

Report to:	Board of Directors				
Date of Meeting:	30 th April 2014				
Report Title:	Airedale NHSFT Annual Report and Accounts 2013/14 (draft)				
Status:	For information	Discussion	Assurance	Approval	Regulatory requirement
Mark relevant box with X	X				
Prepared by:	Jane Downes, Company Secretary				
Executive Sponsor (presenting):	Company Secretary				
Appendices (list if applicable):					

<p>Purpose of the Report</p> <p>As part of the year end reporting requirements the foundation trust is required to publish an annual report and accounts. This document is the formal annual report and accounts for submission to Monitor and the DoH. The foundation trust will again produce a public facing summary of the annual report and accounts (The Annual Record) later in the year.</p>

<p>Key points for information</p> <p>Attached is the draft text for the Annual Report part only for 2013/14. This draft version is not presented in its finished format – there are some facts and figures which are still to be fully audited – and it does not at this stage have the final design and formatting elements such as cover pages, content pages, contact details etc.</p> <p>The final version, which will come to the Board of Directors meeting in May, will contain the final design and formatting elements as well as the Annual Accounts and Quality Report, which are in separate papers.</p>

<p>Recommendation</p> <p>The Board of Directors are asked to review the draft text and feedback any specific comments to the Company Secretary by Friday 16 May 2014.</p>
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**AIREDALE NHS FOUNDATION TRUST
ANNUAL REPORT AND ACCOUNTS
2013/14**

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CHIEF EXECUTIVE'S OVERVIEW

I am delighted to welcome you to this annual report and accounts for 2013/14.

Our continuing strategy to focus on patient safety and quality of service has delivered improved care for all our patients and we continue to expand and develop our services, both at Airedale Hospital, our community sites at Castleberg and Skipton and in the community.

Following the publication of the Francis report into Mid Staffs there were great repercussions throughout the NHS. The Foundation Trust, like all NHS organisations, has considered what this means for our patients and our staff and we are determined to ensure that we are never complacent and always think about the impact of what we do and say has on our patients.

During September we were one of the first hospitals to be reviewed by the new Care Quality Commission (CQC) inspectors. It was immensely rewarding that they not only found Airedale Hospital to be low risk and safe but that we were one of the only hospitals in the first stage of the new inspection process to be given no compulsory actions for improvement. I am immensely proud of everyone at Airedale for this significant achievement as the inspection team looked at what we do every day, not just when the team were here.

Our drive to deliver safe care was further recognised in December by the Dr Foster organisation naming Airedale as one of 12 trusts to receive a highly commended award for improving its performance at weekends including low re-admissions rates, one of only eight trusts with very low mortality rates for both weekdays and weekends and one of only six trusts with very low readmission rates for both weekdays and weekends – a fantastic achievement for the hospital and recognition of the professionalism and dedication of our staff throughout the year.

We have, as always, had a focus on making the experience for patients the best it can be and during 2013/14 we have built on this and developed a strategy 'Right Care' which brings together not only our own services but those providing by other health and social care partners as well as other voluntary and community organisations

During the year, there have been a number of new developments. The completion of our new Endoscopy Unit and upgrading of the Maternity Unit have been great highlights for staff and for patients. We have also improved our eye services and invested in new equipment and another important development is the Gold Line service, managed by our digital hub, where patients and carers can call for help when they or their loved ones are terminally ill.

I also want to take this opportunity to thank the professionalism, talent and commitment of our staff who were instrumental in helping us to continue to improve performance across all service areas.

I am also immensely proud of our infection prevention successes this year as the Foundation Trust. Our work to improve our rates of Clostridium Difficile also continued with only 7 cases in 2013/14 against the previous year end of 17. Our tough target for this remains the same.

Despite these achievements, we are aware that the coming year and beyond will be challenging for the NHS, particularly in relation to the economic climate which will impact on the funding available at a local level. We are therefore looking at ways to become more efficient and effective to cut our costs and to secure a number of new services which will grow our income. In particular our work in the telemedicine field goes from strength to strength, as evidenced by the Trust agreeing contracts with the local CCG to provide a medical video conferencing solution to a further 15 nursing homes.

As we look forward to a time of significant changes in the NHS, it is vital we don't take the support of local people for granted. The loyalty of our patients and local community is one which we have to earn by involving them in decisions about their care and the services we provide. We, in turn,

will work to maximise the resources we have available and embrace the new challenges and opportunities this year will bring.

Finally, I would like to thank our public and staff, our volunteers and members for their continued commitment and support as well as all our patients for choosing Airedale. We are delighted that so many members of our community wish to be involved with the hospital. I hope you agree that the future for our Foundation Trust is a very exciting one, so if you would like more regular news and information visit www.airedale-trust.nhs.uk or become a member and play a part in our future success.

Bridget Fletcher
Chief Executive

WHO WE ARE AND WHAT WE DO

Airedale NHS Foundation Trust is an award winning NHS hospital and community services trust. We provide high quality, personalised, acute, elective, specialist and community care for a population of over 200,000 people from a widespread area covering West and North Yorkshire and East Lancashire.

We employ over 7,000 permanent staff and have around 1,000 committed volunteers. Last year, we cared for over 110,000 elective inpatients and day cases, more than 110,000 non-elective patients and over 110,000 outpatients. Our Accident and Emergency department saw more than 53,000 patients and over 7,000 babies were born at the hospital last year. We have an annual budget of £110 million.

We provide services from our main hospital site, Airedale Hospital, and from community hospitals – such as Castleberg Hospital, near Settle, Coronation Hospital in Ilkley and Skipton Hospital – as well as health centres and general practices (GPs). Last year, 2013/14, our health services were commissioned by the newly formed Clinical Commissioning Groups (CCGs) for the patients within their GP practices and the three main CCGs referring patients to us were – Airedale, Wharfedale and Craven, Bradford Districts and East Lancashire – as well as regional specialist commissioners and NHS England (formerly the NHS National Commissioning Board).

Building on the development of the vision statement from the previous couple of years, the Trust Board of Directors decided to further strengthen the communication of the Foundation Trust's key values through the use of the overarching message of '**Right Care**' and by emphasising four key principles relating to patient experience –

- ***Nothing about me without me***
- ***Making every contact count***
- ***Through their eyes***
- ***At the heart of everything we do***

The key principles underpinning the delivery of the vision in the years ahead also remain similar to those outlined over the previous couple of years. These have been further updated to reflect the progress already made by the Foundation Trust against its key milestones and to respond to the key priorities outlined both nationally and locally.

- ***Safety, quality, patient experience and staff engagement are at the centre of everything the organisation does***

- ***The need to be serious about efficiency and business control in order to be viable in the future***
- ***Transforming care is critical to the delivery of our strategy, through developing our existing services whilst also designing and delivering new ways of working, using diversified models of care both in and out of a hospital setting***
- ***Ensuring the care of the vulnerable, elderly, patients with dementia and those with nutritional needs are given priority focus***
- ***Ensuring a greater focus on clinical leadership, engagement and outcomes***
- ***Partnerships form a significant part of the design and delivery of our services***
- ***Ensuring the value of the Airedale brand is retained within the community and beyond***
- ***The requirement to adapt the size and shape of the workforce and estate in response to the updated service strategy***

Overall, the vision is about an approach focussed on embedding the key principles of good experience, by continually assessing the impact and outcomes for patients of the way services are provided.

OPERATING AND FINANCIAL REVIEW

OUR FINANCES

The Foundation Trust once more delivered an operating surplus and ended 2013/14 with a balanced position although with impairment of £589k caused by the change to Modern Equivalent Assets valuation the underlying surplus is £588k.

These results arise from continuing to implement cost improvement plans and further increases in activity during the year, and will continue next year. Agency costs have prevented a more significant surplus.

The tables on pages ?? to ?? provide a high level comparison of the Foundation Trust's summary financial position.

INCOME AND EXPENDITURE

Total income from continuing activities for 2013/14 was £147 million. An analysis of this is shown on pages ?? and ??.

CASH

The Foundation Trust had a cash balance of £16.6 million at the close of the financial year.

BORROWING LIMIT

The Foundation Trust no longer uses the borrowing limit; it is regulated by the terms of the Licences agreement with Monitor which is subject to a detailed financial risk assessment.

MONITOR RISK RATING

Monitor, the independent regulator for NHS Foundation Trusts, assesses the financial risk of Foundation Trusts using a rating whereby 1 is significant and 5 is no financial risk.

The Foundation Trust achieved a financial risk rating of 3 at the end of 2013/14. The tables in the next column summarise the rating performance throughout the year and provide a comparison to the previous year.

	Annual Plan 2013/14	Q1 2013/14	Q2 2013/14	Q3 2013/14	Q4 2013/14
Financial risk rating	3	3	3	3	3
Governance risk rating	?	Amber/ Green	Green	Green	Green

	Annual Plan 2012/13	Q1 2012/13	Q2 2012/13	Q3 2012/13	Q4 2012/13
Financial risk rating	3	3	4	3	3
Governance risk rating	Amber/ Green	Green	Green	Amber/ Red	Amber/ Green

During the year Monitor changed its Risk Rating to a Continuity of Services Rating (CoSR). This rating ranges from 1-4 with 1 being significant and 4 being no financial risk. At the end of the financial year the Foundation Trust is rated as 4 under this new rating.

The analysis below shows the Foundation Trust's financial position against key performance indicators.

Details of any post balance sheet events are provided in note ?? of the accounts.

FINANCIAL OUTLOOK

In our long term financial planning we have considered a range of severe financial possibilities given the current economic climate, and we believe the Foundation Trust can withstand the impact of these possibilities.

The Foundation Trust will however be expected to improve overall efficiency by 5% in 2014/15 and 4% in the following year, which is in line with our strategic three year plan, set out last year. The Board remains determined to deliver efficiency improvements to ensure the long term sustainability of the Foundation Trust.

CAPITAL INVESTMENT ACTIVITY

The Foundation Trust's capital programme has invested over £7 Million in 2013/14 to improve its buildings and equipment.

The Trust has committed to significant investment in a new state-of-the-art Emergency Department at Airedale Hospital at a cost of £6.3 million. Work started in 2013/14 at a cost of £??. The new department will provide separate adult and children's waiting areas, a quiet room for friends and families to use during stressful events and a separate screened entrance for ambulances. The work began in October 2013 and is expected to be completed by autumn 2014 .

SHSW
Endoscopy

The Foundation Trust was successful in its bid for capital development funding from the Department of Health to improve its environment for patients suffering from dementia. The Foundation Trust received £444,000 in July 2013 from the 'Here to Care' bid to provide a better level of care and experience of health services for patients suffering from dementia.

ACCOUNTING POLICY

There has been a change in accounting policy in respect of preparation of the Annual Accounts, as the charitable Funds accounts are now consolidated with the Foundation Trust accounts to produce Group accounts

INVESTMENTS

The Foundation Trust made no investments in 2013/14. The Charitable fund has a stockholding of £467k

PRIVATE PATIENTS

Section 164(3) of the Health and Social Care act removes condition 10 (which restricts income from private charges), from the Foundation Trust Terms of Authorisation. The Foundation Trust is now required by the Act and constitution (rather than by the terms of Authorisation) to ensure that income derived from activities related to the Foundation Trusts principle purpose of delivering goods and services for the purpose of the NHS exceeds income derived from other activities. To increase this income in any financial year by 5% or more, the Foundation Trust is required to seek approval from the Council of Governors. In 2012/13 the Foundation Trust has not increased the percentage beyond the 5% threshold. The private patient income for 2013/14 was £??k.

COST IMPROVEMENT PROGRAMME (CIP)

A formal cost improvement programme (CIP) was approved for 2013/14, which set targets and actions plans aimed at improving efficiency. The CIP was monitored monthly and achieved the target of £5.9 Million within the financial year. Examples of higher value schemes are:

- Staffing and skills mix review £956k;
- Savings from procurement cost reductions £973k;
- New Pathways £700k;
- Growth and Repatriation £700k.

COUNTERING FRAUD AND CORRUPTION

The Foundation Trust complies with the Secretary of State's directions on counter fraud measures issued in 2004. The Foundation Trust has a Reporting Concerns and Whistleblowing Policy which incorporates counter fraud measures. A specific Counter Fraud and Corruption Policy also exists which was updated during 2012/13 to take account of the provisions in the Bribery Act 2012.

The Foundation Trust has a dedicated section on counter fraud on the staff intranet. Presentations were given to staff during the year about tackling fraud in the NHS and who to contact if they suspected fraud has been committed. Articles are also published in the Foundation Trust's weekly staff briefing. To support ongoing awareness among staff, the Local Counter Fraud Specialist also attends staff events to promote awareness.

CHARITABLE FUNDS

The Trust, which is directed by the Board, acts as Corporate Trustee of the Airedale NHS Foundation Trust Charitable Funds. The Foundation Trust's charitable funds are operated for the benefit of the staff and patients in accordance with the objects of the charity. The funds are used

for the purchase of equipment and the provision of amenities for both patients and staff, in accordance with the objects of the charity.

The Foundation Trust received a number of very generous donations throughout the year, from many parts of the community for which it is very grateful. The Friends of Airedale and Airedale New Venture charities were again very supportive in their fundraising efforts. During the year the Charitable Funds purchased a large number of items of equipment and enhancements to fixtures and fittings for the benefit of patients.

The appointment of a part time fundraiser has helped to support external fundraising activities for some of our larger capital projects, such as the new Endoscopy Unit and the A&E redevelopment.

The Airedale NHS Foundation Trust Charitable Funds Annual Report and Accounts is available from the Company Secretary at the address shown on the final page of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE AUDITORS

To the best of each Director's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's Auditors are unaware.

Each of the Directors has taken all steps that a Director might reasonably be expected to have taken to be aware of all relevant audit information and to establish that the Foundation Trust's Auditors are aware of that information.

AUDITORS AND AUDIT FEE

The Foundation Trust's external auditor is PwC. Disclosure of the cost of work performed by the auditor in respect of the reporting period is shown right/below.

Audit Area	Fee 2013/14 (£)
Statutory Audit	£43,628*
Quality Report	£8,268*

* All the above figures exclude VAT

ANNUAL REPORT AND ACCOUNTS

This annual report and accounts is available on our website at www.airedale-trust.nhs.uk

If you need a copy in a different format, such as large print, braille or in another language, then please contact our Interpreting Services on Tel: 01535 292811 or email interpreting.services@anhst.nhs.uk

BUSINESS REVIEW

SERVICE DELIVERY

Focus on access times has seen us deliver on a number of high profile requirements.

Almost all of our patients – over 92% – are being treated within 18 weeks of their referral to us and the majority (95%) of our patients are being admitted, treated or discharged within four hours of arriving in our Accident and Emergency Department.

The Foundation Trust's performance on the national cancer standards has also met or exceeded the required levels with all (100%) cancer patients receiving their first treatment within 31 days of being diagnosed and all (100%) cancer patients receiving their second or subsequent treatment

within 31 days. In addition, following significant work by our cancer team, the majority (96%) of patients with suspected cancer are seen within two weeks of their urgent GP referral.

Through contracts with our CCG Commissioners, the Foundation Trust has delivered an increased level of activity in 2013/14 across non-elective, elective and outpatient work. This work reflects dealing with both an increased level of demand whilst also delivering on key access waiting time targets.

Key requirements around performance and information have been met and the Foundation Trust has also delivered on the local clinical quality schedule and received the full incentive allocation associated with it.

Progress against all the business objectives set out in the Foundation Trust's Business Plan, are reported to the Board on a quarterly basis. The year end position showed the majority of the objectives had been delivered and for the areas not yet completed, work is ongoing that will be carried forward for completion in 2013/14. Progress against each of the objectives will be monitored via the Board Assurance Framework.

DEVELOPING SERVICES

Investment in and development of a number of clinical services took place during 2013/14.

The new Patient Administration System (SystemOne) went live in late 2012. This implementation, delivered in partnership with technical partners TPP and Accenture, is an important step in delivering the foundation trust's ambition to improve the patient experience. Through this development – one of the first in the country - we will be able to better integrate care for the local population as we now have the basis of an electronic shared record with primary care.

