

# Our markets

## The healthcare landscape is changing dramatically.

Budgetary constraints, an ageing population, digital disruption and a population keen to take control of their own health and wellbeing are all transforming the market.

Nuffield Health is responding to and capturing opportunities in this rapidly evolving market. This will ensure it remains a leading health and wellbeing provider in the UK.

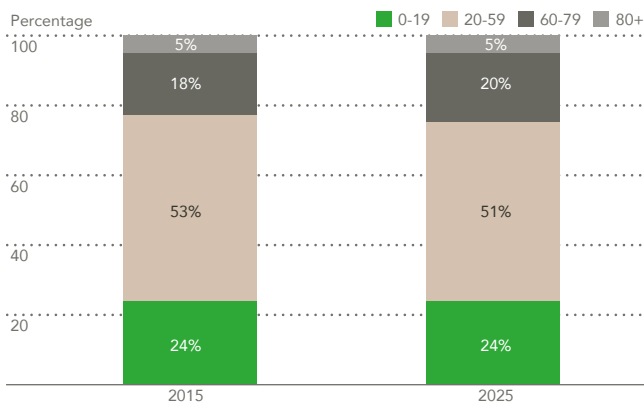
An ageing population and chronic health conditions are changing the volume and nature of health and wellbeing demand. At the same time, the NHS is facing an unprecedented financial challenge which will force significant changes. This will further drive a willingness for individuals and organisations to pay for services that enhance health and wellbeing.

### The challenge of ageing

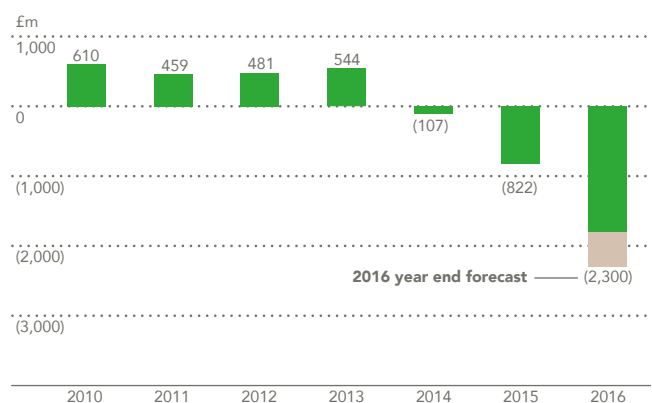
People are living longer. This is a real challenge to the UK healthcare sector. This is particularly true when viewed in the light that although average life expectancy has increased to 81.3 years<sup>1</sup>, healthy life expectancy has not increased at the same rate. Chronic diseases are increasing – as are the costs of diagnosis and treatment. This is a dramatic shift, and puts enormous pressure on the NHS.



### UK population structure by age band 2015 and 2025



### NHS provider sector net surplus/deficit 2010 – 2016



### Meeting the need

Keeping pace with the enormous increase in healthcare needs is a real challenge for the NHS. This is particularly true in an era where lower economic growth is the new normal, and its concurrent negative impact on available funding.

UK healthcare spending as a proportion of GDP is lower than other comparable countries. The UK spends approximately 8.5 per cent of GDP on healthcare, compared, for example, with Germany and France which spend in the region of 11 per cent<sup>2</sup>.

Accordingly, there is a real need for an organisation such as Nuffield Health. We can help improve the health and wellbeing of the nation by stepping in to fill real gaps in care and support, and give people greater capacity to take control of their own health and wellbeing journey.

### The informed and empowered consumer

The pace of technological change is disrupting almost every industry – and healthcare is no exception. Individuals are empowered with information and tools like never before – and the pace is only accelerating. Most of us expect

to be able to track almost every aspect of our lives, and health and wellbeing is central to this. In addition, we now live in an on-demand world, and customers also expect to be able to manage and obtain services that fit their lifestyles and are seamlessly integrated.

There is an opportunity for Nuffield Health to expand the cohort of engaged people wanting to live healthy lives for longer, and who will turn to us to meet that need.

At the core of our strategy is connecting our services to enable customers to be able to fully control their health and wellbeing. Recognising that people want this control, as well as the ability to track their progress as they move through their individual journey with us, we will clearly communicate and prove through action the value that comes from being not only a service provider but a trusted partner. This is attractive whether coming to our hospitals and clinics as a self-payer, through insurance or via the NHS, as a corporate or retail customer of our fitness and wellbeing gyms or as a client of our physiotherapy, occupational health and health assessment services.

## One Nuffield Health

With our extensive assets and capabilities, Nuffield Health is not only well-placed to both meet these challenges and capture the opportunities they present, but is the only health and wellbeing organisation in the UK that can do so.

We will continue to do this, and indeed accelerate how we do so by more effectively joining up our organisation to drive efficiencies in how we deliver our services and make the experience for our customers seamless.

By doing so we will drive improvements in health and wellbeing outcomes and quality of life across the nation.



1 Public Health England

2 Health spending (excluding investment) as a share of GDP, OECD countries, 2013. Source: OECD Health Statistics Report 2015 [www.oecd.org/health/health-systems/Focus-Health-Spending-2015.pdf](http://www.oecd.org/health/health-systems/Focus-Health-Spending-2015.pdf)

# Our strategy

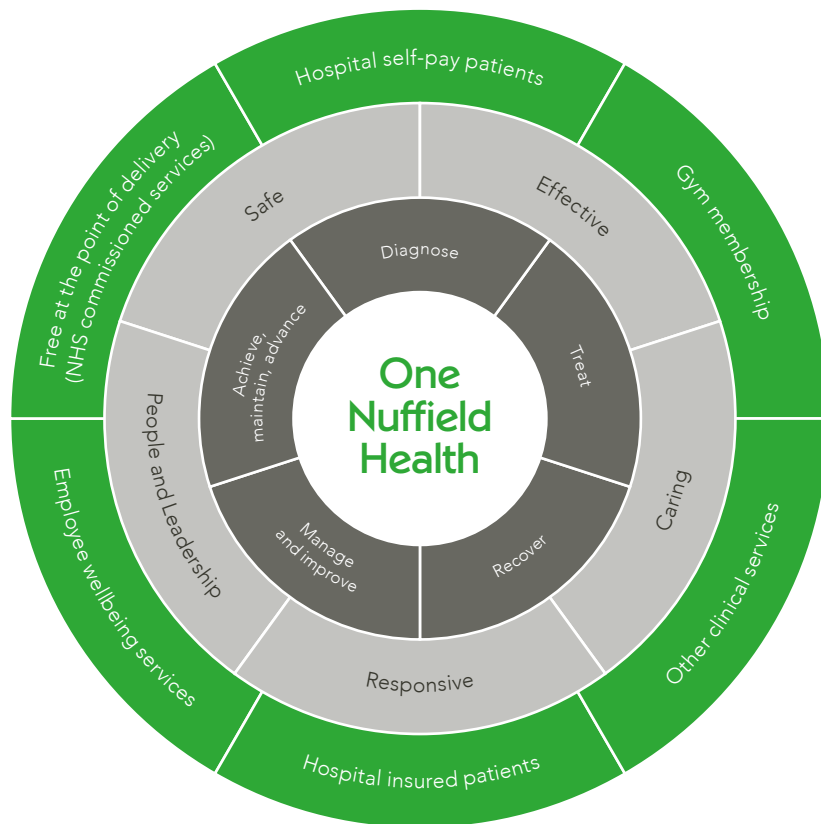
## Fulfilling our charitable purpose

To fulfil our charitable purpose, we provide services to help people get healthy and stay healthy, understand and manage their personal health risks, and get them timely diagnosis and treatment for any problems which arise.

We believe helping people to maintain fitness and good health is just as important as the treatment of illness

when it occurs. Our competitive advantage lies in a connected care model: delivering wellbeing by helping people to get and stay fit and healthy; providing treatment to help them get better; and after treatment helping them to get fit and healthy again.

## A connected approach



Helping our customers keep well and improve their wellbeing day to day, and when things go wrong, helping them recover as quickly and as fully as possible.

We achieve this through a combination of products and services that meet five areas of need:

**Achieve, maintain and advance** – Advise, guide and monitor. Our fitness and wellbeing gyms are clear platforms for broad ongoing wellbeing

**Diagnose** – Access to diagnostics network. Primary care (GP services) and direct access to specialists. Connected via referrals

**Treat** – High standard acute surgery and treatment which is delivered efficiently. Complex specialties located in selected hospitals. Physiotherapy and other therapies

**Recover** – Physiotherapy and other therapies to support post intervention. Personalised programmes such as Recovery Plus

**Manage and improve** – Propositions that advise, guide and monitor. Employee wellbeing support with chronic conditions such as musculoskeletal disorders

## How we are funded to meet our charitable purpose

We receive fees from patients (NHS, insurers and self funders), gym memberships, other clinical services and employee wellbeing services, combined with borrowing from banks and the bond market.

27 per cent of our revenues came from low cost or free at the point of delivery products and services because of our partnership with NHS commissioned services. 9 per cent comes from products and services costing customers less than £1 per day. In order to do this we need to charge for the services we provide.

## A compelling strategy for Nuffield Health

Our strategy enables us to meet our core purpose: to advance, promote and maintain health and healthcare of all descriptions and to prevent, relieve and cure sickness and ill health of any kind all for the public benefit. This means we act as a true partner to our patients and customers and operate to excellent standards of safety and care, all in their best interests.

We want everyone who engages with us to benefit from our connected model. This will enable people to take full control of their health and wellbeing journey, either directly through our services or through appropriate referrals. This means offering support for physical and mental wellbeing on a day-to-day basis, including reducing or preventing ill health, increasing longevity and improving emotional health.

### Purpose

To advance, promote and maintain health and healthcare of all descriptions and to prevent, relieve and cure sickness and ill health of any kind all for the public benefit

### Our strategic intent

Nuffield Health will help individuals achieve, maintain and recover to the level of health and wellbeing they aspire to, by being a trusted provider and partner

### How we will meet our strategic intent



An extended and refined portfolio of products and services that deliver value across the whole wellbeing journey, delivered directly or via partners



A national hub and spoke network that maximises attractiveness and convenience for patients and consumers



Excellence in outcomes and experience through top quality clinicians with focused expertise



Efficient service delivery enabling high quality, accessible services



A trusted and flexible Nuffield Health brand, synonymous with health and wellbeing, that wins loyalty across different services

# Our impact

## Making a positive contribution

Every day we help people on their personal health and wellbeing journeys. This includes surgery to return them to good health, physiotherapy, health MOTs and health assessments. Beyond the hundreds of thousands of individuals we help each year, we also instigate innovative programmes and partnerships to advance knowledge in health and wellbeing for the public good.

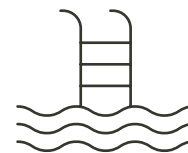
### Performing better through research

We are establishing a Research Advisory Committee dedicated to health and wellbeing research, education and innovative clinical care pathways.

The committee will utilise the expertise of world renowned research institutions and academics with work overseen by internal subject matter experts. Its ultimate aim is to become a European leader in health research and mature into an accredited National Research Centre of Excellence.

### Building our partnership with Manchester Metropolitan University

In 2015 we continued to build on our partnership with Manchester Metropolitan University. The partnership is already proving fruitful, having collaboratively secured government backed funding for a Knowledge Transfer Partnership. This will allow two full-time research associates to carry out research into the impact of our health assessment services. Future work will focus on the prevention of lifestyle disease, and management of chronic diseases via lifestyle intervention, as well as emotional health and wellbeing.



