectiveness that the Trust delivers.
Other findings
Other issues

Although not identified as significant risks, we draw to your attention the following accounting judgements:

**Sphere accounting**

- The Trust has created a joint venture ("JV"), Systems Powering Healthcare Limited ("Sphere") with Chelsea and Westminster Hospital NHS Foundation Trust. The JV will operate a shared IT service for non-clinical functions.
- The JV was created before year-end, although the agreements for the shared service were not signed until 2 April 2015. Under the terms of these agreements, the Trusts would each transfer various fixed assets (which has yet to be finalised) to Sphere for £1 consideration. This was a change from the original transaction proposals to sell the assets at book value to the JV.
- The accounts include depreciation over a revised economic life which gives additional depreciation in the year, and a total depreciation of £3.6m on these assets.
- The accounts include an impairment of non-specialised IT assets of £898k, which we deem to be an error. This has been included in our uncorrected errors schedule on page 25.
- We understand that a number of accounting transactions will be made during 2015/16 to account for this. This is a complex area of accounting and we would request a paper from management laying out their accounting intentions for us to consider.

**Going concern**

The Annual Reporting Manual requires that accounts are prepared on a going concern basis. However, if the Trust considers there are material uncertainties over the Trust's status as a going concern, these would need to be disclosed and we would need to include an Emphasis of Matter in our audit report.

Our audit plan did not identify a significant risk in respect of going concern. Since the issue of that plan:
- The proposed 2015/16 Tariff was published, and rejected by providers;
- NHS England proposed an alternative, "Enhanced Tariff Offer";
- The Trust, in common with other teaching trusts, chose not to accept the Enhanced Tariff Offer; and
- There have been extensive discussions with NHS England with respect to the overall contract activity levels and structure (as well as funding for complex patients).

The Trust has forecast a £3.8m surplus for 2015/16. We have reviewed the annual plan submission to Monitor, and considered the Trust's cash flow for the next 12 months, and as such we have not identified going concern as a significant risk.
### Other significant findings

<table>
<thead>
<tr>
<th>Management of the fixed asset register</th>
<th>Observation / Recommendation / Management response</th>
<th>Priority</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Observation</strong></td>
<td>Throughout the audit we noted the following immaterial errors on with regards to management of the fixed asset register (FAR):</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Fixed assets disposed of but not removed from the FAR. We noted two Linac machines (1 in Sutton and 1 in London) had not been removed from the FAR but the assets had been disposed of in October 2013, and</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• 2 assets were noted to have depreciation starting at least a month after the asset was operational.</td>
<td></td>
</tr>
<tr>
<td><strong>Recommendation</strong></td>
<td>To improve the communication between the Trust’s estates and finance team to ensure both disposals and completed capital projects are accounted for on a timely basis.</td>
<td></td>
</tr>
<tr>
<td><strong>Management response</strong></td>
<td>Early in 2014/15 there was turnover in both the finance and estates team which may have resulted in some delays in capitalising and disposing of assets. This is now resolved, and the teams will continue to liaise regularly to ensure assets are capitalised and disposed of on a timely basis.</td>
<td></td>
</tr>
</tbody>
</table>

| Associate contracts | Observation | We noted that the associate contract with NHS Sutton CCG contains £16m worth of revenue for which the amount of contracted activity per each associate is not explicitly stated in the contract. |          |
|                    |             | We noted one of these amounts was a material amount (£4m) in relation to NHS Surrey Downs CCG which is an associate of the NHS Sutton associate contract. |          |
|                    | **Recommendation** | Whilst we note no impact on the current year, for FY15/16 we would recommend that the Trust has associate values in contracts listed out explicitly, particularly as the environment becomes tougher to agree financing. |          |
|                    | **Management response** | All associate values are agreed with individuals CCGs, each of which are under an implied obligation to comply with the Trust’s CCG contract signed by Sutton CCG as the host CCG commissioner (irrespective of whether they are listed in the CCG contract). Only signatories to the co-commissioning contract between Sutton CCG and associate CCGs can be listed in the Trust’s CCG contract (this is outside of the Trust’s control). In 15/16, Surrey Downs CCG is a signatory to the co-commissioning contract and has therefore been included as a specific associate to the Trust’s CCG contract. |          |