The next phase of the project was successfully introduced in 2013 enabling us to produce and save clinical letters onto the IT system and make them available to all staff who have rights of access.

During the year, our consultant leads and Clinical Directors have worked with the executive team to design and implement a different way of assessing and caring for urgent patients in both medicine and surgery. Our Surgical Assessment Unit, based on ward 14, is making a big difference for patients, meaning they are seen by a doctor more quickly and receive the right care so they can be admitted for further treatment or discharged home much sooner than before. The development of the Acute Medical Unit on ward 2 and the Ambulatory Care Unit on ward 3 has meant nearly a £1 million investment in doctors and nurses, meaning that GPs can call a consultant for advice about patients who otherwise would have been admitted. Patients are reviewed quickly and many more are getting their treatment in less time and discharged home.

Our endoscopy unit has met all of the requirements to be awarded JAG accreditation for 2014.

The Telehealth Hub, which opened in September 2011 as part of its key strategic approach to digital healthcare, continues to offer a range of Telehealth care across a range of specialties including:

- Remote consultant opinion to the HM Prison Service in England;
- Supporting elderly patients with long term conditions in their own homes, nursing and residential care homes;
- Supporting children with diabetes to manage their condition at home;
- Supporting rural communities with community based remote outpatient consultations; and
- Enhancing recovery for stroke patients through our telemedicine service.

Our telemedicine service into nursing homes is demonstrating significant change in patient experience, with patients getting access to expert consultation without having to leave their home. It is also resulting in reduced admissions both to A&E and our wards. We are rolling out the service across all nursing homes locally and further afield such as Birmingham and Lancashire.

The Transform Programme continues to make good progress and has entered a new phase with an emphasis on implementation. The infrastructure for delivering new ways of working is being implemented and the eight integrated community teams are improving the proactive care of patients around GP practice populations. The intermediate care and specialist locality level services have been further developed in order to provide services for preventing patients coming to hospital when they can be managed in community settings.

Community Services, which were successfully transferred to the Foundation Trust in 2011 and continue to cover Craven, Airedale and Wharfedale, are:

- Craven Virtual Ward (district nurses, community matrons, case manager)
- Craven Fast Response Team and Out of Hours nursing service
- Castleberg Hospital, Skipton Hospital and Settle Health Centre
- Site support services
- Airedale Collaborative Care Team (ACCT)
- Specialist nursing team (specialist neurological rehabilitation, heart failure, diabetes, cardiac rehabilitation, haemoglobinopathies counsellor)

Reablement funding, which was secured last year for two years, continues to support transformation of care, which is central to the Foundation Trust's strategy.

This enabled the Foundation Trust to make additional beds available in the community, at Castleberg Hospital, near Settle and at local nursing and residential care homes.

PERFORMANCE

PUTTING PATIENTS FIRST

The past year has seen the Foundation Trust build on the previous year's performance. Not only did we finish the year having achieved national targets we also met our CCGs local quality standards.

In April 2013, Airedale Hospital was shortlisted as one of the top five acute trusts for providing high quality of care to patients which is appropriate to their diagnosis in a national award for quality of care by CHKS - an independent provider of healthcare intelligence and quality improvement services. The awards are made on the basis of publicly available datasets and every NHS acute trust in the country is included in the analysis.

Employee health and wellbeing staff at Airedale Hospital passed a new national accreditation in June. The team were praised and given four commendations by external assessors, who visited the hospital as part of the Safe Effective Quality Occupational Standards (SEQOHS) award scheme, governed by the Royal College of Physicians of London. Assessors congratulated the team on achieving a 'paper light' system; its leadership and cohesion within the team, including how they use telemedicine to have consultations to provide a more efficient and convenient service, its written protocols, and its security checklist and the safety of its medicines audit.

The gardening team who are responsible for brightening up the hospital with beautiful flower displays were awarded a Silver Gilt award by a judging team from Yorkshire in Bloom in July as part of the public and private charitable establishments category for the 2013 event. They were nominated by the Friends of Airedale Hospital charity for their dedication in looking after the grounds and gardens of the hospital for the benefit of patients, visitors and staff.

In November, Bev Beaumont, a midwife who helps run the labour ward at Airedale Hospital got through to the regional finals of a prestigious leadership award - the NHS Leadership Recognition Awards 2013. Bev, was nominated for the mentor or coach category.

One of the team of audiologists at Airedale Hospital received special recognition in a national competition for the fifth year in a row. Alan Walshaw, who cares for those with hearing difficulties, received another certificate of commendation in recognition of his achievement in the UK Audiologist of the Year award – the only person to be commended in the awards for five consecutive years.

The 2013 Hospital Guide was published by Dr Foster at the start of December. The Foundation Trust was one of 12 trusts to receive a highly commended award for improving its performance at weekends including low re-admissions rates from 2011/12 to 2012/13. Data gathered for the annual guide – which analyses information from all NHS health trusts – showed that Airedale NHS Foundation Trust was also named as one of only eight trusts with very low mortality rates for both weekdays and weekends and one of only six trusts with very low readmission rates for both weekdays and weekends. The report also noted that Airedale is one of just 20 hospital trusts where mortality rates were significantly lower than expected on at least two out of four (and not high on any) of the key mortality measures, including deaths in low-risk conditions and deaths after surgery.

In March 2014, a nurse who is part of Airedale Hospital community team received international recognition as a specialist for multiple sclerosis (MS). Jane Pearce was awarded a certificate from the Multiple Sclerosis Nurses International Certification Board (MSNICB) after passing a stringent examination for all nurses worldwide who provide MS care. There are just nine people each year who sit the exam, part-funded by The International Organisation of MS Nurses (IOMSN) and the UK Multiple Sclerosis Specialist Nurses Association (UKMSSNA).

HOW THE FOUNDATION TRUST IS MONITORED

Monitor requires each Foundation Trust board to submit an annual plan, quarterly and ad hoc reports. Performance is monitored against these plans to identify where potential and actual problems might arise. Monitor publishes quarterly and annual reports on these submissions and assigns each Foundation Trust with an annual and quarterly risk rating, which are designed to indicate the risk of a failure to comply with the terms of authorisation. Five risk ratings are published for each NHS Foundation Trust on:

- Governance (rated red, red/amber, amber/green or green);
- Finance (rated 1-5 where one represents the highest risk and five the lowest); and
- Mandatory services risk rating (services the Foundation Trust is contracted to supply to its commissioners).

Based on these risk ratings, the intensity of monitoring and the potential need for regulatory action is considered on a case-by-case basis. This also applies where a Foundation Trust is performing well, for example moving from the usual quarterly monitoring to six-monthly monitoring. Monitor's analysis of our submissions and the Foundation Trust's current ratings are:

REGULATORY RATINGS

The Foundation Trust achieved a green rating for governance in three of the four quarters and a financial risk rating of 3, for all four quarters in 2013/14.

NATIONAL SURVEYS

The Foundation Trust welcomes the opportunity to take part in a range of annual national patient surveys that are initiated by the Care Quality Commission. This is an ideal way of obtaining regular patient feedback as a means of seeking to improve our patient experience.

The results of National Cancer Patient Experience Programme were published in August 2013. A total of 116,525 patients nationwide, who has received treatment for cancer during September to November 2012, were asked to take part in the survey and this included 493 patients from Airedale Hospital.

Results revealed that the hospital was one of the best 20 percent in the country for the number of its patients who said their care was excellent or very good in results. Almost eight out of 10 patients (78 percent) said that this was the case, compared to seven out of 10 in the previous survey.

The aim of the survey is to monitor progress being made around cancer care by trusts throughout the country in a bid to make sure that patients experience safe, effective and quality care.

The survey highlighted a number of positive findings, including, patients being involved in decisions about their care; being seen as soon as necessary; having hospital and community teams which always worked well together; providing a complete explanation of what operation would be carried out and how it had gone; getting written and verbal information about side effects from treatment and how they could be affected in the future and providing understandable answers from hospital doctors to all of their questions most or all of the time

In December 2013, the latest national survey about maternity service at Airedale Hospital was published. More than 23,000 women who used maternity services around the country took part in the survey involving 137 NHS acute trusts. Women were invited to take part if they were over 16 years old and gave birth in February 2013 in hospital or at home. Participants were also asked about their experiences of antenatal and postnatal care to cover their entire experience of being pregnant.

They survey covered labour and the birth, how patients were treated by staff, care in hospital after birth, feeding the baby, and care at home after the birth. Airedale NHS Foundation Trust compared as about the same as other trusts in almost every question asked.

In two areas, Airedale was amongst the best performing trusts – women said they were given the help they needed if they contacted a midwife, and they had confidence and trust in the midwives they saw at home after leaving the hospital. Significantly more women said they were treated with kindness and understanding after the birth of the baby this year, compared with previous surveys. There were no areas where Airedale was judged as one of the worst performing trusts.

The results of the eleventh survey of adult inpatients, which was conducted in August 2013, were published by the Care Quality Commission in April 2014.

It involved 156 acute and specialist NHS trusts and looked at the experiences of over 62,400 people who were admitted to hospital with at least one overnight stay.

The Foundation Trust scored well for privacy and dignity and infection prevention practices and Airedale scored highest in the section relating to waiting lists for those referred to the hospital and planned admissions (9.2). The Foundation Trust also had fewer respondents who had their admission date changed (patient satisfaction rose from 9.3 last year to 9.6).

FRIENDS AND FAMILY TEST

In July, the first results of the NHS Friends and Family Test (FFT) for all acute hospitals inpatient and accident and emergency departments were published.

The data included results for every NHS trust in England and provided new and unique insights into the experiences of patients and how they view their local hospital services. Every inpatient ward and hospital A&E department is now given a monthly score based on the responses to one simple question: 'How likely are you to recommend our ward/A&E department to friends and family if they needed similar care or treatment?' Patients are surveyed at, or within 48 hours of discharge.

Each trust achieves a score based on the satisfaction levels of patients surveyed. This is calculated in the same way by every hospital using a 'proportion of patients who would strongly recommend minus those who would not recommend, or who are indifferent'. The range of scores that are possible using this method are -100 to +100. The score is not a percentage.

The first results for Airedale Hospital were:

- The FFT score for June 2013 for inpatients (wards) at Airedale Hospital is 74
- The FFT score for June 2013 for A&E at Airedale Hospital is 56

These scores compare favourably with the national scores for England for June 2013, which were 71 for inpatients (wards) and 54 for Accident and Emergency (A&E) departments. Patients taking part in the survey are able to make comments in addition to the descriptive six-point response scale which determines the NHS trust score. For Airedale Hospital, these included:

- "Well looked after by the nurses. Food has been OK. Helpful staff in every way"
- "Very good care, patient staff, helpful, empathetic, obviously well trained"
- "Staff were very polite and compassionate"

The first results of the NHS Friends and Family Test for maternity services were published in January 2014. New and expectant mums are given a Friends and Family questionnaire at various stages of their maternity care, for example, after their 36 week antenatal appointment, following the birth of their baby and also after their final postnatal appointment with a midwife.

Each element of that care is given a monthly score based on the responses to one simple question: "How likely are you to recommend our service, ward and maternity care to friends and family if they needed similar care or treatment?" The first results for Airedale Hospital maternity services were:

- The FFT score for December 2013 for antenatal services for Airedale Hospital is 74.
- The FFT score for December 2013 for the labour ward / birthing unit at Airedale Hospital is 82.
- The FFT score for December 2013 for the post natal ward at Airedale Hospital is 82.
- The FFT score for December 2013 for post natal community services for Airedale Hospital is 89.

These scores compared favourably with the national scores for England for December 2013, which were 63 for antenatal services, 75 for the labour ward / birthing unit, 66 for the post natal ward and 74 for post natal community services.

Mums taking part in the survey were also able to make comments in addition to the descriptive six point response scale which determines the NHS trust score. For Airedale Hospital, these included:

- "Friendly service providing lots of information"
- "Excellent care from very supportive staff"
- "Fantastic care from all the midwives, take their time with you to explain things"

REAL TIME INPATIENT SURVEY

The Foundation Trust continued to implement its own real time inpatient survey in 2013/14 as a means of helping staff make improvements to the care and services that are provided to patients.

The survey is undertaken on a daily basis, Monday to Saturday, supported by the Foundation Trust's volunteers who assist patients being discharged that day to complete the survey.

The project is overseen by a steering group whose members continually monitors progress and include volunteer representatives. During 2013, the survey was expanded into other areas and now also covers the endoscopy unit as well as maternity services, physiotherapy and paediatrics.

PATIENT LED ASSESSMENTS OF THE CARE ENVIRONMENT (PLACE)

April 2013 saw the introduction of patient-led assessments of the care environment (PLACE), which is the new system for assessing the quality of the patient environment, replacing the old Patient Environment Action Team (PEAT) inspections. The assessments apply to hospitals, hospices and day treatment centres providing NHS funded care.

The assessments see local people go into hospitals as part of teams to assess how the environment supports patient's privacy and dignity, food, cleanliness and general building maintenance. It focuses entirely on the care environment and does not cover clinical care provision or how well staff are doing their job.

The assessments take place every year, and results will be reported publicly to help drive improvements in the care environment. The results aim to show how hospitals are performing nationally and locally.

Airedale's PLACE results for 2013/14 are ???

CLEANER AND SAFER

The Foundation Trust has continued to make improvements in reducing healthcare acquired infections.

During 2013/14, the Foundation Trust had 2 cases of hospital acquired MRSA bacteraemia. This compares to 12 MRSA cases in 2008/09 and 21 in 2003/04. For Clostridium Difficile, the number of people affected was 7 hospital acquired cases in 2013/14 compared to 18 in the previous year, which is a significant achievement.

Our Matron for Infection Prevention works closely with all staff, the Director of Nursing and the Director of Infection Prevention and Control in order to ensure that we provide best practice in infection prevention and control. Important patient safety initiatives aimed at achieving even further reductions in the number of healthcare acquired infections have been introduced. These include enhancing staff training to improve hand hygiene; developing up to date information for both patients and staff; and training and assessing our staff in asepsis practice and techniques.

STATEMENT IN RESPECT OF INFORMATION GOVERNANCE SERIOUS INCIDENTS REQUIRING INVESTIGATION

The Foundation Trust manages the reporting of personal data related incidents through the Incident Reporting System. All incidents are classified in terms of severity on a scale of 0-5 in terms of either/both risk to reputation and risk to individuals in accordance with the Department of Health Gateway Reference 13177 dated January 2010.

The Foundation Trust had ? incidents classified at a severity rating of 3-5 that met the criteria for inclusion in the annual governance statement. The Foundation Trust recorded ? classified at a severity rating of ? which is shown below. All incidents are investigated and actions plans put in place to mitigate risks.

Category	Nature	Total
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I	Loss/theft of inadequately protected electronic equipment, devices or paper documents from secured NHS premises	
II	Loss/theft of inadequately protected electronic equipment, devices or paper documents from outside secured NHS premises	
III	Insecure disposal of inadequately protected electronic equipment, devices or paper documents	
IV	Unauthorised disclosure	
V	Other	

During 2013/14 the role of Senior Information Risk Owner (SIRO) was the responsibility of the Medical Director. Since 1 March 2014, the SIRO has transferred to the Director of Finance.

SUPPORTING SAFE, QUALITY CARE

The following departments continue to work with the Director of Nursing, the Medical Director and their teams to help support the delivery of high quality, safe care.

- Quality and Safety
- Complaints Management and PALS
- Nursing Practice Development Team
- Patient and Public Engagement and Experience
- Infection Prevention
- Safeguarding

SAFER PATIENT INITIATIVE

Following completion of The Safer Patient Initiative 2 (SPI2), we have continued using the methodology learnt in SPI2. As agreed with the Institute of Health Improvement and Health Foundation we are continuing to report our safety and quality data on a monthly basis. The organisation continues to be an active member of the Safer Patients Network run by the Health Foundation, ensuring greater learning and understanding is applied around safe patient care.

EMERGENCY PLANNING

The Foundation Trust has continued to develop its plans to deal with emergencies in line with national regulations and guidance.

PRIVACY AND DIGNITY

The Foundation Trust's Dignity Room, an initiative set up by a group of staff at the hospital in 2009, continues to go from strength to strength. Their passion for dignity, together with the help of the

Friends of Airedale and Airedale New Venture charities, has ensured that the initiative not only continues but grows each year.

