

st michael's hospice

Annual Report 2015-16



Registered Company number: 01776496 (England and Wales)

Registered Charity number: 288462

ST MICHAEL'S HOSPICE HASTINGS AND ROTHER: ANNUAL REPORT 2015-16

CONTENTS

CHAIRMAN'S STATEMENT

CHIEF EXECUTIVE'S INTRODUCTION

SUMMARY OF THE YEAR

FINANCIAL SUMMARY

OUR STRATEGIC AIMS, PRIORITIES AND VALUES

STRATEGIC REPORT

Providing responsive and high quality services

- Service change and development
- Ensuring service quality
- Listening to our staff
- Ensuring patient safety
- Improving the environment
- Service facts and figures
- Trust and Corporate supporters of the Phoenix Appeal

Improving end of life care skills

- Developing the skills of staff and volunteers
- Developing external skills
- External collaboration

Working with our local community

- Volunteering – an invaluable resource
- Community support
- Engaging local people in our work
- Gaining feedback

Managing our finances

- Introduction
- Overview
- Expenditure
- Income
- Increasing efficiency and effectiveness

Managing risks and uncertainty

- Review of risks
- Reserves and investments

COMPANY REPORT

Governance and management

- Board of Trustees
- Lottery and Retail Company Boards
- Public benefit

Company information

STATEMENT FROM OUR CHAIRMAN

This year has inevitably been dominated by the arson attack in July 2015 and the consequences of it, as we ensured patient care was maintained and we implemented plans to restore the Hospice building not just as it was but improved for the future.

First I must say thank you to our staff, in particular those who were on site on the night of the fire and those who were called in to assist with patients immediately after. They are a remarkable group of people who got on with the job of caring for patients and protecting them from the danger during the evacuation. I also must thank our colleagues in the NHS and local care homes who without a quibble opened their arms to our patients in the middle of the night. The Fire Service, Ambulance Service, Hastings Borough Council and Police were also marvellous. One of the fire fighters on Saturday morning said to me that our staff “had been exemplary”. Our thoughts and prayers continue to be with all the families of those who were evacuated that night.

I would also like to thank Hastings Court for its support during this difficult time, offering us accommodation for our In-Patient Unit. It has been greatly appreciated.

We embarked on a major rebuild after the fire to improve as well as to replace what was lost. In addition to the funds from our insurance claim, the Board agreed that we could use up to £3 million from our reserves. To help towards the costs, we launched the Phoenix Appeal, aiming to raise £1 million and have been very appreciative of the support we received. Because of these developments, the figures that you read in the audited accounts look rather unusual as, indeed, they also will in the coming financial year. There are, for example, high levels of income and expenditure in relation to restricted funds. Other significant variances have been the most welcome increased income both from legacies and donations. The clinical statistics will also look unusual to you as we have tried to sustain Day Services, Hospice at Home, Bereavement Services and the In-Patient Unit under challenging circumstances.

Another important issue for the Board has been taking account of the national public criticism of some of the fundraising practices by a few larger charities. We spent time reviewing and making sure that our fundraising methods reflected our values as a charity and as a Hospice. We joined the Fundraising Standards Board at its inception and have continued to take great care in the events we organise and the way we raise funds. I would like to confirm that, under no circumstances, would we ever, or have we ever, sold our database of supporters to an external marketing company. Also we have never used, and do not intend to use, telephone canvassing companies to contact our supporters or new contacts at home. We never want to pressurise people into feeling they should donate, nor do we ever telephone our donors to solicit funds or an increase in their level of donation.

We face the future of care delivered by St Michael's Hospice with confidence, knowing that the improved building will provide a wonderful setting for patients and staff. Thank you all for your support.

Irene Dibben

INTRODUCTION BY CHIEF EXECUTIVE

It is hard to summarise a year where so much has happened, where a sudden arson attack led to such devastation and sadness, but where the community support, the redevelopment of our building and the resilience shown by all our staff and volunteers has been absolutely heart-warming. It is why we chose carefully the name of our capital appeal – Phoenix. In Greek mythology, the phoenix is a long-lived bird that is regenerated, arising from the ashes and obtaining new life. It represents so well what has been happening to us at the Hospice over the past year and into the coming year. As one relative said: *“It is amazing how you picked up the care you offered at the Hospice and managed to transplant it straight away to a new site, where you continued to offer loving, skilled care in strange surroundings”*. It is a message perhaps that, as much as we love our beautiful Hospice building and will be delighted to see it renovated, it is the way that staff, patients, volunteers, families and supporters laugh and cry together, listen and talk, share mutual friendship, care and compassion that makes the real difference. In a year of loss, we have much for which to be thankful.

Celia Pyke-Lees

SUMMARY OF THE YEAR

Our services

- 301 admissions to our In-Patient Unit (compared to 403 in 2014-15), receiving 491 episodes of care (648)
- In-patient occupancy ran at 62% (71%)
- 2,355 booked attendances at our Day Service (2,503)
- Referrals to Hospice at Home decreased by 4%, although total home visits increased to 3,413 (3,163), a 7% increase
- 12,707 (12,695) telephone calls with Hospice at Home patients, relatives and NHS colleagues
- 92% of patients who expressed a wish to be cared for and die at home were successfully supported to do so
- 1,320 (1,483) hours of bereavement counselling, with 303 (342) new referrals
- 2,778 (3,160) client/volunteer hours provided by the volunteer Hospice Neighbours service, with the number of clients averaging 55 (54) per month.

Major developments in the year

- An arson attack resulted in the move of our In-Patient Unit to a new location while building works took place
- A major renovation of the building was planned and commissioned
- The Phoenix Appeal was launched to support the cost of the renovation
- An increased grant from the Hastings and Rother Clinical Commissioning Group enabled us to increase our Hospice at Home team, physiotherapy service and community medical support
- A new electronic patient record system was implemented across all clinical services
- Our presence on social media increased, with 5,894 people 'liking' our Facebook page (compared to 4,058 in 2014-15)
- Our Hospice Neighbours service was the winner at the Sussex Clinical Commissioning Groups Innovation Summit for new and innovative services to support patients.

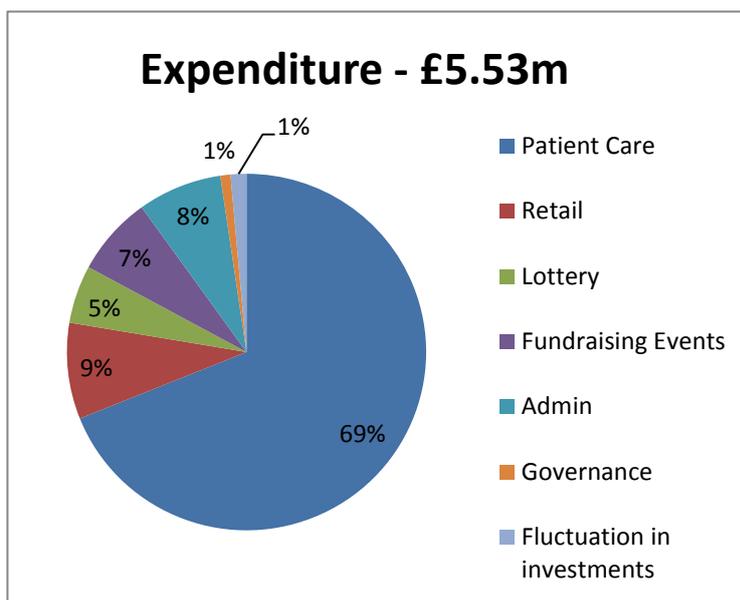
Some annual numbers

- Over 200,000 hours of work provided by volunteers which, if paid at a minimal level, would have cost the Hospice approximately £1.6m
- The Lottery Special Draw in October 2015 sold 31,672 extra tickets, making a profit of £25,405
- 18,972 scratch cards sold in the year
- 1,750 slices of cake and 920 scones served at our Open Gardens
- Dragon Boat teams rowed 3,750 metres
- 454kg of coloured powder thrown in the Colour the Coast event in August
- Hospice at Home drove 35,481 miles in the year
- 38,880 transactions processed by our Finance team (compared to 29,831 in the previous year)
- The Hospice Amazon page received 4.9 million hits resulting in 9,654 items being sold, with 2,565 positive feedback comments from Amazon and eBay
- 12,500 listings on Amazon including books, music, DVDs and electrical items.

