



Spire Healthcare

Looking after you

Putting patients
at the heart of
everything we do

Spire Healthcare Group plc

Quality Account 2017–2018



About Spire Healthcare

Spire Healthcare provides diagnostics, in-patient, daycase and out-patient care throughout the UK. We also own and operate the sports medicine, physiotherapy and rehabilitation brand, Perform.

Who we serve

Our hospitals span the country, serving a diversified patient mix, made up of:

- Private medical insurance ('PMI')
- Self-pay
- NHS patients

Service coverage where it's needed

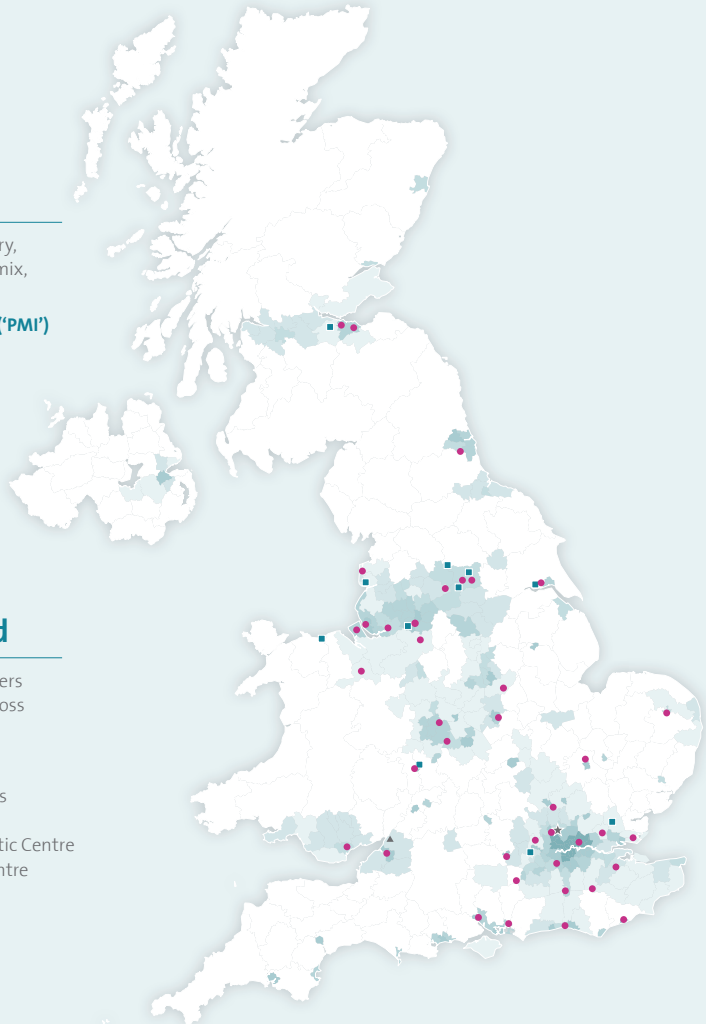
Our network of hospitals covers major population centres across the country.

Map key

- Spire Healthcare Hospitals
- Spire Healthcare Clinics
- ★ Spire Healthcare Diagnostic Centre
- ▲ Specialist Cancer Care Centre

People per sq km

- 0–250
- 250–500
- 500–1,000
- 1,000–1,500
- 1,500–2,500



39

hospitals

11

clinics

1

specialist cancer care centre

1

diagnostic centre

775,000

patients

3,900

consultants

8,380

full-time equivalent staff

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Chief Executive Officer's Q&A



Justin Ash
Chief Executive Officer



We need to be the best in everything we do – caring for our patients, working with our consultants, recruiting and retaining our staff, achieving the best outcomes, and delivering value.

I am determined that Spire Healthcare will be famous for delivering the very best in quality and clinical care. Quality will define and differentiate us.”

What have been your initial impressions since joining Spire Healthcare?

I have found that Spire provides outstanding care to thousands of patients across Britain every day.

My many visits to our hospitals and our CQC ratings show that Spire Healthcare staff are devoted to caring for our patients, well qualified and dedicated. Their work is underpinned by good governance practices. I've seen this in every hospital I've visited and the many staff I've met, as well as the patients I've spoken with.

Spire Healthcare clinical standards are good, with lots of examples of outstanding best practice and interesting improvement projects. There are, nonetheless, variations in quality. Four of our hospitals – Spire Cheshire, The Montefiore, Nottingham and Sussex hospitals – are rated ‘Outstanding’ by the CQC. Twenty more are rated ‘Good’, while some were rated ‘Requires Improvement’ on their first CQC inspection. Overall, this puts Spire Healthcare on a par with private sector healthcare standards.

Similarly, Spire Healthcare runs effective operations, good local marketing campaigns and has seen success in growing its private patient base. The estate is well invested and often innovative, for example, developing a da Vinci robot in Spire Southampton Hospital in partnership with their local NHS Trust and knee robots at Spire Bushey Hospital. It has strong central teams, and good local hospital leadership under its hospital directors. As with clinical standards, there is also lots of opportunity to be more consistent as a unified group.

My overall impression is of a good, well-run healthcare provider, with lots of exciting opportunity to improve operational performance, patient recruitment and deliver more consistently outstanding quality for the benefit of our patients.

What was performance like in 2017?

I joined in late October 2017, after a period of some volatility in operating performance.

Where our work matters most, with patients, Spire Healthcare cared for 269,300 in-patient and daycase patients during the year. Clinical quality remained high, with good outcomes and only one incident of MRSA or MSSA, and *C. difficile* infection rates reducing further to 0.13 per 10,000 bed days. You can read details on this in our Group Medical Director’s review on pages 8 to 12.

Headline financial performance figures can be found in our recently published Annual Report, which can be found on our website. The results were mixed overall. Spire Healthcare experienced a reduction in NHS-funded care, especially contracts with NHS Trusts, and NHS-funded care actually declined in the second half of the year. This was driven by cost saving measures by the NHS. Income from Private Medical Insurance (‘PMI’) funded care declined slightly, while treatment and care for patients who chose to Self-pay increased strongly by 12.0%, an encouraging trend, which we expect to continue.

A major variance to expectations was the slower-than-planned build-up of the three new sites: Spire Manchester, Spire Nottingham and Spire St Anthony’s hospitals. These

are all outstanding facilities that I’m delighted to have in the Group. Improving their performance will be a key feature of our forward strategy.

How do you see trends in Spire Healthcare’s markets?

The trends in our three main payor groups are connected to a certain degree.

PMI is currently about half of our business, but it remains largely a benefit provided by companies for their employees. As such, overall growth in PMI is linked closely to the health of the economy and has remained flat. Forward growth in this sector, in the short term, will come from growing market share.

Our major growth opportunity lies in those patients who elect to **Self-pay**. Their reasons for choosing to pay for private treatment vary. They may wish to be seen faster as waiting times on the NHS continue to rise, or seek treatments that are unavailable within the NHS. They may feel that they can self-insure more competitively and flexibly than through PMI products. They may just value the convenience of having their treatment when and where they want, in hotel-level surroundings.

The independent sector provides valuable capacity for the **NHS** as it seeks to deliver care in the face of well publicised cost, capacity and staffing pressures. Our NHS

business is important to us and we will continue to build close working partnerships with our local Commissioners and GPs. Major contracts with NHS Trusts are unlikely to grow in the near future. We therefore see the further adoption of eReferral, as the NHS moves forwards with its paperless agenda, as an important growth opportunity for us. This provides choice for NHS patients, underpinned in the NHS constitution, and Spire Healthcare's wide participation in this is an asset.

What are your immediate priorities?

Consistently high-quality and outstanding clinical care are fundamental to our business.

I think patients see us as good, but maybe not the best everywhere – and in truth, while some of our hospitals are outstanding, others are less consistent. Raising standards to the highest levels and ensuring consistency of approach and delivery across the Company, in every hospital, is our first and last priority. We want all our hospitals to be 'Good' or 'Outstanding'. All of the time. I intend Spire Healthcare to be famous for both its quality of care and its ability to evidence that quality.

We also need to optimise operational performance, particularly in our recent major investments. I have conducted a review of lessons learnt about the cultural and operational

changes required in developing and moving into new facilities, and drawn on my extensive experience of buying and opening new healthcare sites. All three new hospitals are top of my list to steer to robust financial performance, as well as being great centres of patient care. I was delighted that Spire St Anthony's Hospital was recently re-rated 'Good' by the CQC and see much evidence that all three sites will deliver strong returns. I am pleased to say that Spire Manchester and St Anthony's hospitals are making good progress. Both should be profitable in 2018. Spire Nottingham Hospital will take further work to achieve its full potential.

We will also rapidly be enhancing Spire Healthcare's marketing capability, especially digitally, to make our Self-pay offering transparent and easy to access, as well as improving our call services. This will support our growth ambitions.

With more central support, an increased focus on leadership, training and human resources, enhanced leadership, and a lot of hard work, I am confident Spire Healthcare will deliver excellent outcomes in the months ahead.

We will continue to invest in our current estate, with a view to continuing to be the lead investor in the sector. At the same time, in the short to medium term we will be

focused on increasing the return on capital and cash returns of historical and new investments, and cautious about further new hospital developments until the case for them is proven by results.

How do you see Spire Healthcare's services developing?

In a number of ways – all aimed at increasing patient, staff and partner satisfaction.

Clinically, we will focus on specific elements of our care, including our patients' understanding of their mobility after a procedure, and their comfort with what drugs to take and how to recover effectively on their return home. We want to empower our patients to a speedy recovery and active life.