The Dignity Room has been successful because of its potential to touch every patient within the hospital and to treat patients with compassion, kindness, dignity and respect, thereby enhancing the patient experience.

The Dignity Room, located close to ward 4 in the hospital, stocks a range of essential items which are all provided free of charge, including slippers, warm clothing, underwear and toiletries such as soap, shaving foam, razors, toothpaste, toothbrushes, shampoo and combs. It enables vulnerable, older patients who have been admitted to hospital in their nightwear and without toiletries to access day to day essential items. This allows them to go home or be transferred to other places of care wearing day clothes.

During 2013/14 the Dignity Room expanded to cover other areas of the hospital, such as the children's unit, to support younger patients.

A patient's relative, who was helped by the Dignity Room, says: "On his discharge, he was sent home with these articles which belong to the Dignity Room. It gave him pleasure to wear them whilst on the ward as they were so much more suitable than his own clothes."

SAME-SEX ACCOMMODATION

The hospital provides same-sex accommodation by having separate male and female wings on all wards and doors which have been added to all of the four-bedded bays on all our inpatient wards. Toilet and shower facilities in some wards/departments have also been upgraded. This means the Foundation Trust continues to be compliant with the Department of Health's requirements to provide same-sex accommodation.

LEARNING FROM COMPLAINTS

The Foundation Trust continues to deal with complaints in accordance with the legislation for complaints handling, which came into effect in April 2009. The Patient Liaison Service (PALS) and complaints team respond to individual concerns at the point of contact which results in the early intervention by clinical staff and managers. As a result, the Foundation Trust has seen a slight reduction in the number of formal complaints during the year, from 67 in 2012/13 to 66 in 2013/14. We have worked hard to learn from formal complaints. Examples are:

Your concern ... *"there was a lack of communication between various members of the community team."*

Our response ... *this was identified and in response new handover methods and documentation has been implemented. The team leader has undertaken observational audit of the new process and provides constructive feedback to the team.*

Your concern ... *"there was a significant delay in the reporting of a blood result."*

Our response ... *A review of systems and processes has taken place, including auditing of the auditing of the changes within the pathology department.*

CLINICAL GOVERNANCE

Clinical governance is the framework through which NHS organisations deliver and continually improve the quality of their services and safeguard high standards of care, by creating an environment in which excellence in clinical care will flourish.

This means being able to produce and maintain effective change so that high quality care is delivered.

The Foundation Trust has a committee structure designed to monitor and take forward the improvements to the clinical quality and safety of the services it offers patients. The Board of Directors is the accountable committee for quality. It is supported by a Board sub-committee and a number of other specialist groups and committees.

The Board of Directors receives a regular detailed report documenting progress and assurances from these various groups and committees that quality is improving. We have a corporate risk register that sets out potential risks to us meeting our targets and objectives. Our committee structure incorporates regular reviews of the corporate risk register and the Board Assurance Framework. The principal risks and uncertainties facing the foundation trust known at this time are:

- Influencing the wider health economy to ensure the health needs of the local population are sustained;
- Delivering patient safety, quality, productivity and efficiencies;
- Diversifying sufficiently to attract new income; and
- Achieving widespread change in clinical practice.

DIRECTORS' REPORT

The Board of Directors is responsible for exercising all the powers of the Foundation Trust and is the body that sets the strategic direction, allocates the Foundation Trust's resources and monitors its performance.

Its role is to:

- Set the organisation's values;
- Note advice from, and consider the views of, the Council of Governors;
- Set the strategic direction and leadership of the Foundation Trust;
- Ensure the terms of the Provider Licence are met;
- Set organisational and operational targets;
- Assess, manage and minimise risk;
- Assess achievement against the above objectives;
- Ensure that action is taken to eliminate or minimise, as appropriate, adverse deviations from objectives; and
- Ensure that the highest standards of corporate governance are applied throughout the organisation.

The full Board of Directors has met formally with the Council of Governors during the year, to seek and consider the views of the Governors in considering the Foundation Trust's Annual Plan for the coming year. As Airedale entered its third full year as a Foundation Trust, the emphasis was again placed on ensuring Governors were engaged fully in planning for the 2014/15 Annual Plan. Regular meetings are held with Governors, attended by Directors, in which specific topics chosen by Governors are discussed. The Chairman, who chairs both the Board of Directors and the Council of Governors, ensures synergy between the two Boards through regular meetings and updates.

In addition, Governors and Directors, including the Chairman attend members' events that are held regularly at the hospital on subjects requested by members. Past topics have focused on end of life care, breast cancer and applying for medical school.

The Directors (both Executive and Non Executive) meet regularly with Governors during their day to day working through meetings, network sessions, Chairman's briefings, consultations and information sessions. Examples include participation in Foundation Trust committees and working groups, and consultations about the Annual Plan and Quality Account. The Foundation Trust has also established a buddying system in which each of the Executive and Non Executive Directors

meet informally with a number of Governors to provide briefings and up to date information about the Foundation Trust.

The Board is made up of five Executive Directors and six Non Executive Directors including the Chairman. It also has an Associate Director – the Director of Operations.

Responsibility for the appointment of the Chairman and Non Executive Directors resides with the Council of Governors. The Appointments and Remuneration Committee, which comprises five members of the Council of Governors and two Non Executive Directors plus the Chairman, is responsible for bringing recommendations for non executive appointments to the Council. The Committee also has the option to commission an independent adviser if appropriate.

A separate committee, the Board Appointments, Remuneration and Terms of Service Committee, comprising Non Executive Directors and the Chief Executive has been established with responsibility for the recruitment and selection of Executive Directors including the remuneration and terms of service of executive directors.

The composition of the Board for the year of the report is set out on the following pages, which also includes details of background, committee membership and attendance at meetings. The Board may delegate any of its powers to a Committee of Directors or to an Executive Director and these matters are set out in the Scheme of Decisions Reserved to the Board and the Scheme of Delegation. Decision making for the operational running of the Foundation Trust is delegated to the Executive Directors Group, which comprises all of the Executive Directors, Associate Director, Head of HR and the Company Secretary.

The Board has an annual schedule of business which ensures it focuses on its responsibilities and the long-term strategic direction of the Foundation Trust. It meets ten times a year to conduct its business and periodically to discuss matters requiring strategic debate. Board members also attend seminars and training and development events throughout the year.

Since becoming a Foundation Trust, the Board has undertaken a rigorous evaluation of its own performance and of individual Directors. The aim is to conduct a full performance evaluation every three years supplemented by more frequent baseline assessment of skills, experiences and competencies. Prior to the year end, the Foundation Trust was invited by Monitor to participate in the new Governance and Capability Review pilot. The review was undertaken by Foresight Partnership/Capita concluded in March 2014 and the report findings shared with the Board.

An annual appraisal process for Non Executive Directors is in place. The Chairman appraises the performance of the Non Executive Directors and provides a detailed report to the Appointments and Remuneration Committee, while the Senior Independent Director leads the Chairman's appraisal and provides a summary report also to the Appointments and Remuneration Committee. In preparing the appraisals, both the Chairman and Senior Independent Director consult with the Lead Governor and take in to account the views of Governors in their appraisal reports. Individual Directors have also had detailed appraisals of their performance and an annual appraisal process is in place with regular reviews of objectives set by the Chief Executive for Executive Directors.

Non Executive Directors are involved in regular development activities including Board workshops, and attendance at seminars and conferences. We consider we have the appropriate balance and completeness in the Board's membership to meet the ongoing requirements of an NHS Foundation Trust.

Disclosures of the remuneration paid to the Chairman, Non Executive Directors and senior managers are given in the Remuneration Report on page ???. The Board of Directors who served during the year comprised the following Executive and Non Executive Directors:

NON EXECUTIVE DIRECTORS

Michael Luger, Chairman

Michael was appointed Chairman with effect from 1 May 2014 following the retirement of Colin Millar on 30 April 2014. Michael formerly served as Dean of Manchester Business School for seven years, retiring from that post in December 2013. Prior to that he was a professor of public policy, business and planning at the University of North Carolina and taught economics at Duke University and the University of Maryland. In addition to university leadership roles, Michael has served on numerous public sector and not-for-profit boards, commissions, and task forces. He has worked as a professional planning officer in the USA and for the Greater London Council, as a consultant and advisor to national, state, regional and local governments throughout the world, and to major multi-national corporations. His expertise in public finance, infrastructure, and economic development has been used in the health care sector in both the USA and UK.

As well as being chair of the Board of Directors and Council of Governors, Michael is chair of the Appointments and Remuneration Committee.

David Adam, Non Executive Director and Senior Independent Director

David was appointed a Non Executive Director in February 2007. His current term of office is due to complete in September 2014. David is a chartered accountant with almost 40 years financial management experience, including 13 years as a PLC Finance Director with two publicly listed companies. He previously worked as Finance Director in a number of large UK plc subsidiaries and has also held the post of Chief Executive of a large educational supply company. He has also held Non Executive Director roles in three UK companies as well as being a Pension Fund Trustee for over 20 years. David is chair of the Board Appointments and Remuneration and Terms of Service Committee and is a member of the Audit Committee and Appointments and Remuneration Committee.

Ronald Drake, Non Executive Director and Deputy Chairman

Ronald was appointed a Non Executive Director in February 2007 and is serving his second term of office. Ronald has over 30 years as a qualified solicitor since being admitted to the Roll in 1978. He retired as partner with a national legal practice in 2012 and is currently acting as a freelance consultant specialising in employment law. He has also been a part-time employment tribunal Judge since 1997. Ronald is a member of the Board Appointments, Remuneration and Terms of Service Committee and the Appointments and Remuneration Committee.

Professor Anne Gregory, Non Executive Director

Anne was appointed a Non Executive Director in June 2012. Anne has 30 years of experience in public relations and is currently employed at Leeds Metropolitan University, where she also served a term as pro-vice chancellor, until 2010. For eight years Anne was a Non Executive Director of South West Yorkshire Partnership NHS Foundation Trust and previously served eight years on the board of Bradford Community NHS Trust. Ann is a member of the Board Appointments and Remuneration Committee and the Clinical Specialty and Assurance Committee.

Sally Houghton, Non Executive Director

Sally was appointed a Non Executive Director in February 2006 and is currently serving a third term, which is due to end in 2015. Sally is a qualified accountant and has over twenty years experience in multi-national manufacturing and engineering companies, some of which was at Finance Director level. Sally is chair of the Audit Committee and Airedale NHS Foundation Trust Charitable Funds Committee.

Dr Michael Toop, Non Executive Director

Michael was appointed a Non Executive Director in February 2013 and is a retired consultant in chemical pathology. He previously managed the chemical pathology department at Harrogate Hospital for 25 years until his retirement in 2011. Michael also worked in various specialties at Leicester Royal Infirmary and then as registrar in Birmingham. Throughout his career Michael has held a number of formal positions including with the Royal College of Pathologists and Association for Clinical Biochemistry. Michael is chair of the Clinical Specialty and Assurance Committee.

During the year, Dr Andrew Catto, Medical Director resigned with effect from 28 February 2014, and since the year end, Mr Colin Millar, Chairman retired on 30 April 2014.

The Board considers all the Non Executive Directors to be independent.

EXECUTIVE DIRECTORS

Bridget Fletcher, Chief Executive

Bridget was appointed Chief Executive in November 2010. Bridget was previously Chief Operating Officer/Chief Nurse and prior to this Director of Nursing for 5 years having joined Airedale in 2005. Before joining Airedale, Bridget was Assistant Director, Quality Assurance at The Royal Marsden NHS Foundation Trust. Prior to this she was at West Middlesex University Hospital NHS Trust and Salford Royal NHS Trust where she held a number of senior management roles with responsibility for acute health services and professional nursing services.

Rob Dearden, Director of Nursing

Rob joined Airedale NHS Foundation Trust as Interim Director of Nursing in August 2011 and was appointed to the substantive role of Director of Nursing on 1 August 2012. Prior to this, he was Deputy Director of Nursing at Calderdale and Huddersfield NHS Foundation Trust. He qualified as a Registered General Nurse in 1987 at Manchester Royal Infirmary and then as a Registered Mental Nurse at Wigan Infirmary in 1990. He later specialised in Care of Older People and Rehabilitation Medicine in Manchester, Wirral and Halifax. Rob has a significant background in Practice Development.

Andrew Copley, Director of Finance

Andrew was appointed Director of Finance in January 2013, having previously been Deputy Director of Finance. Andrew is a Fellow of the Association of Chartered Certified Accountants with nearly 20 years of financial management experience. He joined the Foundation Trust from Calderdale and Huddersfield NHS Foundation Trust in 2008. Andrew initially trained as a radiographer at Pinderfields and Pontefract hospitals and later joined St Luke's hospital, Bradford.

Dr Harold Hosker, Interim Medical Director

Harold was appointed Interim Medical Director on 1 March 2014, having previously been Deputy Medical Director with the Foundation Trust. Harold joined Airedale in 2007 as Consultant in General and Respiratory Medicine having previously held the same position at Burnley NHS Trust. His early career was spent at Newcastle as a medical SHO/Registrar before going on to research lung cancer. Harold has also worked as a Specialist Registrar in Leeds and Hull.

Ann Wagner, Director of Strategy and Business Development

Ann joined the Airedale NHS Foundation Trust in 2006 originally as Director of Corporate Development taking on responsibility for securing Foundation Trust status – this was achieved in 2010. Since then she has taken the lead for strategy and business development. Prior to joining Airedale, Ann held a number of senior strategic roles including Executive Director of Service Improvement at West Yorkshire SHA, National Programme Director for the Department of Health Integrated Service Improvement Programme, Programme Director for the West Yorkshire Choice Pilot and Director of Performance Management at Bradford Health Authority. Prior to joining the NHS, Ann worked in the private sector as a PR consultant managing a range of business to business accounts and before that worked in Local Authorities and the North of England in a number of marketing related posts.

REGISTER OF INTERESTS

A register of interests for all members of the Board of Directors is held within the Foundation Trust and is continually updated. There are no company Directorships or other significant interests held by Directors that are considered to conflict with their Board responsibilities. The Register of Interests is available on request from the Company Secretary.

STATEMENT OF DISCLOSURE TO AUDITORS

For each individual who is a director at the time that the Annual Report is approved, so far as each director is aware, there is no relevant audit information of which the NHS Foundation Trust's auditor is unaware, and the directors have taken all the steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the NHS Foundation Trust's auditor is aware of that information.

STATEMENT ON GOING CONCERN

After making enquiries, the Directors have a reasonable expectation that the NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Bridget Fletcher
Chief Executive

?? May 2014

BOARD OF DIRECTORS**Attendance at meetings 2013/14**

Members	Board of Directors	Audit Committee	BART	Charitable Funds Sub Committee	CSAC
Colin Millar	09/10				5/5
David Adam	7/10	4/5	6/7		
Ron Drake	10/10		7/7		5/5
Professor Anne Gregory	10/10		5/7		3/5
Sally Houghton	10/10	5/5		5/5	
Dr Mike Toop	10/10	5/5			4/5
Bridget Fletcher	10/10		7/7		
Andrew Catto (up to January 2014)	8/8				4/5
Harold Hosker (from February 2014)	2/2				
Andrew Copley	10/10	5/5		5/5	
Rob Dearden	10/10				5/5
Ann Wagner	10/10				

NOTE: ??

COUNCIL OF GOVERNORS

The Council of Governors consists of 32 Governors – the majority, elected – who play a vital role in the governance of the Foundation Trust, working closely with the Board of Directors. They represent the interests of the Foundation Trust’s public and staff constituencies as well as its members and partner organisations in the local community including healthcare, universities, voluntary organisations and local authorities under the terms of the Foundation Trust’s Constitution. The Council has a number of statutory duties as defined in the Constitution which include:

- The appointment (and removal) of the Chairman and Non Executive Directors of the Foundation Trust and approval of the appointment of the Chief Executive;
- Deciding on the pay and allowances, and other terms and conditions of office, of the Chairman and Non Executive Directors;
- Appointing the Foundation Trust’s auditors;
- Holding the Non Executive Directors, to account, individually and collectively, for the performance of the Board of Directors;
- Approving changes to the Constitution of the Foundation Trust;
- Being consulted on future plans of the Foundation Trust and having the opportunity to contribute to the planning cycle;
- Scrutinising the Annual Plan and receiving the Annual Report and Accounts; and
- Developing the membership of the Foundation Trust.