| Revaluation reserve | **Observation** | The revaluation reserve is not split out by asset, but rather by class (land and buildings). FT ARM 5.8 states "where a revaluation results in a reduction in an asset’s value, this reduction should be charged initially to the revaluation reserve to the extent that there is an available balance in respect of the asset, and thereafter it should be charged to operating expenses". Currently the Trust have two “assets” in their revaluation reserve (land and buildings) and as such cannot attribute revaluation differences to specific assets. |          |
|                    | **Recommendation** | To undertake a retrospective review of the revaluation reserve to identify specific assets in the revaluation reserve. Furthermore prospectively identify assets that have revaluations and separate these out in the revaluation reserve. |          |
|                    | **Management response** | The Trust does not currently have a site or building specific revaluation reserve. The Trust will consider the most appropriate method to separate the revaluation reserve during 2015/16. |          |
Draft enhanced audit opinion
Enhanced audit opinion

The below sets out our draft enhanced audit report which will be included within the Trust’s annual report. This example is based upon the current status of our work.

INDEPENDENT AUDITOR’S REPORT TO THE BOARD OF GOVERNORS AND BOARD OF DIRECTORS OF ROYAL MARSDEN NHS FOUNDATION TRUST

Opinion on financial statements of Royal Marsden NHS Foundation Trust

In our opinion the financial statements:
• give a true and fair view of the state of the Trust’s affairs as at 31st March 2015 and of its income and expenditure for the year then ended;
• have been properly prepared in accordance with the accounting policies directed by Monitor – Independent Regulator of NHS Foundation Trusts; and
• have been prepared in accordance with the requirements of the National Health Service Act 2006.

The financial statements comprise: the Statement of Comprehensive Income, the Statement of Financial Position, the Cash Flow Statement, the Statement of Changes in Taxpayers’ Equity and the related notes 1 to 24. The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by Monitor – Independent Regulator of NHS Foundation Trusts.

Qualified 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 Audit Code for NHS Foundation Trusts except that we have qualified our conclusion on the quality report in respect of the ‘maximum time of 18 weeks from point of referral to treatment in aggregate – patients on an incomplete pathway’ indicator.

Going concern

We have reviewed the Accounting Officer’s statement on page 29 that the Trust is a going concern. We confirm that
• we have concluded that the Accounting Officer’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
• we have not identified any material uncertainties that may cast significant doubt on the Trust’s ability to continue as a going concern.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust’s ability to continue as a going concern.

Our assessment of risks of material misstatement

The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.
<table>
<thead>
<tr>
<th>Risk</th>
<th>How the scope of our audit responded to the risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>NHS revenue and provisions</td>
<td>We evaluated the design and implementation of controls over recognition of Payment by Results income.</td>
</tr>
<tr>
<td></td>
<td>We have agreed a sample of baseline contract income to underlying contracts, and a sample of significant year-end income balances to activity data.</td>
</tr>
<tr>
<td></td>
<td>We performed detailed substantive testing of the validity and recoverability of over-performance income through the year, and evaluated the results of the agreement of balances exercise.</td>
</tr>
<tr>
<td></td>
<td>We tested the historical accuracy of provisions made for unsettled balances with commissioners, and used the results to evaluate year-end provisions.</td>
</tr>
<tr>
<td></td>
<td>We challenged key judgements around specific areas of dispute and actual or potential challenge from commissioners and the rationale for the accounting treatments adopted.</td>
</tr>
</tbody>
</table>

The majority of the Trust’s income is now commissioned by NHS England. Health Education England and NHS Merton CCG also represent significant commissioners for the Trust. The settlement of income has presented challenges, leading to increased delays in the agreement of year end positions.

Further details upon the associated judgements are included in note 1.2 to the financial statements. Note 3 sets out the income recognised, and note 12 the associated receivables and provisions.

Property valuations
The Trust holds land assets of £26.9m and building assets of £140.9m within Property, Plant and Equipment at a modern equivalent use valuation. The valuations are by nature significant estimates which are based on specialist and management assumptions and which can be subject to material changes in value.

Further details upon the associated estimates are included in notes 1.5 and 10 to the financial statements.

We evaluated the design and implementation of controls over property valuations.