FINANCIAL SUMMARY

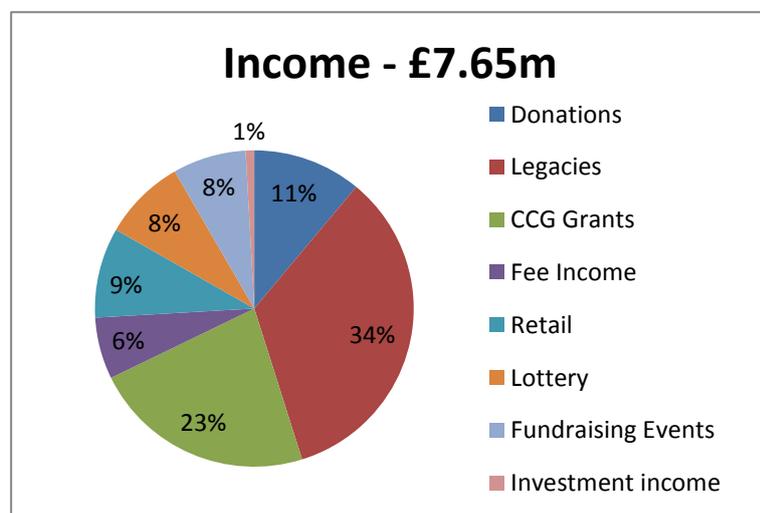
EXPENDITURE - unrestricted

	£
Patient Care	3,810,795
Retail	482,352
Lottery	290,588
Fundraising Events	396,962
Admin	419,593
Governance	50,408
Fluctuation in investments	78,747
	<hr/>
	5,529,445



INCOME - unrestricted

	£
Donations	844,184
Legacies	2,608,180
CCG Grants	1,730,992
Fee Income	481,879
Retail	703,830
Lottery	642,423
Fundraising Events	569,293
Investment income	<u>66,632</u>
	7,647,413



The results above are based on the unrestricted funds of the charity, from operational activities undertaken during the financial year. The Statement of Financial Activities in the statutory accounts shows an additional Restricted Funds surplus for the year of £1.4m. Overall, the Hospice achieved a total surplus of £3.5m.

OUR STRATEGIC AIMS AND PRIORITIES

Our vision

Excellence in holistic care and support for all those throughout Hastings and Rother affected by a progressive life-limiting illness or bereavement.

Our service provision

Although St Michael's Hospice is most commonly known for the in-patient care provided in our building in St Leonards on Sea, we have over many years built up and diversified our services to meet more effectively the varied needs of adults with cancer and other life-limiting illnesses and their families across Hastings and Rother. The current range includes:

- Holistic in-patient palliative care (both acute and longer-term)
- Skilled palliative nursing support for those living at home, with visiting nurses available 24 hours a day, seven days a week
- Night sitting for people at home, three nights a week
- Day Services, four days a week
- Volunteer support for people with a life-limiting illness living at home
- Bereavement support for any adult in need
- Training in palliative care for staff working in health and social care
- Clinical advice for primary care staff in the community
- Support for the Consultant in Palliative Medicine at the Conquest Hospital
- Educational placement support for doctors and nurses in training.

Our priorities

While our overall strategic aims did not change, the speed at which we were able to progress them was significantly affected by the arson attack. Priorities from July onwards had to reflect the new reality.

For our clinical services, our priorities included:

- Ensuring we continued to provide high quality care to our patients and those we support at home or in the Hospice
- Developing our community services
- Improving end of life care skills.

In addition, and linked to these, were the essential supporting priorities of:

- Developing and implementing new plans for the repair, renovation and upgrading of our in-patient facilities on the Hospice site and of the building's infrastructure (IT, telephones, power, fire protection etc)
- Greater community engagement
- Managing our finances, including both restricted and unrestricted funds.

This report looks at our progress in taking forward these priorities during the year.

OUR VALUES

During the year, we reviewed with all our staff the values of the Hospice and, following this work, our values were agreed to be:

Compassion	Treating people the way they would like to be treated. Being welcoming and approachable, taking time to listen. Communicating with empathy combined with realism.
Honesty	Being accountable for our actions and decisions. Ensuring people are treated fairly without discrimination. Valuing the contribution that everyone makes to our Hospice.
Innovation	Always challenging ourselves to do better and seeking to improve the services we deliver. Being reflective about our practice and open to change. Recognising that it is generally through team working, within and across teams, that we find solutions.
Community	Recognising and valuing the support so generously given by local people which helps secure the future of Hospice services. Continuing to represent the Hospice in our own communities.



STRATEGIC REPORT

PROVIDING RESPONSIVE AND HIGH QUALITY SERVICES

A summary of the facts and figures relating to our services is given at the end of this section.

Service change and development

In-Patient Unit

In the aftermath of the fire, patients were moved to three local nursing homes and to the Conquest Hospital where our clinical team continued to provide the care. The use of a building, owned by Adult Social Care, was temporarily acquired and patients were moved and looked after there for a short period of time. Following a kind and thoughtful offer by Hastings Court, a new nursing home opening on The Ridge in Hastings, all in-patient services were brought together on that site. They remained there for the rest of the financial year while the building works were underway. We were able to provide, at different times in the year, between 19 to 25 in-patient beds.

We are extremely grateful to all those who offered such immediate help at Leolyn and Park Beck Care Homes, and Bannow Retirement Home, as well as at the Moreton Centre Care Home and the Conquest Hospital. We are indebted, too, to Hastings Court, for enabling us to rent facilities in their building so that we could maintain our in-patient services in such lovely surroundings.

Ensuring that our In-Patient Unit had the appropriate equipment, furniture and supplies was very much a first and continuing priority as it inevitably took some time for these services to settle down in their new venue and for referral processes to be re-established. Families and patients were appreciative of the efforts that staff took to maintain the same level of care, wherever they were:

“Despite the dreadful incident at the Hospice and the ensuing disruption, as usual you gave of yourselves 100%.”

Day Services

Our Day Services were closed for around two weeks; they re-opened back in the Hospice after we had re-established a kitchen (as the main one was no longer usable) in the Arthur Easton Centre, a building sited in the Hospice grounds. They then continued to offer regular support, with the growth in person-centred activities proving popular and fulfilling:

“I don’t know how I lived without the art room...it gives everyone the opportunity to choose daily what we want to do.”

Day Services also started to develop and roll out their strategic plans, including the recruitment of additional physiotherapy for both in-patients and people supported in Day Services, and a greater encouragement for community involvement.

Attendance from the In-Patient Unit was actively promoted, offering stimulation for patients and helping to generate referrals at discharge, providing a fluid transition home and continuing contact with Hospice services. This year we piloted, with great success, the provision of activities to in-patients based at Hastings Court. This was

possible through the use of volunteers and close working with clinical team members. The project was piloted initially by two occupational therapy students who were with us full-time from September 2015 to January 2016. The project they left behind was then taken up by our volunteers.

Hospice at Home

The disruption of a move to other premises and then, finally, new offices back on the Hospice site, presented temporary impediments to the smooth running of this service. However, we were delighted to be awarded an uplift to our grant by Hastings and Rother Clinical Commissioning Group which enabled us to extend the size of our team during the day and, in liaison with the Conquest Hospital, to launch a rapid discharge scheme towards the end of the year. This seeks to ensure that end of life care patients are helped to return home swiftly if admitted to the Accident and Emergency or other Gateway departments in the Hospital. In the coming year, we aim to start a rapid response scheme, providing visits within one hour of call-out.

A further expansion of the team may result from discussions with East Sussex Healthcare Trust and the Hastings and Rother Commissioning Group about the local Community Macmillan support team being transferred to the management of the Hospice, with the aim of ensuring a more integrated response to patients at home. This will be taken forward in the coming year. In the meantime, we gave support by seconding an experienced nurse prescriber to fill one of the team's vacant posts.

Bereavement Services

The service suffered disruption until we found an appropriate venue for support and counselling, as the facilities at the Hospice were no longer available. Some new developments were inevitably put on hold, including setting up a Walk and Talk group, which will be inaugurated in the coming financial year.

Hospice Neighbours

Despite difficulties of IT disruptions, the Hospice Neighbours service continued to provide valuable support throughout the year. We were delighted that the scheme was selected as the winner of the Sussex Clinical Commissioning Groups Innovation Summit for new and innovative services developed to support patients.

Clinical records

Another significant development in the year was the introduction of a single electronic patient record system, Crosscare, shared across all patient services, funded through an NHS grant of £153k. While this posed a challenge, given the IT difficulties faced following the fire, we achieved our aims having the new system up and running early in 2016. This has resulted in more accurate and up-to-date information being available to any clinical team member. The aim for the coming year is to develop its reporting capacity so that we can better monitor and improve our services.

Ensuring service quality

Offering care and compassion

It is clear from the letters we receive, and comments on our survey forms, that patients particularly appreciate not only skilled treatment of their symptoms, but an

approach to care which responds to the unique needs of each individual and their families. A number of examples, from the In-Patient Unit, illustrate this:

"I found everyday was a hugging day when visiting my sister. The staff were all so kind. Lots of tea and hugs on tap."

"Being able to bring our dogs to visit meant such a lot to him."