We have 26 Governors elected by our members (including staff members) who represent the following constituencies (groups):

- **Bradford Metropolitan District Council (five Governors)**
- **Craven District Council (five Governors)**
- **Pendle Borough Council (five Governors)**
- **Leeds City Council (one Governor)**
- **Rest of England (one Governor)**
- **Staff and Volunteers (six Governors)**

Of the remaining six nominated Governors, these represent the interests of partner organisations in the local community including universities, voluntary organisations and local authorities.

During the year, the Council of Governors reviewed the Foundation Trust Constitution and approved a change to the requirement for the Volunteers constituency to have to opt-in for membership of the Foundation Trust. The effect of this change has resulted in an increase in membership of the volunteers constituency from ?? to ??.

The annual ballot of Governors for the appointment of a Lead Governor and Deputy Lead Governor was held during the year. Mrs Anne Medley, Governor for Keighley West, was duly elected as Lead Governor, and Mr John Roberts, Governor for Worth Valley was elected as Deputy Lead Governor.

A joint meeting with the Board of Directors is held twice yearly to review progress on the Foundation Trust’s Annual Plan and to consider priorities for the forthcoming year. During the year our Governors were fully engaged in different activities and working groups and continued to familiarise themselves with the complexities of such a large organisation. We value the contribution our Governors make and the different perspectives they bring to the development of services

In consultation with the Council of Governors, the Board re-appointed Non Executive Director, Mr David Adam, as the Senior Independent Director. Mr Adam is available to Governors if they have

concerns, which contact through the normal channels of Chairman, Chief Executive or Director of Finance have failed to resolve or for which contact is inappropriate.

Elections are held each year for those seats either vacated due to resignations or because Governors have reached the end of their three year term of office. Governors can serve no more than three consecutive terms of office (resulting in a maximum of nine years' tenure). The overall make-up of the Council of Governors, together with their attendance at Council of Governors meetings in 2013/14 is shown below.

COUNCIL OF GOVERNORS MEETINGS

Attendance at Council of Governors meetings 2013/14

Governors	Tenure	Constituency	Meetings attended
Elected Governors			
Janet Ackroyd	3 years from June 2011	South Craven	??
Peter Allen	3 years from June 2010	Skipton	??
Peter Beaumont	3 years from June 2010	Wharfedale	??
Nick Beeson	1 year from June 2012	Ilkley	??
Catherine Bourgeois	3 years from June 2012	Skipton	??
		Settle and Mid Craven	
David Child	1 year from June 2012	Bingley	??
Alan Davies	3 years from June 2012	Craven	??
Jean Hepworth	2 years from June 2011	Keighley East	??
Valerie Kimberley	3 years from June 2011	West Craven	??
Anne Medley	3 years from June 2011	Keighley West	??
Adrian Mornin	3 years from June 2012	Keighley Central	??
		Keighley Central	
Chris Nolan	3 years from June 2012	West Craven	??
John Osborn	3 years from June 2010	Rest of England	??
		Ilkley	
		Skipton	
Alan Pick	3 years from June 2012	South Craven	??
John Roberts	3 years from June 2010	Worth Valley	??
Pat Thorpe	3 years from June 2010	Bingley Rural	??
		Craven	
Stakeholder Governors			
Appointed Governors			
Anne Forster	Appointed from June 2010	University of Leeds	??
Robert Heseltine	Appointed from June 2010	North Yorkshire County Council	??
Naz Kazmi	Appointed from June 2010	Voluntary Sector	??
Dorothy Lord	Appointed from May 2011	Pendle Borough Council	??
Pauline Sharp	Appointed from June 2010	Bradford Metropolitan District Council	??

Marcia Turner	Appointed from June 2010	Craven District Council	??
Staff Governors	Tenure	Constituency	Meetings attended
Elected Governors			
Val Henson	3 years from June 2012	Nurses and Midwives	??
Stephanie Lawrence	3 years from June 2012	Nurses and Midwives	??
David Petyt	3 years from June 2010	Registered Volunteers	??
Naren Samtaney	3 years from June 2012	Doctors and Dentists	??
		All Other Staff	
In addition the Council of Governors meetings were attended by the following Directors:			
Non Executive Directors	Job Title		Meetings attended
Colin Millar	Chairman		??
David Adam	Senior Independent Director		??
Ronald Drake	Non Executive Director		??
Anne Gregory	Non Executive Director		??
Sally Houghton	Non Executive Director		??
Mike Toop	Non Executive Director		??
Executive Directors			
Bridget Fletcher	Chief Executive		??
Andrew Catto	Medical Director		??
Andrew Copley	Director of Finance		??
Robert Dearden	Director of Nursing		??
Ann Wagner	Director of Strategy and Business Development		??

MEMBERSHIP

The Foundation Trust has two membership constituencies:

- a public constituency; and
- a staff constituency

PUBLIC CONSTITUENCY

An individual who lives in one of the following public constituencies may become a member of the foundation trust by making an application for membership to the Foundation Trust.

As of 31 March 2014 the Foundation Trust had over 10,600 public members.

Constituencies within the public constituency	Local Authority electoral areas/or local authority electoral areas falling within the following Electoral Wards
Bingley	Bingley
Bingley Rural	Bingley Rural
Craven	Craven
Ilkley	Ilkley
Keighley East	Keighley East
Keighley Central	Keighley Central
Keighley West	Keighley West
Wharfedale	Wharfedale
Worth Valley	Worth Valley
Skipton	Skipton East Skipton North Skipton South Skipton West Embsay with Eastby Grassington Upper Wharfedale Barden Fell
Settle and Mid-Craven	Settle and Ribblebanks Gargrave and Malhamdale Hellifield and Long Preston Penyghent Bentham Ingleton and Clapham
South Craven	West Craven Aire Valley with Lothersdale Cowling Glusburn Sutton in Craven
West Craven	Coates Craven Earby

Pendle East and Colne	Barrowford Boulsworth Foulridge Horsfield Vivary Bridge Waterside
Lower Wharfe Valley	Rawdon & Guiseley Otley & Yeadon
Rest of England	Rest of England

STAFF CONSTITUENCY

An individual who is employed by the Foundation Trust under a contract of employment (which includes full and part time contracts of employment) may become a member of the Foundation Trust provided:

- he or she is employed by the Foundation Trust under a contract of employment which has no fixed term or has a fixed term of at least 12 months; or
- he or she has been continuously employed by the Foundation Trust under a contract of employment for at least 12 months.

Individuals who exercise functions for the purposes of the Foundation Trust, otherwise than under a contract of employment with the Foundation Trust, may become members of the staff constituency provided such individuals have exercised these functions continuously for a period of at least 12 months.

The staff constituency also includes registered trust volunteers with at least one year's service.

The staff constituency is divided into the following constituencies:

Doctors and dentists who are registered with their regulatory body to practice.
Nurses and midwives who are registered with their regulatory body to practice.
Allied health professionals and scientists who are registered with their regulatory body to practice.
All registered volunteers (with a minimum of 12 months service)
All other staff

AUTOMATIC MEMBERSHIP FOR STAFF

All eligible staff and volunteer are automatically made members in the staff constituency unless they inform the Foundation Trust they do not wish to do so.

As at 31 March 2014, 10 members of staff had chosen to opt out of membership. All other staff and volunteers are registered as members.

The Trust had over 2,800 staff members, as of 31 March 2014.

SUMMARY OF MEMBERSHIP STRATEGY

The Membership Development Strategy covering the period 2013/14 is reviewed by the Membership Development Group, the Council of Governors and the Trust Board on a regular basis.

The strategy, along with the communications plan and patient and public involvement strategy, will ensure that the membership and the public are:

- fully represented at all levels
- clearly informed
- used appropriately in decision making around service provision

The strategy aims to:

- ensure public membership is representative of the community it serves (in terms of nationality, gender, disability, ethnic origin, age, social background, geographical spread and social deprivation)
- ensure that all staff groups are given equal opportunity to become involved
- identify levels of involvement and participation within the membership according to the wishes and needs of individuals
- ensure a continuous approach to the development of the membership in terms of both numbers and level of engagement

In 2014/2015 our plan is to maintain current membership levels and focus on engagement with members and the public, by continuing our programme of regular focus events and in particular continuing our work of collecting member and public views so that these inform the planning process.

THE MEMBERSHIP DEVELOPMENT GROUP

This group is responsible for developing the membership by recruitment, retention, communication and engagement. The group meets monthly was involved in the following membership activities, amongst others, in 2013/14:

- assisting in planning the public open event
- contributing ideas to the member newsletters
- contributing to the involvement of members and the public in the annual plan
- raising the profile of Governors and membership at hospital events and other recruitment activities;
- promotion of membership and the role of Governors through neighbourhood forums, patient participation groups and other local community groups.

RECRUITMENT ACTIVITY DURING 2013/14

Recruitment of new members is an ongoing activity to ensure the membership is representative of the local community. In 2013/2014 we sought to increase our membership by 5% and to increase representation in work age membership by recruitment drives with local employers and by targeted recruitment drives in the Pendle and Bingley Rural constituencies.

MEMBERSHIP ACTIVITY 2013/14

This year has also seen a number of key developments with regard to membership engagement, development and communications:

OPEN EVENTS

In August 2013, we delivered our most successful annual open event to date, which attracted over 500 visitors in total. The open event provided interactive displays of equipment and behind the scenes tours from a wide variety of departments and clinical areas within the trust. The event was also supported from other health and emergency care organisations such as Sight Airedale, Healthwatch, guide dogs, cave rescue and the police.

The annual general meeting was held on 25 July 2013.

The theatres open day was held in September and the endoscopy open day was held in October. Both gave our patients and the public the opportunity to tour the departments and meet the staff.

FOCUS ON ... EVENTS

Our 'Focus on' events are presentations and demonstrations in response to a number of different health topics, and tailored to the interests expressed by our members. They provide all members with opportunities to gain more of an insight into how our services operate. The programme ran throughout 2013/14 and included talks on:

- Caring for your feet
- Irritable bowel syndrome
- Fundraising
- Applying for medical school
- Stammering
- Organ donation
- Anticoagulation
- Breast cancer

Each member is asked to complete a feedback form and to make suggestions for future events.

We also continue to hold drop in sessions before each 'Focus on' event where members can meet their Governors and find out more about their role and have the opportunity to ask questions or give feedback about our services. We also advertise the Governor email addresses on our Foundation Trust website and bi-annually with the newsletter and encouraged our members to contact their Governor with any feedback.

'INTERESTED IN BECOMING A GOVERNOR EVENTS'

Our 'Interested in becoming a Governor?' events are an opportunity for members to meet the Chairman and find out about the role of a Governor in more detail. We held two of these events during 2013/14 with featured talks from the chair, membership manager and governors on the role and responsibilities of a Governor, the election process and what happens once you are elected.

MEMBERSHIP COMMUNICATIONS

This year we have sent our regular quarterly communications newsletter to all our membership households. These communications, sent by post and email, are exclusive to our members and they provide updates on new developments at the Trust, information on membership activities, useful patient information, and health advice.

All this information is also available on the 'Join us as a member' section of our Foundation Trust website.

All new members receive a welcome letter which includes a special interest form and membership card containing membership contact information and details for the Foundation Trust website.

YOUNG PEOPLE'S MEMBERSHIP DEVELOPMENT

This year we have continued our recruitment drive of young people via local colleges and by holding events for young people such as:

- Applying for medical school
- Theatres and endoscopy open day
- Annual open day

We have continued to produce our Young Members newsletter, specifically aimed at our members aged 16-21 years, giving them health information and invites to our events.

INCREASING REPRESENTATION

This year we have continued our aim to have an increasingly representative membership by targeted recruitment in specific areas and with specific groups in the community.

MEMBERSHIP INTERESTS AND INVOLVEMENT

The 'Welcome' mailing members receive, also includes a form for members to record their areas of special interest. This is returned to the Foundation Trust and allows us to create a database of interests where members would be interested in contributing, for example by completing a survey or participating in a focus group. Members have also been invited to events specific to their interests.

In 2013/14 we also focused our work on collecting member and public feedback and ensuring those views were included in the preparation of the trust annual plan 2014/15 – 2015/16. Feedback and views were collected via governor drop in sessions, governor attendance at community events, member events, annual hospital open day, staff events hosted by governors and via direct contact with governors. These views were collated and presented to the Board of Directors by the governors in December 2013 to ensure their consideration. The Board of Directors responded to the views of governors, members and the public at a board to council meeting in February 2014. Governors will feedback to members and the public to explain how those views have been incorporated into future plans.

THE FOUNDATION TRUST OFFICE

The Foundation Trust office continues to be a central point of contact for all members to make contact with the Trust and the Council of Governors. It can be contacted during office hours, Monday to Friday on 01535 294540 (24 hour answerphone also available) or by email to members@anhst.nhs.uk

A list of Governor contact email addresses is published on the Trust website in the Council of Governors section.

Members are also sent, by email or post according to their preference, a bi-annual Governor update with their Foundation Trust newsletter, which details the work the Governor has been involved in along with an update on hospital news and developments and contact details for their own Governor, should a member have any concerns or issues they want to raise.

Members are also invited, via their newsletter and the website, to meet Governors at drop in sessions before every member talk, held throughout the year.

Governors also take part in the annual public open day, staff event and theatres open day, giving members an opportunity to meet with them and discuss any issues or questions.

GOVERNANCE

The Foundation Trust Board of Directors and Council of Governors have discharged their functions throughout the year through a number of sub-committees as outlined below.

AUDIT COMMITTEE

The Audit Committee is chaired by a Non Executive Director – Mrs Houghton, and has a further two Non Executive Directors, Mr Adam and Dr Toop as members. The Director of Finance and other senior managers including the Company Secretary attend each committee meeting. Also in attendance is a Governor representative.

Its terms of reference are approved by the Board of Directors. The Committee has an annual work plan which shows how it plans to discharge its responsibilities under its terms of reference. Minutes of each meeting are reported to the Board along with any recommendations by the Chairman of the Audit Committee. Committee members carry out a self assessment each year. The Committee reports to the Board of Directors through its annual report on its work in support of the Annual Governance Statement, specifically commenting on the fitness for purpose of the Board Assurance Framework, the completeness and embeddedness of risk management in the Foundation Trust, the integration of governance arrangements and the appropriateness of the self-assessment against the Care Quality Commission outcomes.

Its main duties throughout the year were:

- **Financial reporting** – The Audit Committee monitors the integrity of the financial statements of the Foundation Trust, including scrutinising the quarterly corporate governance statement to Monitor, and any formal announcements relating to the Foundation Trust’s financial performance, reviewing significant financial reporting judgements contained in them. The Committee received and approved the Foundation Trust accounts and the Annual Governance Statement for 2013/14.
- **Governance, risk management and internal control** – The Committee reviews the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the Foundation Trust’s activities (both clinical and non-clinical) that support the achievement of the Foundation Trust’s objectives. The Committee received the Foundation Trust’s Board Assurance Framework and various audit reports concerning these matters, during this period. The Committee received reports outlining the progress made in planned counter fraud work and general issues concerning the NHS Counter Fraud Service (CFS). The Committee also reviewed as appropriate the findings of other relevant significant assurance functions, both internal and external to the Foundation Trust and considered the implications to the governance of the Foundation Trust.
- **Internal audit** – The Committee ensures that there is an effective internal audit function established by management that meets mandatory internal audit standards and provides appropriate independent assurance to the Audit Committee, Chief Executive and the Board of Directors. The Committee received the internal audit plan, internal audit annual report and progress reports in this period and also received the review of the internal audit function by external audit and the Director of Finance.
- **External audit** – The Audit Committee reviews and monitors the external auditor’s independence and objectivity and the effectiveness of the audit process. The Committee received and reviewed external audit plans and regular routine reports, along with holding regular private discussions with the external auditors and internal audit. The external auditor attends each Audit Committee meeting.