We will continue to develop service lines in demand in the private sector, in particular Spire Healthcare has a growing paediatric and cardiology capability.

Operationally, we will have one best way of working in increasing areas, aligning all our hospitals around simple, national systems and operating approach – one 'Spire Way' of working – while leaving room for local best practice and strong leadership by our hospitals' senior management teams.

We need to improve engagement with our partners, which slipped last year. Based on targeted understanding of consultants

and the development of their private practices, we will provide the support and services that they need. We wish consultants to grow their practice with us, and to feel that Spire Healthcare is the very best place to bring patients, as well as further developing a mutual respect for the importance of governance on the granting and overseeing of practising privileges. Spire Healthcare works hard to ensure that GPs recommend patients to us based on sound knowledge of our capabilities and this will continue.

In practical terms, some of the enablers involved include increasing investment in digital tools, communication, customer feedback and service development, and hospital infrastructure.

What do you see as key in helping your team to deliver?

Sometimes, in healthcare, people get very excited about technology, which does indeed play a vital role in Spire Healthcare's well invested proposition. I get most excited about our people. Everything we do depends on them, they deliver our promise to patients every day.

Healthcare is hard work, requiring passion and commitment, be that in Spire Healthcare or any other provider. I am committed to increasing the training and recognition needed to support and engage

that commitment, and we have a number of initiatives underway to do this. It is also well recognised that in some areas there are shortages of qualified staff. This makes it even more important to attract, train, retain and develop our staff in a much more considered and consistent manner.

Success is also linked directly to leadership, particularly at the key hospital director and matron levels. Here we are launching an externally validated programme to identify, evaluate, train, motivate and develop consistently great leaders, to complement our many internal conferences and specialist skills events. I have enjoyed joining the first cohorts on our new hospital director programme.

Spire Healthcare will continue to foster a well-structured environment and culture that encourages feedback and values ideas, learning and constant improvement. Should it be needed, Spire Healthcare also runs a highly robust and confidential whistleblowing procedure to ensure everyone feels free to hold us to account for the highest standards of conduct and care.

You can read more about our focus on human resources in the Group Human Resources Director's review on pages 14 and 15.



I want every member of the Spire Healthcare family to judge themselves on the quality of the care they deliver to our patients."

How important is the culture of Spire Healthcare on the success of the business?

Since joining Spire Healthcare I have spent a lot of time in our hospitals meeting many colleagues, and it was clear right from my first visits that we have a strong, positive culture across the business. Our colleagues are passionate about the work they do and the care they provide to our patients. They are fundamental to the success of the business so it is hugely important to me that they are highly engaged.

The innovative ideas, feedback and suggestions that I have heard first hand from colleagues are invaluable so we have introduced mechanisms to further encourage this, along with promoting collaborative working across our hospitals and support functions. I believe our values help demonstrate and represent how we work together so we will further increase awareness of these and what they mean to our colleagues in their day-to-day roles.

Recognising the contribution of our colleagues is a key element of our culture and I am confident that our new recognition scheme will reinforce the importance we place on this.

How do you see Spire Healthcare's strategy developing?

The summary of our ambitions is that we aim to be the most recognised and respected healthcare provider brand in the UK. I call that being the 'go to' brand in UK independent healthcare.

We will become famous for our clinical quality and customer care.

This will underpin growth in all three payor sectors. We will work with the NHS to see us as their preferred local option for high-quality treatments, and with PMI providers to feel comfortable signposting Spire Healthcare as the benchmark provider in all our services. A high-quality brand will underpin our communication with people who are increasingly looking for a Self-pay route to fast, effective and personalised treatment.

Accelerating growth and developing the market-leading national brand that makes Spire Healthcare the first choice of all patients will depend on outstanding performance, transparency in pricing and clinical excellence.

We will seek continuous improvement and consistency in our relationship with consultants, in the capability of our teams and in operational excellence at all levels. All this aims to support a steadily improving return on the recent substantial capital investment in Spire Healthcare.

Simply put, we will aim to run outstanding hospitals, totally focused on delivering outstanding quality of care, consistently in all our sites. That's how Spire Healthcare will grow to be the UK market leader.

Justin Ash

Chief Executive Officer
1 June 2018



In the last three months, the Executive Committee and I have developed our strategic framework to support a renewed focus on growing our business. We have put in place five clear strategic priorities to help us achieve the growth we believe we can deliver. This aims to drive improving returns on capital.”

Our strategic priorities

 Famous for quality and clinical care We aim to lead our sector in quality and clinical care.	 First choice for private patients We want to become the 'go to' private healthcare brand.	 Most recommended customer experience We aim to lead our sector in customer care.	 Best place to practice We aim to become the place where consultants most want to work.	 Best place to work We want to be recognised as a Top 100 employer.
Build on the systems already in place to reinforce best practice standards of patient care by: <ul style="list-style-type: none"> increasing clinical resources to assess and support quality improvement; enhanced clinical reviews of all sites, so patients can be assured of Spire Healthcare standards; contributing to and using all available national quality information; achieving external accreditations from specialist organisations in addition to the CQC; embedding a 'quality first' culture; awarding incentives only on the achievement of quality standards; and Project Outstanding. 	Drive growth across the business, with particular emphasis on Self-pay by: <ul style="list-style-type: none"> improving the performance of new sites; aligning our sales and marketing functions to leverage scale and best practice; developing advanced services to meet emerging needs; and continually investing in our sites to provide a high-quality patient environment. 	Build on local excellence and make it consistent across the portfolio by: <ul style="list-style-type: none"> improving the efficiency of the reservation, admission and discharge processes; bringing these activities online for ease of patient use; doing more to prepare patients for their stay and for their return home; further enhancing standards in accommodation and catering; and focusing on 'top box' scores in the Friends and Family test as a measure of success. 	Improve our consultant relationship management by: <ul style="list-style-type: none"> a programme of engagement to understand their needs and to meet them; using technology to make patient and theatre booking easier and more flexible; providing proven, modern equipment to support our consultants' practice; ensuring network-wide CMA Compliance; and rigorously assessing and governing practising privileges so all consultants who work at Spire Healthcare represent the highest sector standards. 	Drive performance through an aligned organisation by: <ul style="list-style-type: none"> setting clear capabilities for each role, and supporting teams to achieve them; improving employee communications and engagement to build a more confident, purposeful culture focused on results; introducing a new reward and performance framework, with quality as a condition, to encourage excellence and delivery; strengthening recruitment with a new centrally co-ordinated team; and closing our gender pay gap and being a strong contributor to the communities in which we work.

These strategic priorities are being facilitated by operational excellence, with initiatives including:

Workforce planning

A predictive workflow tool, ensuring an effective and safe skill mix and efficient wards and out-patient departments.

Best practice telephony

A technology-led programme to raise private pay call response and conversion.

Project Outstanding

Our initiative to deliver our clinical and non-clinical standards consistently in order to provide outstanding quality care, as rated by the CQC. You can read more about this in the Clinical review on pages 8 to 13.

Investing

Capital to upgrade and improve our existing sites and raise return on capital across the business.

How will we measure our progress?

<ul style="list-style-type: none"> CQC site ratings and Spire Healthcare audit ratings NJR/PROMs performance Unplanned returns to theatre and unplanned readmission rates Infection rates Post-operative mortality rates 	<ul style="list-style-type: none"> Patient satisfaction: percentage patients Extremely Likely to recommend Spire Healthcare Patient satisfaction: Quality of care Satisfaction on discharge 	<ul style="list-style-type: none"> Annual consultant satisfaction survey scores 	<ul style="list-style-type: none"> Employee engagement; semi-annual survey Competency assessment and continuous improvement 	<ul style="list-style-type: none"> Revenue by payor Self-pay growth above market Return on Invested Capital
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Clinical review

To be retouched: Extend background



Dr Jean-Jacques de Gorter
Group Medical Director



Spire Healthcare aims to be ‘famous for quality and clinical care’. Continuous improvement drives the delivery of outstanding clinical quality and performance for our patients.”

As Group Medical Director, I am responsible for ensuring we deliver safe and high-quality clinical care, defining our clinical governance strategy, deploying plans to deliver on quality goals and ensuring adequate resources are available to meet those goals. The national Clinical Services team sets the clinical standards, audits compliance and reports on the clinical performance of our 52 facilities. We also provide hands-on support to our hospitals, working side-by-side with senior management teams, to drive continuous improvement by identifying and sharing best practice across England, Scotland and Wales.

During 2017, I am proud to report that every Spire Healthcare hospital that underwent a rated inspection by the Care Quality Commission ('CQC') in England achieving a rating of at least 'Good'. Whilst we have, to date, prepared for these inspections by strengthening our performance management and assurance systems, we are now investing in growing our specialist support teams to enable our hospitals to deliver our quality goals – for every hospital and clinic inspected in 2018 to be rated at least 'Good'; for every hospital and clinic to be rated at least 'Good' in 2019; and for the majority of hospitals and clinics to be rated 'Outstanding' in 2020.

Opportunities to improve, identified by the CQC, are acted upon immediately. As a result, Spire Healthcare's ratings rose from 67% 'Good' or 'Outstanding' in 2017 to 70% at the time of writing, which is in line with the independent sector average and ahead of NHS partners (48%).

Nevertheless, 11 of our hospitals are currently rated 'Requires Improvement' following inspections in previous years. Whilst the majority of these are rated 'Good' in the Caring, Effective and Responsive domains, we are focusing on improving our systems and processes at these sites to ensure they achieve a rating of at least 'Good' overall. This will require improvements to be

made in relation to the compliant management of drugs, refurbishing carpeted areas where patients are cared for, and remedying gaps in the perceived strength of local leadership.