"One day he wanted to see the view of the sea from his room, so they arranged a special chair for him, moved the furniture in the room and sat him in the best position to enjoy the view. He was very pleased. After 15 minutes he was too tired and needed to be back in bed. They fully reversed the process for him without a murmur. It was a very humbling moment for us both that they should care that much. He died three days later."

Our Hospice Neighbours service – support provided to people in their last year of life by volunteers in their local area – is by its very nature a compassionate and flexible service that seeks to respond to very different needs. As well as domestic, practical and social support, some more unusual examples included:

- A Hospice Neighbour who was able to 'sign', acting as a translator between a deaf patient and the Macmillan nurse
- Meeting the wishes of an ill client by taking her to the theatre
- Three Hospice Neighbours helping a client to dispose of the belongings she had hoarded
- Helping a 21 year old client to play computer games
- Ridding a client's dog of fleas.

As one client stated: *"Having you visiting is like a holiday."*

Making a difference

It can be hard to measure whether, and in what way, we make a difference to people's lives. This is a topic which is engaging much debate nationally. Sometimes, evidence emerges in the comments we receive:

"I would like to thank you all for making him a lot better than when he came in. I don't know what you do, but the care you give really works." (In-Patient Unit)

"Nothing prepared me for the utter devastation of being overwhelmed by grief and the maelstrom of emotion without him. My Doctor prescribed anti-depressants but after three years I was in a very dark place, in truth suicidal. In desperation I telephoned you...and my sessions with the wonderful [bereavement] counsellor commenced. It has been a long road but now feel I am at my destination and in another few days will be off medication."

"Thanks to your Hospice at Home, who were a great comfort by visits and practical advice especially in the early hours or weekends when I felt abandoned by my GP, I managed to nurse my love at home until the end."

"Thank you for helping my Mum make so many needle craft and sewing items. It gave her a sense of purpose to rebuild her confidence. The relaxed atmosphere in the therapies suite surrounded by all possible equipment was truly inspiring for her." (Day Services).

We were pleased that 88% of people we support in Day Services considered that their quality of life had improved as a result of the support provided. 76% also considered that their symptoms had been alleviated since their attendance (with 16% of people not answering the question).

92% of Hospice at Home patients who expressed a wish to be cared for/die at home achieved their aim, with the majority of the remainder having an acute admission to hospital while, for some, the carer felt unable to manage. A clinical audit of in-patient records prior to discharge showed that 85% of them recorded the preferred place of death, 85% of them showed the patient was sent home with a DNAR document and 87% went home with a Just In Case box. Plans were put in place to improve both information in GP discharge letters and also consistency of recording (assisted by the new Crosscare system).

Being responsive

There are many ways of being responsive to the needs of families. Sometimes, it is the immediacy of response:

“The response times to my calls for the Hospice at Home team nurses were always amazingly quick...after each visit I felt reassured by the advice and knowledge; their actions were always beneficial.”

Seeking and using ongoing feedback from patients, families, staff and volunteers helped us to be more responsive, so that the issues that arose, particularly when the In-Patient Unit transferred to Hastings Court (such as ensuring suitable food was available for different needs; obtaining much needed fans when the weather turned hot), could be identified and sorted as fast as possible. The volunteer support role was changed and developed to ensure it was working effectively under different circumstances. The planned new role of Volunteer Ward Clerk was deferred, but the use of volunteers to carry out hand massage with patients on the wards in the evenings, which had started in the Hospice before the fire, was reinstated.

Patient and referrer satisfaction surveys were fewer in number because of the disruption of the fire but, when they were resumed, continued to be positive, with some useful indications of actions we could take.

For Hospice at Home, 94% of patients and relatives considered the service to be excellent/very good, with 100% confirming their trust and confidence in the staff that were visiting them and agreeing that staff involved in their care both took time to listen to them and treated them with respect and dignity. Some of the improvements identified included ensuring that: all patients were given a copy of the team's information leaflet; patients were as fully involved in the planning of their care as they wished to be; and, if patients were discharged from the team's caseload, it was made clear to them they could be re-referred if their needs changed. The responses from the users of the night sitting service were similarly positive and some of the feedback showed the extent of their needs:

“Really helped me as I have had no proper sleep for weeks now.”

Feedback from both users and referrers of this service indicated that lack of availability was an issue; we shall be aiming, whenever possible, to offer alternative dates to the family.

92% of referrers had trust and confidence in the Hospice at Home staff team, with 70% agreeing that they were kept informed about the care and wellbeing of their patient. They clearly considered that the service was valuable. Without it:

“Patients would struggle to cope especially at night as the Integrated Night Service covers a huge area and not always available.”

“Patients would lose an invaluable service as well as carers. Heart failure teams would need more resources to manage palliative patients.”

As a result of the survey, work continues to improve communication and feedback.

Improvements were made to the way Day Services worked following feedback from the people we support. For example, an increase in the number of volunteer drivers has been helpful in enabling us to offer transport to those living further from the Hospice. Improvements to the referral to taster day process were implemented to provide a shorter waiting time, with referrals being processed in 15 days.

The team also introduced a key worker system and a 12 week pathway model, including regular assessments and a monthly review of goals achieved. This approach proved popular and productive, enabling the people we support to bring a real sense of purpose back into their lives. We recruited volunteers with specific skills to match existing or new activities, including photography, social media, electronics and woodwork. We also increased input from music, art and craft therapists. On average, people we support took ten weeks to complete their projects, with 10% of these activities happening in a person’s own home.

The results of the satisfaction surveys continued to be positive with 92% of the people we support feeling listened to and believing staff fully understood their needs and treated them with respect, privacy and dignity. A proportion of people indicated that they were unsure how to make a complaint. As a result, special discussions were held to brief them. This is being followed up by an appropriate letter and guidance note, including a poster to be displayed in the Day Services area.

Families are important to us and we aim to give strong support to them as well as to patients. One relative fed back to us:

“From the first meeting your superb care and assistance eased her pain and suffering, right up until the very end. I would also like to say how you all eased my own grief and suffering although this may not be readily obvious to you.”

Even after the death of their loved one, we like to keep in touch. We invite families to a Time to Remember service usually after six months, send an anniversary card a year after a relative’s death, and offer them the opportunity to place a copper leaf on our Tree of Remembrance. Feedback indicated that such contact is welcomed.

“I recently attended the remembrance service at the Chapel – what a wonderful way of bringing a lot of people together to share their loss. My daughter and myself found it very moving; the readings and music gave us all time to reflect and when we lit the candles for our love ones was very emotional, so a big thank you to everyone who organised it. “

As well as seeking the views of our patients, we also wanted to know how the carers of our patients found our services. Using the approach taken by the Voices National Survey of Bereaved People, we sent a questionnaire to carers four months after their loss. Although this was disrupted for a time, 177 surveys were sent out, of which 62% were returned. It was clear that, on the whole, the service was much appreciated, well received and sensitively delivered. 96% agreed that communication was satisfactory and that they had had trust and confidence in the staff, with 97% confirming that the quality of care was satisfactory. However, a few comments focused around communication, an issue which was discussed with clinical teams. Some comments included:

“You were treated like an individual not just a number....everyone was so supportive not just the nurses, the Hospice volunteers and the housekeeping staff and support team. If it was just a shoulder to cry on or just being given a cup of tea, the support we had was excellent.”

“No death is ever easy but the care and understanding she and her family received were beyond reproach. She died, I am sure, without pain. That at least is a comfort in our grief.”

No complaints were received during the year about our clinical services. However, feedback we received about the coverage of the fire – and, in particular, the photographs used of the damaged clinical areas – helped us develop our response to media requests. Whilst it was felt necessary initially to show the extent of the devastation caused by the fire, the focus of our publicity changed to highlighting the future plans for the Hospice. Although it was not possible to prevent the press from continuing to use some distressing images, we were careful to choose any photographs of fire damage to minimise distress to those affected by the fire.

A further source of feedback came from the regular visits by Trustees, looking at different areas and talking to staff, patients and volunteers. Often very insightful, their regular reports back to the Board gave a most helpful perspective, together with recommendations for improvement. With the move to Hastings Court, Trustees were a valuable additional source of comment about ways to make the new situation work effectively. Feedback included such areas as: improving communication between floors in the unit, the urgency to improve IT connectivity and catering.

Listening to our staff

During the year, we took forward the outcome of the previous year’s workshops for all staff which had discussed Hospice values and behaviours. One particular focus of attention was the issue of communication and how this could be improved both before and after the full return to the Hospice site. Suggestions books were circulated asking about possible improvements and we were delighted at the number of ideas we received, many of which helped inform the way forward.

It was a year of major change for every member of staff and many volunteers and we were impressed by the resilience that they all showed in exceptional circumstances. Counselling and support were offered to a number of staff, particularly those present on the night of the fire. We continued to develop our staff well-being and resilience programme, taking up the recommendations of a working group on this issue.

