PHIN

THE PRIVATE HEALTHCARE INFORMATION NETWORK

ANNUAL REPORT 2016-17

THIS REPORT REFERS EXTENSIVELY TO 'THE CMA ORDER'.

The Competition & Markets Authority's (CMA) Private Healthcare Market Investigation Order 2014. An investigation by the UK's competition authority found that the lack of information available to patients considering private treatment was sufficiently serious as to create an adverse effect on competition. The Order created remedies to this problem, appointing an information organisation, the Private Healthcare Information Network (PHIN), and requiring that: "Every operator of a private healthcare facility shall… supply the information organisation, quarterly from a date no later than 1 September 2016, with information as regards every patient episode of all private patients treated at that facility, and data which is sufficiently detailed and complete to enable the information organisation to publish [specified] performance measures by procedure at both hospital and consultant level. The information organisation shall publish performance information on its website, as specified by this Order… no later than 30 April 2017."

Further information can be found in PHIN's Strategic Plan 2015-2020 (available at www.phin.org.uk) and on the CMA website (www.gov.uk/cma-cases/private-healthcare-market-investigation).

The Private Healthcare Information Network (PHIN) believes that transparency and better data enable better care for patients. Our purpose is to empower patients with robust information about private healthcare that will help them choose the best services and care.

PHIN is an independent, not-for-profit organisation that exists to support patient choice and to provide data that helps drive improvement across private healthcare. As the official Information Organisation under the Competition & Markets Authority (CMA) Private Healthcare Market Investigation Order 2014, PHIN is responsible for collecting and publishing performance data on privately funded healthcare in the UK.

Private healthcare needs greater transparency. Patients need reassurance both as to quality of care and provider willingness to learn and improve.

Andrew Vallance-Owen
MBE, MBA, FRCSEd
Chairman

Since early May, the Private Healthcare Information Network (PHIN) has published activity and performance measures covering 150 common procedures representing more than half a million privately-funded episodes of care delivered at some 285 hospitals across the United Kingdom. The publication of that information is, undoubtedly, a very significant step on a journey toward far greater transparency for patients and parity of information availability between private healthcare and the NHS.

Private healthcare needs greater transparency. In recent months, a few high-profile cases of negligence and even criminality, causing extensive harm to patients in private healthcare, have put the reputation of hospitals into the spotlight for all the wrong reasons. This overshadows better news such as the generally very good results being obtained by independent hospitals in inspections by the Care Quality Commission (CQC). Patients need reassurance both as to quality of care and provider willingness to learn and improve.

PHIN's role is to make better information available and in doing so reassure and empower patients and the public. We echo calls from the Royal College of Surgeons (RCS) and others for greater availability of information and for direct comparability with measures produced in the NHS.

That is the goal we're working toward. However, we cannot reach that goal without the absolute commitment and action of private hospital operators to making that data available and to gaining the benefits of a better-informed public.

Confidence will be won by producing hard evidence of quality and good care; trust will be won by the courage to be transparent about failings where they exist and to take appropriate action to drive improvement.

Whilst there has been hard work from many hospital operators over the past year, overall we are disappointed by the rate of improvement we have seen in data submission and data quality from private hospitals. As this report will highlight, there is improvement, but it is not yet coming fast enough. We owe it to patients to do better.

In that light, we welcome and support the Competition & Markets Authority's (CMA) fair but determined efforts to manage compliance.

We thank other major stakeholders, including the CQC and private medical insurers, for their patience and support. We are grateful for the increasingly positive involvement of organisations including NHS Digital and NHS Improvement in England, NHS Wales and the Information Services Directorate (ISD) in Scotland.

Nobody is more committed to transparency and producing better information for patients than PHIN's Board and team.

In the year that we first published real data as the CMA's approved Information Organisation, our team has been strengthened and our Board has remained stable and steadfast.

I am grateful to all my colleagues for their efforts.

More than a year after the deadline for full data submission, data quality from providers has not improved as much as is required to see real progress.

Matt James
Chief Executive

At times one must strive for progress rather than perfection. This follows our stated aim to balance an absolute commitment to making the Competition & Markets Authority's (CMA) remedies work for patients with a pragmatic view on what is deliverable at each point in time.

We can be proud of the work that went into publishing hospital performance measures on our website in May, both from the hospitals that supplied the information and from our own team. Public and media reaction was positive and supportive, and the interest generated will help us to build awareness among patients, an important goal for 2018.

Communications from bodies including the CMA, Care Quality Commission (CQC), NHS Improvement and NHS Wales, and notably from our own engagement team, have seen more hospitals getting involved week by week. Recently, the CMA also has started to push the leading providers on the quality and completeness of the data that they are providing.