We used internal valuation specialists to review and challenge the appropriateness of the key assumptions used in the valuation of the Trust’s properties, including through benchmarking against revaluations performed by other Trusts at 31st March 2015.

We assessed whether the valuation and the accounting treatment was compliant with the relevant accounting standards, and in particular whether impairments should be recognised in the Income Statement or in Other Comprehensive Income.

Capital Expenditure
The Trust has capital expenditure of £21.6m in the year and assets under the course of construction of £11.2m at year-end, as part of its extensive capital programme. Judgement is exercised in determining whether expenditure can be capitalised and when to commence depreciation.

Further details upon the associated balances are included in note 10 to the financial statements.

We reviewed the Trust’s capital plans to identify potential risks or issues. We tested the design and implementation of controls around cost capitalisation. We tested a sample of assets remaining in construction at 31 March 2015 to assess whether this remained appropriate, including physically verifying a sample of assets.

On a sample basis we reviewed spending to confirm amounts capitalised were in line with relevant accounting requirements. On a sample basis we reviewed the status of individual projects to evaluate whether they have been depreciated for the correct period.
The description of risks above should be read in conjunction with the significant issues considered by the Audit Committee discussed on page 27.

Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for the Trust to be £3.2m, which is below 1% of revenue and below 2% of equity.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £158,000, 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 audit was scoped by obtaining an understanding of the entity and its environment, including internal control. Audit work was primarily performed at the Trust's offices in London as well as their site in Sutton directly by the audit engagement team, led by the audit partner.

The audit team included integrated Deloitte specialists bringing specific skills and experience in property valuations and Information Technology systems.

The Trust uses NHS Shared Business Services for a significant part of the day to day general ledger processing. In performing our work we considered the design and implementation of key controls operating at the Trust as well as reviewing the Independent Service Auditor's report thereon to assess the adequacy of key non-Trust controls.
Enhanced audit opinion (continued)

Opinion on other matters prescribed by the National Health Service Act 2006

In our opinion:
- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the National Health Service Act 2006; and
- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Annual Governance Statement, use of resources, and compilation of financial statements

Under the Audit Code for NHS Foundation Trusts, we are required to report to you if, in our opinion:
- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with information of which we are aware from our audit;
- the NHS Foundation Trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or
- proper practices have not been observed in the compilation of the financial statements.

We 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.

Our duty to read other information in the Annual Report

Under International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:
- materially inconsistent with the information in the audited financial statements;
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Trust acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we have considered whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed. We confirm that we have not identified any such inconsistencies or misleading statements.
Enhanced audit opinion (continued)

Respective responsibilities of the accounting officer and auditor

As explained more fully in the Accounting Officer’s Responsibilities Statement, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Audit Code for NHS Foundation Trusts and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board’s Ethical Standards for Auditors. We also comply with International Standard on Quality Control 1 (UK and Ireland). Our audit methodology and tools aim to ensure that our quality control procedures are effective, understood and applied. Our quality controls and systems include our dedicated professional standards review team.

This report is made solely to the Board of Governors and Board of Directors (“the Boards”) of Royal Marsden NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Boards as a body, for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust’s circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accounting Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Heather Bygrave FCA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
St Albans, UK
28th May 2015
Purpose of our report and responsibility statement

Our report is designed to help you meet your governance duties.

**What we report**
Our report is designed to help the Audit Committee and the Board discharge their governance duties. It also represents one way in which we fulfil our obligations under ISA 260 (UK and Ireland) to communicate with you regarding your oversight of the financial reporting process and your governance requirements. Our report includes:
- Results of our work on key audit judgements and our observations on the quality of your Annual Report.
- Other insights we have identified from our audit and in following our audit plan, Audit Quality Promise and Insight Plan.

**What we don’t report**
- As you will be aware, our audit was not designed to identify all matters that may be relevant to the board.
- Also, there will be further information you need to discharge your governance responsibilities, such as matters reported on by management or by other specialist advisers.
- Finally, our views on internal controls and business risk assessment should not be taken as comprehensive or as an opinion on effectiveness since they have been based solely on the audit procedures performed in the audit of the financial statements and the other procedures performed in fulfilling our audit plan.