Ensuring patient safety

Clinical Governance, Medicines Management and Health and Safety at Work Groups all played an important role in monitoring and reviewing clinical accidents and incidents. We also continued to participate in a national Hospice benchmarking group, comprising a total of 102 Hospices offering adult care (nine of which were classified as a similar size to our own) which looked at the incidence of falls, pressure ulcers and medication errors. Our incidence in each of these three areas was lower than that of other Hospices, as shown below:

2015-2016	Occ. Bed days (OBD)	Total falls	Falls per 1,000 OBD	Total pressure ulcers	Pressure ulcers per 1,000 OBD	Total medication incidents	Medication incidents per 1,000 OBD
St Michael's Hospice	6,629.0	58.0	8.7	8.0	1.2	18.0	2.7
Average for similar size Hospices	8,562.5	98.8	11.5	30.3	3.5	49.4	5.8
Average for all Hospices	4,249.6	44.3	10.4	16.2	3.8	27.3	6.4

We continued to explore ways of making further improvements. All patients who fell were assessed and measures were taken to minimise the risk of further falls. No patients suffered harm from any of the drug errors and staff involved were provided with additional training/support to minimise the risk of re-occurrence. Other drug incidents were also investigated, including 14 reports of insufficient stocks (either shortages by the pharmacy or a Just In Case box not issued on discharge), 11 errors not involving patients (for example, broken ampules) and one equipment error, which was reported to the Medicines and Healthcare Products Regulatory Agency. In relation to pressure area care, the In-Patient Unit used the principles of SSKIN, a five step model for pressure ulcer prevention introduced in 2014-15.

We raised seven safeguarding incidents with East Sussex County Council Adult Social Care, the lead authority responsible for managing safeguarding. Of these, four were associated with Category 3 pressure ulcers. Two other incidents were associated with our concerns about people we support within Day Services, and the remaining incident with the care provided by a nursing home.

We reported two clinical incidents to the Health and Safety Executive, both concerned with patients suffering a fracture following a fall. These were also reported to the Care Quality Commission, with no issues raised by either of the statutory bodies. Three staff accidents required reporting to the Health and Safety Executive (compared to one the previous year). Two of these arose during the building works, resulting in an increase in warning signs and advice about moving safely about the building, while the third related to a moving and handling issue.

The formal infection control audit programme was significantly interrupted during 2015-16. An audit was undertaken in January 2016, which showed an overall

compliance of 97%. Some areas where improvement would have been beneficial were limited by the conditions at Hastings Court (for example, lack of storage facilities); however, other areas have and will be taken forward including updating the medical devices policy and ensuring an updated planned preventative maintenance programme would be in place following the return to the Hospice site. Monitoring of patients' infections continued and there were no Hospice-acquired cases of MRSA or C.Difficile.

Information Governance is an important issue for the Hospice, with the security of confidential information remaining a high priority. Our Information Governance (IG) Management Group met regularly to discuss issues and any incidents. The implementation of Crosscare resulted in a renewed focus on how electronic care records impact on IG and confidentiality risks. A new policy and confidentiality agreement for health record management helped mitigate this risk. We were pleased that the self-audit toolkit submitted to the NHS in March 2016 resulted in a pass at Level 2 and there was no requirement for any follow-up.

Improving the environment

Following the fire, most of the Hospice building remained closed, although administrative staff returned, in October 2015, to the upper floors. Building on existing plans and some new developments, work was commissioned to provide:

- 26 upgraded private ensuite bedrooms for our patients over two floors
- Improved access
- Refurbishment of the reception, conservatory and coffee shop
- A significant upgrade to the kitchen
- Improved staff facilities.

A number of first class fire safety precautions will also be installed, including the installation of a sprinkler system (this was previously due to be installed in September 2015), an upgraded fire alarm system, and a new fire-safe lift (the first of its kind in Hastings and Rother). We anticipate the renovation will be completed in autumn 2016

We are grateful to our contractors, WFC, and to our Project Manager, Neil Cahill of BCS. We are also appreciative of the advice, financial and practical support provided by CRASH, the construction charity, which was introduced to us by Hospice UK. Equally, the support of the many organisations and local people who supported us has been much valued. A list of Trust and Corporate supporters is attached at the end of this section.

Looking forward

In 2016-17, our main aims are to:

- Complete the renovation of the building and organise the return of the In-Patient Unit to the Hospice site
- Benefit from the investment in a new electronic patient record system
- Conduct a survey of Hospice Neighbour clients to obtain their feedback
- Develop rapid discharge and response services in Hospice at Home

- Start a Walk and Talk group for users of the Bereavement Service
- Seek to transfer the Community Macmillan Team to Hospice management to help provide an even more integrated community response.

SERVICE FACTS AND FIGURES

How many patients?

1,131 individual patients/clients were supported, many of whom received more than one of our services. The number of individuals in each service was:

In-Patient Unit:	261 patients
Day Services:	81 people we support
Hospice at Home:	809 patients
Night Sitting Services:	89 patients
Bereavement Services:	221 clients

Where from?

The breakdown by postcode of our patients/clients is as follows:

	In-Patient Unit	Day Services	Hospice At Home	Night Sitting Service	Bereavement Services	Hospice Neighbours	Total (%)
Battle	19 (7%)	6 (7%)	59 (7%)	8 (9%)	16 (7%)	4 (3%)	112 (7.09%)
Bexhill	73 (28%)	27 (33%)	281 (35%)	34 (38%)	52 (24%)	35 (30%)	502 (31.79%)
Hastings and St Leonards	137 (52%)	43 (53%)	356 (44%)	33 (37%)	137 (62%)	61 (52%)	767 (48.58%)
North Rother	4 (2%)	3 (4%)	24 (3%)	6 (7%)	4 (2%)	4 (3%)	45 (2.85%)
Rye	26 (10%)	2 (3%)	89 (11%)	8 (9%)	12 (5%)	14 (12%)	151 (9.56%)
Out of area	2 (1%)	0	0	0	0	0	2 (0.13%)
Total	261	81	809	89	221	118	1,579

With what illnesses?

	Illnesses		Age		
	Cancer	Non-malignant diseases	<65 yrs	65-84 yrs	>85 yrs
In-Patient Unit	90% (87%)	10% (13%)	29% (21%)	55% (62%)	16% (17%)
Hospice at Home	66% (61%)	34% (39%)	17% (12%)	50% (50%)	33% (38%)
Day Services	67% (70%)	33% (30%)	15% (12%)	60% (66%)	25% (22%)

The figures in brackets are the results for 2014-15

Take-up of our services

The figures in brackets are the results for 2014-15 – all of these figures show the disruptive impact of the arson attack

In-Patient Unit

Occupied bed days: 6,629 (7,824)

Occupancy: 62% (71%)

Total admissions: 301 (403)

Day Services

Day Services statistics related only to the Monday to Thursday attendances and did not take account of attendances on Fridays and/or at special events. We are looking to see how we can capture this information for the coming financial year.

Booked attendances: 2,355 (2,503)

Unable to attend (illness, medical appointments, holiday etc): 831 (738)

Referrals: 88 (124)

Nursing support at home

Referrals: 768 (804)

Home visits: 3,413 (3,163)

Telephone calls with families and NHS colleagues: 12,707 (12,695)

26% (18%) of telephone calls with patients and relatives took place at night

Hospice Neighbours

Client/volunteer hours: 2,778 (3,160)

Average number of clients per month: 55 (54)

Average number of volunteers during the year: 85 (90)

Bereavement Services

New clients starting the service: 137 (129)

Total support hours: 1,320 (1,483)

Average number of volunteers: 30 (36)

TRUST AND CORPORATE SUPPORTERS OF THE PHOENIX APPEAL IN 2015-16

We are most grateful to the following for their generous support:

Trusts

CRASH	The Isabel Blackman Foundation
Freemasons Grand Charity	The Leach Fourteenth Trust
One Stop Carriers for Causes Fund	The Lennox Hannay Charitable Trust
Queen Mother's Clothing Guild	The Lilley Benevolent Trust
Sussex Masonic Charities	The Magdalen and Lasher Charity
The Argus Appeal	The Mrs A Lacy Tate Trust
The Bradbury Foundation	The Paragon Trust
The Caron Keating Foundation	The Roger and Jean Jefcoate Trust
The Catherine Cookson Charitable Trust	The Spencer Wills Trust
The Childwick Trust	The Ted Baker Trust
The Clarkson Charitable Trust	The Thomas J Horne Memorial Trust
The Francis and Eric Ford Charity	The Tufton Charitable Trust
The Homelands Charitable Trust	Udimore Charitable Trust