Candidly, however, more than a year after the deadline for full data submission, data quality from providers has not improved as much as required to see real progress. During the year this meant that we had to delay the publication of all but the simplest required measures and even much of the analysis that would support it. It is essential that PHIN does not compromise the integrity of its position, and it was PHIN that advised the CMA that we should delay publication of any information relating to consultants.

We must continue to make progress, and we will. Over the next few months, we will invite all consultants who admit patients to hospital to use our secure portal to check their data. We will roll-out the publication of performance measures cautiously, aiming to learn by experience and improve the process as we go. But we also will start to move faster where we can, allowing those who want to push ahead to do so. We have already had positive feedback from the first consultants to use the portal.

There were many successes to celebrate over the past year. We have seen good progress and willing participation by a wide range of stakeholders in our member forums, especially in work to prepare for the publication of consultants fees from 2019. We have worked with partners to provide much greater awareness of our role, especially across the NHS. Our relationships with the NHS and government across four nations and with professional organisations are much stronger than ever before. Our team is increasingly capable, and our financial management remains robust.

Everything that we do will build towards better information for patients and greater transparency in private healthcare, within the scope of our role as the approved Information Organisation. We must ensure that information is available to those who need it, and that evidence plays a positive role in building real understanding of private healthcare.

"The work that PHIN is undertaking will have huge benefits for potential and existing patients. It will enable better informed choice and help make private healthcare more accessible."

SPOKESPERSON, PRIVATE PATIENTS FORUM

Delivering for patients

We believe that people considering private care should expect clear information on quality, safety and cost to help inform their choice of care provider.

2017 was an important step-change for transparency in private healthcare as PHIN published the first in a series of performance measures to empower patient understanding and choice.

For 285 hospitals delivering private healthcare PHIN published:

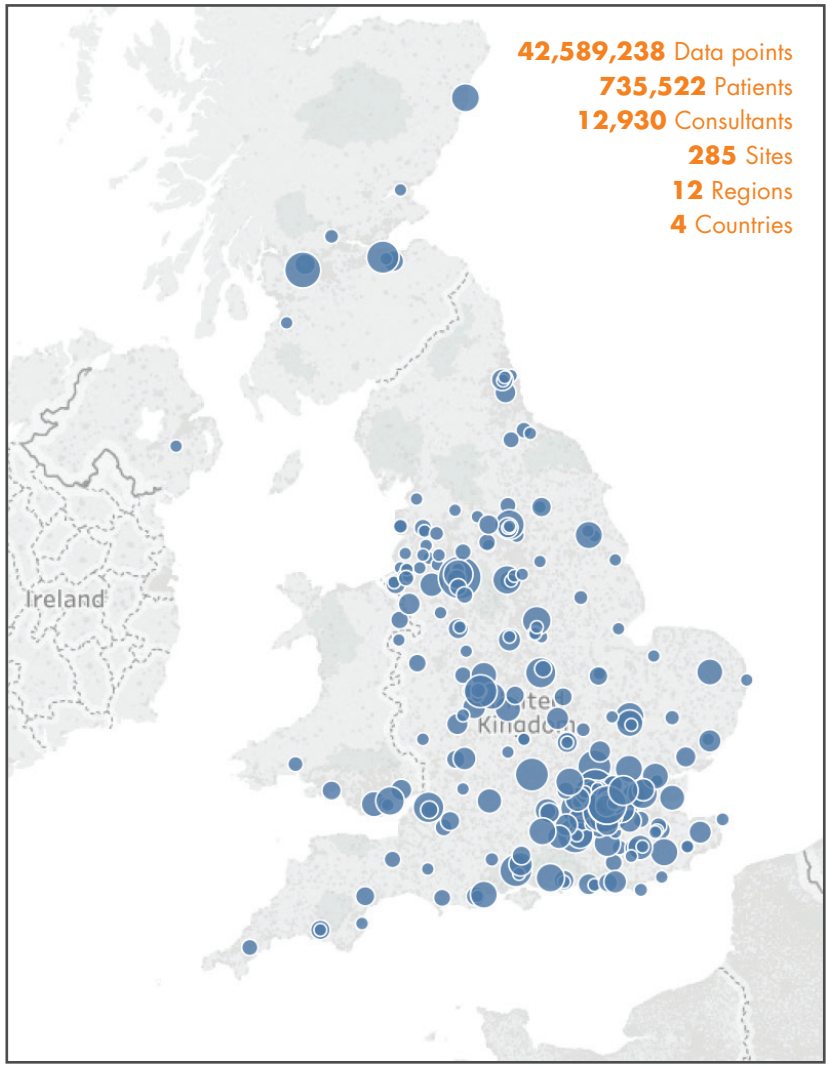
- Profile information about each site
- The number of patients seen for each procedure
- The average length patients stay for each procedure
- Patient feedback, based on the NHS Friends and Family Test scores
- Each hospital's Care Quality Commission (CQC) rating for hospitals in England

This is the most comprehensive source of information on privately funded care ever published in the UK.