**10,000**  
children taught to swim



**759,000**  
physiotherapy sessions



**62,000**  
health assessments



**206,000**  
hospital procedures

## Improving wellbeing in schools

Nuffield Health is working in partnership with Wood Green School in Oxfordshire on a groundbreaking two year school wellbeing pilot. Our commitment to the pilot follows the findings of a joint study we did with think tank 2020health. The study looked at the need for a Head of Wellbeing in every UK secondary school. It highlighted significant areas of concern and an unmet need – including low levels of exercise, high levels of obesity and poor emotional wellbeing, which could be vastly improved with dedicated, coordinated support within a school setting.

Fully funded by Nuffield Health, a dedicated Head of Wellbeing was seconded to the school in September 2015, following a national competition to find a secondary school to host the pilot. Head of Wellbeing, Terry Austin, began by developing a health and wellbeing strategy to meet the needs of the whole school. As part of this a range of services has been set up such as a lifestyle health assessment for all teachers, a unique health check for pupils and a strong emphasis on nutrition, exercise and emotional wellbeing. We have also updated the school gym with new equipment.



The initiative has the potential to transform school wellbeing and improve the physical and emotional wellbeing of both pupils and staff. Over the course of the pilot we will be sharing our findings and examples of best practice which we hope will encourage other schools to take action and introduce new ways of improving wellbeing.



Our emotional wellbeing affects every part of our lives, physically and mentally. Importantly, half of mental health problems begin before people leave school. We believe that with dedicated support in the school environment, both for teachers and pupils, poor emotional health and physical health could be greatly improved. This leading project at Wood Green School will show what can be done.



**Professor Dame Carol Black**

*Department of Health's Expert Advisor on Health and Work*

# Board of Governors’ quality assurance statement

**The Board Quality and Safety Committee (BQSC) is the quality and safety focused committee that supports Board oversight for the products and services we provide to patients and members.**

The BQSC seeks assurance that the systems and processes in relation to quality and safety are robust and well-embedded so that priority is given at the appropriate level within the organisation to identify and manage risks for quality and safety. The BQSC provides the scrutiny to ensure that the accountable directors are:



## Setting standards

Setting the required quality standards against the up-to-date evidence base



## Achieving

Ensuring required standards are achieved, including through audit and measuring customer feedback



## Taking action

Investigating and taking action on sub-standard quality and safety performance and monitoring reports on preventive and corrective actions



## Driving quality

Planning and driving continual quality improvement to meet and exceed customer expectations and meet the requirements of interested parties such as the Care Quality Commission, Healthcare Improvement Scotland and Healthcare Inspectorate Wales



## Best practice

Identifying, sharing and ensuring delivery of best practice including improvements to quality management systems and processes



## Managing risk

Identifying and managing risks to quality of care including approving resources to meet improvement plans

The BQSC consists of:

**Joanne Shaw**  
*Chairman/Governor*

**Dame Denise Holt**  
*Governor*

**David Lister**  
*Governor*

**Luke Talbutt**  
*General Counsel & Company Secretary*

**Dr Andrew Jones**  
*Chief Operating Officer*

**Dr Davina Deniszczyc**  
*Medical Executive Director*

In 2015, the BQSC met four times in accordance with its terms of reference and was supported in the meetings with input from quality and safety experts and those with responsibility for frontline clinical and wellbeing leadership.

The BQSC is now briefed on the Care Quality Commission (CQC) inspections on a regular basis and uses those insights to feed into its oversight of Nuffield Health's products and services.



The BQSC has delegated authority from the Board to provide assurance regarding the content of the Annual Quality Report, which is now incorporated in this 2015 Annual Report along with the NHS Quality Account. As Chair of the BQSC, I am assured that the Committee has reviewed reliable sources of information, that have been triangulated with internal and external (including regulatory) assessment and/or inspection, and I am satisfied with the course of action followed.



**Joanne Shaw**  
Governor and Chair of the  
Board Quality and Safety Committee



# Safe

## 2015 highlights



There have been



cases of MRSA bloodstream infections in 4+ years

# ISO 9001



Our wellbeing contracted services were awarded the internationally recognised certificate by the **British Standards Institution (BSI)**



# 4

people from our Hospital Sterile Services units achieved the Institute of Decontamination Sciences technical certificate

# We always seek to protect our customers and our employees from avoidable harm.

Safety is not just about processes, although consistency and rigour are essential. In 2015 we achieved ISO 9001 certification across our physiotherapy, health assessment and corporate fitness and wellbeing services. To us, safety is also about a culture which cares deeply for every individual, across all points in their Nuffield Health journeys.

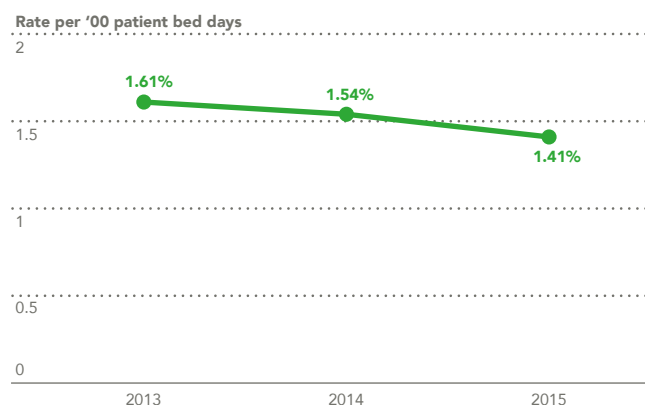
Being safe requires an open, transparent culture where both successes and shortcomings are shared equally and openly. This helps us to all work together to protect our patients, members and employees and enhance their health and wellbeing.

In 2015, we worked hard to ensure we have consistent safe ways of working across the business as One Nuffield Health. This included treating every piece of medical equipment to the same inspection standards, whether in our hospitals, Hospital Sterile Services units or in our gym based medical clinics, through to creating a new role of Quality Care Partner (QCP) who are highly experienced nurse leaders helping to share best practice and mentor our hospital matrons across our network.

## Meeting our 2015 objectives:

- Defined a consistent approach to recording and monitoring safe staffing by standardising the planning and reporting of nursing and care assistant numbers in wards and theatres
- We launched a pilot of our new Healthcare Assistants (HCA) Quality Care Foundation Programme in six sites to train and assess HCAs in hospitals to a specific set of standards, in order to improve the quality of patient care – in line with the Care Certificate requirements
- Achieved ISO 9001:2015 certification in our physiotherapy, health assessment and corporate fitness and wellbeing services
- Recruited and put in place our QCPs who are now providing support, sharing best practice and lessons learned as well as overseeing the application of our hospitals' quality assurance framework
- Set new goals and objective measures for gyms' safety, health assessment outcomes and physiotherapy
- Implemented processes to improve our data recording, including an upgrade of our Quality Management System for regulatory and assurance audits access and Datix upgrade which enabled users to see live reports and dashboards on sign in

## Hospitals' patient safety events



### Hospitals' patient safety events

Patient safety events are events which have caused or have the potential to cause harm to patients. The majority (97 per cent) cause no harm at all or very low harm. Nuffield Health report all patient adverse events including 'near misses' in order to identify trends and themes and learn from the investigations undertaken.

# Safe

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## Ensuring the safety of our patients, members and employees

People are at the centre of how we ensure we operate safely – all united in a common purpose to achieve zero avoidable harm. To support our employees to achieve this goal, we have mandatory systems and processes across Nuffield Health to protect and care for all of our patients, members and our own people.

Every month our hospitals and our fitness and wellbeing gyms (including their medical clinics) compile a Quality and Safety Report, which goes to the Nuffield Health Board. These help us track successes and areas for further improvement – with results shared across the organisation.

## Quality Assurance Reviews – achieving rigour

We know that reporting is only a small part of the picture, and across all facilities we are implementing a system of rigorous Quality Assurance Reviews (QARs). Launched in our hospitals at the end of 2015, QARs enable us to more deeply understand our risks

and openly share learnings that help all of us do better.

Each QAR is led by a minimum of two of our QCPs, a team of highly experienced nurse leaders who champion the delivery of exceptional patient care. In addition to our hospitals, 2016 will see QARs rolled out across all our medical facilities in support of our One Nuffield Health strategy. This consistency of approach is reflected in how we structure our teams. In 2015 we appointed quality care managers for all our medical clinics, mirroring the role in our hospitals.

## Consistency across Nuffield Health – ISO 9001

Every person who engages in a wellbeing journey with us must do so in a safe environment, whether working with our physiotherapy team to recover from an injury, improving their fitness to achieve a personal milestone or learning about their health in a health assessment. At every point a customer engages with us, we work to ensure we have done all we can to protect them. Agreed, consistent ways of working help us achieve that.



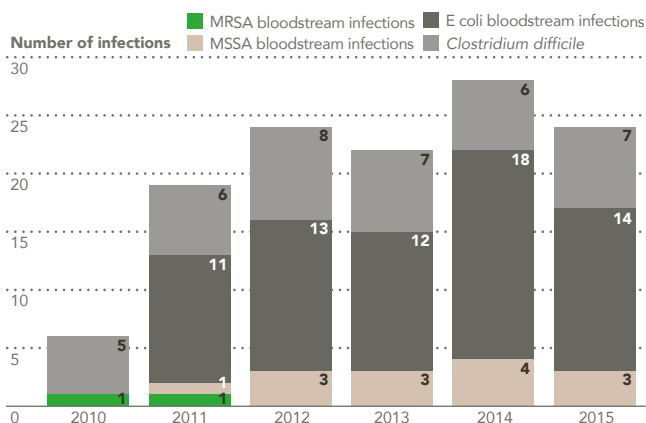
### OUR QUALITY CARE PARTNERS – CHAMPIONING EXCEPTIONAL PATIENT CARE



In 2015, we appointed a team of four highly experienced nurse leaders into the role of QCP. Our QCPs are responsible for a cluster of eight hospitals across our network and provide support and guidance and facilitate the sharing of best practice and lessons learned. Our QCPs work with hospital matrons and senior nurses to help them to achieve excellence in safety and quality and coach and support new matrons, to help them perform their new roles as effectively as possible.

**Pictured:**  
Catherine Anderson, Quality Care Partner South West

## Avoidable infections 2010 – 2015



### Avoidable infections

There is a well-established infection prevention programme across all our hospitals and we have an excellent record with respect to the management of avoidable infections (Healthcare Associated Infections). We participate in the Public Health England (PHE) National Mandatory Surveillance and reporting of Healthcare Associated Infections (HCAIs). Over the past four years, including 2015, we have had no MRSA bloodstream infections.

In October 2015 we achieved ISO 9001 certification across our physiotherapy, health assessment and corporate fitness and wellbeing services. This means that the design, planning and delivery of all our fitness, health assessment and physiotherapy services have been audited externally.

The process of certification was demanding and rigorous and included 23 individual audits carried out by 7 British Standards Institute auditors across 11 of our sites. To achieve certification, our employees were assessed on processes, customer focus and wider knowledge of Nuffield Health's quality policies. It also included assessment of the competence and training of employees and our management of equipment.

For our members, ISO 9001 certification is objective proof of how deeply we care about protecting and enhancing their health and wellbeing.