**The scope of our work**
- Our observations are developed in the context of our audit of the financial statements.
- We described the scope of our work in our audit plan and the supplementary “Briefing on audit matters” circulated to you on 9 September 2014.
- The Insight and Additional assurance findings sections of this report provide details of additional work we have performed alongside the audit of the financial statements.

**We welcome the opportunity to discuss our report with you and receive your feedback.**

Deloitte LLP
Chartered Accountants
St Albans
28 May 2015

This report has been prepared for the Board of Directors, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose. Except where required by law or regulation, it should not be made available to any other parties without our prior written consent.
Audit adjustments & disclosure deficiencies

Unadjusted misstatements

The following uncorrected misstatements have been identified:

<table>
<thead>
<tr>
<th>Misstatements identified in current year</th>
<th>Debit/(credit) income statement £m</th>
<th>Debit/(credit) in assets £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impairment of non-specialised IT assets</td>
<td>(898,803)</td>
<td>898,803</td>
</tr>
</tbody>
</table>

Unadjusted disclosure deficiencies

We note that there is a disclosure deficiency in the financial statements in relation to the receivable for the funding for complex patients income.

The Trust had raised £5.3m of invoices to NHS England, when later guidance from the Department of Health stated that the receivable was with them. As such no invoice was raised to the Department of Health at year-end and as such this is accrued income rather than a receivable.

We recommend that the Trust makes the following adjustment with respect to this issue:

- Dr Accrued Income £5.3m
- Cr Receivables £5.3m

We note that the Trust has not adjusted for this deficiency.
## Fraud responsibilities and representations

### Responsibilities explained

<table>
<thead>
<tr>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>The primary responsibility for the prevention and detection of fraud rests with management and those charged with governance, including establishing and maintaining internal controls over the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations. As auditors, we obtain reasonable, but not absolute, assurance that the financial statements as a whole are free from material misstatement, whether caused by fraud or error.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Required representations</th>
</tr>
</thead>
<tbody>
<tr>
<td>We have asked the Board to confirm in writing that you have disclosed to us the results of your own assessment of the risk that the financial statements may be materially misstated as a result of fraud. We have also asked the Board to confirm in writing their responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Audit work performed</th>
</tr>
</thead>
<tbody>
<tr>
<td>• In our planning we identified the risk of fraud in revenue recognition and management override of controls as key audit risks for the Trust.</td>
</tr>
<tr>
<td>• During course of our audit, we have had discussions with management and those charged with governance. We have not noted any significant frauds as a result of these conversations.</td>
</tr>
<tr>
<td>• In addition, we have reviewed management’s own documented procedures regarding the fraud and error in the financial statements.</td>
</tr>
<tr>
<td>• We have considered the findings of the Local Counter Fraud Specialist (LCFS).</td>
</tr>
<tr>
<td>• We have reviewed the paper prepared by management for the audit committee on the process for identifying, evaluating and managing the system of internal financial control.</td>
</tr>
</tbody>
</table>

## Concerns

No concerns have come to our attention with regards to whistle blowing procedures at the Trust.
Independence and fees

As part of our obligations under International Standards on Auditing (UK & Ireland), we are required to report to you on the matters listed below:

<table>
<thead>
<tr>
<th>Independence confirmation</th>
<th>We confirm that we comply with APB Ethical Standards for Auditors and that, in our professional judgement, we and, where applicable, all Deloitte network firms are independent and our objectivity is not compromised.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees</td>
<td>Our audit fee for the year from 1 April 2014 to 31 March 2015 are shown in the table below.</td>
</tr>
<tr>
<td>Non-audit services</td>
<td>In our opinion there are no inconsistencies between APB Ethical Standards for Auditors and the Trust’s policy for the supply of non-audit services or of any apparent breach of that policy. We continue to review our independence and ensure that appropriate safeguards are in place including, but not limited to, the rotation of senior partners and professional staff and the involvement of additional partners and professional staff to carry out reviews of the work performed and to otherwise advise as necessary.</td>
</tr>
<tr>
<td>Relationships</td>
<td>The following provides details of all the relationships we have with The Royal Marsden NHS Foundation Trust, its directors and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on our objectivity and independence, together with the related safeguards that are in place.</td>
</tr>
</tbody>
</table>