"The Competition and Markets Authority noted in their report in 2014 that although consumers are beginning to seek out more information about location, price, consultant and quality, they are still using their GP to discuss where best to have their procedure and with which specialist. Whilst we believe this may still hold true, there is increasing evidence from patients, providers and third-party administrators that considerable research is done by patients (much of it online) before and after the discussions with their GP and that speed and ease of access to expert opinion and treatment is playing an increasingly important role."

PRIVATE HEALTHCARE UK SELF-PAY MARKET STUDY 2017 © INTUITION COMMUNICATION 63

Hospitals on PHIN's website



Overall we are disappointed by the rate of improvement we have seen in data submission and data quality from private hospitals.

Real progress was made last year. However, more could have been achieved with greater overall engagement from hospital providers.

Not all hospitals are submitting data

While PHIN is currently publishing information for 285 hospitals providing private healthcare services, there are still 230 hospitals that have not submitted sufficient data to appear on PHIN's website, including 151 that have not started submitting live data at all.

The CMA has now begun enforcement action against 7 trusts and hospital groups (who collectively manage 11 hospital sites) with the least engagement in this process.

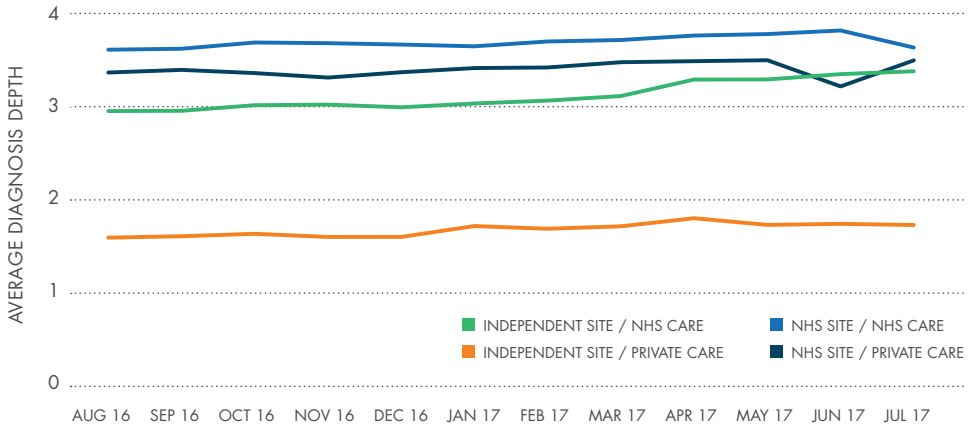
	No. of sites	% of sites
ON WEBSITE	285	56%
BEGUN SENDING DATA	79	15%
ENGAGED: NO DATA SUBMITTED	140	27%
SUBJECT TO COMPLIANCE	11	2%
TOTAL	**515**	**100%**

Data submitted by hospitals are not robust

Where data have been made available to PHIN, unfortunately they are not yet of sufficient validity, accuracy or maturity to support publication of the more complex measures. Below we've outlined examples where the data submitted by hospitals are not robust.

Data validity: Of the episode data submitted, **74%** have valid data in the basic mandatory fields. Only **58.7%** of records submitted have fully valid fields.

Coding depth: The average diagnosis coding depth of the data submitted to PHIN sits around 1.5 codes per record. This is far below the coding collected in the NHS at around 3.5. Some of this can be attributed to less complex patients undergoing private care, but some is due to poor or immature coding practices. This must improve to provide an accurate picture of the patient and care delivered.



The availability and quality of data has limited our ability to complete key deliverables this year.

The current status of hospital participation and the data quality have implications in **three key areas** for PHIN in delivering information for patients.

1: METHODOLOGIES FOR CALCULATING AND DISPLAYING KEY MEASURES WERE DELAYED

Without foundation data to work with, we are not able to start conversations with Royal Colleges, professional associations and hospitals on methodologies to support fair and accurate publication.