## HCA Quality Care programme

The HCA Quality Care programme trains and assesses Healthcare Assistants (HCAs) in hospitals, to a specific set of standards, in order to improve the quality of patient care in line with the care certificate requirements. It provides evidence that each hospital is meeting this need but going beyond this to include our

own requirements. Piloted in late 2015/ early 2016 and launched in the first quarter of 2016, it is for all our HCAs.

## Safe and appropriate equipment

Caring for our patients means ensuring we use safe medical equipment is just as essential as safe processes. We have a dedicated medical devices committee to ensure we achieve this goal. This applies whether in a hospital or clinic setting.

In 2015, our medical device compliance tasks were updated and issued to sites to ensure the key elements of medical device management were being applied. These tasks include the appointment of a medical device lead for each hospital and regular medical device forums.

Overall outcomes of the compliance tasks for all our hospitals have improved month on month in 2015. In addition, to further monitor performance and engage our hospitals, a medical device dashboard was created in September 2015. The dashboard includes a number of key performance indicators such as response to safety alerts, completion of mandatory training modules and customer satisfaction.



### HEALTH MOT SAVES LIVES



"I am just emailing to say thank you to one of the staff at the Nuffield Health Chesterfield Fitness & Wellbeing gym who gave me my health MOT on 24 June. He recorded a very fast heartbeat, and recommended I see a professional regarding this. After the appointment I went to Chesterfield A&E, and I was unfortunately diagnosed with Atrial Fibrillation – a fast and irregular heartbeat and I was at risk of a stroke. Could you pass on my thanks to Jake." Gym member Sara

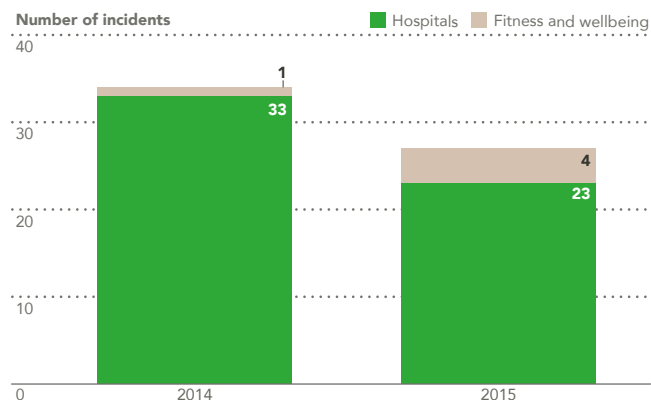
#### Pictured left to right:

Jake Tittley, being presented with some bubbly by Fred Burgess, Fitness Manager at Nuffield Health Chesterfield Fitness & Wellbeing gym

## Serious incidents requiring investigation

### Serious incidents requiring investigation

Our goal is zero serious, preventable safety incidents that should not occur if the available preventative measures have been implemented. When incidents may occur we fully investigate them and share the learnings across the organisation and where appropriate follow the statutory Duty of Candour.



# Safe

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## Protecting from harm

As a significant presence in many communities, we engage with thousands of people every day. We are entrusted with children in swimming lessons, crèches and nurseries. We work with vulnerable people across our network on their own personal journeys of health and wellbeing and help many people who are experiencing personal challenges in their physical or mental health.

Our engagement does not stop at the door of any of our facilities, because we see people not just as customers, but as valued members of their own communities. Accordingly, Nuffield Health employees are trained to recognise any signs of abuse at an early stage. All our employees are trained in how to respond, both internally to a trained leader and externally to appropriate authorities for support and guidance.



### SAFETY IN ACTION – SAVING LIVES THROUGH RESUSCITATION



All our fitness managers across our fitness and wellbeing network are trained in resuscitation. Member Martyn's life was saved at our West Byfleet fitness and wellbeing gym as result.

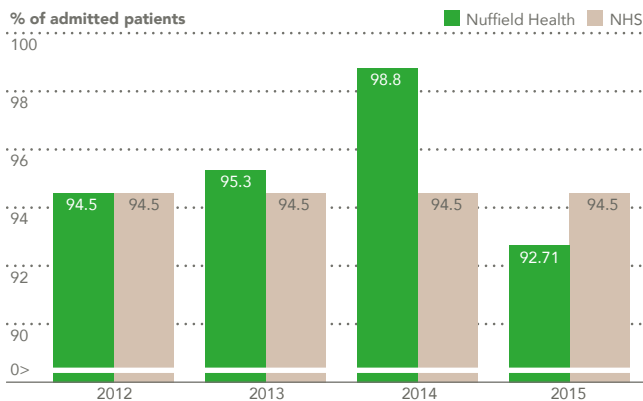
When Fitness Manager Katie Stephenson saw Martyn was suffering a cardiac arrest and his body was shutting down from abnormal breathing she commenced cardiopulmonary resuscitation (CPR) and made appropriate use of the on-hand defibrillator. She carried on with CPR until paramedics arrived and took Martyn to hospital for emergency care. Martyn has had a successful recovery after open heart surgery.

*"My family, friends, work colleagues and of course myself will be eternally grateful to Katie and I think Katie is a shining example of the professionalism and excellence that Nuffield Health would wish to project. I am so grateful to Katie, her caring and passionate attitude towards the members and business is very humbling to see."*

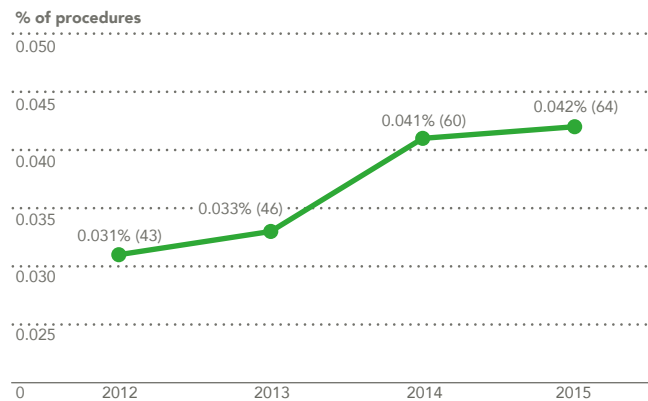
### Venous Thromboembolism (VTE)

VTE blood clots, are a significant patient safety issue in hospitals and prevention is key to reducing harm. Our aim is that 100 per cent of eligible patients will be assessed to reduce the risks of developing VTE. In 2015, we did not meet this target, which is disappointing and it remains a core focus to ensure patient safety.

### Venous Thromboembolism (VTE) risk assessment per '00 patients 2012 – 2015



### Venous Thromboembolism (VTE) incidence per '00 procedures 2012 – 2015



## Infection control with cleanliness

Infection control and cleanliness are fundamental to patient safety in any health and wellbeing environment. The Nuffield Health Cleanliness Course, run in collaboration with De Montfort University in Leicester trains members of our hospital housekeeping and HCA team – the people who are responsible for maintaining a clean and safe environment for our patients.

The course explores and enhances clinical skills and knowledge in relation to the principles of cleanliness and infection prevention and control. It focuses on the implementation of high quality cleanliness practices and gives our employees the skills to identify infection risks and implement effective cleanliness practice to influence and enhance patient care.

Trained employees act as role models and champions for infection prevention by using new knowledge, implementing best practice and influencing colleagues across our network.

In 2015, skills and learnings in cleanliness and infection control started to be shared with our consumer fitness and wellbeing gyms, which have the same cleaning manual as our hospitals and are working to those standards. We have seen benefits almost immediately. We recorded a 10 per cent increase in gym customer satisfaction for cleanliness, a clear benefit of our journey as One Nuffield Health.

## Looking forward

As we embark on our journey as One Nuffield Health, we will continue to seek ways to unite our people and teams to ensure consistent ways of working for the safety of our patients, members and of our people. For example, we are exploring a multi-disciplinary approach to incident investigations, drawing on skilled employees from other facilities; and incorporating local safety standards for invasive procedures (based on national standards) into our Nuffield Health Hospitals Theatre Policy.

This is only a small sample of our initiatives, because care for our patients, members and employees is a constant, across every day, week and year – with safety at the heart of our culture.

## Our 2016 objectives: safe

Further develop our childrens' and young people quality improvement framework

Enhance our safety culture by standardising processes in our surgical procedures

Enhance patient safety by investing in a full electronic patient record



Four employees from our Hospital Sterile Services Unit achieved the IDSc Technical Certificate. Usually taking two years to complete our employees achieved this within six months.





# Effective

## 2015 highlights

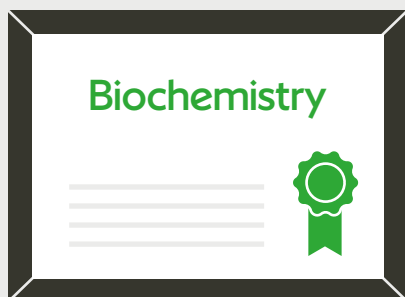
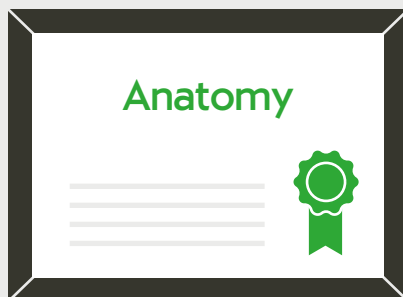
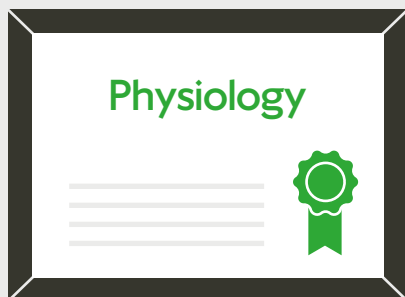
# 62%

of people who had a second health MOT at six months showed an improvement in

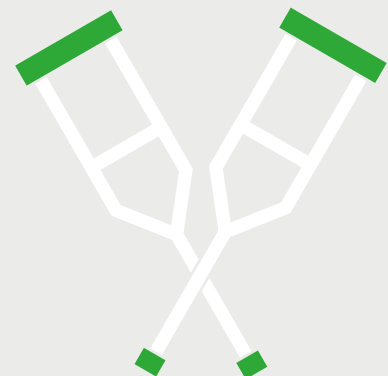
**one or more health metrics**



All our health and wellbeing physiologists are trained to a Master's degree level in



**On average, our physiotherapy service treats patients in under 5 sessions**



# We want every customer who enters a health and wellbeing journey with us to obtain clear, measurable results that enhance their quality of life. We seek to empower each person on their personal health and wellbeing journey.

To achieve these goals, we are working hard to unify all our services as One Nuffield Health. This encompasses achieving excellent outcomes for patients and members wherever they enter our network, be it one of our hospitals, gyms, medical centres or clinics or through targeted programmes designed for specific groups and individuals.

All our products and services are developed using the relevant and current evidence based guidance and standards, including National Institute for Health and Care Excellence (NICE) and other expert and professional bodies. We also work closely with our highly experienced consultants and with their valuable input we are able to provide the highest standard.

To become part of our health and wellbeing offering, our products and services must be fit for purpose and have a link to our charitable aim of advancing health and relieving ill health and sickness.

We continually measure our effectiveness in meeting our quality of life goal. In the following pages, we outline some of the ways we enhanced our effectiveness over the past year, how our patients and members have benefitted and our plans for the future.