The Company Secretary was the formal secretary for the Committee and ensured that coordination of papers and minutes were produced in accordance with the Chair of the Committee. The

Foundation Trust has a process agreed by Governors for the agreement of non-audit services provided by external audit; however other than a specific piece of VAT advice relating to a business arrangement, no additional non-audit services were required during the period.

CLINICAL SPECIALTY ASSURANCE COMMITTEE

The Clinical Specialty Assurance Committee, chaired by Dr Toop, Non Executive Director, provides the Board of Directors with assurance that high standards of care are provided by the Foundation Trust by reviewing clinical specialties, focussing on the following service quality areas:

- Patient experience;
- Quality;
- Safety;
- Medicines Management
- Staffing
- Activity; and
- SLR performance.

It also provides support to the Board of Directors in developing an integrated approach to governance by ensuring clinical effectiveness and compliance with best practice in each of the clinical specialties areas reviewed

CHARITABLE FUNDS SUB COMMITTEE

The Charitable Funds Sub Committee, chaired by Mrs Houghton, Non Executive Director, acts on behalf of the Foundation Trust in its capacity as Corporate Trustee of the Airedale NHSFT Charitable Funds.

The purpose of the committee is to give additional assurance to the Board of Directors that its charitable activities are within the law and regulations set by the Charity Commission for England and Wales and to ensure compliance with the charity's own governing document.

The annual report and accounts of the Airedale NHSFT Charitable Funds are available from either contacting the Company Secretary or via the Foundation Trust's or Charities Commission website.

REMUNERATION REPORT

The Foundation Trust has established two committees responsible for the appointment and nomination of Board directors: the Appointment and Remuneration Committee and the Board Appointments, Remuneration and Terms of Service Committee.

APPOINTMENTS AND REMUNERATION COMMITTEE

The Appointments and Remuneration Committee is established for the purpose of overseeing the recruitment and selection processes to secure the appointments of Non Executive Directors (including the Chairman) being cognisant of the Board of Directors knowledge, skills and experience. The Committee also oversees the review of remuneration levels of the Chairman and Non Executive Directors. The Committee makes recommendations to the Council of Governors on the appointment of Non Executive Directors (including the Chairman) of the Foundation Trust and the Chairman and Non Executive Directors remuneration levels.

The standing membership of the Committee comprises:

- Chairman of the Foundation Trust
- Deputy Chairman of the Foundation Trust
- Senior Independent Director of the Foundation Trust

- Two elected Governors
- One stakeholder Governor
- One staff Governor
- Lead Governor

The Head of Human Resources also attended in an advisory capacity.

During 2013/14, the Committee met to consider the process for the replacement of Mr Colin Millar as Non Executive Director and Chairman and Mr David Adam as Non Executive Director. The Committee also considered the Board succession plan for Non Executive Directors and conducted a remuneration review of Non Executive Directors

The process of appointing a successor Chair commenced prior to the 2013/14 financial year. Following a rigorous selection process in which a preferred candidate had been selected, the candidate decided to withdraw from the process due to other external work commitments. The Committee re-commenced the appointment process during the year and commissioned a different external recruitment consultant to source suitable candidates in which a strong field of candidates came forward. The Committee involved the remaining Governors in reviewing the person specification and role description as well the recruitment process – all of which were approved by the Council of Governors. The Committee as part of a robust selection process undertook a series of long listing and short listing meetings prior to conducting interviews. The interview process involved the assistance of an independent assessor who conducted one to one interview with each of the candidates. In addition to this the Chief Executive and together the Lead Governor and Deputy Chairman also conducted one to one interviews. The Council of Governors were also invited to take part in a discussion forum with each of the candidates – of which a number of Governors took part in. Also contributing to the selection process was the Board of Directors who also took part in a discussion forum with the candidates of which a number of Executive and Non Executive Directors participated in. Finally, the selection panel comprising the Senior Independent Director, Deputy Chairman, Lead Governor, Stakeholder Governor, Staff Governor and a Public Governor conducted a series of interviews with each of the candidates. Each element of the selection process then fed back their comments to the Committee and a preferred candidate nominated for approval by the Council of Governors. An Extraordinary Council of Governors meeting was convened on 2 April 2014 for the purpose of approving the recommendation by the Committee. The recommendation was approved and the successor Chairman – Mr Michael Luger appointed with effect from 1 May 2014.

The Chairman did not take an active role in the recruitment and selection process but provided advice and guidance on the role of the Chairman in order to assist the Committee in its deliberations.

As a consequence of the delay in appointing a successor Chair to take office from November 2013; that is when Mr Colin Millar was due to retire, the Committee considered and recommended the extension of Mr Millar's term of office to May 2014. This was duly considered and approved by the Council of Governors. In order to stagger the refreshing of the Board, the succession plan was reviewed and it was considered by the Committee appropriate to extend the term of office of Mr David Adam, Non Executive Director and Senior Independent Director to September 2014. This was duly considered and approved by the Council of Governors.

BOARD APPOINTMENTS AND REMUNERATION AND TERMS OF SERVICE COMMITTEE

The committee is established for the purpose of overseeing the recruitment and selection process for Executive Directors and the appointment of formal Board positions, for example the Senior Independent Director. It also reviews current and future requirements applicable to the performance and setting of salaries for the posts covered by the committees remit and in addition the Foundation Trust's Senior Management Succession Planning arrangements and talent management process. The members of the Committee comprises the Deputy Chairman, Senior

Independent Director, Chief Executive (or another Executive Director when considering the appointment of the Chief Executive) and one other Non Executive Director. The Company Secretary and Head of HR was in attendance to provide specialist advice.

The Committee met on five occasions, with the Chief Executive attending all meetings. During 2013/14, the Committee met to consider the selection process for the appointment of a Medical Director to replace Dr Andrew Catto who left the organisation at the end of February 2014. Following a rigorous selection process, the Trust successfully appointed Mr Karl Mainprize as Medical Director to take office with effect from 3 June 2014. The Committee also met to consider the interim arrangements for Medical Director and allocated responsibilities accordingly, including the appointment of Dr Harold Hosker as Interim Medical Director to cover the period from March to June 2014. The Committee considers the interim arrangements to have been appropriate and robust.

The Committee's second purpose is to determine the remuneration terms of service of Executive Directors and Associate Directors as well other senior managers covered by NHS Agenda for Change or the Consultant Contract.

The Committee met during the 2013/14 period to consider the latest independent benchmarking information for Director's remuneration and to agree the appropriate level of remuneration. The Committee considered and agreed a formal Executive Pay Framework, the purpose of which is to provide a level of remuneration linked to performance, role weight, pay of other staff in the Trust and in the context of wider public sector considerations.

No performance related pay scheme (for example, pay progression or bonuses) was in operation within the Foundation Trust during the year for Executive Directors. All other senior managers are subject to Agenda for Change pay rates, terms and conditions of service, which are determined nationally.

Each year, the Committee considers a report from the Chief Executive which summarises the performance of individual Directors (including the Company Secretary), against their agreed objectives. The Committee then makes a decision about each director's salary review, linked to their performance.

For Executive Directors, appointments are not time limited and the period for serving notice, whilst historically has been six months, is now three months for new appointees. Executive Director contracts will reflect this change as new directors are appointed. Contractual provision for early termination is not appropriate as the contracts are not fixed term. Liability for early termination is therefore not calculated. No significant termination payments have been made since the organisation became a Foundation Trust. The Foundation Trust's remuneration reports are subject to a full external audit.

Details of remuneration and person information are detailed on pages ??, ?? and ??.

MEDIAN REMUNERATION NOTE

The HM Treasury FReM requires the disclosure of the median remuneration of the Foundation Trust's staff and the ratio between this and the mid-point of the banded remuneration of the highest paid Director. The calculation is based on full-time equivalent staff of the Trust at the end of 2013/14 on an annualised basis.

Median remuneration of staff	£23,825
Mid-point of highest paid Director	£169,000
Ratio	7.1

OFF – PAYROLL ENGAGEMENTS

The Foundation Trust is required under the reporting requirements published by the HM Treasury in relation to PES (2012)17, to report that it has no engagements which meets the disclosure requirements.

PES (2012)17 requires the Foundation Trust to seek assurance from off–payroll engagements, that all their tax obligations are being met. This is required for existing engagements who at the 31 January 2012 cost in excess of £58,000 per annum or for new engagements during the period between the 23 August 2012 and 31 March 2014 cost more than £220 per day and were engaged for more than six months.

The Foundation Trust has received the required assurance for the engagement that the tax Obligations are being met as per the terms of their contract.

The Foundation Trust has a number of Doctors who meet the Financial Criteria but have no financial responsibility and therefore fall outside the scope of the reporting requirement.

ASSESSMENT AGAINST THE MONITOR CODE OF GOVERNANCE

Airedale NHS Foundation Trust complies with the Monitor Code of Governance. All of the principles set out in the Code of Governance are reflected in the Foundation Trust's Constitution.

REMUNERATION OF SENIOR MANAGERS

Salary and Allowances (For period 1 April 2013 to 31 March 2014)

Name and Title	2013/14 (12 months)				2012/13 (12 months)			
	Salary (bands of £5000) £000	Other Bonuses (bands of £5000) £000	Benefits in Kind Rounded to the nearest £100	Total	Salary (bands of £5000) £000	Other Bonuses (bands of £5000) £000	Benefits in Kind Rounded to the nearest £100	Total
Mr David Adam, Non Executive Director	10-15	0	0	10-15	10-15	0	0	10-15
Dr Andrew Catto, Medical Director (1)	25-30	0	0		25-30	0	0	25-30
Mr Andrew Copley, Director of Finance (2)	100-105	0	0	100-105	25-30	0	0	25-30
Mr Ronald Drake, Non Executive Director	10-15	0	0	10-15	15-20	0	0	15-20
Mr Rob Dearden, Director of Nursing	100-105	0	0	100-105	95-100	0	0	95-100
Miss Bridget Fletcher, Chief Executive	165-170	0	0	165-170	140-145	0	0	140-145
Prof Anne Gregory, Non Executive Director	10-15	0	0	10-15	10-15	0	0	10-15
Dr Harold Hosker, Interim Medical Director (3)	0-5	0	0	N/A	0	0	0	0
Mrs Sally Houghton, Non Executive Director	15-20	0	0	15-20	15-20	0	0	15-20
Mr Colin Millar, Chairman	40-45	0	0	40-45	40-45	0	0	40-45
Dr Mike Toop, Non Executive Director (4)	10-15	0	0	10-15	0-5	0	0	0-5
Mrs Ann Wagner, Director of Strategy & Business Development	110-115	0	0	110-115	110-115	0	0	110-115

Notes:

- (1) Dr Andrew Catto – Medical Director pay only included, left 28 February 2014
- (2) Mr Andrew Copley – Director of Finance from 1 January 2013
- (3) Dr Harold Hosker – Medical Director pay only included, from 1 March 2014
- (4) Dr Mike Toop – Non Executive Director from 1 February 2013

The chair of the audit committee and the clinical specialty assurance committee receive an additional remuneration fee of £2.5k per annum. Mrs Sally Houghton was chair of the audit committee during 2013/14 and the chair of the clinical specialty assurance committee transferred from Mr Ronald Drake to Dr Mike Toop part way through the year.

No Executive Directors are Non Executive Directors of any other organisation
No former senior managers received compensation in the period 1 April 2013 to 31 March 2014

PENSION ENTITLEMENTS OF SENIOR MANAGERS

The definition of senior managers is those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments. The Foundation Trust has decided that this refers to just Executive and Non Executive Directors of the organisation.

Pension Benefits

Name and title	Real Increase in Pension at Age 60 (bands of £2500) £000	Real Increase in Pension Lump Sum at Age 60 (bands of £2500) £000	Total accrued pension at age 60 at 31 March 2014 (bands of £5000) £000	Lump Sum at Age 60 Related to Accrued Pension at 31 March 2014 (bands of £5000) £000	Cash Equivalent Transfer Value at 31 March 2014 £000	Cash Equivalent Transfer Value at 31 March 2013 £000	Real Increase in Cash Equivalent Transfer Value £000	Employers Contribution to Stakeholder Pension To nearest £100
Miss Bridget Fletcher, Chief Executive	0-2.5	2.5-5.0	65-70	195-200	1322	1296	26	0
Dr Andrew Catto, Medical Director	0-2.5	7.5-10.0	40-45	115-120	704	653	51	0
Dr Harold Hosker, Interim Medical Director	7.5-10.0	17.5-20.0	55-60	165-170	1108	963	145	
Mr Andrew Copley, Director of Finance	5.0-7.5	20-22.5	30-35	100-105	570	444	126	0
Mr Rob Dearden, Director of Nursing	2.5-5.0	12.5-15.0	35-40	110-115	619	528	90	0
Mrs Ann Wagner, Director of Strategy & Business Development	0-2.5	5.0-7.5	30-35	95-99	630	582	48	0

As Non Executive Directors do not receive pensionable remuneration, there are no entries in respect of pensions for Non Executive Directors.

Dr Andrew Catto left the Trust on the 28 February 2014

Dr Harold Hosker is Interim Medical Director from the 1 March 2014

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and from 2004-05 the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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

Bridget Fletcher
Chief Executive

?? May 2014

PUBLIC INTEREST DISCLOSURES

INNOVATION AND DEVELOPMENT

In 2013/14, Airedale continued to build on its already significant technological innovation in the development of telemedicine – a system whereby patients can receive medical consultations in their home via a TV link - when a regional Telehealth Hub, funded by the Yorkshire and Humber Strategic Health Authority, was opened in September 2011.

Benefits are already being seen by our patients' with long term conditions as well as those in nursing homes, where a number of hospital admissions have been avoided by the online intervention of clinical staff working round the clock in the Hub.

Bridget Fletcher and Dr Richard Pope took part in will be taking part in a pop-up NHS university at this year's Health and Care Innovation Expo 2014, hosted by NHS England.event in March 2014 and also ran two workshops . to explore how technology and the way services are provided can allow people to play a greater role in shaping their own care and get help when they need it in the most appropriate place and how primary and secondary care clinicians can work more closely together and use technology to provide a better experience and seamless care for the benefit of patients and their families.

The Foundation Trust's bid to the Health Foundation Shared Purpose programme was also successful. The Trust secured one of eight places on the programme which includes a grant of £420k over three years. Our bid – to enhance the experience of end of life patients through the use of assistive technologies – will attract significant national interest and supports our strategy to support patients at/closer to home.

As part of our commitment to enhancing the care of end of life patients we have also agreed to second one of our nurses to work at Manorlands Hospice as part of the palliative care team and hopefully enhance our teams on their return in 6 months.

RESEARCH AND DEVELOPMENT

The Foundation Trust's research and development team took part in 127 research studies during 2012/13. Patient recruitment to research studies across all specialties was 888 in 2012/13 and involved 41 clinical staff. Research work was also broadened during the year to include two new specialties – physiotherapy and general surgery. Research is actively being conducted in the following areas and includes studies with commercial sponsors:

- Oncology and Haematology
- Stroke
- Cardiology
- Diabetes
- Gastroenterology
- Physiotherapy*
- Obstetrics, Gynaecology and Maternity
- Elderly Care
- Paediatrics and Neonatal Care
- General Surgery*
- Orthopaedics and Rheumatology

Active engagement with patients and the public has been an emerging theme over 2012/13. An example of this was a diabetes study involving a non-invasive method of monitoring blood glucose levels which involved many volunteers including patients, the public and Foundation Trust staff. A significant number of these were recruited during the annual open day in August 2012.

The Foundation Trust has also streamlined its research approval processes and now has an average of ten days for providing permission to conduct research in the Foundation Trust.

OUR STAFF

The Foundation Trust has an ethos of diversity and using talents to best effect regardless of age, disability, ethnicity, gender, religion and belief or sexual orientation. We aim to give full and fair consideration to all applicants who apply for jobs at the Foundation Trust.

We have Foundation Trust Guidelines on recruitment and selection, which take into account the need for reasonable adjustment for disabled employees. We also have a policy on managing attendance, which contains specific provision for dealing with employees who have become disabled. The development of all staff has a high priority and is based on a Knowledge and Skills Framework and individual's personal development plans.