2: PUBLICATION OF MEASURES FOR HOSPITAL PROVIDERS WAS DELAYED

Poor quality data did not support robust publication of a number of measures for hospitals, including infection rates, never events, revision surgery and mortality rates.

3: PUBLICATION BY INDIVIDUAL CONSULTANT WAS POSTPONED

Having identified concerns with the data, PHIN took the decision to delay publication and asked the CMA to delay key parts of the Order until the data properly supports publication.

In 2018 we believe that hospitals making best use of the data will start to be rewarded by consultants and patients.

PHIN, working in conjunction with its Board, has set out a clear vision for 2018 and has developed five overarching priorities:

1: Set our pace with the fastest providers to publish further measures for hospitals

Over the next year we will begin to publish more detailed performance measures for those hospitals working to ensure the data are robust and support publication. We will begin with rates of infections and adverse events, and measures of improvement in health outcomes, starting with a rate of Patient Reported Outcome Measures (PROMs) participation.

2: Publish an indication of data maturity and compliance with the CMA's Order by hospital

We will support the CMA in ensuring compliance with the Order by publishing an assessment of the data submitted by each hospital and its ability to support publication of the performance measures. It will then be for the CMA, and potentially other organisations responsible for system management and regulation, to take action where the level of compliance is inadequate.

3: Publish the first performance measures for consultants in private healthcare

We are now beginning preparations in earnest for publication of consultant measures in 2018. PHIN is committed to ensuring that all consultants have an opportunity to check their data and continuing our work with professional associations to ensure that when information is published, it is fair, meaningful and accurate. As with hospital-level measures this year, initial publication will be restricted to basic measures, with the range of information available being expanded over time.

4: Increase the visibility and use of our information

We will begin to optimise our website to be more visible on search engines, and we will shift our public relations activity more towards patients and consumers. From January 2018, the CMA's Order requires that all letters sent by consultants to set out fees and charges will signpost patients to the information on PHIN's website, with private medical insurers required to send similar letters to their policyholders.

5: Champion better data and transparency in the wider safety and quality debate

We will continue working with the Royal College of Surgeons, the Care Quality Commission and other healthcare leaders to advocate for better standardisation and use of clinical data in the quality agenda. Where the CMA Order has created the platform for bringing private healthcare data in alignment with NHS data standards, we believe that a more comprehensive solution is required, and we call on the Department of Health to consider how this can be best addressed as quickly as possible.

PHIN remains focused on assisting all hospitals to fully participate, providing tools and support to enable them to submit and check their data prior to publication.

Ultimately private hospitals that provide care are responsible for their data, but PHIN has always worked alongside hospitals to support better data collection and standards, and this year was no different.

Reaching smaller providers

PHIN has nurtured good relationships with the larger independent hospitals in the UK whom have supported and helped steer our work since 2012. In the lead up to publication in May, we gave significant attention to supporting the unique needs of smaller independent hospitals, cosmetic providers, and NHS Private Patient Units. We attended seminars, delivered online conferences and responded to hundreds of emails and calls with questions.

In June we re-launched our information and support website for providers, communicating key messages, the latest guidance, and support materials to help providers to achieve compliance. Our Member Manual is continually updated with news and latest developments, which are also promoted through our regular Member Updates.

Championing better data

In June we refreshed the hospital data reports in our secure, online portal. Improving its usability while adding more detailed information on the depth of clinical coding and visuals giving a forward look at their measures prior to publication. We also have invested in our relationship management team and recruited technical resource to assist with data submission and improving quality.

Implementing patient consent

A key challenge for providers over the last two years has been implementing the appropriate patient consent process to enable personal data to be sent to PHIN and for data linkage with NHS Digital. PHIN fostered an excellent working relationship with NHS Digital as we developed a process for patient consent which has now been implemented across the provider landscape.

Addressing Information Governance concerns

Throughout the year a number of NHS hospitals asked for further reassurance and support to meet their concerns and policies around Information Governance.

PHIN appointed a specialist Information Governance Manager who has worked alongside the NHS Information Governance Alliance and NHS Improvement to open conversations with concerned hospitals. Through this process we were able to give more reassurance which enabled many of these hospitals to begin submitting data.

Engaging devolved nations

Having recognised that healthcare policy and regulation is a devolved matter, PHIN has been working with hospitals in Scotland, Wales and Northern Ireland to facilitate unique arrangements for data submissions. In Scotland, we have applied for their equivalent to HES data - The Scottish Morbidity Records (which would directly support whole practice indicators of volume, average length of stay, emergency readmissions, unplanned transfers, mortality, and surgical revisions). We have submitted a similar application with NHS Wales.