We are committed to resolving these issues with the utmost urgency. Actions include the recruitment of a medicines management specialist to drive improvements in drugs management; a programme of replacement of carpets in patient areas; and concerted improvements in leadership capability.

All Spire Healthcare sites rated 'Requires Improvement' have published an action plan response to the CQC findings on their websites for scrutiny by patients. We are prioritising our central clinical resources to support these hospitals, with all of them undergoing a clinical review in the first quarter of 2018.

We performed well in patient reported outcome measures ('PROMs'), of the top 10 hospitals (NHS and Independent) in England for health gain following hip replacement (April 2016–March 2017), three were Spire Healthcare hospitals – Spire Cambridge Lea, Leeds and Sussex hospitals. In relation to knee replacement, two Spire Healthcare hospitals featured in the top 10 – Spire Washington (which ranked top) and Portsmouth hospitals.

Infection control continues to feature as one of Spire Healthcare's strengths. With only a single case of MRSA bacteraemia in 2017 and very low rates of other healthcare acquired infections, we continually outperform NHS providers according to data published by NHS England. Indeed, surgical site infection following hip and knee replacement reduced once again to the lowest level on Spire Healthcare's record.

In other clinical performance and safety indicators, post-operative mortality within 31 days rose slightly (1.27 per 10,000 theatre episodes), whilst rates for returns to theatre (0.12%), unplanned transfers (0.05%) and readmissions within 31 days (0.18%) all remained exceptionally low following on from last year's strong performance.

Serious incidents

Spire Healthcare hospitals reported 136 clinical adverse events/near misses ('AENM') per 1,000 bed days in 2017. The vast majority of reported incidents were graded as resulting in no harm (or near miss) or minor or moderate harm.

All serious clinical incidents – those events that are out of the ordinary and which cause or have the potential to cause serious harm and/or are likely to attract public/media interest – are reviewed by Spire Healthcare's national Incident Review Working Group and are subject to root cause analysis.

Clinical review

Continued

The Working Group recommends national actions – such as changes to policy, training or care pathways – arising from individual incidents or trends, and these are reported to the national Clinical Governance and Quality Committee.

Further assurance is also provided by the Clinical Governance and Safety Committee, a subcommittee of the Board which scrutinises every reported serious incident. Individual hospitals will normally manage investigation of events that fall below the threshold of a serious incident. It is important to note that the number of incidents reported is influenced by reporting culture, particularly for near misses and incidents resulting in no harm.

Safety and effectiveness of care is a reflection of the dedication and engagement of clinical teams. Combined with our ambition to improve further and to challenge practice that does not meet our high standard, our goal is to lead the sector on quality. In 2017, we reported 16 ‘Never Events’

across our 39 hospitals which, whilst a slight reduction on the number reported in 2016, is not in keeping with our drive to be the best. We will build on our programme of human factors training which we launched last year and redouble our efforts to reduce these further.

Over the last year, following a commissioned review into Spire Healthcare’s systems and processes for risk management, we have updated our approach to reporting, investigating and acting upon lessons from clinical and non-clinical incidents, in order to make care safer and more responsive.

We have also introduced a programme of human factors training for our colleagues and made this available to consultants who practise with us.

Our peer-review system for clinical assurance (the ‘Clinical Review’) is now well established and has proven to be an effective assessment of regulatory compliance and performance. We have invested further to strengthen and grow the capacity of this team



In terms of clinical performance and safety, post-operative mortality within 31 days remained low whilst at the same time, rates of returns to theatre, unplanned transfers and readmissions all remained low, following on from last year’s strong performance.”

under the leadership of the Chief Nursing Officer in order to undertake more frequent assessments of our clinical compliance.

We continue to innovate to make care safer and to provide us with assurance in this regard. By the end of 2017, we completed the roll out of two new platforms to support cancer care – the Ardeo pathway system to collect and track a patient through their breast cancer and chemotherapy treatments, and iQemo – a system to electronically prescribe validated and approved chemotherapy protocols in line with published best practice. In parallel, we also undertook analysis of thousands of surgeons and interventional physicians to assess their intervention rates, looking to benchmark every individual with their specialty peers – an exercise we will repeat on an annual basis with

Reported incidents by grade of harm

Grade of harm	Rate per 1,000 bed days
No harm (or near miss)	99
Minor harm	17
Moderate harm	19
Major harm	0.8
Severe harm or death	0.6

a view to understanding and acting upon outliers. We believe we are the only provider in the sector to be doing so.

At the start of 2018 we launched 'Project Outstanding', our initiative to systematically articulate what 'Outstanding' looks like – both clinical and non-clinical – and to deliver this consistently across our network with the aim of leading on quality as rated by the CQC. In the absence of every hospital being re-inspected by the CQC this year, we also plan to apply for and achieve a number of additional external independent accreditations over and above those we have already achieved – such as the Macmillan environmental accreditation and the Joint Advisory Group ('JAG') accreditation for endoscopy.

More and more information on quality is being published and we are entirely supportive of the Private Healthcare Information Network ('PHIN') initiative which seeks to collect, analyse and publish information on both quality and costs in line with the requirements of the Competition and Markets Authority ('CMA').

Finally, I am pleased to report that we made significant progress against two of our priorities for improvement included in last year's Quality Account:

- improve the CQC ratings for any hospitals currently rated 'Requires Improvement' that are re-inspected by the CQC in 2017; and
- roll out a new standard drug chart to all hospitals in support of antibiotic stewardship guidelines.

We are also continuing to progress our plan to support patients to make more informed decisions by helping them to better understand their treatment options as well as their risks and benefits, by updating our approach to procedure specific consent. We believe that engaged patients who are aware of the treatment options available to them, cared for by talented and dedicated professionals, ultimately experience the best possible outcomes. We remain passionate and determined to deliver the highest quality care for all those who choose us to look after them.

Dr Jean-Jacques de Gorter
Group Medical Director
1 June 2018

Highlights

0.06

We reported a single case of MRSA across all 39 hospitals in 2017

70%

Spire Healthcare hospitals rated 'Good' or 'Outstanding'

4

Spire Healthcare hospitals rated 'Outstanding'

Case study

Learning from others

Nurses value professional development and training, so we not only help our nurses to extend their professional competencies through formal training but also encourage them to apply for sponsorships, scholarships and awards.

Vincenzo Calascibetta, a nurse at Spire London East Hospital, has been awarded a prestigious Florence Nightingale Foundation Travel Scholarship. He will be travelling to Australia to study acute post-operative pain management.

Vincenzo became a nurse in 2011, moving to England in 2015 and joining Spire London East Hospital the following year.

In Sydney, he will observe pain management services at the Royal North Shore Hospital and at the Pain Management Research Institute. He will also attend a two-week multidisciplinary pain management workshop.

Vincenzo said: "This will give me an amazing chance to travel and to observe closely nursing practices in another country which I think will really help me. I strongly believe that these kind of experiences promote professional and personal growth.



"My ultimate goal is to work as part of a pain management team and this experience will really put me on the right road to achieving that."

Spire London East Hospital Matron, Patricia Turner, said: "The Florence Nightingale Institute is close to all nurses' hearts. We were ecstatic when Vincenzo won the scholarship. He will bring his learning back from Australia to share with us and the Company – and we will support him in writing his paper for publication. It will benefit so many people."

Famous for clinical quality and care

Unplanned returns (%)

0.12%



C.difficile (infection rate per 10,000 bed days)

0.13



MRSA (infection rate per 10,000 bed days)

0.06



MSSA (infection rate per 10,000 bed days)

0.13



In-patient surgical mortality (per 10,000 anaesthetic episodes)

0.13

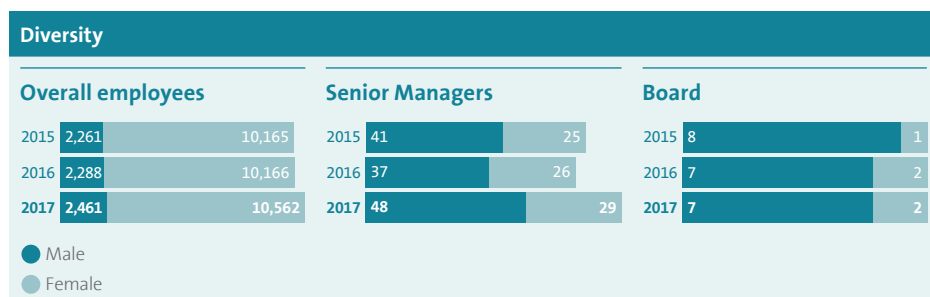


Source: Company information.

Group Human Resources

Director's review – Our people

We have over 13,000 nurses, theatre staff, allied health professionals, non-clinical support colleagues and bank staff, working together to deliver outstanding care to our patients across the United Kingdom. We are committed to doing more to support them and to attract new talent for the future.



Our challenges

It has been widely reported that there is currently a shortage of nurses and doctors in the UK. The number of registered nurses is falling for the first time since training cuts in 2010, and 96% fewer EU nurses have registered since the Brexit vote. Given the length of training required, these shortages will take several years to make good.

With the shortage of nurses, it is more important than ever that we are successfully recruiting and retaining colleagues to account for natural turnover and to meet our patient needs where we have invested in new and expanded facilities.

Engaging our colleagues

Our colleagues interact with thousands of patients every day and play a crucial role in delivering the highest quality care and outcomes. It is therefore more crucial than ever that we set our colleagues up to succeed and engage closely with them, particularly given our competitive market.