Corporates

1066 Bakery	La Belle Vita Beauty and Spa
3D Recruit	LG Optical
ABN AMRO	Links
Absolute Financial Management	Marks and Spencer
Ambience Catering Solutions	Martin and Bowles Ltd
Amicus Horizon	Morrisons
Armadillo Medical Group	Mungo's Café
Asda	Nationwide
Barclays	Parker Building Supplies
Bexhill Labour Party Women's Section	Redstone Wills
Booker	Rhokket
Booker and Best Ltd	Rulewood Ltd
C&C Marshall Ltd	Rye Amenity Community Interest Company
CKL Developments Ltd	Saga
DC Property Maintenance	Sainsburys
Emmanuel Centre	Spring Care PAs Battle
Firma FX	Santander
Fuzion4 Ltd	Surelock Homes
General Dynamics UK Ltd	Sussex Police
Green Financial Planning	Taybar Taxis
Halifax	TE Connectivity
Hastings Chamber of Commerce	Tesco
Hastings Direct	The QBE European Operations
Hi Tec Timber Merchants Ltd	Tin Tins
Howdens Joinery Ltd	Trojan Training Systems
HSBC	Venus Glass Arts
Hungry Hog	Walkers
Johnsons Dry Cleaners	Westridge Construction
Jones Hodgson Accountants	Yorkshire Building Society

IMPROVING END OF LIFE CARE SKILLS

During the year we developed an ambitious three year education strategy to ensure that:

- Hospice staff and volunteers are provided with the appropriate skills and knowledge required for outstanding performance and safe effective practice in their roles and lead the way in setting standards to which external organisations aspire
- St Michael's Hospice is regarded as an influential leader in its field and, through the delivery of education and training, improves the quality of care locally, strengthens further the relationships with care homes and generates income to reinvest in quality outcomes for patients.

Developing the skills of staff and volunteers

We are committed to investing in the professional development of our staff, believing that this is fundamental to the delivery of good quality care. Despite the disruption of the fire, we increased the number of hours of training for staff from 5,326 to 5,581, which included over 1,000 hours of e-learning or blended learning.

Clinical staff received an average of 7 days training per year, whilst non-clinical had around 2 days.

Feedback on the training provided was positive. For example, in relation to the special emphasis placed in the clinical programme on spirituality training, staff commented:

“Extremely insightful and inspiring.”

“Spirituality is an area I struggle with when assessing patients. This training has helped with this and I know where to seek support.”

46 people undertook 611 hours of training that led to a recognised qualification, including specialist palliative care, fire safety management, practice teaching and personnel management. Other important areas included food safety, first aid, mentorship and the Institution of Occupational Safety and Health accredited health and safety workshop for senior managers and Trustees. Two of our specialty doctors successfully completed the European Certificate in Essential Palliative Care. In addition, our doctors attended a range of study days, including topics such as the latest developments in oncology, palliative care in liver failure, Parkinson's disease and the latest NICE Guidelines for End of Life Care.

Some training continued from the previous year, for example some Hospice at Home team members took forward their studies in Non-Medical Prescribing and Associate Practitioner, while new areas commenced, including Fitness Instruction, helping us take forward our plans for Day Services.

Other staff and volunteer training (not included in the above figures) included both significant clinical hours (690 hours with ongoing workplace mentoring and support) spent learning the new Crosscare clinical record system which was introduced during the year and also training for volunteers, with a number of workshops held.

Regular, ongoing training for our Hospice Neighbours volunteers evolved during the year in response to the feedback we received and the needs that emerged. Some new developments included facilitated sessions around 'Coping Techniques', recognising the strong bond that could be built up between volunteer and client and the support that could be needed after a death. Equally popular, was the training provided in hand massage so that the Hospice Neighbours were able to offer this service to their clients.

Supportive supervision sessions are provided for staff by an external facilitator. Staff can also have confidential one-to-one support/counselling should the need arise and/or access support from our Chaplain or Bereavement Services Manager if they prefer. A staff support and resilience group was established, chaired by our Matron. The purpose of this group was to look at how we can improve ways of supporting staff to remain well at work and home. As a result, a number of new initiatives were set up, including 'Soul Space', which sought to provide a calm and peaceful space, for all staff, away from the patient area, where they could explore their own spirituality and well-being, relax with gentle breathing exercises and listen to soothing music. It was a space to reflect, regenerate and revitalise. In addition, yoga sessions were also provided. To support these new initiatives, a short workshop, supported by an e-learning module, was run on managing stress in the workplace.

With the significant new national processes introduced in relation to the revalidation of nurses, the education team ran support and awareness sessions for our Registered Nurses to ensure they felt able to meet the new requirements.

Developing external skills

Our Compassion Awareness education programme, commissioned by Health Education Kent, Sussex and Surrey, continued. In addition, we also delivered four End of Life Care workshops for Adult Social Care, which has subsequently commissioned a further four sessions in 2016-17.

June 2015 saw our first Care Home programme provided, in conjunction with St Wilfrid's Hospice in Eastbourne, through our contract as a Gold Standards Framework regional training centre. The aim is to help ensure a 'gold standard of care' to all people nearing the end of life. Ten homes enrolled on a programme that will continue until September 2016.

Our ability to accept student placements was severely affected by the fire and the move of the In-Patient Unit to Hastings Court, so that, from July to December, student placements could only be accepted in Day Services. It was heartening when University of Brighton students returned in February 2016 to Hospice at Home and the In-Patient Unit as we greatly value their contribution. Overall in 2015-16, we gave 39 students a total of 1,669 hours of work experience, only 38% of the total offered in 2014-15. We look forward to running a full programme again after the return of the In-Patient Unit to the Hospice site.

Following negotiations with East Sussex Healthcare Trust (ESHT), our Medical Director started accepting four monthly placements of a Foundation Year 2 (Trainee) Doctor, funded by the Kent Surrey and Sussex Deanery. It proved to be a

positive experience - re-invigorating the in-house medical education programme and resulting in even closer links with ESHT. The Hospice also supported GP Registrars on placement in the community as part of their training. In addition, we hosted medical students from Brighton and London Medical Schools and were closely involved with annual teaching events for local GPs and with South East Coast Ambulance Service, hosting paramedic students on day placements.

External collaboration

Exchanging knowledge and good practice assists the development of high quality care both externally and internally. Particular areas of increased collaboration included:

- Closer ties with the University of Brighton
- Working more closely with the Learning Disabilities team
- Developing further links with the South East Ambulance Service
- Running a Care Home Managers Forum to help us support them better, increasing our understanding of their learning needs.

Looking forward

In 2016-17, our main aims are to:

- Continue, together with St Wilfrid's Hospice in Eastbourne, the Gold Standards Framework training for local Care Homes
- Deliver, under a new service level agreement with the University of Brighton, the degree and master level modules on 'End of Life Care for People with Long Term and Chronic Conditions'. This will be in conjunction with St Wilfrid's Hospice
- Develop short workshops for local Care Homes on topics they have identified, including syringe drivers, verification of death, advance care planning and communication skills
- Develop in-house champions for dementia support
- Seek further opportunities to expand our teaching/training to more areas in the community and to improve the facilities to enable this to happen.

WORKING WITH OUR LOCAL COMMUNITY

The Hospice came into existence only because of the support and dedication of local people – and it continues for the same reason. This knowledge has always shaped the way we have developed our services. Maintaining and increasing relationships with our local communities is, therefore, an essential part of the Hospice, relevant to every area of our work, clinical and non-clinical.

Volunteering – an invaluable resource

Without our volunteers – over 900 in number – the Hospice could not function effectively. Their role in supporting patients is an important one, not only offering a welcome and practical support but also adding an indefinable sense of friendship and warmth.

“To all the staff and volunteerswe cannot thank you enough for the most wonderful care and support you gave our Mum.”

The Hospice Neighbours scheme is another important area where volunteers make a critical difference. Their willingness and flexibility (offering a range of roles from companionship to gardening, from walking dogs to going out for lunch) cemented its role as an essential community service.

As lottery collectors and canvassers, shop volunteers, organisers, and supporters of fundraising events (not to mention cake bakers, clothes sorters and raffle ticket sellers), volunteers are also crucial in helping us raise the resources vital to our patient care.

In addition, volunteers provide invaluable help with administration and finance, with their wisdom and ideas, and by providing strong links to our communities.

We were extremely grateful, immediately after the fire, to the people who came forward offering some immediate assistance. This included people with specialist skills, such as pharmacology, who supported us by listing our drugs as we were re-establishing the service in Hastings Court. All of this was invaluable and helped us through a difficult time.

It is difficult to calculate the value of all this support provided by volunteers. The number of regular hours they gave during the year, supporting the Hospice in over 1,050 roles has been estimated at approximately 200,000 hours. If we had had to pay a minimal wage for the range of work undertaken, the total cost to the Hospice would have been around £1.6m.