As part of our obligations under International Standards on Auditing (UK & Ireland) and the APB’s Ethical Standards we are required to report to you on all relationships (including the provision of non-audit services) between us and the audited entity:

<table>
<thead>
<tr>
<th>Relationship / Service provided</th>
<th>Threats to auditor independence</th>
<th>Safeguards in place</th>
</tr>
</thead>
<tbody>
<tr>
<td>High level assessment of management process and decision to create an IT Shared Service Centre with a neighbouring Trust.</td>
<td>A potential management threat could exist if it were to be seen that Deloitte were making management decisions on behalf of the Trust.</td>
<td>The Trust’s management will be responsible for making the decisions following Deloitte’s assessment. We have confirmed we will in no way be acting as management.</td>
</tr>
<tr>
<td>Non-Executive Director Professor Dame Janet Husband is the mother of one of our London Audit Partners, Andrew Husband.</td>
<td>Given Andrew is a mutual partner of the firm, there could be a threat to independence of familiarity with the Trust.</td>
<td>Andrew is a partner in a separate office dealing with clients from a separate sector. Andrew has had no contact or involvement with the engagement or team.</td>
</tr>
</tbody>
</table>

The professional fees earned by Deloitte in the period from 1 April 2014 to 31 March 2015 are as follows:

<table>
<thead>
<tr>
<th>Work carried out under the Monitor Audit Code</th>
<th>2014/15 £k</th>
<th>2013/14 £k</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial statements audit</td>
<td>51,300</td>
<td>50,000</td>
</tr>
<tr>
<td>Whole of Government Accounts</td>
<td>3,600</td>
<td>3,500</td>
</tr>
<tr>
<td>Quality Accounts assurance (incl. increase due to complexity of the RTT indicator)</td>
<td>20,400</td>
<td>14,000</td>
</tr>
<tr>
<td>Enhanced audit report</td>
<td>2,500</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total assurance services</strong></td>
<td><strong>77,800</strong></td>
<td><strong>67,500</strong></td>
</tr>
<tr>
<td>Non-audit services related to Sphere</td>
<td>2,500</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total non-audit services</strong></td>
<td><strong>2,500</strong></td>
<td>-</td>
</tr>
<tr>
<td><strong>Total fees</strong></td>
<td><strong>80,300</strong></td>
<td><strong>67,500</strong></td>
</tr>
</tbody>
</table>

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Draft management representation letter

Dear Sirs

This representation letter is provided in connection with your audit of the annual financial statements and consolidation schedules (together "the financial statements") of the Royal Marsden NHS Foundation Trust for the year ended 31 March 2015 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of The Royal Marsden NHS Foundation Trust as of 31 March 2015 and of the results of its operations, other recognised gains and losses and its cash flows for the year then ended in accordance with the directions given by Monitor - Independent Regulator of NHS Foundation Trusts in accordance with paragraph 25 of Schedule 7 of the National Health Service Act 2006. It is also provided in connection with your limited assurance report on the quality report for the year ended 31 March 2015.

As Accounting Officer and on behalf of the board of directors, I confirm, to the best of my knowledge and belief, the following representations.

Financial statements

1. I understand and have fulfilled my responsibilities for the preparation of the financial statements in accordance with the directions given by Monitor - Independent Regulator of NHS Foundation Trusts in accordance with paragraph 25 of Schedule 7 of the National Health Service Act 2006 which give a true and fair view, as set out in the terms of the audit engagement letter.

2. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

3. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of IAS24 "Related party disclosures".

4. All events subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment of or disclosure have been adjusted or disclosed.

5. The effects of uncorrected misstatements and disclosure deficiencies are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements and disclosure deficiencies is detailed in the appendix to this letter.

6. We confirm that the financial statements have been prepared on the going concern basis. We do not intend to liquidate the Trust or cease trading as we consider we have realistic alternatives to doing so. We are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Trust's ability to continue as a going concern. We confirm the completeness of the information provided regarding events and conditions relating to going concern at the date of approval of the financial statements, including our plans for future actions.