During the year, we ensured we communicated with staff on matters that concern them as employees. Staff had access to information through the Foundation Trust's intranet, weekly staff bulletins, and monthly team briefings which are cascaded throughout the organisation within 24 hours after the Board of Directors meeting via email. Individual directorates also have their own management and clinical team meetings where core messages are delivered. These systems have been used throughout the year to communicate the financial and economic factors affecting the performance of the Foundation Trust.

In August 2012, we held our third staff Open Event in addition to our annual public Open Event, which staff are also able to attend. Given the London 2012 Olympics, the theme this time was Get Fit, Get Active and teams organised and held their own events for other colleagues, culminating in a medal awards ceremony for the winners at the staff Open Event. Foundation Trust member events are also open to staff members.

ANNUAL STAFF SURVEY

The 2012 annual survey of NHS staff was conducted in October 2012.

The four key findings for which Airedale NHS Foundation Trust compares most favourably with other acute trusts in England are:

- Percentage of staff believing the trust provides equal opportunities for career progression or promotion;
- Percentage of staff experiencing discrimination at work in the last 12 months;
- Percentage of staff having equality and diversity training in last 12 months; and
- Percentage of staff saying hand washing materials are always available.

The four key findings for which Airedale NHS Foundation Trust compares least favourably with other acute trusts in England are:

- Percentage of staff feeling pressure in last 3 months to attend work when feeling unwell;
- Percentage of staff agreeing that their role makes a difference to patients;
- Work pressure felt by staff; and
- Percentage of staff feeling satisfied with the quality of work and patient care they are able to deliver.

Each trust is given an overall indicator of staff engagement, as part of the staff survey, using the responses to the following key findings:

- staff members' perceived ability to contribute to improvements at work;
- their willingness to recommend the trust as a place to work or receive treatment; and

- the extent to which they feel motivated and engaged with their work.

The Foundation Trust's score of 3.73 was better than average when compared with trusts of a similar type. Possible scores range from 1 to 5, with 1 indicating that staff are poorly engaged (with their work, their team and their trust) and 5 indicating that staff are highly engaged.

STAFF SURVEY

	2011		2012		Trust Improvement/Deterioration
	Trust	National Average	Trust	National Average	
Response rate	50%	54%	44%	52%	Decrease in 6 % points

	2011		2012		Trust Improvement/Deterioration
	Trust	National Average	Trust	National Average	
Top four ranking scores					
% of staff believing the trust provides equal opportunities for career progression or promotion	93%	90%	93%	88%	Same as 2011
% of staff experiencing discrimination at work in the last 12 months	11%	13%	8%	11%	Decrease in 3 % points
% of staff having equality and diversity training in the last 12 months	66%	48%	72%	55%	Increase in 6 % points
% of staff saying hand washing materials are always available	71%	66%	67%	60%	Decrease of 4 % points

	2011		2012		Trust Improvement/Deterioration
	Trust	National Average	Trust	National Average	
Bottom four ranking scores					
% of staff feeling pressure in last 3 months to attend work when feeling unwell	27%	26%	34%	29%	Increase of 7 % points
% of staff agreeing that their role makes a difference to patients	91%	90%	87%	89%	Decrease of 4 % points
Work pressure felt by staff	3.33	3.12	3.18	3.08	Decrease of 0.15
% of staff feeling satisfied with the quality of work and patient care they are able to deliver	70%	74%	73%	78%	Increase of 3 % points

HUMAN RESOURCES MANAGEMENT

Research tells us that effective line management and leadership is critical to effective service delivery.

In 2012 we began our first locally commissioned staff pulse survey. The pulse survey, which forms part of our staff engagement programme, will be conducted quarterly and will support the national staff survey.

Based on the advice of the NHS emergency care intensive support team, Airedale has been developing core internal professional standards. The aim of the standards are to ensure that clinical teams across the Foundation Trust work together systematically and predictably so that patient experience is enhanced and flow improved, for example, time of discharge. Clinical behaviour is an important element of patient flow through the hospital system and directors and lead clinicians recognise that patient flow is also a patient safety issue. In partnership with clinical directors, the standards for the emergency department (A&E), MAU, wards and community settings have been developed and went live during 2012.

NHS Heroes is a nationwide recognition scheme for all staff in the NHS, which was launched on 5 July. It held two schemes during 2012/13, the initial launch programme, which ran from July to September 2012 and a Winter Heroes scheme from October to February 2013. It is not an awards scheme but is intended to give recognition to individuals and teams identified by their patients and colleagues as going 'the extra mile' over and above their everyday duties.

At Airedale we received nominations for seven staff by their patients and colleagues:

- Angela Freeman – paediatric dietitian team
- Tracey Hellowell – heart failure specialist nurse
- Tracy Day – staff nurse
- Donna Ashcroft – staff nurse, paediatrics
- Pam Beaumont – stroke co-ordinator nurse
- Dr Sam Mawer – stroke consultant
- Dr Kathleen Graham – consultant obstetrician

New clinical leadership arrangements were introduced across the Foundation Trust in 2012. Clinical Directors and their teams will be supported and developed to reach their maximum potential, so together we achieve the ambition we aspire to for our patients in terms of excellent service and experience.

The Medical Director and Chief Executive held a series of clinician engagement sessions, meeting groups of clinicians in each specialty to discuss their views on their services and ideas for improvement and innovation to enhance the patient experience.

Our new Rising Stars development programme went live in 2012 with the first cohort of 15 mid grade staff attending the programme launch. Developing and valuing our staff and nurturing future leadership potential are key to our approach to staff engagement and organisational development

The Human Resource Management service has also been re-designed to ensure the most effective business contribution. For example the Human Resources Team have led a programme which has reduced the Foundation Trust's sickness absence.

The staff sickness absence for 2013/14 is shown below:

Days lost (long term)	?????
Days lost (short term)	?????
Total days lost	?????

Total staff years	????
Average working days lost	????
Total staff employed in period (headcount)	????
Total staff employed in period with no absence (headcount)	????
Percentage staff with no sick leave	??%

WORKING IN PARTNERSHIP

We have continued to develop our strategic and other partnerships from a clinical, business and financial perspective. During 2013/14 we continued to work with our partners to ensure that as an organisation we are outward looking and connected to our local community, enabling and supporting health, independence and the well being of our patients.

LINKS WITH OUR COMMISSIONERS

Our population's healthcare is commissioned in the main by three Clinical Commissioning Groups (CCGs) – Airedale, Wharfedale and Craven, which in 2013/14 accounted for ??% of the Foundation Trust's revenue; Bradford Districts which last year accounted for ??% of revenue and East Lancashire, which accounted for ??% of revenue, all from patient care activity respectively.

Our annual plan and three year plan have been developed in line with the Clinical Commissioning Groups (CCGs), NHS England and specialist commissioners to enable us to support delivery of our commissioners' intentions.

TRAINING AND DEVELOPMENT

The Foundation Trust has continued to invest in the development of managers and leaders over the last year, to enable us to achieve business goals. Based on learning and evaluation for 2013/14 these programmes are being updated regularly to meet business needs.

AIREDALE STAFF PARTNERSHIP

We have a strong staff side/management partnership, the Airedale Staff Partnership (APG), which is a joint negotiating and consultation body to promote joint working in the interests of patient care.

CHILDCARE SUPPORT

Our onsite 'Nightingales Nursery' continues to provide high quality childcare at competitive rates for the Foundation Trust and other NHS employees. Open from 7.00am until 7.00pm, five days a week, 52 weeks of the year, it caters for babies and children up to the age of five.

This high quality service is regulated and approved by OFSTED and an inspection in September 2013 gave it an overall rating of 'good'. The nursery was praised for its capacity for continuous improvement, effective leadership and management, its ability to evaluate its success, and successful working relationships with parents, carers and other agencies.

Financial support is also offered to Foundation Trust staff, either through a full salary sacrifice scheme for staff who use the onsite nursery, or childcare vouchers for staff choosing alternative childcare. The manager of this service provides a wide range of support and training for parents and parents to be, including maternity workshops for parents to find out about rights and benefits and baby massage and yoga classes.

HEALTH AND WELLBEING

Research shows that looking after the health and well being of the workforce pays significant dividends in relation to attendance, performance, productivity and motivation. Airedale is at the leading edge of the innovative work. It is led by our Employee Health and Wellbeing team, and works to assist management and staff to protect health, promote well being and prevent ill health.

In September 2011, a new service started for staff offering free, confidential help and support with any work, personal or family issue to all employees and their families. The new Employee Assistance Programme (EAP) introduced by Employee Health and Wellbeing services is provided by Workplace Options, an expert provider of employee support services and which is completely independent of Airedale Hospital. It operates 24 hours a day, 365 days a year.

The EAP replaces the previous staff counselling service and provides specialist support including a telephone helpline, information packs, and short-term counselling. Its employee support staff will have access to a wealth of up-to-date practical information and resources.

Airedale staff are able to get help on a wide range of problems including: work-life balance, relationships, child care, health and well-being, debt, disability and illness, careers, bereavement and loss, stress, caring for the elderly, life events, immigration, anxiety and depression, family issues, bullying and harassment, education, consumer rights and workplace pressure.

MANAGING RISK

All wards and departments continue to work with the Quality and Safety team in the identification of risk and analysis of incidents. This work is important to the improvement of patient safety and the delivery of clinical services. Systems are in place whereby all risks and reported incidents are assessed and monitored.

A Committee, whose members include all the Executive Directors, consider the risks carried by the Foundation Trust on a monthly basis, and the Board of Directors receives a regular report about the management of those risks documented in the risk register.

The Foundation Trust has achieved compliance with the NHS Litigation Authority Risk Management standards at Level 2 for Acute Trust services and Level 1 for Maternity Services. These standards recognise the Foundation Trust's commitment to safe practice and effective risk management.

HEALTH AND SAFETY

The key group in the management of health and safety at Airedale NHS Foundation Trust is the Joint Health and Safety Committee. This comprises management, staff side representatives and reports into the Executive Strategic Risk Management Group (ESRMG), and can be escalated to the Board where indicated by magnitude of risk.

The Committee ensures that the Foundation Trust meets its legal requirements to consult with staff on matters that affect their health and safety, and has the responsibility of promoting and developing health and safety arrangements across the Foundation Trust, and ensuring compliance with the Health and Safety at Work Act 1974 (and related regulations).

The Committee is chaired by the Director of Operations, whose role includes being the designated lead Director for health and safety for both the Foundation Trust's Executive Directors Group and the Board. They are supported in this role by the Health, Safety and Emergency Planning Manager who works in the Quality and Safety Team.

The Foundation Trust was subject to one Health and Safety Executive (HSE) inspection during 2012/13; this was in Pathology

The visit to Pathology (in particular Microbiology and the Category 3 Room facilities) was from the HSE Biological Agents Unit on Thursday 26 April 2012. No issues were raised although the team were given a few verbal suggestions to further improve their practice.

POLITICAL AND CHARITABLE DONATIONS

Airedale NHS Foundation Trust made no political or charitable donations during the year.

PATIENT AND PUBLIC ENGAGEMENT AND EXPERIENCE

Engagement with patients and the public is a top priority for the Foundation Trust as a means of improving patient experience.

The Patient and Public Engagement and Experience (PPEE) Steering Group and PPEE Operational Group closely monitor information about engagement and experience activity in a way that will enable the Foundation Trust to ensure it meets the five commissioner requirements.

The PPEE policy was reviewed in 2013 with a great deal of involvement with local community groups, staff and patients and we are now in our second year of our three year PPEE strategy and implementation plan. The whole ethos within the strategy is to ensure that patient involvement activities are embedded into all aspects of the Foundation Trust's business.

The following outlines some of the Foundation Trust's patient and public engagement activities.

VOLUNTEERING

Airedale NHS Foundation Trust is supported by two very active volunteer groups, the Friends of Airedale and Airedale New Venture. There are around 400 active volunteers who undertake vital and diverse activities across the hospital. Whether it's acting as guides for patients attending appointments, assisting our patients to eat and drink during meal times; staffing the volunteer shops, taking the shop or library trolley to patients on the ward; or helping patients to attend our religious services, our volunteers are an invaluable resource for our staff and patients.

The two charities Friends of Airedale and Airedale New Venture contributed over £200,000 last year to the hospital. The funds were raised through the two shops, the car boot sales that are held in the grounds of the hospital during the summer months and through public donations. The money was used to buy a range of new equipment for the hospital, including:

- £42,000 on an olympus scope guide for the endoscopy department
- £25,000 on a urology laser and flexible ureteroscopes
- £13,000 on low profiling beds for wards
- £10,500 on resuscitation trolleys for A&E
- £4,800 on patient trolleys for radiology

As highlighted by the CQC report 'Dignity and Nutrition for Older People', published in October 2011, it is important to make sure that people have enough to eat and drink when they are in hospital. A lot of work has been done at Airedale Hospital to ensure that patients do get the right nutritional care and our volunteers provide crucial support to our nurses and ward hostesses to help patients eat and drink.

Following our feeding buddy trial in 2010 to train volunteers so that they could help ward staff assist patients to eat and drink at meal times, an increased number of volunteers have also become involved in the scheme. These volunteer feeding buddies are an invaluable support to our ward staff in this key area of patient experience.

Another key element of patient experience is the feedback we receive from our real time patient survey, which a number of volunteers help the hospital with six days a week. During 2012/13 a new survey for the Foundation Trust's maternity services was developed, requiring significant support from our volunteers. Our volunteers have really risen to this new challenge and have been very supportive of our continued work in the area.

PATIENT AND CARER PANEL

As part of the Foundation Trust's commitment to engage service users in the development of services, and to gain a range of different perspectives and views, a Patient and Carer Panel was set up in 2007 and is now well established. It meets monthly and is consulted about various aspects of the Foundation Trust's business, including service developments and new initiatives.

During 2013/14, the Panel have continued working in task groups focusing on communication; recruitment; patient information at point of discharge; services for dementia patients; medication issues; and review of Foundation Trust policies.

Our overall aim is to ensure that work undertaken by our task groups influences real and sustained improvement in a range of services from a patient perspective.

YOUTH PANEL

During 2013/14, work has continued to link with younger people to develop a Youth Panel to help us better understand how we can improve the healthcare we provide for young people in our local community. A group of young people have been influential in producing a 'young person's Patient Liaison and Advice Service (PALS) leaflet and a relationship is developing with Barnardos.

ENGAGEMENT ACTIVITIES

The following are examples of some of the engagement work staff have undertaken during the year:

- Dietetics patient survey
- Multiple Sclerosis education programme
- Diabetes education programme
- Focus groups with end of life patients
- Healthy heart badge project
- Long term conditions workshop (done jointly with Bradford Local Involvement Network (LINK))
- Improvements to reception areas in community buildings
- Regular involvement sessions with diabetes patients
- Parent survey for children attending therapy groups at the child development centre
- Improvements to pharmacy services
- Speech and language therapy surveys
- Neonatal and children's units feedback
- Project improving dignity and respect for people with dementia and cognitive impairment in general ward settings

PATIENT INFORMATION

The NHS Constitution makes it clear that people have the right to reliable information to help them make choices and that good quality information will help people make confident, informed decisions about their health care. This is endorsed by the Foundation Trust and work is underway to improve how we provide patient information.

In June 2011, a new information pod was set up in Airedale Hospital's health information centre to help patients and visitors to find out more about their health, condition or medication. People can use video, audio and interactive websites through the computer in the enclosed area to discover more about staying healthy and managing long term conditions. The service is a drop-in service, but patients can also pre-arrange a specific time to use the pod between 9am and 5pm, Monday to Friday. Information is available about:

- conditions and interventions
- self care and management advice
- other patients personal experiences
- advice on benefits and social care
- details of local or national support groups.

The Foundation Trust has a Readers' Panel which consists of members of the public who have volunteered their time to read patient information produced by the Foundation Trust whilst it is in its draft stages. The panel is asked for its views on the type of language used, the structure of sentences and paragraphs, the style of presentation, and whether the information will be readily understood by its target audience. By asking for opinions from a sample audience, the Readers' Panel ensures publications are easily understood and resources are not wasted by producing leaflets that patients do not understand.