Our annual engagement survey saw an overall engagement score of 81% that exceeded external benchmark rates of 73%¹, but was 7% lower than the last survey. Whilst the feedback from the engagement survey showed largely high scores, they were lower than in the 2015 survey and the results highlighted a number of areas to focus on. As a result, we are relaunching our performance management

process, reviewing incentives and recognition, and introducing a number of new communication and engagement activities.

Culture and values

Our colleagues are at the heart of our business: they are our lifeblood, representing who we are, our positive culture and live our values each day. Our values demonstrate how we work together and provide us with a common language that all colleagues can recognise and relate to.

Our commitments

We are committed to delivering on our promises and making Spire Healthcare a 'destination employer' – attracting, recruiting, training and retaining the best.

To do this we are committed to:

- being an employer of choice – based on an outstanding recruitment process, our quality performance culture, and with an aligned reward framework;
- growing our own – both at the key leadership roles in hospitals and with our qualified clinical and other colleagues – through training and development, a clear competency framework and apprenticeships to attract and develop new talent; and
- setting ourselves up to succeed through stronger human resources support, comprehensive workforce planning and effective communications across all our hospitals.

Our priorities

In 2017, we strengthened our central human resources capability and made step changes towards delivering on our commitments. We developed a Human Resources Business Partner structure to closely support each of our hospitals.

Leadership is a key driver and influence on our culture so developing values-based **leadership competencies** for our senior hospital management teams was a top priority in 2017. All senior hospital management teams will be assessed against these and in February 2018

a dedicated leadership development programme at Ashridge Business School began.

Ensuring new recruits are a good cultural fit who will understand and support our values helps to set new colleagues up for a successful and rewarding career with Spire Healthcare. To enable this, the criteria from our leadership competencies will be used as a part of our **recruitment** processes in the future.

Our **communications and engagement** activity helps promote and maintain our culture. We invested more in these areas in 2017 across a number of channels and activities. In 2018, we will continue to build on our engagement activities such as town hall forums, an executive leadership hospital visits programme and ‘all hands’ conference calls for all colleagues.

As demonstrated in our values, it is important that our colleagues always feel able to do the right thing. Whilst we encourage an open culture whereby issues can be raised and handled at a local level, we realise that there may be times where it is not appropriate, or a person may not feel comfortable, to raise a concern through their line management.

Highlights

Clinical educational events held

1,500

Attendees at educational events

23,000

Money raised by our hospitals for their local charities

£53k

1. Ixia External Benchmarking, based on a mixture of over 50 public and private organisations across multiple sectors.

Looking after our environment

Spire Healthcare realises that we have a 'duty of care' to the environment as well as our patients and we continue to promote a low carbon culture across our hospitals. We continually review how we operate our buildings and infrastructure to improve the carbon efficiencies.

A key focus is to reduce carbon emissions associated with our usage of electricity and natural gas. The way we purchase, monitor, target and report on our buildings' energy consumption is undertaken in partnership with our energy consultants, Inenco.

Energy

Targets vs performance

In 2016, we published the five-year energy reduction targets set out in our Carbon and Environmental policy document to reduce CO₂e from electricity and natural gas by 15% per pound of revenue by 2020 from the baseline year of 2015.

We use the intensity metric of carbon emissions per £ revenue which increases in proportion to the growth in our business. The addition of Spire Manchester and Spire Nottingham hospitals to our portfolio for example, has added significant energy consumption overnight. Our values are based on providing excellence in clinical quality and innovation to our patients. As a consequence of continuing to meet these values

we will continue to grow, to treat more patients, to provide more treatments and to offer the latest technology.

Legislation

Since becoming a publicly listed company in 2014, Spire Healthcare is registered for the Government's Carbon Reduction Commitment ('CRC') Energy Efficiency Scheme and will report our carbon emissions to the Environment Agency accordingly.

Our mandatory Energy Savings Opportunity Scheme ('ESOS') audits were completed on schedule and concluded that due to the excellent work already undertaken in improving energy efficiencies across our estate, their recommendations would be unlikely to produce large energy savings. The recommendations will, however, be incorporated into our carbon reduction planning for the future.

Spire Healthcare was invited to participate in the Carbon Disclosure Projects ('CDP') again in 2017. We made our third submission to the CDP this year

and Spire Healthcare have been graded C which demonstrates our knowledge of our impact on climate change issues.

Capital investment in low carbon infrastructure

We continue to invest in our engineering infrastructure to improve energy efficiencies.

Key projects this year included investment in areas such as lighting, mechanical ventilation, building controls, heating and domestic hot water services.

High Efficiency Lighting

After the success of our lighting replacement projects previously reported, we have invested heavily in this area in 2017 to reduce our carbon footprint and also benefit from the much improved light quality that this technology brings. On the back of the measured energy and aesthetic benefits of our internal upgrade to LED lighting in previous years, we have invested in excess of £2.5 million across 22 of our hospitals together with our finance offices at Regents Gate. We intend to invest

further again in 2018 as part of our national refurbishment programme to ensure we continue to reduce our electricity consumption and ensure we meet our stated energy reduction targets in 2020.

High Efficiency Heating and Hot Water Services

Modular condensing heating and hot water boilers were installed at Spire Dunedin, St Anthony's, Leicester and Fylde Coast hospitals during 2017, which will deliver a reduction in gas consumption in future years.

High Efficiency Ventilation Systems

Our theatre ventilation plant ensures rapid air exchange within our theatre suites to protect our patients from infection. By its nature these systems are energy hungry. We replaced ageing systems at Spire Leeds and Tunbridge Wells hospitals in 2017. The new systems now include high-efficiency control and heat recovery systems that help deliver this critical air in the most efficient way.

Engineering Governance and Compliance

Our central engineering team was expanded in 2017. This development has allowed dedicated engineering risk and compliance auditing support in this complex arena.

The identification, publication and management of risk associated with our engineering infrastructure and its operation is managed through annual audit alongside our clinical team. These audits are used to make this risk transparent enabling a prioritised approach to risk mitigation. The resultant risk profile informs the business of future capital requirements, gives confidence this capital is managed on a true risk basis and is targeted in the most efficient and effective way. The central engineering team supplements the formal annual audits with regular routine visits which ensure the engineering governance system is dynamic with the continuous addition, closure and re-assessment of risk.

10%

**less carbon emissions
than 2016**

How we performed

Priorities for improvement 2017–2018.

In our last Quality Account, Spire Healthcare set three priorities for improvement:

- improve Care Quality Commission ('CQC') ratings for any Spire Healthcare hospital with a published rating of 'Requires Improvement';
- roll out a new standard drug chart to all hospitals in support of antibiotic stewardship guidelines; and
- introduce procedure-specific consent forms to help improve the level of information provided to patients and enhance the informed consent process.

1. Improve Care Quality Commission ('CQC') ratings for any Spire Healthcare hospital with a published rating of 'Requires Improvement'

Whilst Spire's CQC ratings are in line with the independent sector average, 12 of our hospitals were rated 'Requires Improvement' following inspections undertaken prior to 2017. At the time of preparing last year's Quality Account, the CQC had indicated they would re-inspect all sites with a 'Requires Improvement' rating within 12 months

so we expected to have the opportunity to improve our ratings at a number of hospitals.

As it turned out, only one of our hospitals was re-inspected and re-rated in 2017 (Spire St Anthony's) and its overall rating was raised to 'Good'.

Spire St Anthony's Hospital

The CQC completed a focused inspection of two new services in June 2017 – children's services and critical care – and both services achieved an overall rating of 'Good'.

Within children's services, the findings were very positive with appropriate staffing, good training records, high standards of cleanliness, dedicated facilities both on the ward and in recovery. The CQC highlighted that all staff demonstrated a very caring approach to children and young people and that the feedback from children and young people and their families was positive. There was only one

action for the service, which has since been addressed – recording of temperatures of patients within theatre and recovery.

Within critical care, the CQC again highlighted the high standards of cleanliness and good training compliance. They saw that policies were readily available and that there were action plans in place to ensure the hospital was meeting all national standards. Actions highlighted were a review of the trigger threshold for Duty of Candour, better planning of capacity of the unit and for daily visits from consultants.

As a result of this positive review, the overall rating for the hospital was uplifted from 'Requires Improvement' to 'Good'.

Additionally, three Spire sites underwent their first inspection under the new inspection methodology in 2017, with one hospital inspected in early 2018:

Hospital	Date of inspection	Overall rating
Spire Leeds Hospital	10 January 2017	Good
Montefiore Hospital	23 January 2017	Outstanding
Spire Windsor Clinic	16 March 2017	Good
Spire Nottingham Hospital	5th February 2018	Outstanding

Summary of inspection results

The following table shows the percentage of published CQC reports receiving a positive rating ('Good' or 'Outstanding') by domain for the independent sector. Figures correct as of 1 February 2018.

	No.	Overall	Safe	Effective	Caring	Responsive	Well led
Independent Sector	174	70%	55%	79%	100%	94%	68%
Ind. excl Spire	137	69%	55%	78%	100%	93%	67%
NHS	297	48%	35%	69%	98%	51%	51%
Spire Healthcare	37	70%	57%	83%	100%	95%	70%

2. Roll out a new standard drug chart to all hospitals in support of antibiotic stewardship guidelines

To enhance compliance with NICE's Quality Standard on antimicrobial stewardship, Spire Healthcare planned to introduce a new in-patient drug chart during 2017/18, including a dedicated section for the prescribing of antibiotics. After a period of consultation (including consulting with our Medical Advisory Committee ('MAC') chairs), three new drug charts have been developed for use across our hospitals:

- a new in-patient drug chart, which in addition to the antibiotic prescription, now includes a dedicated section to record the results of the assessment to reduce the risk of deep vein thrombosis and pulmonary embolism and any prophylaxis prescribed;
- a new out-patient and daycase drug chart including a dedicated section to prescribe antibiotics; and

- a new drug chart for recently discharged patients, when further intervention or medication is required within 31 days of discharge.