The transfer of the In-Patient Unit to another base after the fire meant a growing need for volunteers to support both the new unit and also those staff still based in the Hospice buildings, resulting in the weekly need for:

- 25 reception and coffee shop sessions at St Michael’s Hospice
- 21 reception sessions at Hastings Court
- 27 ward volunteer sessions at Hastings Court.

The volunteers, as always, proved very helpful and flexible in these circumstances, taking up new roles and providing essential support to patients and their families.

Community support

Support from the local community remained high and is greatly valued. Without this, we would be unable to provide our patients with the care they need. Particularly of note in the year was:

- The response to the fire and to the Phoenix Appeal (launched in February 2016), where funds were sought to help meet the costs of the rebuilding and improvements to the building. By the end of the year (with the Appeal still continuing into the coming year), £502k had been raised. We are most grateful to the members of the Phoenix Committee, chaired by Julian Avery, who led the Appeal
- An increase in general donations, approximately three times above budget
- An increase in income from challenge events, which was £27k above budget
- A growth in In Memoriam donations, which raised £230k, exceeding their budget target and raising £8k more than the previous year. We continue to work closely with local Funeral Directors to try to encourage timely transfer of In Memoriam funds collected, seeking to ensure that all donors receive a timely thank you letter
- The launch of a new initiative – Pay for a Day – which created new opportunities. A supporter's post on Facebook thanked people for their help with *"our Pay for a Day fundraising, it's been a wonderful, cathartic experience and I would recommend it to anybody in a similar situation"*.

The range of challenge events and the tests that people impose on themselves are always amazing, varying from our Firewalk (raising £11k), a great number of walking events (generating £24k), and runners in the Beachy Head, Brighton, London and New York marathons and Hastings half-marathon. Colour the Coast, in its second year, raised a net profit of £29k.

Community fundraising events were also many and varied including, for example, Yellow Day, Westfield Lights at Christmas (raising over £9k) and the Summer Art Exhibition. Special mention must also be made of:

- The Hastings and St Leonards Support Group, whose hard work in organising a series of events during the year raised £40k, an amazing result given the significant dislocation of their activities for many months following the fire
- The Friends of Sussex Hospices, who generously donated £29.6k
- The Rye and District Country Show which raised over £18k for the Hospice

We have always had a strong commitment to working with local businesses, whether through engagement with their staff as volunteers, co-operation on the high street, or our local purchasing policy. We greatly appreciated the very practical help that many local organisations gave us, for example the support from Tesco following the fire, the waste disposal by French and Sons, the house clearance support, storage facilities and equipment from M W Cave, and the support given to us by Trade Paints. We were grateful, too, for those organisations, such as the National Westminster Bank, which gave us voluntary support in the gardens and around the buildings.

Our Lottery is another community activity which increased its number of members from 11,400 to 11,966, following the recruitment of more canvassers. We appreciate

the generosity of those players who donated back their winnings, while also agreeing for us to claim Gift Aid. The sale of scratch cards raised significant income, being £9k (82%) above target, while the special draw sold over 31,500 extra tickets, raising a profit of over £25k. We are grateful to the team of 37 collectors, canvassers and office volunteers without whom our Lottery would never be so successful.

Given the ongoing difficult conditions on local high streets, it is not surprising that our shops had to work even harder to raise funds. Volunteers continued to offer amazing support with their tireless work and customer engagement and to raise much needed funds. Our shops get positive feedback from their customers, such as the customer comment on Facebook: *“best charity shop with the friendliest, nicest staff in Rye”*. New volunteers also came to help with the work in the Donation Centre, including the marketing of products through Amazon, eBay and Abe Books.

Engaging local people in our work

Late 2015 saw the need for us to rebuild our website, as the existing one had a difficult and inflexible content management system, which could not work across multiple platforms. The new and improved website was launched in January 2016. This not only provided better, clearer information but also was more efficient, enabling our marketing team to design and manage the entire site. We shall be continuing to develop it further in the coming year.

Our website and greater presence on Facebook and Twitter proved beneficial in encouraging greater interaction. The number of people liking our Facebook page grew from over 4,058 the previous year to 5,894. Much of the growth was attributable to the aftermath of the devastating fire in July and the community rallying to support us. The use of social media showed its significant value at this time as we used this as one of our main communications tools. We were lucky enough to be able to request certain items needed for our in-patients in the days immediately after the fire and, without fail, all of our urgent requests were answered. A request for a nebuliser, for example, was met within two hours, while people continued to donate gifts in kind, such as much needed toiletries and pyjamas.

Successful advertising campaigns were also piloted on Facebook. This proved valuable not only in increasing attendees at events but also for our Human Resources team in encouraging applications for available jobs. Our followers on Twitter also grew, from 1,239 to 1,769 and we joined LinkedIn.

The Fabulously Vintage Fair continued to be an important date in the diary and, despite the fire and the last minute move of location away from the Hospice to Mad Hatters at Bodiam, welcomed over 1,100 people. It was good to be in the northern half of our catchment area. In the coming year, we shall maintain our presence in the northernmost part by seeking to expand the event and hold it in the grounds of Pashley Manor in Ticehurst.

Gaining feedback

We are committed to having high standards in our fundraising practice and joined the Fundraising Standards Board at its inception. During the year, we had five complaints relating to fundraising, all varied in nature. One concerned our methods of raising funds through the Lottery, where a relative of a Lottery player felt it was inappropriate to ask the player if they wish to have an additional Lottery number. Another, also linked to the Lottery, was unhappy about the attitude of the canvasser. One member of the public was concerned about the nature of the publicity linked to an event, although it transpired that the event had not been organised by the Hospice (but was donating the profits to the Hospice). A coffee morning was also subject to criticism because a visitor was troubled by the attitude of some of the volunteers. Finally, a complaint was received by the Retail service about whether a volunteer had received sufficient recognition for all her hard work. In each case, an investigation was carried out, an apology given and action taken internally, as appropriate, to address the matter. Acknowledgements of complaints and responses were all given within our target deadlines.

Positive feedback was also welcomed, which helped reinforce for us the value of working closely with our community, paying due care and attention to each activity:

“Thank you to the Hospice....for all of their support and help organising our Pier to Pier Walk and achieving our total.”

“Thank you for your very prompt service. All too often complaints are sent for perceived bad or poor service and it seems only fitting and fair that the opposite should receive equal (if not a better) response.” (In relation to a sale on Amazon)

The difference that Hospice support makes was reflected in a card about the Wardsbrook concerts:

“Someone told me that Wardsbrook has a ‘joyousness’ about it and I am certain that much of the credit for this lies with your team and the warmth of friendship that you both bring to the event. Thank you for all of that and all of the work that you do before and after the concerts to make these run so smoothly.”

Looking forward

In 2016-17, our main aims are to:

- Develop our new ‘Ambassador’ role with volunteers visiting local community groups to talk about the work of the Hospice
- Undertake a survey of volunteers
- Increase the number of Lottery players
- Launch an expanded Capture the Moment Competition in autumn 2017
- Support a full community and challenge events fundraising programme
- Continue to develop and improve our website
- Celebrate our 30th anniversary in 2017.

MANAGING OUR FINANCES

Introduction

The Hospice's Consolidated Accounts show some significant differences from previous years, resulting from:

- The cost of the building works, which started in January 2016 on the main site
- The net income from our insurance claim
- The income from the Phoenix Appeal for the renovation of the building
- The significant increase in the value of fixed assets as, after the fire, large amounts of furniture and equipment had to be replaced and major improvements made to the Hospice building
- The impact of the Hospice's successful application for Group VAT Registration, following a change in Government policy, enabling a significant reclaim of VAT from April 2015.

Many of these issues have yet to be concluded, and will similarly affect our Accounts for the coming financial year of 2016-17.

Overview

The outcome of the financial year was positive, achieving an unrestricted funds surplus of £2.1m, primarily caused by an increase in legacy income which was £1.7m over budget. We also had a restricted funds surplus of £1.4m, resulting from the net proceeds from our insurance claim (£900k) and the Phoenix Appeal, the funds from which will be used to support the building works in 2016-17. Overall, therefore, there was a total surplus of £3.5m.

We were extremely grateful to the Hastings and Rother Clinical Commissioning Group, which increased our total grants to £1.7m (compared to £1.2m the previous year), enabling us to develop a range of new community services.

Expenditure

Renovating the building

Following the fire, the Board of Trustees agreed to enhance patient care by investing up to £3m from reserves towards the renovation of the building. This, together with our insurance claim, enabled a major building project to start in January 2016, planning to complete the works by autumn 2016. The insurance claim covered the costs of rebuilding the fire damaged areas, of replacing the assets destroyed in the fire and much of the temporary relocation of the In-Patient Unit to Hastings Court. Improvements to the rest of the building and other costs were met from reserves. The estimated cost of the whole project is £4m.