Progress is further behind in Northern Ireland, where we are working with the Association of Independent Hospital Organisations (AIHO) to increase our engagement with hosptials, and continue discussions with providers to explore central data submission.

PHIN'S ENGAGEMENT TEAM HAS:

Responded to **4,674** email and telephone enquiries

Presented at **17** conferences throughout the year

Produced an online Member Manual for hospitals, and we now have **173** active hospital portal users

Recruited **3** members of staff who directly support hospitals

Adapting to new processes and supporting transparency in private healthcare.

Paul Matthews, Western Sussex Hospitals NHS Foundation Trust.

Western Sussex Hospitals is one of only five acute hospital trusts nationwide to have received the CQC's highest rating of Outstanding and has always had systems in place to monitor and analyse patient safety and care. Since the CMA Order came into force, engaging with PHIN has been a massive learning curve and has certainly been resource intensive in preparing data submission files for successful transmission to PHIN. However, the PHIN team have been great at aiding us, as and when we have had enquiries along the way.

We have had to work through a number of challenges including system upgrades and scrutiny of the processes, in particular Information Governance standards. Having worked to obtain the right reassurances from PHIN, we were able to adapt and achieve this. One example is that we managed to adapt the software to enable us to extract a report from the data source which is both sustainable for ourselves and meets the submission requirements.

It has not always been a simple journey, but transparency is a key factor for patients wishing to access our services, and patient experience can only be improved and enhanced if patients are able to make informed choices about who treats them and where.

This is why we look forward to continuing our conversations and dialogue with the PHIN team into 2018.

NHS
Western Sussex Hospitals
NHS Foundation Trust

Creating deeper insights for hospitals into their services and their care. **Julian Griggs, Aspen Healthcare Ltd.**

Aspen was an early adopter of data collection, and we have worked with the Private Healthcare Information Network (PHIN) since the very beginning, even before the CMA Order came into being. Data clarity and transparency of information are very important to us, and we fully support PHIN's mission of achieving parity with the NHS.

Implementing the CMA Order certainly hasn't been without its challenges. Translating the data requirements of the CMA Order into day-to-day life within a hospital setting and collating data across different systems, not to mention the limited resources and personnel available, have all been difficult to overcome. Whilst some challenges do still remain, we have found that focusing upon the areas that offer the greatest return for patients is vital. Having adapted to many changes in collecting the data, we have started to see significant insights into how our hospitals operate, which we simply didn't see before.

The data PHIN relays back to us are invaluable. The data helps us understand where good care is making a difference and highlights areas for improvement, which helps us drive the quality of care provided.

The data complexity have also allowed us to look far more closely at how our hospital operates and where we sit in the overall market. Analysing overall volume splits by services, for instance, has confirmed that we are not over-reliant on any specific specialist area or on any specific consultant to deliver them. These types of insights into the business and operational sides of our hospitals will grow further now that the consultant level data are being verified and will be published in the coming years.

Without PHIN guiding and mediating the process of compliance, I do not think we would be where we are today. The CMA couldn't prescribe how the sector should achieve compliance, so having the opportunity to discuss and agree the approach is invaluable as we are breaking new ground. **We look forward to continuing our strong working relationship with PHIN.**

Aspen Healthcare

"The CMA has commenced enforcement action against those who have failed to engage appropriately. We now expect all private healthcare providers to move rapidly to a position of full compliance."

SUSANNAH MEEKE, THE COMPETITION AND MARKETS AUTHORITY (CMA)

Compliance and enforcement

Where hospitals have not made sufficient progress, we have supported the CMA's escalation process to ensure compliance with the Order. The CMA is keen to ensure full compliance and has been in contact with providers throughout the year reminding them of their obligations under the Order. PHIN will continue to provide information on progress towards providing robust, accurate data on privately funded healthcare.

TIMELINE OF CMA ENGAGEMENT WITH HOSPITAL PROVIDERS:

- **August 2016** — Letters were sent to 117 hospital providers with little to no engagement.
- **September 2016** — Follow-up reminder letters encouraging engagement and warning of possible enforcement action were sent.
- **June 2017** — The CMA began official enforcement action by issuing Directions to Comply to seven hospital providers with no engagement.
- **July 2017** — Letters were sent to all providers, including the six largest private hospital operators, to highlight areas of ongoing concern with the quality of data.

"We welcome the CMA Order which ensures that patients will be in a position to make a fully informed choice on available healthcare options. PHIN is central to this and has performed wonderfully well by engaging with hospitals and consultants to produce evidence of high quality care and to identify areas that may need improvement."