The three new charts were introduced – after a period of training for clinical teams across the Spire Healthcare Group – in May 2018. Together with Spire Healthcare antibiotic prescribing guidelines and relevant local policies, the new charts will help to promote the selection of the best antibiotic option for patients with a hospital-related infection. In line with best practice, the prescriber is asked to review the requirement for continuing treatment and route of delivery every 48 hours. Prescribing data from all Spire Healthcare sites will be audited and collated to enable our participation in the English Surveillance of Antimicrobial Usage and Resistance study.

3. Introduce procedure-specific consent forms to help improve the level of information provided to patients and enhance the informed consent process

To improve consistency and help enhance the informed consent process, Spire Healthcare planned to develop and start to introduce procedure-specific consent forms during 2017. At the time of writing last year's Quality Account, we envisaged that these forms would include tailored preprinted information on the risks and benefits of each proposed procedure, meaning consultants would not need to handwrite them every time they completed a consent form.

As the year developed, our plans changed as we began to consider the additional written information required to support the revised consent forms. As a result, we are now seeking to expand our current library of written patient information, to establish a wider range of leaflets, each linked to a specific procedure code.

How we performed

Continued

We have also designed a new consent form which will be used in conjunction with our revised patient information to support discussions with patients prior to treatment. As part of these discussions, patients will be asked to agree to the following statements:

- I confirm that I have received a copy of my consent form and Spire Healthcare's approved patient information leaflet for this procedure which forms part of this document.
- I confirm that I have been told about the frequently occurring, significant and unavoidable risks associated with this procedure and have had an opportunity to ask questions in relation to those risks.
- I agree to the procedure or course of treatment described on this form.
- I understand that where planned I will have the opportunity to discuss the details of anaesthesia with an anaesthetist before the procedure, unless the urgency of my situation prevents this. (This only applies to patients having general or regional anaesthesia.)

- I understand that any procedure in addition to those described on this form will only be carried out if it is necessary to save my life or to prevent serious harm to my health. I have been told about additional procedures which may become necessary during my treatment. I have listed below any procedures which I do not wish to be carried out without further discussion.

The revised consent form was presented at our national MAC Chairs meeting in March 2018 and we will begin to introduce it later this year, together with our expanded library of patient information.

Our plans

Priorities for improvement 2018–2019.

Spire Healthcare has chosen the following three priorities for improvement during 2018–2019:

- Every Spire Healthcare hospital and clinic inspected by the CQC in 2018 to be rated at least 'Good'
- To introduce procedure-specific consent forms and expanded library of written patient information to help enhance the informed consent process
- Pilot a revised approach to pre-operative assessment, in advance of adopting digital 'e-pre-op assessment'

1. Every Spire Healthcare hospital and clinic inspected by the CQC in 2018 to be rated at least 'Good'

Why is this priority important?

Spire Healthcare's CQC ratings rose from 67% 'Good' or 'Outstanding' in 2017 to 70% at the time of writing, which is in line with the independent sector average and ahead of our NHS partners (48%). Additionally, the four hospitals that underwent a rated inspection in 2017 all received an overall rating of at least 'Good'. Nevertheless, 11 of our hospitals are currently rated 'Requires Improvement' following inspections in previous years.

One of our strategic priorities is to be famous for clinical quality and care, which means we need to build on the systems already in place to reinforce best practice standards of patient care by:

- increasing clinical resources to assess and support quality improvement;
- undertaking an enhanced clinical review of all sites, so patients can be assured of Spire Healthcare standards;
- contributing to and using all available national quality information;
- achieving external accreditations from specialist organisations in addition to the CQC;
- embedding a 'quality first' culture;
- awarding incentives only on the achievement of quality standards; and
- Project Outstanding.

Our aim/goals

In this context, our goal for 2018 is for every Spire Healthcare hospital and clinic inspected by the CQC to be rated at least 'Good'.

How will progress to achieve this priority be monitored by Spire Healthcare?

Progress against this priority will be monitored through the publication of CQC inspection reports and reported to Spire Healthcare's senior management team.

2. To introduce procedure-specific consent forms and expanded library of written patient information to help enhance the informed consent process

Why is this priority important?

Spire Healthcare's policy on consent states that:

- the provision of information is central to the consent process. Patients should be advised of any material, or significant risks even if small, of the proposed treatment, any alternatives to it and the risks of doing nothing;
- health professionals should provide information regarding all possible significant adverse outcomes and document the information provided;
- patients should also be advised of any additional procedures that are likely to be necessary as part of the procedure, for example a blood transfusion, or the removal of particular tissue; and

Our plans Continued

- for significant procedures, it is essential for health professionals to document clearly both a patient's agreement to the intervention and the discussions which led to that agreement. This may be done either through the use of a consent form (with further detail in the patient's notes if necessary), or through documenting in the patient's notes that they have given oral consent.

In 2015, two legal cases led to a change in the test applied to establish whether informed consent has been obtained. The Bolam test – which asks whether the doctor's conduct would be supported by a reasonable body of medical opinion – no longer applies.

Instead, the court rulings suggest that potential benefits and serious or significant risks (no matter how unusual) must be spelled out allowing the patient to make an informed decision. Information also needs to be orientated to what a 'reasonable person in the patient's position' might expect.

The consent process is also covered by a specific regulation – Health and Social Care Act 2008 (Regulated Activities) Regulations 2014: Regulation 11 – and compliance is monitored by the CQC during its inspections.

Spire Healthcare planned to develop and start to introduce procedure-specific consent forms during 2017. At the time of writing last year's Quality Account, we envisaged that these forms would include tailored preprinted information on the risks and benefits of each proposed procedure, meaning consultants would not need to handwrite them every time they completed a consent form.

As the year developed, our plans changed as we began to consider the additional written information required to support the revised consent forms. As a result, we are now seeking to expand our current library of written patient information, to establish a wider range of leaflets, each linked to a specific procedure code. We have also designed a new consent form which will be used in conjunction with our revised patient information to support discussions with patients prior to treatment.

Our aim/goals

Spire Healthcare will begin to introduce the revised consent form later this year, together with our expanded library of patient information, starting with a small group of hospitals.

How will progress to achieve this priority be monitored by Spire Healthcare?

Progress against this priority will be monitored via our Operations Group and reported to Spire Healthcare's senior management team.

3. Pilot a revised approach to pre-operative assessment, in advance of adopting digital 'e-pre-op assessment'

Why is this priority important?

Pre-operative assessment (carried out prior to a patient's planned admission for surgery) helps to ensure that patients are fully informed about their proposed treatment and that relevant arrangements for discharge and post-operative care at home are considered at an early stage of the patient pathway. It also ensures that any required pre-operative tests are undertaken and that the patient is medically fit for his or her planned procedure.

Spire Healthcare's pre-operative assessment process is incorporated into our Admission and Discharge Policy. The process is based on four levels of assessment:

- Level 1 – First line review of pre-admission medical questionnaire, with some patients proceeding to:
- Level 2 – Nurse-led telephone clinical assessment, with some patients proceeding to:
- Level 3 – Nurse-led pre-operative assessment clinic +/- therapy input with some patients leading to:
- Level 4 – Anaesthetic referral.

In 2017, Spire Healthcare established a pre-operative assessment working group to review our approach to pre-op assessment and build on the systems already in place. We also recruited a national clinical specialist in pre-operative assessment to lead the development of our service. As a key feature of this development we are looking to increase the numbers of patients who receive either a nurse-led telephone clinical assessment or attend a nurse-led pre-operative assessment clinic, and ultimately to move away from a paper-based system to digital 'e-pre-op assessment', incorporating decision-making algorithms and guidelines.

To support this aim, Spire Healthcare is revising the Admission and Discharge Policy and the pre-operative medical questionnaire, arranging additional training for pre-operative assessment nurses and developing additional assessment pathways.

Our aim/goals

During 2018, Spire Healthcare will pilot our revised approach to pre-op assessment at two hospitals. This approach will be based on a number of new tailored assessment pathways including:

- anaesthesia and sedation;
- local anaesthetic;
- children and young people;
- cardiology;
- endoscopy;
- interventional radiology; and
- ophthalmology.

Patients will follow the most appropriate pre-op pathway for their procedure. Our aim is to complete the pilot by the end of the year, with a wider roll-out to follow whilst we also consider options for digital 'e-pre-op assessment'.

How will progress to achieve this priority be monitored by Spire Healthcare?

Progress against this priority will be monitored via our Operations Group and reported to Spire Healthcare's senior management team.

Review and assurance

Data quality and governance, fundamental pillars of our performance.

Data quality

Maintaining the excellent foundation provided by our efficient systems and processes to support the collection and reporting of NHS data, we are pleased to report that our overall data quality measures have been sustained through this year and continue to exceed the required national standards. Our hospitals and central NHS management information team remain focused on the core areas we see as underpinning our strategy:

- national data set reporting;
- Secondary Uses Services (Commissioning Data Set); and
- UNIFY submissions and clinical coding to support Payment by Results.

We continue to refine and develop our monthly reporting packs for our Commissioners as we seek to ensure that we provide clear, timely and

consistent performance and KPI information. Commissioner feedback remains positive and there is ongoing evidence from our local contract management meetings that these have supported improved contract management, governance and activity monitoring, and data validation conversations.