Information provided

7. We have provided you with all relevant information and access as agreed in the terms of the audit engagement letter and required by Appendix B of the Audit Code for NHS Foundation. All transactions have been recorded and are reflected in the financial statements and the underlying accounting records.

8. All transactions have been recorded and are reflected in the financial statements and the underlying accounting records.

9. We acknowledge our responsibilities for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

10. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

11. We are not aware of any fraud or suspected fraud that affects the Trust and involves:
   i. management;
   ii. employees who have significant roles in internal control; or
   iii. others where the fraud could have a material effect on the financial statements.

12. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
Draft management representation letter (continued)

13. We are not aware of any instances of non-compliance, or suspected non-compliance, with laws, regulations, and contractual agreements whose effects should be considered when preparing financial statements.

14. We have disclosed to you the identity of the Trust’s related parties and all the related party relationships and transactions of which we are aware.

15. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the applicable financial reporting framework. No other claims in connection with litigation have been or are expected to be received.

16. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.

17. We are not aware of any deficiencies in internal control.

18. All minutes of directors, management and shareholders meetings during and since the financial year have been made available to you.

19. We acknowledge our responsibility for ensuring the Trust has put in place arrangements for securing economy, efficiency and effectiveness in its use of resources.

20. We are not aware of any deficiencies in the Trust’s arrangements to secure economy, efficiency and effectiveness in its use of resources.

21. All grants or donations, the receipt of which is subject to specific restrictions, terms or conditions, have been notified to you. We have evaluated whether the restrictions, terms or conditions on grants or donations have been fulfilled with and deferred income to the extent that they have not.

22. Based on discussions with other NHS bodies, we consider that the resolution of disputed balances and accrued over performance will not result in a material adverse effect on the reported financial position.

23. We have considered the valuation of the Trust’s Property, Plant and Equipment, and are not aware of any circumstances indicating volatility in asset values requiring a revaluation in the current year. We consider that the carrying value of the Trust’s Investment Properties approximates to market value.

24. We confirm that we consider that depreciated historic cost is an appropriate proxy for the fair value of non-property assets, and are not aware of any circumstances that would indicate that these assets require revaluation.

25. We have an active enquiry regarding private patient consultants, for which we do not consider a provision, or contingent liability necessary.

26. The measurement processes, including related assumptions and models used to determine accounting estimates in the context of Monitor’s Annual Reporting Manual and IFRS are appropriate and have been applied consistently.

27. The assumptions appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity where relevant to the accounting estimates and disclosures.

28. The disclosures related to accounting estimates under Monitor’s Annual Reporting Manual and IFRS are complete and appropriate.

29. There have been no subsequent events that require adjustment to the accounting estimates and disclosures included in the financial statements.

30. We have drawn to your attention all correspondence and notes of meetings with regulators.

31. We are not aware of events or changes in circumstances occurring during the period which indicate that the carrying amount of fixed assets may not be recoverable.
Draft management representation letter
(continued)

Quality report
32. We understand and have fulfilled our responsibilities for the preparation of the quality report in accordance with the NHS Foundation Trust Annual Reporting Manual.
33. We have made available to you all records, correspondence, information and explanations necessary for you to perform your work. All the records have been made available to you for the purpose of your work and all the data collected by the Foundation Trust has been properly reflected and recorded.
34. Significant assumptions that have been made by us in determining the indicators are reasonable.
35. All events subsequent to the date of the quality report and for which the NHS Foundation Trust Annual Reporting Manual requires adjustment of or disclosure have been adjusted or disclosed.
36. The effects of uncorrected misstatements and disclosure deficiencies are immaterial, both individually and in aggregate, to the quality report as a whole. A list of the uncorrected misstatements and disclosure deficiencies is detailed in the appendix to this letter.
37. We acknowledge our responsibilities for the design, implementation and maintenance of internal control to prevent and detect fraud and error when preparing the quality report.
38. We are not aware of any instances of non-compliance, or suspected non-compliance, with laws and regulations whose effects should be considered when preparing the quality report.
39. We are not aware of any deficiencies in internal control over the collection and reporting of the measures of performance included in the quality report.

We confirm that the above representations are made on the basis of adequate enquiries of management and staff (and where appropriate, inspection of evidence) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Yours faithfully

Signed as Accounting Officer, and on behalf of the Board of Directors