DR BRIAN O'CONNOR, INDEPENDENT DOCTORS FEDERATION

Working with the medical profession is a priority for PHIN. Consultants have an important role in identifying inaccuracies in clinical data. Many consultants will also see clinical benefit in having access to all their clinical data in one place for understanding and improving services.

As highlighted earlier in this report, PHIN took the decision to postpone publication of consultant measures due to the availability and quality of data submitted by hospitals. This was a difficult decision, but necessary as we focused on supporting hospitals to improve data submission and quality.

Increased visibility and building relationships with professional bodies

In the last year PHIN has become increasing visible within the professional community, having developed strong relationship with the Royal College of Surgeons (RCS), the Federation of Independent Practitioner Organisations (FIPO), and the British Orthopaedic Association (BOA). FIPO and the BOA, in particular, have contributed to our discussions with providers on the publication timetable and collection of data, providing valuable insight from professional bodies.

Throughout the year PHIN's senior team has presented at events and conferences to help pave the way for consultants to engage with PHIN and their hospitals to improve data and information for patients.

Preparing to publish consultant fees

Following the publication of the CMA's amended Order in March, we started an ambitious work programme with hospital providers and professional associations to ensure publication of consultant fees is fair and appropriate. This is a complicated and protracted process as the publication of fees is far from simple. There are meaningful differences in prices for self-pay patients and patients funded by different insurers, and often costs are driven as much by the health-background of the patient as the procedure itself.

All of this needs careful consideration in how we may publish prices which are meaningful to patients.

We understand the concerns of consultants and have consulted extensively with them, as well as professional associations and hospitals to produce a first stage report which will steer the design and presentation of self-pay prices. Our next step is to engage with other stakeholders, working with both insurers and consultant professional bodies, to develop a proposition for insured patients. This entails delivering a solution for capturing the range of prices for each consultant in private healthcare, which has never been attempted before. This is a huge design and engagement task which we do not underestimate.

We'd like to extend a special thanks to FIPO and the Independent Doctors Federation (IDF) who have helped lead the discussion on publishing consultant fees. With the support of consultants, hospitals, and insurers, we are confident of publishing consultant fees on schedule in 2019.

> *"PHIN is taking steps to improve data publication, and is now inviting consultants to play their role to help improve the outcomes and safety data about their private practice. We encourage surgeons to support this initiative and to work to improve the process as it matures."*
>
> PROFESSOR DEREK ALDERSON, ROYAL COLLEGE OF SURGEONS

"We are greatly encouraged to see PHIN's work develop as data standards improve in private healthcare. We continue to work closely with PHIN to consider how the new information can feed into our regulation and inspection of independent healthcare providers to promote quality and safety and encourage improvement within the sector."

HEIDI SMOULT, CARE QUALITY COMMISSION

With the first measures published in 2017, PHIN has been steadily building our external profile as an organisation with unique knowledge, expertise, and voice.

Working with stakeholders

Fostering closer working relationships with key health sector bodies allows us to not only align our requirements and ways of working with other health bodies, but also to promote the important message about the need for better information and data for private healthcare in the UK.

On a practical level we have worked closely with NHS Digital and the Information Governance Alliance (IGA) to develop key areas of work around our information security, most notably to publish detailed information on PHIN's governance in response to concerns raised through IGA members.

Our relationships with the Care Quality Commission (CQC), the Royal College of Surgeons (RCS) and NHS Improvement have helped to amplify our message that greater data, evidence and transparency are needed in private healthcare in the UK. NHS Improvement has proved an important partner in communicating PHIN's objectives and articulating the need for hospitals to engage.