The tables opposite show Spire Healthcare's Secondary Uses Services data quality performance for April 2017 to March 2018 as issued by NHS Digital, May 2018. We are pleased to again report that we have market-leading data quality. Against each element, Spire Healthcare is highly rated, continues to equal or exceed the required standard and is significantly ahead of the national average.

Secondary Uses Services data for April 2017 to March 2018 as issued by NHS Digital May 2018 Spire Healthcare out-patient data, based upon 499,961 activities

Data item	% valid
NHS number	100
Patient pathway	100
Treatment function	100
Main speciality	100
Reg. GP practice	99.7
Postcode	100
PCT of residence	100
Commissioner	100
First attendance	100
Attendance indicator	100
Referral source	100
Referral received date	100
Attendance outcome	100
Priority type	100
OP primary procedure	100
Operation status	100
Ethnic category	100
Site of treatment	100
HRG4	100

Spire Healthcare admitted patient data should be 84,343 activities

Data item	% valid
NHS number	100
Patient pathway	100
Treatment function	100
Main specialty	100
Reg. GP practice	99.7
Postcode	100
Org. of residence	100
Commissioner	100
Ethnic category	100
Primary diagnosis	100
Primary procedure	100
Site of treatment	100
HRG4	100

As part of our refreshed focus on quality at the heart of all we do Spire Healthcare is committed to continuing to make the capture and reporting of NHS data a strategic priority during 2018–2019 and beyond. Our hospitals have continued to refine and enhance their partnership approach with our hospital consultants, clinical teams, patient administration staff and the corporate clinical coding provider, CHKS (part of Capita Healthcare Decisions).

We have taken the opportunity to further develop our clinical coding strategy, systems and processes leveraging the investment we made in our clinical coding capability in 2016/17. Our Head of Clinical Coding & Audit Assurance and Clinical Coding Quality Assurance Manager have worked closely with our clinical teams to ensure we were ready for HRG4+ and that the depth and quality of our coding are to the best possible levels.

Prescribed elements Review of services

During 2017, Spire Healthcare provided and/or subcontracted NHS services leading to 101,531 admissions.

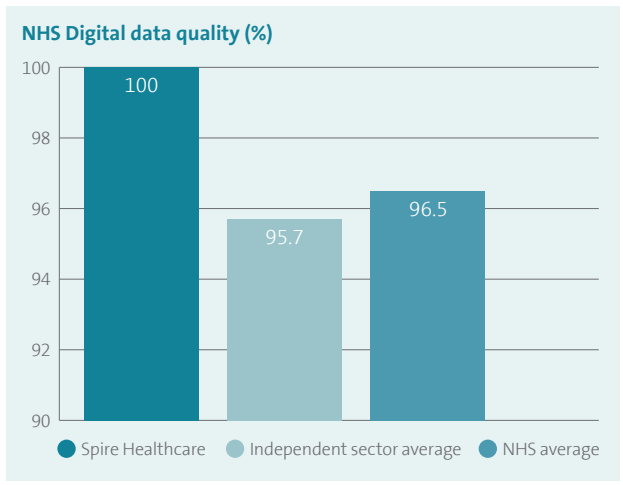
Spire Healthcare has reviewed all the data available to it on the quality of care in provision of these NHS services.

The income generated by the NHS services reviewed in 2017 represents 30.9% of the total income generated by Spire Healthcare for the year.

Commissioner goals

A very small proportion (<1%) of Spire Healthcare’s income in 2017 was conditional on achieving quality improvement and innovation goals agreed between Spire Healthcare and any person or body with whom it entered into a contract, agreement or arrangement for the provision of NHS services, through the Commissioning for Quality and Innovation (‘CQUIN’) payment framework.

Working with our Commissioners during the year, Spire Healthcare hospitals were able to significantly increase the proportion of income that was conditional on achieving quality improvement and



innovation goals. All Spire Healthcare hospitals worked with their Commissioners to actively participate in the CQUIN payment framework for 2017–2018, delivering against their goals and achieving significant success, and securing additional payments.

Looking back on 2016–2017, we are pleased to be able to report we secured around £5.5 million of CQUIN funding representing 91% of the total potential available to us from our local plans for the year.

Data quality

Spire Healthcare submitted records during 2017–2018 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data:

- which included the patient's valid NHS number was:
 - 100% for admitted patient care;
 - 100% for out-patient care; and
- which included the patient's valid General Medical Practice code* was:
 - 99.7% for admitted patient care; and
 - 99.7% for out-patient care.

* As noted in our 2016–2017 Quality Account we do not believe that we can further develop this level of validity.

Information governance toolkit

Spire Healthcare achieved an overall score of 93% in the Information Governance Assessment for 2017–2018 (this assessment was completed using version 14 of the NHS Information Governance Toolkit ('IGT')). This is a 'green' rating (Satisfactory – level 2 or above achieved for all requirements) the highest level achievable by an independent sector provider. This marks Spire Healthcare's highest compliance level to date, reflecting the work we have put in and high regard we give to our compliance with NHS requirements.

Clinical coding

Since the recruitment of our Head of Clinical Coding & Audit Assurance at the beginning of 2016 a number of improvements have been made to Spire Healthcare's clinical coding service. In addition to the coding assurance audits undertaken by Capita, Spire Healthcare has been able to undertake its own independent coding reviews. Findings from these reviews have formed constructive feedback – not only for the individual sites/clinicians, but to the external coding team at Capita – which has driven noticeable improvements in coding accuracy. There are also regular coding review visits which encompass engagement

discussions with clinicians to highlight the importance of clear documentation which in turn enables accurate coding assignment.

Additional coding education has been delivered to consultants and hospital staff and education materials have been updated and improved. Clinician validation documents are regularly reviewed and updated, and new documentation has been created for all in-patient and day-case activity in light of the advent of HRG4+. Our in-house coding expertise has grown with the addition of a Clinical Coding Quality Assurance Manager at the end of 2016.

Clinical coding error rate

Spire Healthcare undertakes comprehensive internal audits across the Group following the NHS Digital clinical coding audit methodology v11.0. This provided assurance that coding error rates and HRG errors were being maintained at acceptable levels.

The results gave an overall HRG error rate for 2017–2018 of 4.9% (slightly up from 4.3% in 2016–2017). Benchmarked against the 2013–2014 published national results, the coding at Spire Healthcare hospitals is still in the best performing 25% of NHS providers (<=5.2%).

Primary procedure recording has improved since 2016–2017 by three percentage points from 94% to 97%. The primary diagnosis accuracy remained the same as 2016–2017 at 94%. With the primary diagnosis accuracy below 95% this has resulted in the coding accuracy for 2017–2018 being assessed at NHS IGT level 2. The main cause of error for incorrect primary diagnosis was inaccurate data extraction by the coders. All other areas, primary procedures, secondary procedures and secondary diagnosis, were at IGT level 3 in 2017–2018.

NHS Protect Security

Spire Healthcare has retained Essentia Community to act as its local security management specialist for another three years. They will continue to carry out security audits at Spire Healthcare locations and ensure the bespoke security management services that meet the NHS security management standards are developed and maintained.

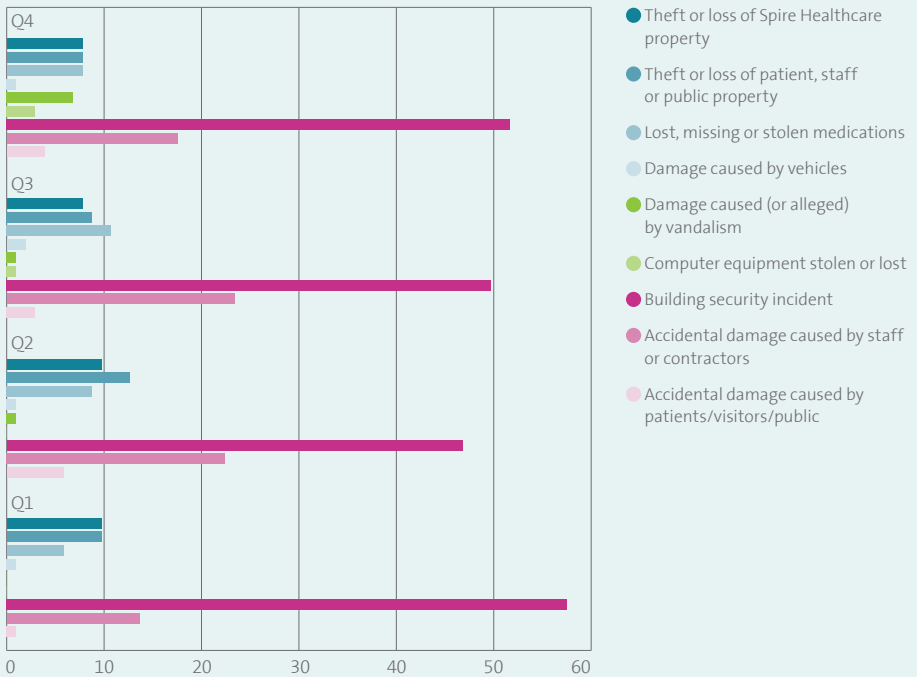
Security audits have focused on our new hospitals, our specialist cancer units and our non-medical sites, with

Spire Healthcare premises continuing to have good levels of security management in place and minor recommendations actioned where required. The number of incidents reported has increased from last year but we believe this is due to better staff awareness as all incidents were graded as low or very low, with no harm caused.

Our self-assessment report to NHS Protect continues to have an overall score of green.

Security incidents are captured and monitored and included in an annual report to our Executive Board for review.