#### Meeting our 2015 objectives:

- 18,000 patients have gone through a health MOT pre-operative assessment which enabled them to understand their risks and provided suggestions for lifestyle improvements

- All people that completed our Healthy Weight programme achieved a clinically significant weight loss goal with a minimum loss of 2 per cent
- We continued to build our network of sports and exercise medicine doctors and teamed up with two of the world's most respected sports scientists to produce monthly Strength and Conditioning Research Review papers to discuss specific pieces of research relevant to fitness professionals
- Contributed to evidence based learnings around public health and wellbeing with the launch of the Head of Wellbeing pilot project at Wood Green School in Oxfordshire

“ Our Bournemouth hospital officially opened its new cardiac catheter suite. It is the first private hospital in the UK to have the high tech new Siemens Artis Q installed, which uses unique X-ray technology.



# Effective

– continued

## Improving outcomes with pre-operative MOTs

A patient's health and wellbeing before a medical procedure is an important factor in recovery. We want to help every patient enjoy as rapid a recovery from a procedure as possible. To achieve this, we work together with our patients to ensure they are well prepared for their operation.

All patients who are having a general anaesthetic or spinal anaesthetic have a full pre-operative assessment to ensure that they are fit enough for surgery. In 2015, we launched our pre-op health MOT which is a wider health and wellbeing assessment. This helps to inform their wellbeing journey well beyond their surgery –

empowering patients not only to accelerate their post-operative recovery but to improve their wellbeing overall, if they choose to take up the offer.

Nuffield Health patients are able to choose the date of their surgery. Should the pre-op health MOT indicate, for example, that a wellbeing programme of healthy eating and weight loss prior to surgery would be beneficial, patients can choose to delay surgery and undertake an appropriate programme. In 2016, further work will be done to evolve our processes, as we engage with our patients and employees to learn how we can improve and enhance the offering.



All our health and wellbeing physiologists are trained to a Master's degree level in physiology, anatomy, biochemistry and disease management. They have extensive training in behaviour change techniques including motivational interviewing, which is the NICE guideline backed manner in which to coach healthy behaviours.



## A pathway to wellbeing with healthy eating and exercise

We all need support on our personal health and wellbeing journey. Sedentary lifestyles and food temptations are a constant challenge to our waistline and cardiovascular health. When healthy eating is combined with an appropriate exercise programme, we can create a powerful force for remarkable health and wellbeing outcomes.

Because of our integration of health and wellbeing, we have the ability to offer support to our members across our network. Led by our highly trained team of nutritional therapists, in 2015 we launched our personalised Healthy Weight programme. It is the first truly integrated and expert-led weight management programme on the market.

Designed around our members, their health goals and their lifestyle, the 12 week programme focuses on the key elements of good health – a balanced diet and regular physical activity. Our expert team provide an excellent mix of personalised coaching, practical workshops and group focused activity, empowering our members to make sustainably healthier food and lifestyle choices. All participants who took part in 2015 lost weight and on average lost 6cm from their waists.



### SUPPORTING DIABETES IMPROVEMENTS



At our Harrogate fitness and wellbeing gym, one of our Healthy Weight Programme participants was diagnosed with Type 2 diabetes. She emailed Gwen, our Nutritional Therapist at Harrogate:

*"I have just received the results of my HbA1c blood test, the gold standard test for diabetics as it measures blood glucose over a three month period. It is down to 53 mmol/mol, which is a reduction of three points versus last time and my doctor is quite surprised as usually it increases with age. I am delighted with this result as it has been static for years after a previous increase. The massive reduction of the sugar in my diet is the prime reason for this, as work commitments have prevented me getting to the gym quite as often as I have committed to do...thank you – a job very well done."*



# Effective

– continued

## Proactive guidance for better outcomes

In late 2015, we launched a new Concierge Service for our corporate fitness and wellbeing members to guide them along their health and wellbeing pathway effectively. Working behind the scenes, our concierges liaise with our medical clinic GPs to arrange consultant appointments and then work with our members to help them ensure attendance and appropriate follow-up. Over 2016, we will refine the service and explore ways to build out the programme in line with our One Nuffield Health strategy.

## Alleviating depression through exercise

NICE guidance recommends exercise as an intervention which helps people with mild to moderate anxiety and depression. Our occupational health team were concerned that because of the underlying health condition, motivation to exercise is often low. In response, they developed a three month supported exercise referral pathway through Nuffield Health fitness and wellbeing gyms. Introduced in 2015, the feedback has been very good.



2,200 patients participated in Recovery Plus, our enhanced post-surgery discharge programme.



At our Cheltenham hospital and in partnership with Gloucestershire Sports Injury and Exercise Medicine, we opened a new clinic treating sports injury and providing rehabilitation. Based in the physiotherapy department, it is the first of its type in the country.



## Helping children and teenagers with cystic fibrosis

Cystic fibrosis is a genetic condition in which the lungs and digestive system become clogged with thick sticky mucus, with symptoms including recurring chest and lung infections and significant breathing difficulties.

Our cystic fibrosis programme started in 2011 when the Great Ormond Street Hospital team were searching for some better exercise facilities for children and teenagers being treated for cystic fibrosis in hospital. Our Bloomsbury fitness and wellbeing gym is two minutes from the hospital and has excellent facilities.

Running for five years and now available at 17 of our fitness and wellbeing gyms, we provide free gym membership to children and teenagers referred from Great Ormond Street Hospital as well as their parent or carer. We also offer free personal training to support the children and teenagers with their exercise plan. To date 65 personal trainers have undergone training and more than 100 children and teenagers are signed up to the programme. 1,850 personal training sessions have also been delivered.



We aim to keep the children out of hospital as much as possible, to prevent deterioration in the disease and to encourage a normal childhood and full participation in school and extracurricular activities.

## Looking forward

Our One Nuffield Health strategy will focus on enabling our patients and members to benefit from a connected organisation. By leveraging our growing connected services, we can enable patients to benefit from the many and varied services we can offer them to achieve their goals as well as drawing upon our network to maximise our work for the public benefit.

## Our 2016 objectives: effective

Develop a new clinical care pathway for women undergoing breast cancer treatment

Embed a supportive joining pathway into our fitness experts for people with known chronic disease or health concerns

Offer educational grants to all consultants with practising privileges at Nuffield Health with a specific focus on enhancing patient care or service quality

Continue to improve our occupational health offering through the use of fitness, nutrition and emotional health experts to encourage and support return to work

Recruit an expert to enhance data analysis to improve quality and clinical outcome measures

“ We offer health MOTs to all new gym members. This enables them to create a benchmark at the start of their wellbeing journey with us. Around 40 per cent of members take up this offer. In 2015, 62 per cent of people who had a second health MOT at six months saw an improvement in one or more health metrics.



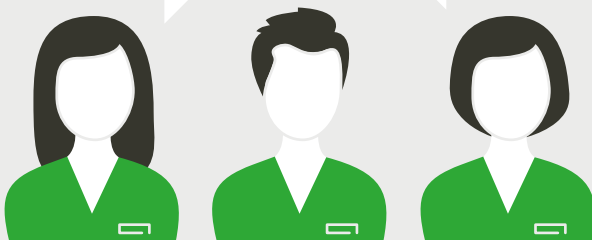


# Caring

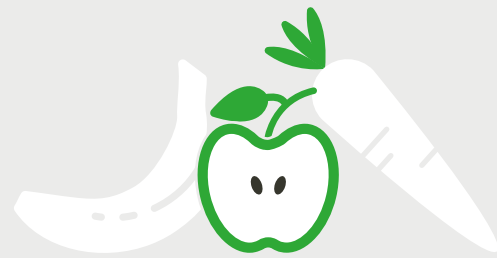
## 2015 highlights

We aimed to reduce escalated stage 2 and stage 3 hospital complaints by 25 per cent but actually achieved a reduction of

# 39%



**Our physiotherapy team achieved their highest ever customer satisfaction score**



## Our Healthy Start programme

won the award for



at the ukactive Training Awards

# By caring, we mean that employees involve and treat people with compassion, kindness, dignity and respect.

Caring extends to our community, because we see ourselves as an important enabler of health and wellbeing well beyond the doors of our facilities.

To all of us at Nuffield Health, this covers the simple gesture of a warm welcome, understanding and meeting individual needs and providing the best possible care and guidance. Our goal is to ensure we do this in a consistent way across all our health and wellbeing pathways.

We see our role as a partner to our members and patients on their individual health and wellbeing

journeys. We proactively involve them in planning and making decisions about their care and individual goals in order to maximise empowerment and independence.

#### Meeting our 2015 objectives:

- We achieved a significant reduction in stage 2 and stage 3 complaints through enhancing our response to patient concerns and their resolution. The number not resolved at stage 3 and escalated to an independent external adjudicator fell from 10 in 2014 to 4 in 2015. This is explained further on pages 36 and 37

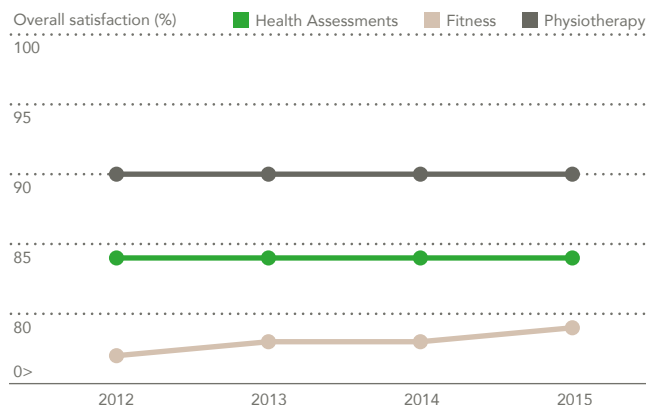
- Patient forums were held at 50 per cent of our hospitals, which was below our 100 per cent objective. We are thinking again about how we do this in order to increase attendance and engagement

- All relevant employees were compliant with mental capacity and safeguarding training. This was extended to include training on dementia, deprivation of liberty and caring for people with learning disabilities

#### Wellbeing satisfaction

We continued to experience a positive trend in customer satisfaction

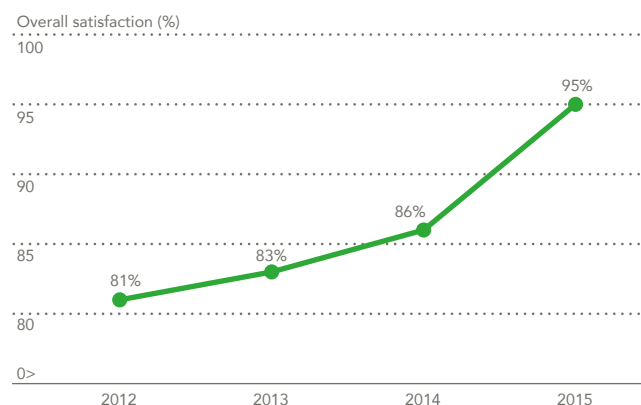
#### Wellbeing satisfaction Fitness, physiotherapy and health assessments



#### Hospital satisfaction

We continued to experience a positive trend in patient satisfaction

#### Hospital satisfaction All Nuffield Health hospitals average



# Caring

– continued

## Understanding our customers' needs

We want to know where we have done well and where we can improve our customer experience. Surveys are a useful tool, however we also want customers to share their experiences with us in an open, collaborative environment, as true partners.

## A journey from hospital to wellbeing for cancer patients

Our Cambridge hospital and Cambridge fitness and wellbeing team have been working together to create an integrated cancer rehabilitation programme to enhance our cancer patients' quality of life by improving physical function and psychological and social wellbeing. A free 12-week gym membership, free health MOT on commencement and the delivery of a targeted wellbeing programme is offered. A further health MOT is given at 12 weeks to assess progress.