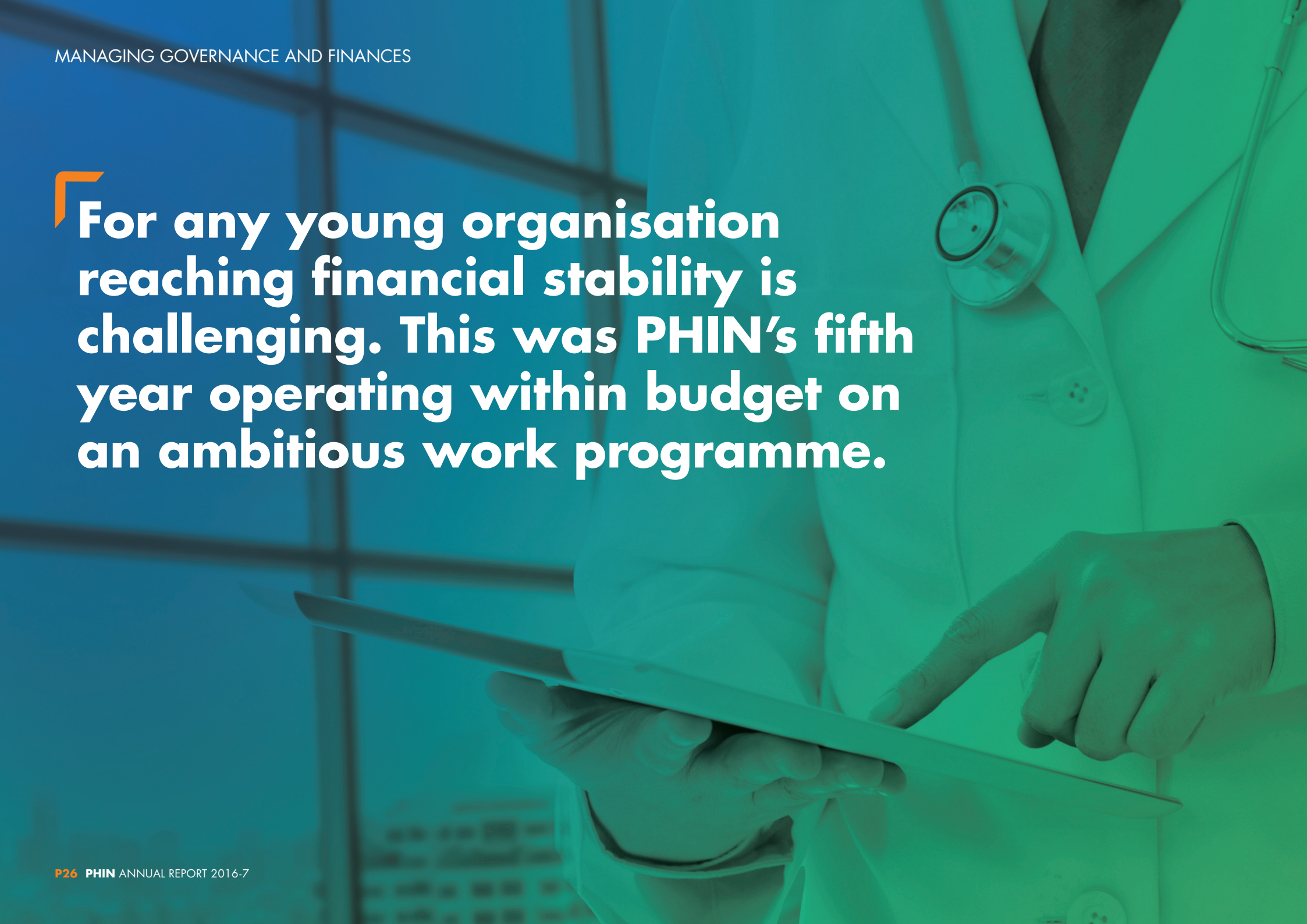
At the same time, the RCS has played an important role in both highlighting our progress and standing alongside PHIN as we call for a joined-up approach to evidencing and reporting healthcare data across NHS and private care. We continue to work with the CQC to align our data requirements, ensuring the information about quality and safety we collect can be understood alongside the NHS.

The Association of Independent Hospital Organisations (AIHO) remains a valued collaborator. They provide support for both PHIN and their members, aiding communication and advocating for common data standards across private and NHS healthcare.We maintain regular communications with each of these organisations, regularly updating them on our progress and the data submitted by hospitals.

PHIN in the media

We have increasing become an important voice in the media, providing insight and commentary on the availability and nature of private healthcare data. This year our profile has expanded beyond our traditional reach in private healthcare publications, including coverage in the *HSJ* and *The Times*

We welcome the greater attention being paid to private healthcare and the need for robust evidence in safety, outcomes, and cost.



For any young organisation reaching financial stability is challenging. This was PHIN's fifth year operating within budget on an ambitious work programme.

For any young organisation, reaching financial stability is challenging, especially with an ambitious programme of work like PHIN. This was PHIN's fifth year operating within the budget agreed with members, and we finished the year with a higher in-year surplus than expected.

Recovering debt

We started the year with £279,000 debt from unpaid subscriptions, much of this from NHS organisations with no previous involvement with PHIN. In last years' Annual Report we prioritised collecting this debt, ensuring that all providers were sharing the financial costs of PHIN's work. This year we have successfully improved and streamlined our processes to recover this debt and bring new organisations on-board.