The Readers' Panel whilst being popular always needs to recruit new members. Contact details for the Readers' Panel are shown on the final page of this Annual Report.

LEARNING FROM THOSE WITH A DISABILITY

A strong emphasis has been placed on involving people with learning disabilities to help us introduce guidelines for our staff in order to assist in planning and identifying the care needs of patients with learning disabilities and ensure care plans take account of individual patient's needs.

We work with the regional Learning Disabilities Group, Access to Acute, for Yorkshire and Humberside, as well as the local Craven Health Task Force, to benchmark the care we provide. We are using an audit tool to help us review each episode of care and identify any aspects that are missing. The findings and any shortfalls are shared with the regional group to enhance learning and development of the service.

The group has also worked with us on improving signage around the hospital site and helped our Patient Advice and Liaison Services (PALS) team develop an easy read version of our PALS leaflet.

PATIENT ADVICE AND LIAISON SERVICES (PALS)

As well as providing information, advice and support to help patients, families and their carers, the emphasis within the Foundation Trust is for PALS to work closely with front-line staff, particularly our matrons, in order to help resolve issues and queries as quickly as possible for patients.

The work undertaken by PALS is a 'real time' and continuous way of being able to respond positively to patient feedback in terms of both concerns and compliments in order to improve the delivery of our services and clinical care.

In 2013/14, PALS dealt with 2,354 issues from 1,234 contacts, of which 1,000 issues were specifically related to Airedale NHS Foundation Trust. Of these, 300 were compliments sent directly to PALS; 200 were requests for information; and 500 were categorised as expressions of concern, dissatisfaction and requests for action to be undertaken. The remaining 100 issues related to other organizations.

The trust received 4,109 compliments

Each caller receives a thoughtful and sympathetic response and people are given advice and support about the treatment that they have received or require. Key themes from calls are identified and our staff aim to respond to needs that have been identified. During 2013/14, of the ??? contacts relating to Airedale:

- ???% of requests were resolved within one day of the PALS being received.
- ???% of requests were resolved with 3 days; and
- ???% of requests were completed within 7 working days.

Examples of learning from PALS issues include:

Your concern... *“whilst attending the Emergency Department visitors/patients were smoking outside, next to the windows and the smoke was drafting in, right next to the children’s play area in the department”*

Our response... *“the bench outside the open window was moved and placed away from the open window.”*

The PALS office is located at the entrance to Ward 18. Contact with the PALS office can also be made by telephoning 01535 294019 or via email: PALS.Office@anhst.nhs.uk

COMMUNITY ENGAGEMENT

Foundation Trust staff support many health related groups in both a business and voluntary capacity. We also support our staff to play a full part in the community, for example, by acting as Governors for schools.

Our now well established Patient and Carer Panel and more recent Youth Panel ensure we involve our community in monitoring standards and in the development of services.

During the year we continued to build on our links with schools and colleges. As a result, we have successfully recruited many young people to join our Foundation Trust membership. We also developed links with local BME groups and improved membership representation from different communities.

We continued to support Sue Ryder Care, who runs our local hospice Manorlands, as the charity that the Foundation Trust staff support through a salary deduction scheme.

CORPORATE SOCIAL RESPONSIBILITY

The Foundation Trust works to be environmentally responsible and aware of its social impact on the community it serves. During the year we have worked to ensure that we make purchases not just from big corporations but from a mix of small, medium and large businesses and social enterprises, in order to ensure we invest more in the local economy and community and contribute to regeneration.

The Foundation Trust is committed to reducing its carbon footprint with a Foundation Trust endorsed Carbon Management Strategy. Our staff have continued to work closely with external consultants, such as the Carbon Trust, to monitor energy usage to enable the consumption to be reduced and thereby reduce our carbon footprint as well as reduce costs.

As part of our travel plans we continue to promote the use of public transport to staff for journeys to work. We also take part in the Cycle2Work scheme, which enables staff to buy bicycles for work using a monthly salary sacrifice scheme to encourage staff to reduce car use.

REDUCING OUR CARBON FOOTPRINT

The CRC Energy Efficiency Scheme (formerly known as the Carbon Reduction Commitment) is the UK's mandatory climate change and energy saving scheme. It is central to the UK's strategy for improving energy efficiency and reducing CO₂ emissions as set out in the Climate Change Act 2008.

The scheme is mandatory for all organisations whose electricity consumption is equivalent to an annual electricity bill of approximately £500k, so therefore applies to Airedale NHS Foundation Trust.

The Climate Change Act 2008 requires carbon dioxide and greenhouse gas emission reductions of 34% by 2020 and 80% by 2050 against 1990 performance. The same Act establishes that from 2010 all Government departments, including the NHS, will receive annual carbon budgets which they must adhere to.

The Foundation Trust has developed a Carbon Management Plan (CMP) which commits it to reducing CO₂ by 15% by 2015 from a 2007 baseline figure. Potential savings to the Foundation Trust could be around £1 million by that date. By following the CMP and delivering its objectives, the Foundation Trust will achieve a reduction of 15% on its 2007 carbon footprint (estate only figures) by 2015. This will mean that we will have not only reduced our carbon output but also reduced expenditure on utilities and the maintenance and operation of our estate.

The CMP will mean an improved environment for our local population, patients, visitors and staff.

During 2012, the Foundation Trust set up a staff group to look at potential energy efficiencies and other environmental savings. The EcoawAire group aims to engage with and involve staff in energy and environmental issues and make them more aware of the impact their actions at work can have on the local environment and how everyone can work together to reduce that impact.

Campaigns during 2012/13 included a focus on PC usage and computers that were left on unnecessarily, particularly overnight and at weekends, wasting both energy and resources.

In September 2012, the Board approved the business case for the upgrade of the boiler house and the implementation of energy reduction measures through the Carbon Energy Fund (CEF). The Trust, through CEF, has developed both a main and STOR schemes. The board approved the next stage of the project to proceed to contract signature on the main scheme and also note the status of the STOR project.

In addition the Foundation Trust has introduced a paper waste recycling scheme which is being rolled out across Airedale Hospital during 2013. This enhances the current recycling scheme where all black bag waste is sorted for recyclables before it is sent to landfill.

To mark National climate week: 4 - 10 March 2013 and NHS sustainability day: 28 March 2013, Airedale teamed up with NHS Forest donate a tree scheme

ANNUAL GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

efficiently and effectively. I also acknowledge my responsibilities as set out in the *NHS Foundation Trust Accounting Officer Memorandum*.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Airedale NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Airedale NHS Foundation Trust for the year ended 31 March 2014 and up to the date of approval of the Annual Report and Accounts.

CAPACITY TO HANDLE RISK

As Accounting Officer, I have overall responsibility for ensuring that there are effective risk management and integrated governance systems in place within the Foundation Trust and for meeting all statutory requirements and adhering to guidance issued by Monitor in respect of governance and risk management.

The Foundation Trust has a risk management strategy, which is reviewed and endorsed by the Board of Directors annually; there is a clearly defined structure for the management and ownership of risk through the development of the risk register and assurance framework. The 'high level' risks and board assurance framework are monitored at Executive level and in the Board's sub committees and by the Board of Directors.

Some aspects of risk are delegated to the Foundation Trust's Executive Directors:

- The Medical Director is responsible for clinical governance, and has overall lead for risk management and patient safety with support from the Assistant Director of Healthcare Governance. Responsibility for information governance risks transferred from the Medical Director to the Director of Finance on 1 March 2014. The Medical Director is, with support from the Assistant Director of Healthcare Governance, also responsible for reporting to the Board of Directors on the development and progress of the quality and patient safety strategy and for ensuring that the strategy is implemented and evaluated effectively;
- The Medical Director is also the executive lead (with management support provided from the Assistant Director of Healthcare Governance) to ensure a fully integrated and joined up system of risk and control management is in place on behalf of the Board;
- The Director of Nursing is responsible for infection prevention and control;
- The Director of Operations is responsible for health and safety;
- The Director of Finance provides the strategic lead for financial and performance risk and the effective coordination of financial controls throughout the Foundation Trust;
- The Head of HR is responsible for workforce planning, staffing issues, education and training. Responsibility for organisational development is incorporated in to Executive Directors combined objectives both on an individual basis and collectively as the executive team; and
- All heads of service, Clinical Directors and managers have delegated responsibility for the management of risk and patient safety in their areas. Risk is integral to their day-to-day management responsibilities. It is also a requirement that each individual division produces a

divisional/directorate patient safety and risk register, which is consistent and mirrors the Foundation Trust's patient safety and risk register requirements and is in line with the risk management strategy.

All members of staff have responsibility for participation in the risk/patient safety management system through:

- Awareness of risk assessments which have been carried out in their place of work and to compliance with any control measures introduced by these risk assessments;
- Compliance with all legislation relevant to their role, including information governance requirements set locally by the Foundation Trust;
- Following all Foundation Trust policies and procedures;
- Reporting all adverse incidents and near misses via the Foundation Trust incident reporting system;
- Attending regular training as required ensuring safe working practices;
- Awareness of the Foundation Trust patient safety and risk management strategy and their own Group patient safety and risk management strategy; and
- Knowing their limitations and seeking advice and assistance in a timely manner when relevant.

The Foundation Trust recognises the importance of supporting staff. The risk management team act as a support and mentors to Foundation Trust staff who are undertaking risk assessments and managing risk as part of their role. Risk assessment training is available to all members of staff and includes:

- Corporate induction training when staff join the Foundation Trust;
- Mandatory update training for all staff every two years; and
- Targeted training on specific areas including risk assessment, incident reporting and incident investigation.

The Foundation Trust seeks to learn from good practice and will investigate any serious incidents, complaints and SIRI's (Serious Incidents Requiring Investigation) using Root Cause Analysis methodology. The findings are reviewed by the Foundation Trust's Assurance Panel to ensure learning points are implemented. Assurance is gained by presenting reports to the Foundation Trust's Executive Assurance Group and summary reports to the Board of Directors. Any learning points for staff are published via staff briefings.

In addition to the Foundation Trust reviewing all internally driven reports, the Foundation Trust adopts an open approach to the learning derived from third party investigations and audits, and/or external reports. The Foundation Trust actively seeks to share learning points with other health organisations, and pays regard to external guidance issued. This learning approach is supported by implementing a '*true for us*' test which seeks to test the Foundation Trust's systems and processes against the findings and recommendations of external reports and reviews. Accordingly, the Foundation Trust will undertake gap analyses and adjust systems and processes as appropriate in line with best practice. The Foundation Trust has also adopted a pro-active approach to seeking independent reviews as evidenced by the commissioning of Royal College reviews to examine surgical services following concerns raised. During 2013/14, the Foundation Trust one was of the first Foundation Trusts to be inspected by the CQC under its new hospital inspection regime. The Hospital Inspection Report was considered by the Board and the areas identified as requiring strengthening were reviewed. The Board has taken on board the CQC's recommendations and is monitoring progress accordingly. A number of external reports including

the Final Report of the Independent Inquiry Report in to Care Provided by Mid Staffordshire NHS Trust (Francis Report), and the Clywd Hart Report in to hospital complaints, have also been considered and the recommendations arising from those reports reviewed and acted upon.

THE RISK AND CONTROL FRAMEWORK

The Board approved risk management strategy has defined the Foundation Trust's approach to risk throughout the year. The strategy determines the requirements for the identification and assessments of risks and for control measures to be identified and how risks should be managed and the responsibilities of key staff in this process. As an organisation seeking to develop its innovative work in the field of telemedicine, the Foundation Trust is risk aware, and adopts a risk management approach.

The risk management strategy assigns responsibility for the ownership and management of risks to all levels and individuals to ensure that risks which cannot be managed locally are escalated through the organisation. The process populates the risk register and board assurance framework, to form a systematic record of all identified risks. All risks are evaluated against a common grading matrix, based on the Australia/New Zealand risk management standard to ensure that all risks are considered alike. The control measures, designed to mitigate and minimise identified risks, are recorded within the risk register and board assurance framework.

The board assurance framework sets out:

- What the organisation aims to deliver (corporate/strategic objectives);
- Factors which could prevent those objectives being achieved (principal risks);
- Processes in place to manage those risks (controls);
- The extent to which the controls will reduce the likelihood of a risk occurring (likelihood); and
- The evidence that appropriate controls are in place and operating effectively (assurance).

The board assurance framework provides assurance, through ongoing review, to the Board, that these risks are being adequately controlled and informs the preparation of the Statement on Internal Effectiveness and the Annual Governance Statement. The board assurance framework and risk register have identified no significant gaps in control/assurance.

The Board reviews performance data each month against Monitor and CQC standards and outcomes via a series of integrated dashboards focusing on quality, safety, patient experience and clinical outcomes; staff engagement and workforce development; finance and performance; service developments and transformation and business development. A quality account report has been developed and designed specifically to support the triangulation of data across the organisation, and is reviewed by the Board in conjunction with the integrated dashboards.

The Foundation Trust's risk management processes have identified a number of risks. The most significant are outlined below along with how they have been/are being managed and mitigated and how outcomes are being assessed.

The Foundation Trust's financial position is subject to a number of risks. Its position is dependent on delivering productivity and efficiency improvements. This is set against a difficult national economic background and changing NHS landscape. The strategy of focusing on partnership working to deliver system change at pace is therefore continuing and will continue in to 2014/15 and beyond. This change is also dependent upon the Foundation Trust's ability to secure and retain the right workforce at clinician level as well as being able to influence widespread change in clinical practice. The clinical management structure has undergone significant changes during the

current and previous year in order to equip clinicians with the skills and resilience to meet the challenges of the changing NHS landscape. The further development of the clinician workforce and structure remains key to the success of the Foundation Trust and therefore this work will also continue in to the coming year.

The Foundation Trust is mitigating these risks through rigorous budgetary control and management of significant productivity and efficiency improvements. Outcomes are being measured by monthly review of financial performance information by the Board, in addition to scrutiny of the impact of efficiency savings on patient safety and quality of service.

The Board has delegated scrutiny of the quarterly Corporate Governance Statement Monitor return to the Audit Committee prior to review by the Board. In conjunction, the Board receives the quarterly quality account, integrated governance dashboards and the quarterly finance and performance report. This process provides assurance to the Board that the Corporate Governance Statement is a valid reflection of the Foundation Trust's performance over the previous quarter(s), whilst allowing the Board opportunity for scrutiny of compliance.

In addition to the standard reporting and assurance process, the Foundation Trust undertook an external independently evaluated Board Governance and Capability Review during the year as part of the Monitor pilot scheme. The Review examined the effectiveness of governance structures; the responsibilities of Directors and subcommittees; the capability at Board level to provide organisational leadership; reporting lines and accountabilities between the Board, its subcommittees and the executive team; the assessment of risks and the risk management process; and the degree and rigour of oversight the Board has over the Foundation Trust's performance. The outcome of the evaluation assessed the Foundation Trust's governance arrangements to be strong with no major areas of weakness identified.

Maintaining the security of the information that the Foundation Trust holds provides confidence to patients and employees of the Foundation Trust. To ensure that its security is maintained an Executive Director has been identified – the Foundation Trust's Medical Director – to undertake the role of Senior Information Risk Owner (SIRO). The SIRO has overseen the implementation of a wide range of measures to protect the data held and a review of information flows to underpin the Foundation Trust's information governance assurance statements and its assessment against the information governance toolkit. As part of the Foundation Trust's assurance mechanism, the internal audit work plan includes an annual review of the Information Governance Toolkit submission. Following the identification of a number of areas of weakness in the 2012/13 submission, a rigorous and robust review of the information governance toolkit process took place and a number of improvements were implemented. I can report that for 2013/14, the information governance toolkit submission process was given a 'significant assurance' opinion by the Foundation Trust's internal auditors. During 2013/14, the Foundation Trust had no incidents classified at a severity rating of 3 to 5 that met the criteria for inclusion in the Annual Governance Statement.

Control measures are in place to ensure all organisations' obligations under equality, diversity and human rights legislation are complied with. This is evidenced by the response to the Equality Act 2010 in which the Foundation Trust built on the work undertaken in reviewing the Single Equality Scheme at Board level and the inclusion and completion of equality impact assessments on all the Foundation Trust's policies. Accordingly, the Board has approved the proposed approach and action plan for delivering the Equality Delivery System, approved the objectives of the System for publication and nominated a Non Executive Lead.