Security incidents – April 2017 to March 2018



Review and assurance

Continued

Counter fraud

Spire Healthcare continues to work with TIAA, our retained external advisers, on its fraud risk assessment and are working through our three-year rolling strategic work plan. The plan, which cross-references both the risk assessment and NHS Protect's standards, allows for adjustment as any specific risk areas are identified from year to year. The work plan also allows for proactive exercises in areas known to be of general risk. For 2018/19 this includes extending the previously completed agency employment checks to all Spire Healthcare staff and controls overtime.

Spire completed and submitted its third counter fraud self-assessment ('SRA') to the NHS Counter Fraud Authority (previously NHS Protect) in March 2018. Our submission again showed an overall improvement on the previous year, with nine of the 21 individual categories showing green and no red categories under the RAG system.

Clinical audit

During 2017, seven national clinical audits covered the NHS services that Spire Healthcare provides. During that period, Spire Healthcare participated in 100% of the national clinical audits and national confidential enquiries in which it was eligible to participate.

The national clinical audits in which Spire Healthcare was eligible to participate during 2017 are as follows:

- National elective surgery: PROMs: patients undergoing hip replacement, knee replacement and up to September 2017, varicose vein and groin hernia surgery in England;
- National Joint Registry: hip and knee replacement;
- Adult cardiac surgery: CABG and valvular surgery;
- Heart: coronary angioplasty (percutaneous coronary interventions);
- National Heart Rhythm Management Audit;
- National Bariatric Surgery Registry; and
- Peri-operative management of surgical patients with diabetes (National Confidential Enquiry into Patient Outcome and Death).

The national clinical audits that Spire Healthcare participated in during 2017 are as follows:

- National elective surgery: PROMs: patients undergoing hip replacement, knee replacement and up to September 2017, varicose vein and groin hernia surgery in England;
- National Joint Registry: hip and knee replacement;
- Adult cardiac surgery: CABG and valvular surgery;
- Heart: coronary angioplasty (percutaneous coronary interventions);
- National Heart Rhythm Management Audit;
- National Bariatric Surgery Registry; and
- Peri-operative management of surgical patients with diabetes (National Confidential Enquiry into Patient Outcome and Death).

The national clinical audits in which Spire Healthcare participated, and for which data collection was completed during 2017, are listed as follows alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry:

- National elective surgery PROMs: patients undergoing hip replacement, knee replacement and up to September 2017, varicose vein and groin hernia surgery in England – 66% in 2016/17 based on provisional data for hip and knee replacement published by NHS Digital in June 2018;
- National Joint Registry: hip and knee replacement – information unavailable (the cases submitted include a mix of both privately funded and NHS patients);
- Adult cardiac surgery: CABG and valvular surgery – information unavailable (the cases submitted include a mix of both privately funded and NHS patients);
- Heart: coronary angioplasty (percutaneous coronary interventions) – information unavailable (the cases submitted include a mix of both privately funded and NHS patients);

- National Heart Rhythm Management Audit – information unavailable (the cases submitted include a mix of both privately funded and NHS patients);
- National Bariatric Surgery Registry – information unavailable (the cases submitted include a mix of both privately funded and NHS patients); and
- Peri-operative management of surgical patients with diabetes (National Confidential Enquiry into Patient Outcome and Death) – information unavailable.

As a result of these audits, Spire Healthcare intends to take the following actions to improve the quality of healthcare provided:

- Spire Healthcare switched to digital (online) collection of PROMs, replacing paper surveys. To help maintain response rates at their previous level, we have introduced a revised process which requires hospital pre-operative assessment teams to confirm with patients that they have completed their pre-op PROMS survey when they attend for their appointment (where this process is not already in place). Our hospitals now also receive a weekly report indicating eligible patients who are due in to the hospital in the next four

weeks to ensure they are given the opportunity to complete a survey and participation rates are monitored through our quarterly clinical scorecard (as one of a range of indicators focusing on safe, effective, caring, well-led and responsive care).

- Review of reports received from the National Joint Registry ('NJR') indicates that consent rates (for data to be held on the registry) were slightly below average at 11 hospitals. Action plans are in progress at each of these hospitals to improve compliance with this important process; overall 95% of all submissions included consent for patient data to be held on the register (the national target is 95%). Spire Healthcare hospitals also participated in the NJR's data quality audit in the first half of 2018; following the same audit in 2017, seven Spire hospitals were awarded 'Quality Data Provider' status (out of 85 in total)¹:
 - Spire Cambridge Lea Hospital
 - Spire Leicester Hospital
 - Spire Murrayfield Hospital
 - Spire Norwich Hospital
 - Spire Portsmouth Hospital
 - Spire Sussex Hospital
 - Spire Tunbridge Wells Hospital
 - Spire Washington Hospital
 - Spire Wellesley Hospital.

Following a review of the local audits included in Spire Healthcare's own audit programme, we also intend to take the following actions to improve the quality of care provided:

- Completion of venous thromboembolism risk assessments; cancer standards compliance and temperature control during and after surgery (to reduce the risk of surgical site infection) will continue to be monitored through Spire Healthcare's clinical scorecard. The scorecard is published every three months and provides information on trends over time and a rating of performance against other hospitals in the Group.

Research

A number of patients receiving NHS services provided or subcontracted by Spire Healthcare in 2017 were recruited during the year to participate in research approved by a research ethics committee. In the majority of these cases, Spire Healthcare provided an ancillary service (e.g. scans or investigations) to support primary research undertaken elsewhere (e.g. by a contract research organisation or NHS Trust).

1 <http://www.njrcentre.org.uk/njrcentre/NewsandEvents/NJRawards85hospitalsasQualityDataProviders/tabid/1480/Default.aspx>

Review and assurance

Continued

CQC inspections

One of our hospitals was re-inspected and re-rated in 2017 – Spire St Anthony’s – and its overall rating was raised to ‘Good’. Additionally, three Spire Healthcare sites underwent their first inspection under the new inspection methodology in 2017 with all three rated at least ‘Good’. During the year 17 CQC inspection reports were published following inspections undertaken the previous year. Spire Nottingham Hospital received an overall rating of ‘Outstanding’ following their inspection in February 2018 (the report was published by the CQC on 1st June 2018). Opportunities for improvement identified by the CQC during individual inspections were acted upon immediately. These inspections, supplemented by our well-established clinical review programme, highlighted a number of key themes which have been a focus for Spire Healthcare’s national clinical services team.

Services for children and young people (‘CYP’)

- Our policy for services for CYP has been updated, taking into account the CQC’s framework for services in this area.
- Staff competencies (linked to Skills for Health) have been updated.

Hospital	Inspection date	Publication date	Overall rating
Spire Alexandra	19 Dec 16	6 Sep 17	●
Spire Bristol	14 Sep 16	12 Apr 17	●
Spire Bushey	26 Jul 16	12 May 17	●
Spire Cambridge Lea	6 Jun 16	5 Dec 16	●
Spire Cheshire	18 Oct 16	17 May 17	★
Spire Clare Park	30 Aug 16	22 Feb 17	●
Spire Dunedin	12 Apr 16	3 Oct 16	●
Spire Elland	9 Aug 16	21 Mar 17	●
Spire Fylde Coast	6 Sep 16	30 May 17	●
Spire Gatwick Park	9 Jun 15	4 Jan 16	●
Spire Harpenden	12 Apr 16	9 Jan 17	●
Spire Hartswood	3 May 16	10 Oct 16	●
Spire Hessewood Clinic	15 Sep 15	16 May 16	●
Spire Hull & ER	15 Sep 15	16 May 16	●
Spire Leeds	10 Jan 17	6 Jul 17	●
Spire Leicester	11 Aug 15	19 Feb 16	●
Spire Little Aston	22 Jul 15	8 Dec 15	●
Spire Liverpool	18 Mar 15	17 Jun 15	●
Spire London East	16 Nov 16	17 Jul 17	●
Spire Manchester	13 Sep 16	22 Mar 17	●
Spire Methley Park	1 Nov 16	29 Mar 17	●
Montefiore	23 Jan 17	5 Jun 17	★
Spire Murrayfield Wirral	20 Sep 16	7 Apr 17	●
Spire Nottingham	5 Feb 18	1 Jun 18	★
Spire Parkway	21 Jul 15	23 Dec 15	●
Spire Portsmouth	13 Apr 16	7 Sep 16	●
Spire Regency	11 Oct 16	16 Feb 17	●
Spire South Bank	16 Aug 16	22 Feb 17	●
Spire Southampton	18 Oct 16	1 Jun 17	●
Spire St Anthony’s	6 Jun 17	8 Feb 18	●
Spire Sussex	19 Dec 16	13 Apr 17	★
Spire Thames Valley	14 Nov 16	25 Apr 17	●
Spire Tunbridge Wells	26 Jul 16	17 Nov 16	●
Spire Washington	5 Aug 15	6 Nov 15	●
Spire Wellesley	16 May 16	19 Dec 16	●
Spire Windsor Clinic	16 Mar 17	8 Jun 17	●

★ Outstanding ● Good ● Requires Improvement

- A CYP dashboard has been developed to enable more effective benchmarking across the Group (in the absence of external benchmarks) and to monitor performance against key policy requirements.
- The introduction of new 'hub and spoke' model for service delivery.
- Three new CYP observation charts (including a revised early warning score) have been implemented with revised CYP care pathways successfully piloted prior to their introduction in 2018.