Over the year our debt has reduced by 35%, with only £179,000 outstanding at year end. Unfortunately, for much of the outstanding debt we have been forced to commission a reputable debt management company to recover these funds. We continue to hold a provision for bad debt, and we will keep this under review.

Income and expenditure

As a not-for-profit organisation, PHIN has always undertaken to keep our costs reasonable and to commit to financial transparency. This year our overall spend was lower than expected due to delays in publishing further performance measures, where website development and statistical methodologies to support publication have been pushed into the next financial year. These delays also had a knock-on effect on our recruitment during the year. Although we grew our headcount as planned, this was phased in later than had been budgeted, meaning we will see the full year impact of the increased headcount in the next financial year.

Concurrently our income has been higher than expected, primarily due to the excellent work of our Engagement and Finance teams who've made better than expected progress with on-boarding members and establishing payment.

This has meant that we finished the year with a higher than expected surplus, accumulating reserves in excess of the six months of working capital that we need for good governance.

Subscription rebate

PHIN has undertaken to operate with financial responsibility and transparency and to collect subscriptions from members in line with the financial costs of implementing the Order. Having finished the year with unexpected surplus, we made arrangements to provide a discount to members equivalent to 10% of their 2016/17 subscriptions, provided that their subscriptions were fully paid as at 31 July 2017. Hence we returned almost £250,000 to qualifying members. With many deliverables delayed from the last financial year, and several of those now required in the coming year, subscription costs will remain £3.30 per episode of private care.

Governance

PHIN's Board steers and governs our work, and met six times during the year. There are two subcommittees to oversee specific areas of responsibility: the Audit & Risk Committee, chaired by Jayne Scott, met four times; the Remuneration Committee, chaired by Fiona Booth, met once.

The Annual General Meeting was held in November 2016, and was attended by new members including the Federation of Independent Practitioner Organisations (FIPO), representing consultants, representatives of leading Private Medical Insurers, and guests, including the Competition & Markets Authority. Additionally, a meeting for members and guests was held in July. At both of these meetings the Chief Executive gave a presentation on progress, financial management, and strategy, which was followed by discussion.

PHIN has undertaken to operate with financial responsibility and transparency and to collect subscriptions from members in line with the financial costs of implementing the Order.

DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2017

	2017 £	2016 £
Turnover		
Turnover	**2,489,131**	**2,152,001**
Employment costs		
Wages and salaries	(755,124)	(439,105)
Staff NIC (employers)	(103,097)	(64,247)
Directors remuneration	(285,332)	(265,667)
Staff pensions	(69,694)	(23,182)
Contract staff	(91,121)	(167,191)
Recruitment and staff related costs	(121,147)	(47,633)
	(1,425,515)	**(1,007,025)**
Establishment costs		
Rent and rates	(103,906)	(107,213)
Room hire and catering	(13,543)	(6,037)
Insurance	(12,237)	(754)
	(129,686)	**(114,004)**
General administrative expenses		
Data management and IT expenses	(257,203)	(499,076)
Office equipment and sundries	(10,347)	(9,705)
Travel and subsistence	(10,271)	(12,717)
Marketing	(27,925)	(4,719)
Auditor's remuneration	(6,000)	(5,000)
Legal and professional fees	(249,936)	(114,974)
	(561,682)	**(646,191)**
Finance charges		
Bad debts written off	(37,665)	(86,671)
Bank charges	(727)	(300)
	(38,392)	**(86,971)**
Depreciation costs		
Depreciation of fixtures and fittings (owned)	**(6,791)**	**(1,910)**
Total costs	**(2,162,066)**	**(1,856,101)**
Surplus before tax	**327,065**	**295,900**

This year our overall spend was lower than expected due to delays in publishing further performance measures.

STATEMENT OF FINANCIAL POSITIONS AS AT 31 JULY 2017			
	Note	2017 £	2016 £
Fixed assets			
Tangible assets	7	**21,816**	**11,437**
Current assets			
Debtors	8	141,317	262,139
Cash at bank and in hand		1,432,382	897,751
		1,573,699	**1,159,890**
Creditors:			
Amounts falling due within one year	9	515,126	418,003
Net current assets		**1,058,573**	**741,887**
Net assets		**1,080,389**	**753,324**
Capital and reserves			
Profit and loss account		1,080,389	753,324
Total equity		**1,080,389**	**753,324**

"Publishing standardised information on hospital and consultant outcomes is important to enable patients to make informed choices about their care."

FIONA BOOTH, ASSOCIATION OF INDEPENDENT HOSPITAL ORGANISATIONS.

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PHIN