The programme started in the middle of 2015 and we are exploring ways to expand it, which would include equipping more of our personal trainers with cancer care knowledge.

## A healthy start

Our Healthy Start programme is a reflection of our charitable aims. It includes initiatives such as our tailored employability programme which is targeted at people with long-term health impairments. This intense programme involves medium to long-term work placements, sometimes offering the opportunity to gain a qualification, to help improve participant's chances of gaining sustainable employment. As a result of this programme is that we have our first wheelchair bound personal trainer working in one of our fitness and wellbeing gyms.

Healthy Start also reaches out to the Epsom community near our Support Centre and central office. It delivers initiatives to local charities such as Carers of Epsom, who can benefit from our facilities and expertise in healthcare. Initiatives include a six week pilates course and back workshops for carers as well as employment workshops for local young people. To date, over 100 local people have benefited from these initiatives.



### TAKING TIME TO CARE



A customer's letter to our team at Warwick fitness and wellbeing gym:

*"As discussed I would be really grateful if you could highlight the outstanding levels of customer service I have received from your staff on a continued basis. I have to stress that this is actually from all of your staff whether it be in the gym, behind reception or in the pool but I would particularly like to mention your lifeguards Jack, Liam and Jonny.*

*As you know I am disabled and can only walk with a crutch and normally with a calliper but when in the pool area I cannot obviously wear this. Today on three separate occasions, once with each of Jack, Liam and Jonny, they actually prevented me from slipping over and ending up on the floor by holding on to my arm when walking on the pool side. Jonny helped me get into the sauna and even came in with me to help me sit on the top level which I like to do as it is warmer. The lifeguards also help me take a shower in between going from the sauna to the steam room. It costs nothing to be kind."*



We observed compassionate and caring interactions from all staff. Patients were positive about the care and treatment they received. One patient told us "I am looked after like a gold clock" another patient told us "I am super, super impressed". A third patient told us "They are really kind and reassuring".



Extract from the CQC inspection report of our Wessex hospital

## Caring for the environment

Nuffield Health is dedicated not only to the health and wellbeing of its patients, members and staff but also of the environment. Improving our energy efficiency and investing in renewable energy reduces greenhouse gas emissions.

In 2015 we embarked on a five year energy strategy, the Green Plan, with a target of reducing energy consumption by 25 per cent by 2020. We plan on achieving this through:

- Changing the culture around energy and encouraging people to make a positive impact in all aspects of their routine and behaviour
- Investing in energy technologies such as combined heat and power plants, LED lights, PV arrays, pool covers, and intelligent building management systems
- Being open and transparent about energy use across the business, with comprehensive monitoring and targeting, and ensuring energy is always on the agenda

Energy Champions across the organisation, challenge on-site teams to focus on local initiatives to reduce energy wastage.

They act as cultural change agents to encourage employees behaviour to be more focused on energy usage and review our operational practices to make sure that we are operating our sites as efficiently as possible.

Nuffield Health has already seen an eight per cent reduction on its energy consumption and reduced its carbon footprint, saving approximately £1 million in 2015. With significant investment in larger energy technologies in the coming year we are hoping to improve this reduction even further.

## Looking forward

Fundamentally, we want to ensure all our staff have the time to care. It is how we engage with every hospital patient, every gym member, every person needing help through physiotherapy or any of the thousands of individual moments of engagement we have every day with all our customers. All our efforts to make our business more efficient and effective over the next year and beyond have the ultimate goal to enable all our people to work to their best ability to respond and meet the needs of our customers.

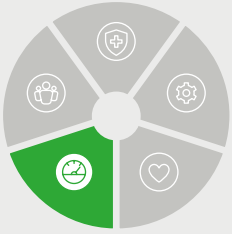
## Our 2016 objectives: caring

Roll out our club within a club initiative, to support specific member groups and communities within our gym locations, for example support for new parents and helping to reduce social isolation

Roll out of the 'Great Conversations' customer service training programme, with a focus on our hospitals

Aim to extend the patient forum concept across our fitness and wellbeing gyms to create additional opportunities to capture insights from our members

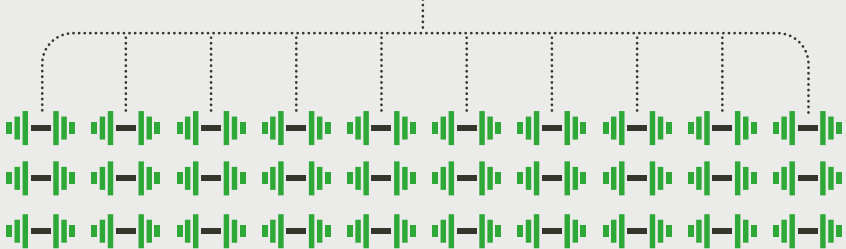
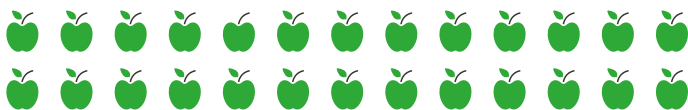




# Responsive

## 2015 highlights

We have 26 nutritional therapists across



30 of our consumer fitness and wellbeing gyms



The average age of our most frequent gym attendees

Joined up with Human Race as official health and wellbeing partner. Nuffield Health is now supporting over 50 events in triathlon, cycling, running and swimming



# We cannot stand still as an organisation. The health and wellbeing environment and the needs of our patients and members are always evolving. Every individual and community can benefit from habits that promote good health.

To fulfil our charitable objective, including advancing and promoting health and relieving ill health, we work hard to respond to individual needs and make a broader contribution to society. We do this by supporting or initiating effective services and programmes, aided by appropriately sited facilities.

When our patients have concerns or complaints they are encouraged to speak up informally or are guided through the formal complaints process, where this is required. Complaints are investigated openly and transparently, and lessons learned are shared to improve the quality of care – in line with our One Nuffield Health strategy. Where we are found not to have met our own expected ways of working we aim to respond quickly and effectively.

Being responsive is organising our products and services to provide wide access to meet people's needs. Through our One Nuffield Health strategy, we are bringing together our products and services more effectively to support people in improving their health and wellbeing.

## Meeting our 2015 objectives:

- We listened to feedback around our HealthScore™ digital service and in response we intend to release new digital health and wellbeing tools
- Commenced our school wellbeing pilot at Wood Green School, Oxfordshire
- Our new mobile responsive website NuffieldHealth.com helped us bring to life the things we do to help our patients and members. This is done via case studies, advice, guidance as well as colleagues sharing their expertise
- Became the official health and wellbeing partner with Human Race, the UK's largest mass participation events company; supporting over 50 events in triathlon, cycling, running and swimming



# Responsive

– continued

## Responding to the challenge of obesity

With temptation in every supermarket aisle and sedentary lifestyles fuelling the obesity epidemic and its impact on healthcare budgets, obesity is one of the UK's most pressing health and wellbeing issues.

As we discuss in the effectiveness section, we are responding to the challenge from the individual customer level and with broader initiatives that promote behaviours to create a culture of healthy living. It is through changing behaviours that we can have the biggest impact. This is not about fad dieting or rapid, unsustainable weight loss, but genuine change.

For example, we now have 26 nutritional therapists across 30 of our fitness and wellbeing gyms, who are advising our customers on integrating healthy eating with exercise for real lifestyle change and long-term health and wellbeing. All our nutritional therapists are members of both the British Association for Applied Nutrition and Nutritional Therapy and the Complementary and Natural Healthcare Council. We want to accelerate this by enabling our clients to access a total health and wellbeing programme through digital offerings and we will be exploring this over the coming year.



### WORKING WITH LOCAL SCHOOLS



To help create and maintain strong links with local communities in Cambridge, the newly rebuilt Nuffield Health Cambridge Hospital commenced an educational partnership with local school St Faith's. The programme included a Medical Experience Day to give children first hand experience of a real-life hospital. This was so popular there are plans to make it a regular fixture in the school's calendar. The school was also involved in designing the gardens, with eco-features including bug boxes. During the build, artwork created by some pupils was used as the hoardings to surround the construction site to add colour and vibrancy to what would otherwise have been a drab location.

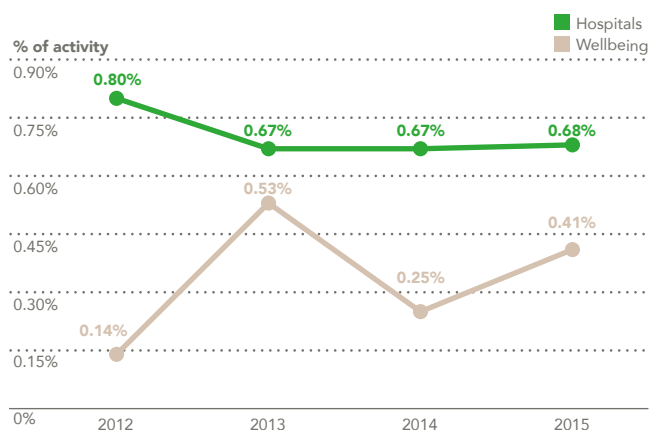


The average age of our most frequent gym attendees is 67 and we work hard to meet their mental and physical wellbeing needs with innovative, targeted programmes.



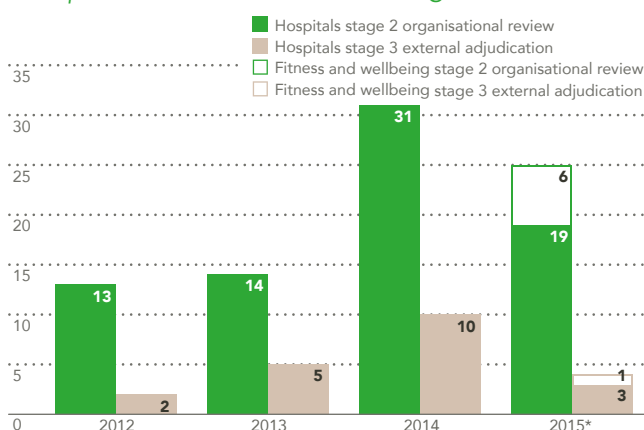
### Customer complaints

2012 – 2015



### Complaints escalated

\*Hospitals and fitness and wellbeing



## Responding to 'Red Flag' symptoms

We have the largest network of physiotherapists in the UK outside the NHS which are accessible across both our hospital and fitness and wellbeing gyms. All our physiotherapists are Health & Care Professions Council and Chartered Society of Physiotherapy registered. With this very large network, it is essential we have consistent ways of working.

We support our physiotherapists through post graduate training or other opportunities for professional development. This equips them to respond most effectively to client needs – whether clinically or non-clinically, including a strong focus on 'Red Flag' symptoms. For example, one of our physiotherapists noted particular warning signs on a patient, and referred for further investigation, which enabled a diagnosis of spinal cancer and the opportunity for treatment.



### PRACTICAL SUPPORT IN OCCUPATIONAL HEALTH



We provide occupational health services to corporate clients across a range of industries. One of our clients in the telecommunications industry employs riggers to climb masts and carry out repair work at height. They climb in all weathers, have to carry kit and wear a harness. There are medical standards that have to be met in order to be passed fit to climb. Most occupational health services carry out the medical and advise if the employee is fit or unfit to climb. Nuffield Health is different as we are able to utilise our wider platform to support those who fail the medical to reach the required standard.