Discussion has been ongoing throughout the year with Commissioner colleagues to ensure all key access targets are being met from within available resource. There have been regular contract management meetings with the Foundation Trust's lead commissioning cluster – Airedale, Wharfedale and Craven Clinical Commissioning Group (CCG) and other reviews with Bradford Districts and East Lancashire Clinical Commissioning Groups.

The Foundation Trust successfully registered, without conditions, with the Care Quality Commission in 2010, and continues to be fully compliant with the registration requirements of the Care Quality Commission. Assurance against the requirements of the CQC registrations is monitored on an ongoing basis throughout the year by the Executive Lead responsible for ensuring compliance for each of the CQC outcomes.

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

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

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

REVIEW OF ECONOMY, EFFICIENCY, AND EFFECTIVENESS OF THE USE OF RESOURCES

The Foundation Trust has a comprehensive system that sets strategic and annual objectives. The Board of Directors sets these objectives with regard to the economic, efficient and effective use of resources.

The objectives set reflect national and local performance targets for standards of patient care and financial targets to deliver this care within available resources. Within these targets, the Foundation Trust includes specific productivity and efficiency improvements. These are identified from a range of sources including internal review such as internal audit, external audit and external organisations including benchmarking agencies.

The Foundation Trust has a robust monitoring system to ensure that it delivers the objectives it identifies. Ultimate responsibility lies with the Board which monitors performance through reports to its meetings of the Board of Directors. Underpinning this is a system of monthly reports on quality and safety, financial and operational information to the Foundation Trust's executive management group, and clinical management groups. The information received by the Board is supplemented with integrated governance dashboards and a summary dashboard mapping movements during the previous quarter. The reporting at all levels includes detail on the achievement against productivity and efficiency targets and is derived through a bottom-up approach to management reporting.

The Foundation Trust operates within a governance framework of Standing Orders, Standing Financial Instructions and other processes. This framework includes explicit arrangements for:

- Setting and monitoring financial budgets;
- Delegation of authority;
- Performance management; and
- Achieving value for money in procurement.

The governance framework is subject to scrutiny by the Foundation Trust's Audit Committee and internal and external audit.

ANNUAL QUALITY ACCOUNT

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS Foundation Trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the *NHS Foundation Trust Annual Reporting Manual*.

The Foundation Trust has continued to build on the extensive work undertaken to develop the Quality Account during the last three years and has drawn on the various guidance published in-year in relation to the Quality Account.

The Foundation Trust has developed its vision, values and priorities through wide involvement and in consultation with patients, carers, staff, external stakeholders and Governors. The consultation process for the Quality Account included presentations to the Board of Directors, Council of Governors and informally to Governors at their network meetings, a workshop session with representatives from the Council of Governors, HealthWatch and Patient and Carer Panel as well as members of the public. In addition, Foundation Trust members were canvassed for their opinions on the Foundation Trust's quality improvement plans via a number of member events as well as the hospital's open day.

Through this engagement the Foundation Trust has been able to ensure the areas chosen provide a balanced view of the organisations priorities for 2013/2014. In preparing the Quality Account, the Foundation Trust had a Quality Account project lead to develop the Quality Account, reporting direct to the Medical Director, and the Quality Account Steering Group established the previous year with Governor membership continued. A formal review process was established, involving a presentation of the Foundation Trust's initial draft account to its external stakeholders (Overview and Scrutiny Committee's, HealthWatch and Commissioners). The Quality Account drafts were formally reviewed through the Foundation Trust's governance arrangements (formal management group, Board sub-committee and Board of Directors). The Foundation Trust set priorities for 2013/14 were patient safety, patient experience and clinical effectiveness. Priorities were then developed to embed and monitor quality improvement processes, set against the needs of patients in the delivery of the Foundation Trust's services.

The Foundation Trust has utilised Group performance reports, governance and quality reports, clinical outcome measures, mortality reports, Dr Foster and CHKS benchmarking data and a range of key national targets to govern the work associated with these priorities. The data used to report the Foundation Trust's quality performance in 2013/2014 was taken from national data submissions, CHKS and national patient surveys. The quality and safety metrics were reported on a monthly basis to the Board through the performance and governance reports including the Quality Account Report. The process by which the quality of care is monitored at management and executive level is achieved through the triangulation of data from patient and staff surveys as well as internal and external data sources. Assurance was gained by sharing the Quality Account with the Foundation Trust's Commissioners, HealthWatch and OSCs as required by national regulation. The Foundation Trust's external auditor, PwC, have undertaken a review of the arrangements in place at the Foundation Trust to secure the data quality of information included in the Quality Account. The report prepared by PwC will be submitted to Monitor by the end of May 2014.

REVIEW OF EFFECTIVENESS

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

internal control by the Board, the Audit Committee, and the Executive Assurance Group, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The board assurance framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by the major sources of assurance on which reliance has been placed during the year. These sources included reviews carried out by PwC, Care Quality Commission, Internal Audit, NHS Litigation Authority and the Health and Safety Executive.

The following groups and committees are involved in maintaining and reviewing the effectiveness of the system of internal control:

- The Board of Directors has overall accountability for delivery of patient care, statutory functions and Department of Health requirements;
- The Audit Committee oversees the maintenance of an effective system of internal control and reviews the statement on internal effectiveness and Annual Governance Statement;
- The Executive Assurance Group oversees the risk management process at operational level, ensuring that risks are managed and/or escalated in line with the Risk Management Strategy;
- The Assistant Director of Healthcare Governance through the Executive Assurance Group ensures that a fully integrated approach is taken when considering whether the Foundation Trust has in place systems and processes to support individuals, teams and corporate accountability for the delivery of safe patient centered, high quality care.
- The Assistant Director of Healthcare Governance also manages the clinical audit programme through a dedicated audit team. The Audit work programme is reviewed by the Executive Assurance Group and is overseen by the Audit Committee;
- The Clinical Specialty Assurance Committee provide the Board of Directors with assurances of clinical effectiveness and compliance with best practice in the specialties reviewed, through scrutiny of patient quality and safety, patient experience, medicines management, staffing, activity and service line reporting; and
- Internal audit is provided by the Mersey Internal Audit Agency (MIAA). MIAA present the internal audit work plan at the Audit Committee for approval which is then monitored by both the Audit Committee and the Executive Assurance Group. The Head of Internal Audit presents an annual opinion on the overall adequacy and effectiveness of the Foundation Trust's risk management, control and governance processes. This is achieved through a risk based plan of work, agreed with management, approved by the Audit Committee and subsequently reviewed by the Board of Directors.

Review and assurance mechanisms are in place and the Foundation Trust continues to develop arrangements to ensure that:

- Management, including the Board, regularly reviews the risks and controls for which it is responsible;
- Reviews are monitored and reported to the next level of management;
- Changes to priorities or controls are recorded and appropriately referred or actioned;
- Lessons which can be learned, from both successes and failures, are identified and circulated to those who can gain from them; and

- Appropriate level of independent assurance is provided on the whole process of risk.

During 2013/14 the internal auditors undertook ten full audits of the Foundation Trust's systems and processes and six cross-departmental reviews, from which the internal auditors did not identify any significant internal control issues and/or gaps in control.

We acknowledge however that the Foundation Trust is in a period of significant change and will therefore continue to adapt to the changing NHS landscape through an iterative process of review of governance arrangements.

CONCLUSION

My review confirms no significant internal control issues have been identified for the year ended 31 March 2014.

Bridget Fletcher
Chief Executive

xx May 2014

AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF AIREDALE NHS FOUNDATION TRUST

Opinion on the summary financial statements

We have audited the financial statements of Airedale NHS Foundation Trust for the year ended 31 March 2014 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. The financial reporting framework that has been applied in their preparation is the NHS Foundation Trust Annual Reporting Manual 2013/14 issued by the Independent Regulator of NHS Foundation Trusts ("Monitor").

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view in accordance with the NHS Foundation Trust Annual Reporting Manual 2013/14. Our responsibility is to audit and express an opinion on the financial statements in accordance with the National Health Service Act 2006, the Audit Code for NHS Foundation Trusts issued by Monitor and International Standards on Auditing (ISAs) (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Council of Governors of Airedale NHS Foundation Trust in accordance with paragraph 24 of Schedule 7 of the National Health Service Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 NHS Foundation Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the NHS Foundation Trust; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Accounts to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, of the state of the NHS Foundation Trust's affairs as at 31 March 2014 and of its income and expenditure and cash flows for the year then ended; and
- have been prepared in accordance with the NHS Foundation Trusts Annual Reporting Manual 2013/14.

Opinion on other matters prescribed by the Audit Code for NHS Foundation Trusts

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the NHS Foundation Trusts Annual Reporting Manual 2013/14; and
- the information given in 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

We have nothing to report in respect of the following matters where the Audit Code for NHS Foundation Trusts requires us 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 2013/14 or is misleading or inconsistent with information of which we are aware from our audit. We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls;
- we have not been able to satisfy ourselves that the NHS Foundation Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or
- we have qualified, on any aspect, our opinion on the Quality Report.

Certificate

We certify that we have completed the audit of the financial statements in accordance with the requirements of Chapter 5 of Part 2 to the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts issued by Monitor.

Ian Looker (Senior Statutory Auditor)

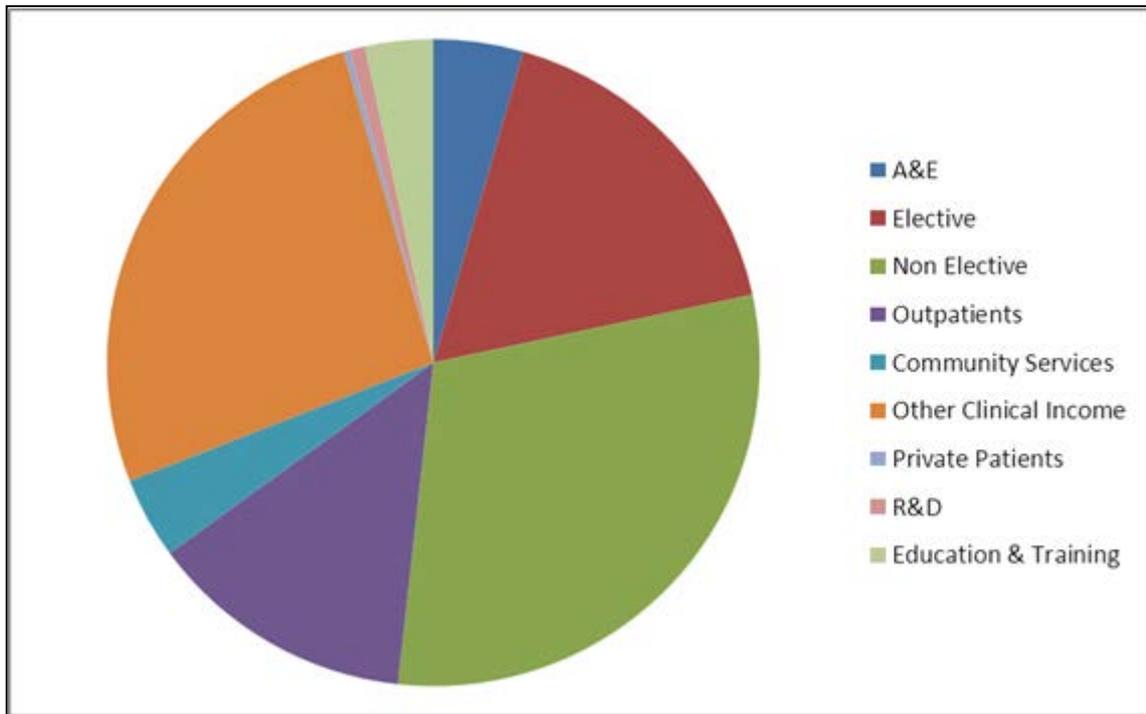
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds

?? May 2014

Notes:

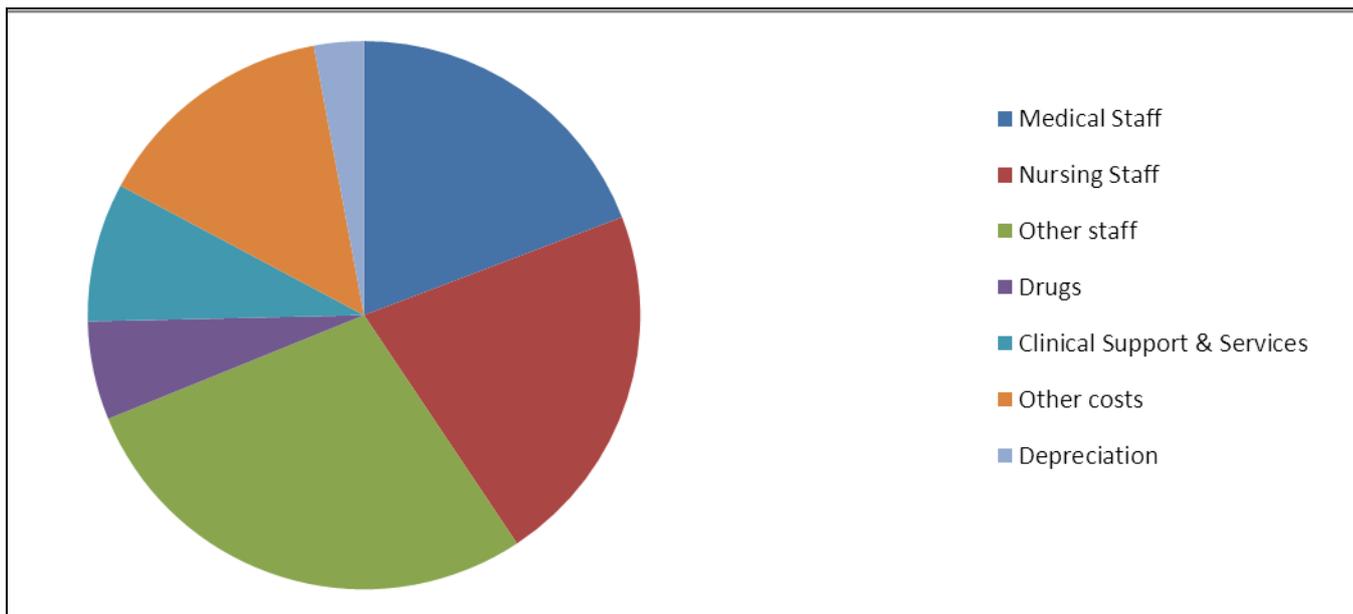
- (a) The maintenance and integrity of the Airedale NHS Foundation Trust website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- (b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INCOME



INCOME	2013/2014	
	£000	%
A&E		
Elective		
Non Elective		
Outpatients		
Community Services		
Other Clinical Income		
Private Patients		
R&D		
Education & Training		
Other Income		
Total		

EXPENDITURE



Expenditure	2013/2014	
	£000	%
Medical Staff		
Nursing Staff		
Other staff		
Drugs		
Clinical Support & Services		
Other costs		
Depreciation		
Total		

CONTACT DETAILS

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AIREDALE GENERAL HOSPITAL
SKIPTON ROAD
STEETON
KEIGHLEY
WEST YORKSHIRE
BD20 6TD**

Tel: 01535 652511

www.airedale-trust.nhs.uk

Patient Advice and Liaison Service (PALS)

The PALS team at Airedale NHS Foundation Trust offer support, information and advice to patients, relatives and visitors. The PALS office is located at the entrance to Ward 18 and is open weekdays from 8.00 am to 4.00 pm. Tel: 01535 294019. Email: pals.office@anhst.nhs.uk

READERS PANEL

The Readers Panel, whilst being popular, always needs to recruit new members. If you would be interested in joining this group, please contact Karen Dunwoodie, patient experience lead. Tel: 01535 294027. Email: karen.dunwoodie@anhst.nhs.uk.

VOLUNTEERS

New volunteers are always welcome and if you are interested in becoming a volunteer at Airedale NHS Foundation Trust, please contact Gurmit Jauhal, voluntary services manager. Tel: 01535 295316. Email: gurmit.jauhal@anhst.nhs.uk.



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