General expenditure

Our expenditure was 7% below budget. However, in such an abnormal year, it is difficult to make comparisons with previous years. In-patient services had a reduced number of beds in Hastings Court and this clearly affected the budget.

Pay

As part of the budget discussions for 2015-16, we reviewed very carefully what cost of living award should be given to staff. In the end, it was agreed:

- To continue to track the living wage and to try to ensure that no member of staff fell below that level. This resulted in a 3% pay award for the lowest paid members of staff, following on from a similar rise in the previous year
- To give a 1% pay rise to all other staff (the first increase for two years).

Because of the pressures that had been felt over the course of this year, a £50 voucher was, exceptionally, given at Christmas to staff members; we are grateful to our Insurers for their contribution towards half of the cost.

Following the Government's announcement of the introduction of a National Living Wage in April 2016, it was agreed that a further review would be undertaken of the policy for 2016-17 and that a new pay policy would be drafted.

Income

It was a successful year overall, with the Fundraising team increasing its total income to £4.5m, compared to £2.3m in the previous year. The team worked hard to achieve these results and was also assisted by a number of factors:

- Legacy income increased significantly to £2.6m. This most valued contribution significantly exceeded our budget target of £900k. Exceptionally, we received one legacy of over £500k and two others which, together, totalled a further £500k
- The launch of the Phoenix Appeal early in 2016 which raised £502k in total
- The income from Charitable Trusts (primarily linked to the Phoenix Appeal) which was £315k, five times more than the previous financial year
- The generosity of the very many people who sent us, unsolicited, a financial donation. The total of £373k was higher than in 2014-15 (£184k). We acknowledged all donations, whether large or small, recognising the value of each gift in helping us continue our services for local people.

We continued to be tax-efficient and made every effort to claim Gift Aid on the maximum number of donations. During the year we reclaimed £45k but, since year end, have submitted further claims for the period totalling over £20k.

In relation to our two wholly owned companies, both for different reasons donated a lower covenant to the Hospice than in previous years. The Lottery covenant was £345k, due in part to the increased canvasser costs which will yield positive benefits in the next couple of years. The Retail Company covenant was £124k, the reduction primarily resulting from the temporary closure of a number of shops in order to invest in extensive essential health and safety/improvement works. The lease on one shop in Hastings was surrendered in February 2016 on safety grounds. In addition, the plans for use of the Donation Centre had to be put on hold while it was being occupied by a number of other teams in the aftermath of the fire. However, e-commerce saw significant growth, with the launch of two new platforms, resulting in a total income of £92k, being £14k above budget.

Income from education and training again increased, exceeding the budget by £2.3k (8%) as a result of a number of contracts won and delivered for the provision of

training, although some income was lost because of the reduction in student nurse placements while the In-Patient Unit was established in a new location.

As a result of these and other activities, for every £1 granted to us by the Hastings and Rother Clinical Commissioning Group, we raised an additional £3.42, thus contributing significantly to the funding of palliative care services for local people.

Increasing efficiency and effectiveness

The major challenge of the building project did not prevent continuing action to increase our efficiency and effectiveness:

- The re-building works focused not only on improving access and facilities for patients but also on upgrading our infrastructure so that we shall have less complex systems, particularly in relation to water and heating, more efficient lighting and improved fire suppression systems
- Following a change in Government legislation, we established a project to achieve Group VAT Registration, (covering both Hospice and Retail expenditure) and, following the establishment of new monitoring systems, a claim of £316k was made for the financial year starting in April 2015
- New IT systems were introduced to improve our efficiency, including:
 - Crosscare, funded through an NHS grant of £153k and implemented (not in the easiest of circumstances, giving changing service locations and varied IT infrastructure) across the whole clinical service. We now have one single electronic patient record shared between all our clinical teams, with updates to records instantly available to any user
 - CIPHR, a new database for Education and Human Resources, which will enable us to streamline our administrative support in these teams
- Our Retail team revised the logistics rota to service all shops on a daily basis, resulting in an improved turnover of products. The new tail lift van assisted in the collection and delivery of furniture, with house collections showing an increase in income
- In relation to our Lottery, we continued to control our costs carefully so that, after all costs and prizes incurred in running the Lottery had been taken into account, 54% of the proceeds were donated to the Hospice. This was slightly lower than the previous year because of increased costs of commission, following the recruitment of more canvassers, who succeeded in recruiting 2,391 new members, compared to 945 in the previous year. The efficiency of our collection methods also continued to be positive, standing at 97%
- Overall, our return on investment in fundraising (including salary costs) was 1:16.5, which was a positive outcome. Indeed, only 10p was spent for every £1 raised by the Fundraising team.

Looking forward

In 2016-17, our main aims are to:

- Complete the renovation of the building on time and to budget
- Achieve our Phoenix Appeal target of £1m
- Implement fully the HR and Education database
- Submit VAT returns in line with the newly acquired Group VAT status.

MANAGING RISKS AND UNCERTAINTY

Last year in our annual report, we wrote:

“At least one thing is certain – change and uncertainty are going to be part of Hospice life for a number of years to come.”

It was a prophecy that sadly came true, but in a way never envisaged. An arson attack is not a risk that Hospices would ever be likely to have on their Risk Register. What happened tested our business continuity plans, made us review the risks we face in ever more detail and how they could be mitigated, and ensured we looked thoroughly again at every aspect of our insurance policies and at the management of our reserves and investments.

Review of risks

Our ongoing review of risks confirmed that, in the longer term, we shall need to continue to consider how to respond to changing patient expectations, the predicted growth in the need for end of life care, and the use of digital technology to assist and improve patient support. In a more medium timescale, we need to understand and react to the changing structures in the NHS and Adult Social Care, including the pooling of care budgets, the potential growth of competition and tendering, the potential reductions in NHS services and the possible need to develop partnerships with local NHS services and/or local charities. In the short term, there are the challenges of ensuring that we can raise sufficient funds to allow our services to develop and grow, within both a nationally difficult financial context and the public response to many media headlines about inappropriate fundraising methods by a few of the larger charities. The recruitment of suitably qualified staff can also pose difficulties. For the coming year, we need to complete our building programme, within time and budget, while still keeping under review ways of continuing to develop the Hospice buildings, improving facilities and ensuring the safety of all who use them.

In general terms, we have sought to prepare ourselves for what may come by:

- Continuing to build good relationships with local NHS services. We were pleased to have our business case for improving our services accepted, with a subsequent increase in our grant
- Developing further our contacts with GPs and primary care teams and looking at how we can, between us, deliver more seamless services. We shall be looking to publicise the return of our In-Patient Unit, seeking to move away from the uncertainties and disruption caused by a change in location
- Further developing our community volunteer scheme, Hospice Neighbours, broadening the range of people we can support
- Publicising our services, so that local people can better understand what we provide, and strengthening our community engagement, particularly as part of our 30th Anniversary celebrations in 2017
- Reviewing our cost effectiveness and methods of income generation, continuing to ensure that these are in line with the values of the Hospice
- Continuing to invest in our Lottery, Retail and Marketing activities, while also promoting new income generation activities, such as Colour the Coast, sale of scratch cards and the use of Amazon and eBay

- Improving our ability to capture and analyse information and monitor our services following the introduction of an electronic patient management system and a Human Resources/Education database
- Testing out different methods of advertising for staff, including social media, and ensuring we offer a supportive working environment, including flexible working with good job satisfaction, backed up by an emphasis on staff training and development
- Carrying out a significant renovation programme on the Hospice site, funded through a mixture of reserves, insurance and the outcome of a public appeal, to make our Hospice buildings fit for the future and incorporating technological advances in relation to fire precautions so that we can assure the public of the safety of our buildings
- Ensuring we have strong programme management in relation to the renovation project, together with effective financial monitoring and controls
- Further reviewing our Business Continuity Plan to update and expand it in the light of lessons learnt.

We review our corporate risk management register in detail on a six-monthly basis, identifying potentially significant risks, assessing their likelihood and impact and agreeing appropriate mitigating action. The review of our Business Continuity Plan is also part of our risk management system.

Internally, risks were mitigated by ongoing reviews of policies and procedures, as well as through clinical audit and health and safety reviews. We regularly remind staff of the importance of understanding and adhering to professional and other codes of practice and to policies and procedures. Clinical governance, health and safety and audit, together with our education and training programmes, are therefore very much part of our risk management system.