A 23 year old man attended occupational health for his first climbers medical. He had no significant medical issues, however he failed his medical due to a poor grip strength score and he was unable to achieve the minimum standard on the Chester step test (a measure of aerobic capacity) for his age.

He admitted at the medical that he did no regular exercise. The medicals are carried out by our occupational health physiologists who are trained in motivational coaching techniques. During the coaching session the employee was given advice and a 12 week personalised exercise plan. He was also given three months free access to our gyms and he could contact the occupational health team if he had any problems or needed any further support.

The employee was reassessed after three months. He had improved to the point where he was now strong enough to pass the grip strength test for his age. He also passed the Chester step test with a 40% improvement in his performance. The employee was very happy and reported improved sleep, fitness and energy levels. The employer was also very happy as they now had a new fit and healthy member of their climbing team.

### Complaints

The number of stage 2 complaints not resolved at a local Nuffield Health hospital and escalated for review by a senior manager with no connection to the location involved fell from 31 in 2014 to 19 in 2015, equating to a 39% reduction. The number of stage 3 complaints where a complaint is still not resolved at the organisational review stage and is escalated to an independent external adjudicator fell from 10 in 2014 to 4 in 2015, equating to a 60% reduction. Our aim for 2015 was a 25% reduction and we surpassed this.



# Responsive

– continued

## Responding to needs in the North West

In January 2016, we launched our new state-of-the-art Diagnostic Suite in Manchester. This is an important step on our journey to deliver complete health and wellbeing by integrating diagnostic services with primary care wellbeing services. The suite offers a wide range of scanning facilities, including MRI, plain X-ray, mammography, CT, DXA, non-invasive cardiology testing and ultrasound with liver and breast elastography. In keeping with our One Nuffield Health strategy, it will also offer health assessments, physiotherapy services and private GP appointments. The suite is part of our wider strategy allowing us the opportunity to build unique relationships with the local Manchester healthcare community as well as further solidifying our existing partnerships, in readiness for our connected hospital and wellbeing facility model, as we move forward with our plans for a new hospital in central Manchester.

## Doctor revalidation

Nuffield Health is a designated body for the purpose of General Medical Council doctor revalidation. We have a dedicated support line, website and newsletters to help our connected doctors. The medical society committee monitors progress on doctor revalidation compliance through the monthly doctor governance committee. Over the past two years we have improved our appraisal rate from 76 per cent to 86.5 per cent. The NHS England independent sector average is 85.5 per cent. We made 73 positive revalidation recommendations to the GMC and referred one doctor for non-engagement in the revalidation process. We will continue to work to improve appraisal rates, revalidation recommendations and support tools for our connected doctors.



### INTERGRATING SERVICES TO RESPOND TO EMPLOYER NEEDS



A pilot was initiated at British Gas where employees can be referred to our physiotherapy triage team not only for physiotherapy treatment, but for the wider range of services that Nuffield Health provides. Employees who identify a musculoskeletal symptom or call in sick because of a musculoskeletal problem are encouraged to call and speak to our team. Employees who are logged in absence due to musculoskeletal symptoms will automatically be referred to occupational health and on to the Nuffield Health triage team.



We have a telephone triage service where customers can contact us via a dedicated service to access a senior physiotherapist who can help rapidly diagnose an issue. If required, they can also arrange a face-to-face consultation.



## Our Nuffield Health Academy – helping our staff help our customers

Our Academy supports our employees through training and innovation, supporting them to respond to the changing needs of our members and communities. For example, when a pregnant client consulted one of our personal trainers on how to stay fit during this important time in her life, our personal trainer consulted our support team. Seeing a demand beyond this one client, our Academy is creating an online module to train our people to best help and work with our pregnant clients. The knowledge our trainers will get from the course will enable them to make the necessary adaptations to a member's exercise programme, so the member can continue with the sorts of exercise they enjoy in a safe and effective manner. It will also suggest exercises to help prevent common health issues at each stage of pregnancy.

## Looking forward

We want to empower our patients and members to achieve the level of health and wellbeing that is right for them – equipped with an understanding of their own, personal status. To do this, we must offer a truly joined up service. In 2016, we will be rolling out a series of new initiatives that will accelerate this vision, including a new Electronic Health Record which will be used across all departments and clinical support services.

## Our 2016 objectives: responsive

Enhancing and increasing the content of our website to provide expert health and wellbeing advice to patients, members and the public

Support all our nurse population through the new professional body requirement for revalidation

Provide the ability to join our gym locations, book fitness classes and physiotherapy online



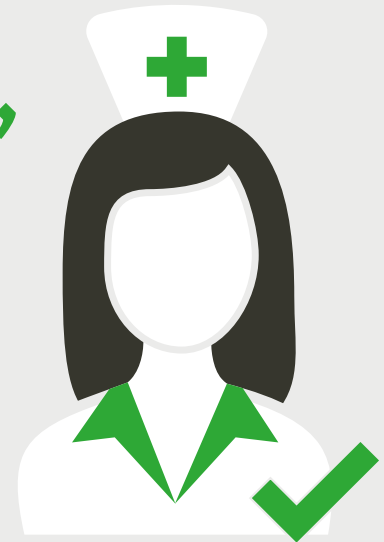


# People and leadership

2015 highlights

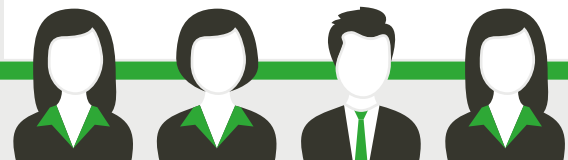
We launched our Preceptorship programme  
**‘A Confident Start’**  
for newly qualified nurses

**24 nurses were taken  
through the programme**



**400**  
of our leaders attended our

**‘For the love of life’  
workshops**



# An open, fair and transparent culture is at the heart of how we support our employees to perform to the best of their abilities. In turn, this enables them to provide high quality, person-centred care.

Our people embrace our values and beliefs and have the skills, knowledge and confidence to deliver quality health and wellbeing services. Through training, professional development opportunities and clear guidance on ways of working, we seek to cascade good practice throughout the organisation.

We seek to create an environment for our employees and customers that embraces diversity and inclusiveness, in a culture of mutual respect.

We offer fair remuneration and a range of benefits to support employee wellbeing, which allow us to recruit

and retain the best employees in our markets. In line with our One Nuffield Health strategy, we are working to standardise benefits across the organisation, where appropriate.

#### Meeting our 2015 objectives:

- Our board members and registered managers signed "Our Pledge", which captures a commitment to ensuring our ways of working are underpinned by integrity, openness, objectivity and accountability (including compliance with the NHS constitution and Corporate Governance framework)

- Rolled out our 'For the love of life' programme to all leaders and employees in continued support of our fundamental values
- Offered 85 work experience and placements throughout the organisation
- Took 24 nurses through our Preceptorship Programme
- Conducted two Leadership MOTs across the organisation

#### Leadership MOT Year on Year

	2013	2014	Apr-15	Oct-15
<b>Responses</b>	5,316	5,684	<b>6,041</b>	<b>5,884</b>
<b>% Response rate</b>	53%	63%	<b>73%</b>	<b>61%</b>
<b>How likely are you to recommend Nuffield Health as a place to work to friends and family (Net Promoter Score)</b>	+10	+27	<b>+31</b>	<b>+27</b>
<b>How likely are you to recommend Nuffield Health products or services to friends and family (% 'Extremely likely' or 'Likely')</b>	91%	93%	<b>92%</b>	<b>91%</b>



#### Leadership MOT

Our bespoke employee survey – the Leadership MOT is aligned to the NHS survey as far as possible, but adjusted to reflect Nuffield Health's wider workforce and to facilitate year on year comparisons. Like last year, the top scoring statement was again "I understand and champion the mission and purpose of Nuffield Health."

# People and leadership

– continued



Our team at Brentwood hospital celebrated 400 collective years of service at our annual long service awards.



## Employee wellbeing

We are the largest provider of employee wellbeing services in the country – supporting many of the UK's largest employers. This experience and knowledge helps and supports our approach to our own employee wellbeing. At the heart of our approach is a culture that genuinely respects our employees' contributions, and supports them to perform at their best and thrive. We have structured programmes to support this, encapsulated in our brand 'For the love of life'.

In 2015, 400 of our leaders attended 'For the love of life' workshops which they then cascaded to their teams. The workshops embedded 'For the love of life', ensuring everyone was

able to engage with and bring to life our values and beliefs. This step was paramount in embedding a unified, values driven Nuffield Health.

In 2015 we achieved the Pensions Quality Mark, which is the highest standard of excellence available to UK employers to demonstrate the benefits of their pension offering. This standard is recognised by the HR and Pensions industries, along with the Government and is one we are very proud to have achieved.

## Supporting new employees

The Nuffield Health Academy offers a wide variety of training and development via face-to-face support or through our Academy Online System. Our Academy team have also launched a new induction toolkit to use with all new starters, which consists of a workbook for the new starter and a support guide for the line manager and 'buddy'. A standardised approach to inductions helps to ensure our new starters get off to the best possible start, making them feel valued and invested in right at the beginning of their Nuffield Health career, and which in turn plays a part in increasing retention rates.



### PROTECTING OUR EMPLOYEES FROM INJURY



In 2015, we ran an employee wellbeing campaign on back care, in conjunction with a series of 'Meet Our Experts' back care events. The aim of the campaign was to help our people take better care of their backs and focused on building awareness on the various ways we can look after our backs via tips on prevention and treatment.



In 2015, we launched our own, bespoke healthcare certificate for the training of Healthcare Assistants.



## A healthy start

Our Healthy Start programme enables young people to improve their chances of gaining sustainable employment through work experience and gaining qualifications. Through the programme, we deliver a number of work placements, apprenticeship and traineeship initiatives, introducing people to the health and wellbeing sector.

In June 2015, we launched our first nationwide Healthcare Assistant Apprenticeship programme. From over 900 applicants, 13 apprentices were recruited, ranging in ages from 18-37, with many securing employment before the end of the programme. In September 2015 our pilot apprenticeship programme came to an end and by the end of the year, 84 per cent of those who started in 2014 were still in permanent employment with Nuffield Health.

Our traineeship programme is dedicated to helping people with a long term health impairment. These programmes combine work experience with dedicated individual support and development to help transition participants into employment. To date 14 people have taken part in traineeships and five gained employment at the end of their programme, while others found that the programme helped them

achieve employment elsewhere. In addition, a further 85 young people took part in a week's work experience across the country.

The success of the programme is due to the many individual Nuffield Health employees who are passionate about supporting and mentoring a young person to change their life.

## Training for employee growth and skills development

Our colleagues continue to benefit from Continuing Professional Development. We are industry leaders in training opportunities for physiotherapists and personal trainers and also offer comprehensive training on our unique products and services such as health MOTs and our Recovery Plus programme.

We also upgraded our mandatory learning modules and migrated existing e-learning into our new Learning Management System. The migration resulted in a new user friendly platform to access modules via our Academy Online system with new, accurate and easy to navigate reports made available to all employees. We have upgraded critical learning modules and redesigned other modules to be more engaging.



### HELPING EMPLOYEES AND CUSTOMERS HAVE GREAT CONVERSATIONS



Our 'Great Conversations for Service' programme gives teams the 'How' to deliver a great customer experience. It involves Neuro-Linguistic Programming techniques to have really good conversations on each interaction to help build rapport, influence others, and maintain an agreeable conversation – helping us build longer lasting relationships with our customers and teams.