Critical care

- An assessment framework is being prepared to enable benchmarking across the Group.
- Four six-day Critical Care Courses and four two-day Critical Care Update Courses were delivered during 2017. In addition the joint Spire Healthcare/De Montfort University Post Graduate Programme was launched in the second half of 2017.
- Three relevant clinical policies – managing sepsis, oxygen administration, and resuscitation – were reissued in line with new clinical guidelines.

Root cause analysis ('RCA') and serious incidents requiring investigation

- Our Incident Management Policy has been updated and reissued.
- A national Clinical Informatics Lead has been appointed with specific responsibility for Spire Healthcare's incident management system ('Datix'), including enabling Spire Healthcare to submit incidents to the NRLS.
- Additional RCA and human factors training has been scheduled.
- New RCA templates have been implemented and Incident Review Working Group meetings are now held weekly to ensure more timely review, scrutiny and feedback to hospitals and to identify learning which can be shared quickly via Safety Bulletins.

Medicines management

- A medicines management dashboard is being prepared to enable benchmarking across the Group.
- A quarterly newsletter has been introduced to provide a regular update to hospitals on medicines management across the Group and a national Pharmacy Managers conference took place in September.

- A project group has been formed to implement e-temperature monitoring for pharmacy refrigerators and ambient temperatures for drug storage areas. This will be piloted in two hospitals and rolled out across the Group if successful.

Chemotherapy services

- All hospitals with a chemotherapy service underwent a specific oncology assessment as part of their 2017 Clinical Review.
- The frequency of our audit to assess compliance with cancer standards – specifically to assess whether evidence of MDT discussion on treatment recommendations is available in the patient record increased from quarterly to monthly on 1 September 2017.

Surgical safety checklist

- Results of our programme of observational audit – observing compliance with the surgical safety checklist – are now monitored through the clinical scorecard.
- Our policy on the Five Steps to Safer Surgery – team brief, sign-in, time-out, sign-out, and team debrief – has been revised, including learning from previously reported events.

Hospital performance data

Hospital	Unplanned return to theatre per 100 theatre episodes	Unplanned readmission per 100 in-patient/daycase admissions	Critical care transfers per 100 in-patient/daycase admissions	Surgical site infection following hip and knee replacement per 100 cases	MRSA bacteraemia per 10,000 bed days
Alexandra	0.24	0.15	0.12	0.00	0.00
Bristol	0.17	0.18	0.03	0.09	0.00
Bushey	0.15	0.09	0.08	0.15	0.00
Cambridge Lea	0.06	0.11	0.00	0.28	0.00
Cardiff	0.06	0.18	0.04	0.00	0.00
Cheshire	0.06	0.11	0.11	0.19	0.00
Clare Park	0.08	0.04	0.04	0.00	0.00
Dunedin	0.05	0.09	0.07	0.00	0.00
Edinburgh	0.19	0.40	0.05	0.39	0.00
Elland	0.06	0.12	0.03	0.00	0.00
Fylde Coast	0.13	0.24	0.03	0.24	0.00
Gatwick Park	0.10	0.16	0.04	0.00	0.00
Harpenden	0.09	0.10	0.05	0.00	0.00
Hartswood	0.16	0.08	0.03	0.31	0.00
Hull	0.06	0.12	0.03	0.08	1.27
Leeds	0.14	0.14	0.06	0.33	0.00
Leicester	0.09	0.10	0.08	0.30	0.00
Little Aston	0.14	0.10	0.03	0.00	0.00
Liverpool	0.05	0.06	0.00	0.21	0.00
London East	0.08	0.14	0.03	0.00	0.00
Manchester	0.25	0.25	0.02	0.34	0.00
Methley Park	0.14	0.28	0.02	0.00	0.00
Montefiore	0.20	0.27	0.00	0.18	0.00
Norwich	0.19	0.44	0.12	0.00	0.00
Nottingham	n/a	n/a	n/a	0.00	0.00
Parkway	0.05	0.07	0.07	0.00	0.00
Portsmouth	0.22	0.21	0.12	0.00	0.00
Regency	0.03	0.37	0.02	0.00	0.00
South Bank	0.05	0.16	0.08	0.00	0.00
Southampton	0.39	0.36	0.19	0.17	0.00
St Anthony's	0.21	0.26	0.04	0.92	0.00
Sussex	0.24	0.14	0.18	0.00	0.00
Thames Valley	0.03	0.04	0.00	0.00	0.00
Tunbridge Wells	0.09	0.14	0.03	0.00	0.00
Washington	0.11	0.33	0.01	0.14	0.00
Wellesley	0.07	0.20	0.02	0.17	0.00
Wirral	0.00	0.06	0.00	0.00	0.00
Yale	0.16	0.40	0.00	0.00	0.00

MSSA bacteraemia per 10,000 bed days	E-coli bacteraemia per 10,000 bed days	Clostridium Difficile Infection per 10,000 bed days	Inpatient falls per 1,000 bed days	The Friends and Family Test	
0.00	0.00	0.00	2.26	98	
0.00	0.00	0.00	1.37	97	
0.00	0.00	1.55	2.48	99	
0.00	0.00	0.00	2.26	97	
0.00	0.00	0.00	3.90	98	
0.00	0.00	0.00	1.00	99	
0.00	0.00	0.00	2.31	99	
0.00	6.07	6.07	4.25	98	Clinical indicator data refers to calendar year 2017 and includes both NHS and privately funded patients admitted for treatment to Spire Healthcare hospitals in England.
0.00	0.00	0.00	3.28	99	
0.00	0.00	0.00	4.68	99	
0.00	0.00	0.00	3.88	99	
0.00	0.00	0.00	1.95	98	Data is not adjusted for case mix so direct comparisons between hospitals of different sizes and with differences in case mix complexity may not be appropriate.
0.00	0.00	0.00	1.51	99	
0.00	0.00	0.00	1.42	97	
0.00	0.00	0.00	3.04	98	
0.00	0.00	0.00	2.53	100	
0.00	0.00	0.00	1.52	98	
0.00	0.00	0.00	1.28	100	
0.00	0.00	0.00	5.25	98	
0.00	0.00	0.00	2.16	98	
0.00	0.00	0.00	2.70	98	
0.00	0.00	0.00	3.63	99	Bed day calculations are based on in-patient total length of stay and exclude daycase admissions.
0.00	0.00	0.00	2.38	98	
0.00	0.00	0.00	1.06	97	
0.00	0.00	0.00	0.00	98	
0.00	0.00	0.00	1.34	100	Because independent sector organisations admit a higher proportion of daycases than the NHS, rates published for MRSA, MSSA and E-coli bacteraemia and Clostridium Difficile infection may appear high for hospitals that admit smaller numbers of in-patients.
0.00	0.00	0.00	3.13	100	
0.00	0.00	0.00	1.83	97	
0.00	3.75	0.00	3.00	98	
0.00	1.58	0.00	1.90	99	Friends and Family Test ratings are based on the percentage of patients responding 'extremely likely' or 'likely' to the question: 'How likely are you to recommend our hospital to friends and family if they need similar care or treatment?'.
1.41	0.00	0.00	3.94	98	
0.00	0.00	0.00	0.51	99	
0.00	0.00	0.00	2.24	98	
7.07	7.07	0.00	2.12	99	
0.00	0.00	0.00	3.73	100	
0.00	0.00	0.00	2.86	99	
0.00	0.00	0.00	1.62	100	
0.00	0.00	0.00	1.70	98	

CCG statement

NHS Liverpool Clinical Commissioning Group Quality Account Statement 2017/18 Spire Liverpool

Liverpool CCG welcomes the opportunity to comment on the Spire Healthcare Quality Account for 2017/18. Commissioners note that the account submitted relates to Spire Healthcare overall and is not specific just to the provision of care in Liverpool. It is acknowledged that the submission to commissioners was draft and that some parts of the document require reviewing and updating.

We have worked closely with Spire Liverpool throughout 2017/18 to gain assurances that the services they delivered were safe, effective and personalised to service users. The CCG share the fundamental aims of the provider and supports their strategy to deliver high quality, harm free care. The account reflects good progress on most indicators.

This Account indicates the provider's commitment to improving the quality of the services it provides and supports the key priorities for improvement of quality during 2018/19 which are as follows:

Priority 1: Every Spire hospital and clinic inspected by the CQC in 2018 to be rated at least 'Good'.

Priority 2: To introduce procedure specific consent forms and expanded library of written patient information to help enhance the informed consent process.

Priority 3: Pilot a revised approach to pre-operative assessment, in advance of adopting digital "e-pre-op assessment".

This is a comprehensive report that covers the whole of the organisation clearly demonstrating progress. It identifies where the organisation has done well, where further improvement is required and what actions are needed to achieve these goals.

Through this Quality Account and the on-going quality assurance process, the organisation clearly demonstrates their commitment to improving the quality of care and services delivered. Spire Liverpool places significant emphasis on its safety agenda, with an open and transparent culture with work continuing on the reporting of incidents and the embedding of learning across the organisation.

Commissioners are aspiring through strategic objectives to develop an NHS that delivers great outcomes, now and for future generations. This means reflecting the government's

objectives for the NHS set out in their mandate to us, adding our own stretching ambitions for improving health and delivering better services to go even further to tailor care to the local health economy. Providing high quality care and achieving excellent outcomes for our patients is the central focus of our work and is paramount to our success.

It is felt that the priorities for improvement identified for the coming year are reflective of the current issues across the health economy.

We therefore commend Spire in taking account of opportunities to further improve the delivery of excellent, compassionate and safe care for every patient, every time.

Liverpool CCG

Jan Ledward
Chief Officer
26th June 2018

Contact us

We welcome your feedback.

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If you would like this Quality Account

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