Reserves and investments

Our average annual expenditure is around £5.5m and, of our income, approximately 30% was provided by fees and grants from the Hastings and Rother Clinical Commissioning Group. This leaves the Hospice to raise the balance (c.£10k per day) from voluntary sources. These top line levels of income and expenditure are the basis on which we formulate our reserves and investment policy:

- The investment objective for short term reserves is to preserve the capital value with a minimum level of risk, ensuring we are able to meet unanticipated cash flow requirements. Funds treated as short term would usually be invested only in a mix of short term and medium term deposits. These have been carefully managed over the past year to ensure our cash flow was secure, given the demands of the building works
- The investment objective for long term reserves is to secure a return in excess of inflation, generating an income to support our ongoing activities
- Approximately 15-30% of the total free short term and long term reserves of the Hospice would be invested in a portfolio of stocks, shares and bonds.

Short term reserves also include a working capital and contingency reserve, as well as some designated reserves for essential capital/maintenance works. The level of contingency funds was calculated as £2.6m, which was equivalent to a minimum of

12 months expenditure after allowing for an amount of 'reliable income'. At 31st March 2016, our unrestricted General Fund, after allowing for contingencies of £2.6m, stood at £4.85m. Throughout the year, therefore, we exceeded our minimum contingency level.

Our short term reserves were held in at least three major UK banks or financial institutions. We continued to invest in the money market through Lloyds, NatWest and Virgin Money. However, given the reducing level of interest rates, we could only make a relatively small return on our working capital and contingency funds. Options for increasing yields, within acceptable levels of risk, were discussed with the Board and, after careful research, an account was opened with UBS Third Party Cash Deposit Service in October 2015.

In relation to longer term reserves, £1m was transferred in 2012 to an investment portfolio, managed by Rathbones Investment Management Limited. Generally, over the years this has performed well; however, turbulence in stock markets led to a slight loss in value of fixed asset investments to the extent of £79k compared to the previous year's gain of £105k. At 31st March 2016, the market value of the portfolio was £1.255m, with an estimated yield of 2.6%. Benchmarks were set against which investment performance was measured and there is regular monitoring.

GOVERNANCE AND MANAGEMENT

Board of Trustees

During the year the Board met nine times, focusing on the operation of the services and the quality of care provided, as well as on strategic and governance issues.

Membership of the Board

The initial appointment of Trustees is for a period of three years, followed by a second term of three years. Thereafter, the position is reviewed annually, up to the maximum of nine years. At a General Meeting, held on 11th December 2015, Steve Barnes, Rosie Guy, Nigel Gaymer and Bernard Hibbs were re-appointed as Trustees.

Sub-committees

The Board's sub-committees were as follows:

- The Audit Committee, chaired by Cliff Wallis, which met three times during the year to review the draft Annual Report and Accounts, scrutinise our legacy receipts, consider and revise the Corporate Risk Register, review the Financial Controls policy and discuss the implications of the new financial accounting standards
- The Corporate Governance and Nominations Committee, chaired by Angela Chivers, which met four times during the year to consider a review of Board performance as well as re-appointments and new membership for all the three Boards
- The Remuneration Committee, chaired by Irene Dibben, which met to consider the feasibility of a pay award for staff as part of the 2016-17 budget discussions, reviewed progress in relation to uptake of pensions and considered the first draft of a new pay policy
- The newly established Investment Committee, chaired by Irene Dibben, which met once. In addition to keeping the Hospice's investments under review, the Committee also considered recent Charity Commission guidance on Charity Reserves as well as reviewing the Hospice's Reserves and Investment Policy
- The Building Committee, which was established to review the plans, agree the contracting process and keep an overview of progress of the building works. It was chaired by Irene Dibben and met six times.

In addition, a Committee chaired by Julian Avery, our President, was established to develop, launch and promote the Phoenix Appeal.

Strategic development

A number of strategic issues were discussed by the Board over the year, including:

- Our strategic approach to improving our premises and the facilities for patients following the fire, ensuring Hospice buildings were 'fit for the future'
- The development of the Hospice's vision and values, following a series of workshops with all staff
- The strategy for Day Services
- The Education Strategy
- The plans for developing our presence in local communities and for celebrating our 30th Anniversary

- The changing regulations in relation to fundraising and Gift Aid, following a range of concerns raised in the national press, ensuring fundraising activities continued to reflect Hospice values
- Progress against our IT Strategy.

The Board agreed and monitored the business plan, the budget, the clinical governance and information governance plans, while also approving the revised diversity and equality policy. Other matters considered by the Board included a detailed review of the statement defining the delegation of Board powers.

Reviewing service performance

The Board carried out a rolling programme of reviews, looking at both clinical and non-clinical services. This was in addition to its reviews of accidents, incidents, clinical statistics and scrutiny of all complaints and of commendations. Consideration of the new duty of candour policy also led to useful discussions. In relation to clinical governance, one Trustee was a member of the Clinical Governance Group, while another sat on the Information Governance Group. Visits by Trustees to Hospice services continued every two months. These were valuable both as a way of monitoring the quality of our care, and keeping Trustees more closely in touch with the views of staff, volunteers, patients and families.

Training

Training of existing Trustees continued through regular presentations from each service area. Detailed discussions were also held on some of the potential strategic challenges facing the Hospice. The Board was regularly briefed on national strategies and plans that could have an impact on the future running of the Hospice. A special session was held on reviewing the Trustees' responsibilities set out by the Care Quality Commission. A health and safety workshop, accredited by the Institution of Occupational Safety and Health, was run for senior managers and Trustees. We continued to enjoy good relationships with neighbouring Hospices and meetings took place with other Chairs to ensure an exchange of information on good practice and new developments. The Hospice is a member of Hospice UK, which provides valuable networking opportunities and information and training on national issues. Members of the Senior Management Team also met with their counterparts in other Hospices.

Reviewing Board performance

A review of the Board's performance was undertaken by the Company Secretary and a number of recommendations were considered and implemented by the Board, including a more detailed scrutiny in relation to fundraising and a plan for a further consideration of the Hospice's strategy for the future.

Lottery and Retail Company Boards

The Boards of these wholly owned Companies met four times during the year. The Retail and Lottery Companies contributed valuable covenants, which were essential to the ongoing work of the Hospice. Performance was scrutinised and strategic consideration was given to ways in which income could be increased. More detail about developments in these areas and their financial performance is given in other sections of this report.

Public benefit

The Board of Trustees regularly considers how our planned activities contribute to the aims and objectives we have set ourselves, assessing the public benefit that has been brought to local people in Hastings and Rother whom we were set up to help. The Trustees considered carefully the Charity Commission's guidance on public benefit in relation to its general applicability to the Hospice's planning and delivery of services. We value the fact that much of our funding comes from local individuals and organisations and, for this reason, our beneficiaries tend to be predominantly, but not exclusively, drawn from Hastings and Rother. Our services are also available to those individuals who have not been resident locally but, for whatever reason (for example to be close to their family), are in need of our support. It is hoped that this Annual Report shows the many ways in which we use the funds we receive to ensure that we provide good quality palliative care services free of charge for local people, that we offer training and advice to other agencies to improve the quality of service locally, and that we promote our range of services so that there is greater understanding about the nature of our work.

COMPANY INFORMATION

St Michael's Hospice, Hastings and Rother, a registered charity and a company limited by guarantee, was established on 8 December 1983 and formally opened its services in April 1987. Our Articles of Association were last revised and agreed on 27th January 2012. The Trustees of the Charity (who are also Directors of the Company) are drawn from the local community. The Chair is elected by the Trustees from amongst those on the Board.

President

Julian Avery

Board of Trustees

Irene Dibben (Chair)
Steve Barnes
Angela Chivers
Simon Corello
Charles Everett
Michael Foster
Nigel Gaymer
Dr Rosie Guy
Bernard Hibbs
Christopher Rowe
Cliff Wallis

Company Secretary

Richard Ostle

Senior Management Team

Celia Pyke-Lees	Chief Executive
Dr Debbie Benson	Consultant in Palliative Medicine
Dr Mursheda Chowdhury	Medical Director
Elaine McDonough	Head of Clinical Services
Vinyo Aidam	Head of Finance and IT
Perdita Chamberlain	Head of Fundraising
Bruni Llovet	Head of Marketing
Jane Cave	Head of Voluntary Services
Leanne Goodsell	Head of Human Resources and Education (until July 2015)
Caroline White	Head of Human Resources and Education (from August 2015)

Registered information

Registered Charity Name	St Michael's Hospice Hastings and Rother
Charity Number	288462
Company Registration Number	01776496
Group VAT Registration Number	236 2339 17
Registered Office	25 Upper Maze Hill St Leonards on Sea East Sussex TN38 0LB

Professional advisors

Auditors	Gibbons Mannington & Phipps LLP Chartered Accountants and Statutory Auditors 82 High Street Tenterden Kent TN30 6JG
Bankers	Lloyds Plc 17 Wellington Place Hastings East Sussex TN34 1NX
Solicitors	Gaby Hardwicke 34 Wellington Square Hastings East Sussex TN34 1PN
Investment Advisors	Rathbone Brothers Plc 1 Curzon Street London W1J 5FB