“ Our Healthy Start programme won the award for Innovative Training Programme of the Year at the UK Active Training Awards. ”

# People and leadership

– continued

## A 'Confident Start' for our nurses

In April 2015, we launched 'Confident Start', our Preceptorship programme for our first group of newly qualified nurses. This programme represents a key strategic response to our retention challenges and our ageing nursing workforce. This year 44 per cent of our nurses within our hospitals were over the age of 51.

The programme has been designed to help ensure that our newly qualified nurses have protected time and expert support to help them apply academic knowledge. It is all about giving our nurses the best start possible. The programme brings together innovative development opportunities ranging from face-to-face workshops, workplace shadowing, and virtual learning to masterclasses.

## Recruiting economically and efficiently

Our recruitment strategy is focused on brand led direct resourcing, which puts our employee value proposition at the centre of our resourcing process.

Using our in-house team of recruitment experts, we go direct to the external market, communicating our key messages and our point of difference on why Nuffield Health is a unique and great place to work. We build brand awareness through multi-channel campaigns using both traditional press, digital channels and social media networks. As such, we recruit engaged talent at all levels across the organisation without the reliance on recruitment agencies.

In 2015 we re-launched [nuffieldhealthcareers.com](http://nuffieldhealthcareers.com) which is the hub for all our recruitment communications.

We have continued to engage with the Armed Forces community through Defence Relationship Management and the Career Transition Partnership (CTP); attending 12 events and promoting our services and vacancies through the CTP website. Our efforts in engaging with, and recruiting over 50 individuals from the armed forces since 2013, were recognised in May, when we gained the Defence Employer Recognition Scheme Bronze Award.



In 2015, our cost per new employee hire was £258, compared with £1,413 in 2011.



Nuffield Health received the Bronze Award from the Defence Employer Recognition Scheme



## Looking forward

Our focus in the year ahead is continuing to unify our people policies, processes and benefits across the organisation so we act as One Nuffield Health. This encompasses our GPs, nurses, physiotherapists, fitness teams and all other professional and support staff who help us make a difference to the health and wellbeing of our customers and community.

The focus on One Nuffield Health will enable the organisation to be fit for the future. Our updated strategy and purpose will identify why and what we do and by re-defining our values and beliefs we will be able to clearly articulate how we do things to achieve success. We will be working on ways of connecting our leadership population in order to deliver our strategy and purpose and defining what capabilities and competencies we need throughout the organisation to deliver that now and in the future.

“ Our innovative work on the Confident Start programme for nurses has earned us a nomination for the 2016 Recruiter Awards. ”

## Our 2016 people and leadership objectives

Embed an open, fair and transparent culture by continuing to run our Leadership MOT survey and asking our people for their feedback, listening and taking action and particularly focusing on areas where concerns have been highlighted

Support our people with new approaches to diversity and inclusion, including further investment in our Healthy Start programme aimed at supporting people with health related challenges to gain practical work experience

Continue our investment in our leadership programmes where we will build on the 'For the love of life' workshops ensuring our beliefs and behaviours reflect the One Nuffield Health strategy. We will create and launch a new development programme to support all registered managers to enable them to deliver a high level of quality care for our customers and patients

Provide professional development programmes for our clinicians. We will focus on developing and launching a CPD programme for our nurses aligned to the requirements of nurse revalidation. We will also continue to invest in the CPD programme for our physiotherapists, creating an industry leading learning curriculum

Redefine our operating model to reflect our One Nuffield Health strategy including alignment of divisions, central office support functions, embracing digital technology and new service line delivery



# Quality and safety framework

The quality and safety framework in Nuffield Health comprises both internal and external assurance. Internal assurance operates across the organisation in subject specific risk, safety and quality management processes, with feedback loops to ensure lessons are learned as part of our continual improvement methodology.

External assurance includes verification of compliance to regulation and certification against defined standards from relevant bodies such as the BSI. The regulatory bodies whose requirements we meet are listed in Appendix 4.

The BQSC is responsible for oversight of the audit programmes, supported by relevant expert advisory groups (EAGs). It reviews audit outcomes on behalf of the board of trustees. The committee, supported by external experts where required (see Appendix 3), also undertake audits of our suppliers to assure the quality of the products and services to be used in, or associated with Nuffield Health.

## The CQC

The CQC performs regulatory monitoring and inspection in our 29 hospitals and 31 registered medical clinics in our fitness and wellbeing gyms in England. In the majority of areas we demonstrated good compliance.

The CQC have a four point rating for inspection results: Outstanding, Good, Requires Improvement and Inadequate. In 2015, the CQC undertook four inspections of Nuffield Health hospitals in Bristol, Plymouth, Derby and Wessex and one pilot inspection of the Nuffield Health Bristol Fitness and Wellbeing gym which equated to a 'Good' rating.

### Nuffield Health

Hospital	Rating
Bristol	Requires Improvement
Plymouth	Requires Improvement
Derby	Good
Wessex	Good

Nuffield Health Bristol Hospital was rated overall as 'Requires Improvement'. The hospital received 'Good' by the CQC across the adult wards, operating theatres, outpatients and diagnostics services. We were also pleased that the dedication, commitment and flexibility of frontline staff was recognised, as was the high quality care delivered to patients. Children's services were rated as 'Requires Improvement' and we took

immediate steps to address the findings and in the short time since the inspection, we have worked proactively and constructively with the CQC.

Nuffield Health Plymouth Hospital was rated overall as 'Requires Improvement'. The hospital received 'Good' by the CQC across outpatients and diagnostics services, which were found to be well led and safe. The CQC also highlighted that surgical services were outstanding for patient care, receiving consistently positive feedback. The inspectors were keen to point out that this rating is not given lightly. Surgery and children's services were rated as 'Requires Improvement' and we took immediate steps to address. Since the inspection, we have worked proactively and constructively with the CQC.

Nuffield Health Wessex Hospital was rated 'Good' overall by the CQC. The services at this hospital were mainly safe, effective, caring, responsive and well led. The hospital took into account individual patient needs and preferences when designing the delivery of well-planned services to its patient

population. Reception staff were observed to deliver excellent and timely care to a patient who had presented for an appointment but who was in considerable pain. The endoscopy service was noted as 'Requires Improvement' and we are working hard to develop the service.

Nuffield Health Derby Hospital was rated 'Good' by the CQC. The inspectors noted feedback from patients who were continually positive about the 'polite, helpful and kind' staff. Staff were highly motivated and cared for patients in ways which promoted their privacy and dignity.

The overall leadership of the hospital was good and staff felt able to discuss improvements for their patients and services and to raise concerns.

The hospital's new anaesthetic procedure was highlighted, whereby patients undergoing certain procedures are given targeted spinal anaesthesia lasting only for the duration of the procedure which means patients can start eating, drinking and moving around immediately and can be discharged sooner.

Areas for improvement include patient outcome measures in endoscopy and cancer as well as ensuring compliance with mandatory training requirements and major incident responsibilities.

## Healthcare Inspectorate Wales (HIW)

The Vale Hospital and Cardiff Bay Clinic are subject to registration and inspection by HIW. HIW did not inspect the hospital and clinic in 2015.

## Healthcare Improvement Scotland (HIS)

Our hospital in Glasgow is registered and inspected by HIS. HIS uses a six point rating system to report the outcome of its inspection process: Excellent, Very Good, Good, Adequate, Weak and Unsatisfactory.

In 2015 HIS rated our Glasgow Hospital as having three areas as Very Good and two as Good after their March inspection.

## Quality standards

We maintain a number of certifications for quality standards that are subject to external audit by bodies who are themselves subject to external accreditation, usually by the United Kingdom Accreditation Service (UKAS). These include:

### SEQOHS

Safe, Effective Quality Occupational Health Service – Operated by Royal College of Physicians on behalf of the Faculty of Occupational Medicine

### OHSAS 18001

Occupational health and safety management best practice standard for customers and staff in health and safety

## ISO 27001

Information security management system certification and full compliance with the NHS Information Governance Toolkit

## CPA/ISO 15189

Pathology/Medical Laboratory certification scheme across all pathology laboratories

## ISO 9001/ISO 13485

Medical devices – Quality management systems – Requirements for regulatory purposes and compliance with Medical Device Directive 93/42/EEC Article 12 Annex V. Sterile Services certification for the manufacturer of sterile procedure packs. The Notified Body is audited by MHRA

## MQEM

Macmillan Quality Environment Mark for standards of environment for people living with cancer (scheme assessed by DNV (Det Norske Veritas)

We continue to work towards achieving ISO 14001 accreditation. In 2015 we achieved ISO 9001:2008 Quality Management Systems certification across our physiotherapy, health assessments and corporate fitness services.

# Risk management and principal risks

## Overall approach

Nuffield Health takes a continual systematic approach to all risk assessments using an integrated risk management framework which identifies risks, assesses and prioritises risks, develops effective controls and counter measures, monitors risks, provides assurance mechanisms, creates risk registers and undertakes training needs analysis.

The Board of Trustees as a whole considers strategic risks on a regular basis and two committees of the Board have been established to specifically cover clinical and health and safety risks (the BQSC) and commercial risk and financial controls (the Audit Committee).

Risks are identified centrally, within service lines, at functional and individual facility level with risk assessments created by individuals, groups, questionnaires, inspections, near miss reporting and incident reporting. Risks are identified and prioritised based on the likelihood of an event occurring and the impact of that event should it happen. All risks identified are then recorded on relevant risk registers at either central, service line, functional or local level and these are formally reviewed on a continuous basis and a full review across all risks registers is carried out centrally at least twice a year.

Controls and counter measures are also identified for each risk to either reduce the impact or probability of the risk, accept the risk and monitor changes in impact or probability, accept the risk and implement a contingency plan, transfer the risk to a third party or eliminate the risk by stopping the activity.

In September 2014 the Trustees considered the organisation's overall approach to risk and approved an updated Risk Management Strategy. Throughout 2015 the risk management strategy has continued to be embedded through the roll out of electronic risk registers and adoption of risk registers within EAGs, whose responsibility it is to support the sites and services in the identification and management of risks. The introduction of greater automation, visibility and alignment in the risk reporting environment continues to provide greater assurance of ward to board governance assurance and the control of risk throughout the organisation.

It is the responsibility of the Board of Trustees to establish the risk management structure, policy and strategy for the organisation as a whole. In addition, the Board of Trustees reviews the high level risks to the organisation using the following domains: Strategic, Financial, Operational, Quality & Safety, Legal, Regulatory and Contractual and Reputational.

## Strategic risks

The current Trustee risk register contains a number of risks which all have high gross risk ratings (which is the combined risk score before any mitigating actions or controls have been put in place). The key risks identified with the highest net risk scores (after mitigating actions and controls have been put in place) remain similar to those identified last year and can be summarised as:

- The risk that economic recovery is not sustained or becomes protracted which is mitigated by ongoing monthly business reviews and clear capital rationing and other cost containment measures as required
- The risk that NHS policy changes exclude independent providers, which is mitigated by the implementation of the Group's five year plan, increased overall hospital efficiency and ensuring there is not too great a reliance on NHS work at any one site
- The risk that low cost gyms will polarise the market and threaten full service providers, which is mitigated by Nuffield Health's differential health and wellbeing offering and brand investment
- The risk that a leading consumer or healthcare brand leverages into the wellbeing and self-pay space, which is mitigated by its ongoing investment in the Nuffield Health brand, by ensuring a national network of physical assets and by investment in internal leadership programmes

Serious untoward incidents, particularly those of a clinical nature, are a key area of focus from a risk perspective and detail of ongoing work in this area is provided in the Safe section of this report.

A focus this year has also been on the increasing risk of information security and cyber crime which the Trustees have reviewed in detail to assure themselves that Nuffield Health has a range of actions and controls in place to deal with this.

The first line of defence includes cyber security technology such as antivirus, firewalls and encryption, operational information security processes and controls and increasing training to improve workforce awareness and behaviours.

The second line of defence includes a structured information security management system, supplier assurance protocols, security testing and a focus on risk management and compliance.

The third line of defence includes Nuffield Health's own internal audit procedures and also the use of external assurance reviews.

## Credit, liquidity and interest rate risk

### Credit risk

Credit risk arises from deposits and derivative financial instruments with banks and trade debtors. The credit risk relating to banks is managed centrally within the parameters set by the Board of Trustees which restricts the counterparty banks and the exposure to each bank. The risk from trade debtors is considered low, with the values in the balance sheet being presented after an allowance for doubtful debts.

### Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and committed credit facilities. The Group subjects its cash flow forecasts to stress tests to assess the risk of a major cash shortfall or breaches of covenants. Whilst current forecasts do not indicate any significant reduction in the amount of cash generated by the Group, any severe shortfall would be addressed by tight control over capital spending and operating costs. At the end of 2015 there were £69 million of unutilised bank loan facilities and a further £5 million of unused overdraft facility.

The Group's available loan facilities are:

- £230 million bank loans and overdraft facilities, repayable in October 2021
- £100 million secured loan notes, £55 million repayable in October 2024 and £45 million in December 2026
- £19 million stakeholder bond, repayable July 2018

### Interest rate risk

The Group is exposed to fluctuations in the interest rate. The interest rate management policy is to optimise the balance between the fixed and floating interest rates, in order to minimise the annual interest rate costs and reduce volatility. This is achieved by modifying the interest rate exposure through the use of interest rate swaps, details of which are set out in note 22 in the Financial Statements and an element of fixed rate borrowing.

# Financial review

- Year of investment with good growth in existing activities
- Investment in acquisitions and capital assets totalled £99 million
- Reorganisation to better deliver connected healthcare to the UK population
- Revenue growth has continued, up £57 million (8 per cent) in the year
- EBITDA is up £5 million (6 per cent)

The key financial indicators are:

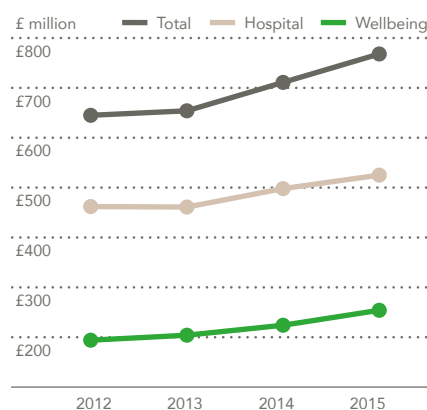
	2015	2014
Turnover	<b>£768m</b>	£711m
EBITDA*	<b>£86m</b>	£81m
EBITDA* as percentage of Group turnover	<b>11.2%</b>	11.4%
Total operating surplus excluding exceptional items	<b>£24m</b>	£17m
Return on capital employed (ROCE)**	<b>16.1%</b>	15.9%
Capital expenditure***	<b>£99m</b>	£81m
Leverage (total debt divided by EBITDA excluding exceptionals)	<b>3.2</b>	3.2

\* EBITDA is Group operating surplus with normal depreciation, amortisation and exceptional items added back

\*\* ROCE is adjusted EBITDA as a percentage of the net book value of fixed assets

\*\*\* Capital expenditure is additions and acquisitions to intangible and tangible fixed assets

## Turnover 2012 – 2015



## Trading

Turnover continues to grow, revenue up £57 million, EBITDA £5 million and both operating and net surplus excluding exceptional items are £7 million higher than 2014. The improvements are in line with expectations.

## Hospitals

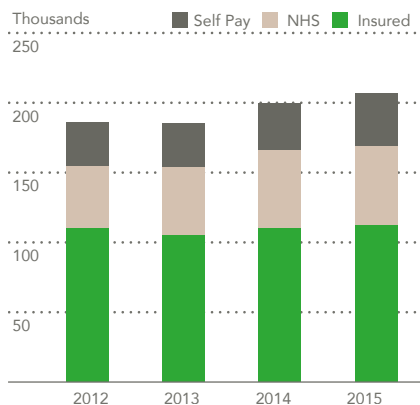
In 2015, the hospital division increased its turnover by £27 million (5 per cent) compared to the previous year. The year has been characterised by a strong growth in self-pay (12 per cent) activity.

The number of NHS procedures grew significantly in the first half of the year but following the announcement by Monitor that it was suspending a number of the fines and penalties in relation to waiting lists, and there was a reduction in the number of procedures in the second half of the year compared with the previous year. The year on year growth was 2 per cent.

Insured procedures increased by 2 per cent in the year.

The hospitals are being affected by the shortage of nurses with the resultant increase in agency fees. EBITDA is £4 million (4 per cent) higher than 2014.

### Hospital procedures 2012 – 2015



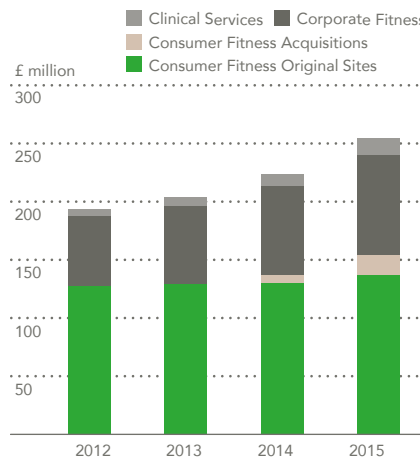
## Wellbeing

Wellbeing's turnover is £30 million (13 per cent) up in the year with increases in all areas.

- Consumer fitness and wellbeing turnover has increased by £17 million of which £10 million is from gyms acquired in the past two years
- The corporate fitness and wellbeing market is mature with increased competition, especially in London. Over the year turnover grew by 13 per cent
- Clinical services, comprising physiotherapy and health assessments, had a successful year, growing by 27 per cent

Wellbeing's EBITDA is £8 million, 52 per cent higher.

### Wellbeing turnover 2012 – 2015



## Central

The brand campaign and additional marketing has increased central costs by £7 million.

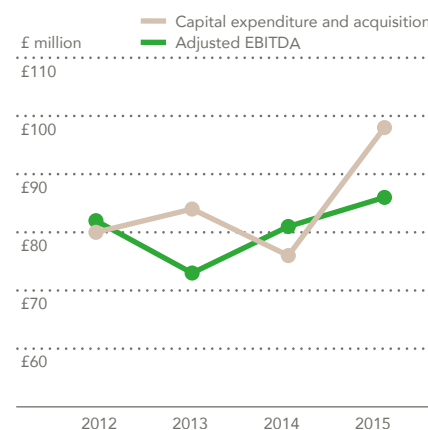
## Investment in the future

The Group uses the funds it generates from trading, along with loan finance, to maintain its existing assets and to invest in improving the patients', customers' and consultants' experiences by increasing the services available, making it simpler for them to deal with us, creating a more pleasant environment and modernising the equipment. The chart below shows the close relationship between the investments and adjusted EBITDA.

The major items invested in the year are the redevelopment of the Cambridge hospital, investment in the Manchester Diagnostic Suite and other hospital locations, upgrading our MRI and CT provision and investment in our IT infrastructure.

Two gyms were acquired with the purchase of The Health Club Collection Ltd in June 2015 of which expands our health and wellbeing services in London.

### Capital expenditure and acquisitions, adjusted EBITDA and depreciation and amortisation 2012 – 2015



# Financial review

– continued

## Exceptional items

### HealthScore™

The Executive Board reviewed the UK digital health market and in 2015 put on hold the further development of HealthScore™. The Charity is committed to the health of the nation and remote healthcare and digital health coaching can contribute to this. However in 2016 the board decided that HealthScore™ was not the solution and that it should be discontinued. As a result an impairment charge of £7 million has been made to the consolidated income statement and consolidated statement of financial activities.

### Reorganisation

Nuffield Health's strategy is to provide integrated health and wellbeing services, from preventive activities, through early diagnosis to restoration of health. The Trustees concluded that to effectively achieve this strategy it is necessary to reorganise the Charity.

As explained in the Chairman's statement, there have been changes to the Executive team and operational structure. These changes should speed up the connection of our services for the benefit of the Charity's actual and potential users. Unfortunately this has meant a number of people have left the Charity. The reorganisation costs are £4 million. It is forecasted that this will save £2 million per year.

### Credit, liquidity and interest rate risk

These risks and the management of them are described in the risk management and principal risks section on page 49.

## Financial stability and reserves

The Board's aim is to ensure the Charity continues to deliver its charitable services. This is only possible if the Group has sufficient cash and loan facilities to continue investing in its activities, meet its liabilities and repay or refinance its borrowings. The key to this is the Group's cash flows in both the short and medium term.

The Board assesses the cash flow forecasts on a regular basis to ensure that there is sufficient borrowing capacity to protect against a fall in income and that the loan covenants are met.

The forecasts show that the Group has enough internally generated cash and medium term borrowings to meet its operating and investment needs. The available undrawn loan facility at 31 December 2015 is £69 million and the next most substantial repayment of borrowings is in July 2018 when £19 million is due.

There are no freely available reserves because a significant portion of the operational fixed assets are funded from the general unrestricted fund. The Group has used and will use most of its surplus cash from operating and financing activities to invest in fixed assets that improve or increase the Charity's charitable activities; therefore negative free reserves are expected for the foreseeable future.

To ensure financial viability, the Trustees do not target reserves but monitor and forecast cash, liquidity and funding requirements.

## Going concern

The financial position of the Group, its cash flows and liquidity position are set out in the consolidated balance sheet, consolidated cash flow statement and notes 21 and 32. In addition, the risk management section and note 22 outline the Group's objectives, policies and processes for managing its financial risk and detail its hedging activities.

The Trustees have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future after taking into consideration the risks contained within the forecasts. Therefore they continue to adopt the going concern basis of accounting in preparing the financial statements.

## New Accounting Standards

This is the first year that Nuffield Health could apply the Financial Reporting Standard 102 – The Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland and Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice. The impact on the financial statements is set out in note 39. They have a negligible impact on the prior year's net surplus or trading performance.

There are two major changes to the financial statements, which affect the interest charge in consolidated income statement and consolidated statement of financial activities.

- The financial returns on pension assets recorded in these statements are £3 million lower in 2014. It does not affect the value of the pension deficit in the balance sheet
- The interest rate derivatives are put onto the balance sheet and movements in market value processed through the consolidated income statement and consolidated statement of financial activities reducing the 2014 cost by £3 million

## Other charities

The Group is the Trustee of The Desmond Hayton Williams Fund. The Fund was wound up in 2015 and its assets of £0.1 million transferred to Nuffield Health and used in the Healthy Start programme.

## Donations and bequests

Donations and bequests amounting to £0.1 million were received during the year. The Trustees would like to express their thanks to donors and their representatives.

The Strategic Report of the Board of Trustees to the members approved by

**Russell Hardy**

Chairman

25 May 2016