

2004 - 2005

Annual Report



West Hertfordshire Hospitals NHS Trust



Mount Vernon Hospital
Rickmansworth Road
Northwood
Middlesex HA6 2RN
Tel: 01923 826111



Watford General Hospital
Vicarage Road
Watford
Hertfordshire WD18 0HB
Tel: 01923 244366



St Albans City Hospital
Waverley Road
St Albans
Hertfordshire AL3 5PN
Tel: 01727 866122



Hemel Hempstead General Hospital
Hillfield Road
Hemel Hempstead
Hertfordshire HP2 4AD
Tel: 01442 213141

Useful addresses...

Strategic Health Authority

Bedfordshire & Hertfordshire Strategic Health Authority

Tonman House

63-77 Victoria Street

St Albans Hertfordshire AL1 3ER

Chief Executive: John de Braux – Chair: Ian White CBE

Tel: 01727 812929 Fax: 01727 792800

Primary Care Trusts

St Albans and Harpenden Primary Care Trust

99 Waverley Road

St Albans Hertfordshire AL3 5TL

Chief Executive: Jacqueline Clark – Chair: John Bennett

Tel: 01727 831219 Fax: 01727 812686

Dacorum Primary Care Trust

The Isbister Centre

Chaulden Lane, Hemel Hempstead Hertfordshire HP1 2BW

Chief Executive: Felicity Cox – Chair: Mary Pedlow

Tel: 01442 840950 Fax: 01442 840951

Watford & Three Rivers Primary Care Trust

Royalty House

10 King Street, Watford Hertfordshire WD18 0BW

Chief Executive: Felicity Cox – Chair: Pam Hadley

Tel: 01923 281600 Fax: 01923 202148

Hertsmere Primary Care Trust

The Elms Clinic

Potters Bar, Hertfordshire EN6 5DA

Chief Executive: Jacqueline Clark – Chair: Stuart Bloom

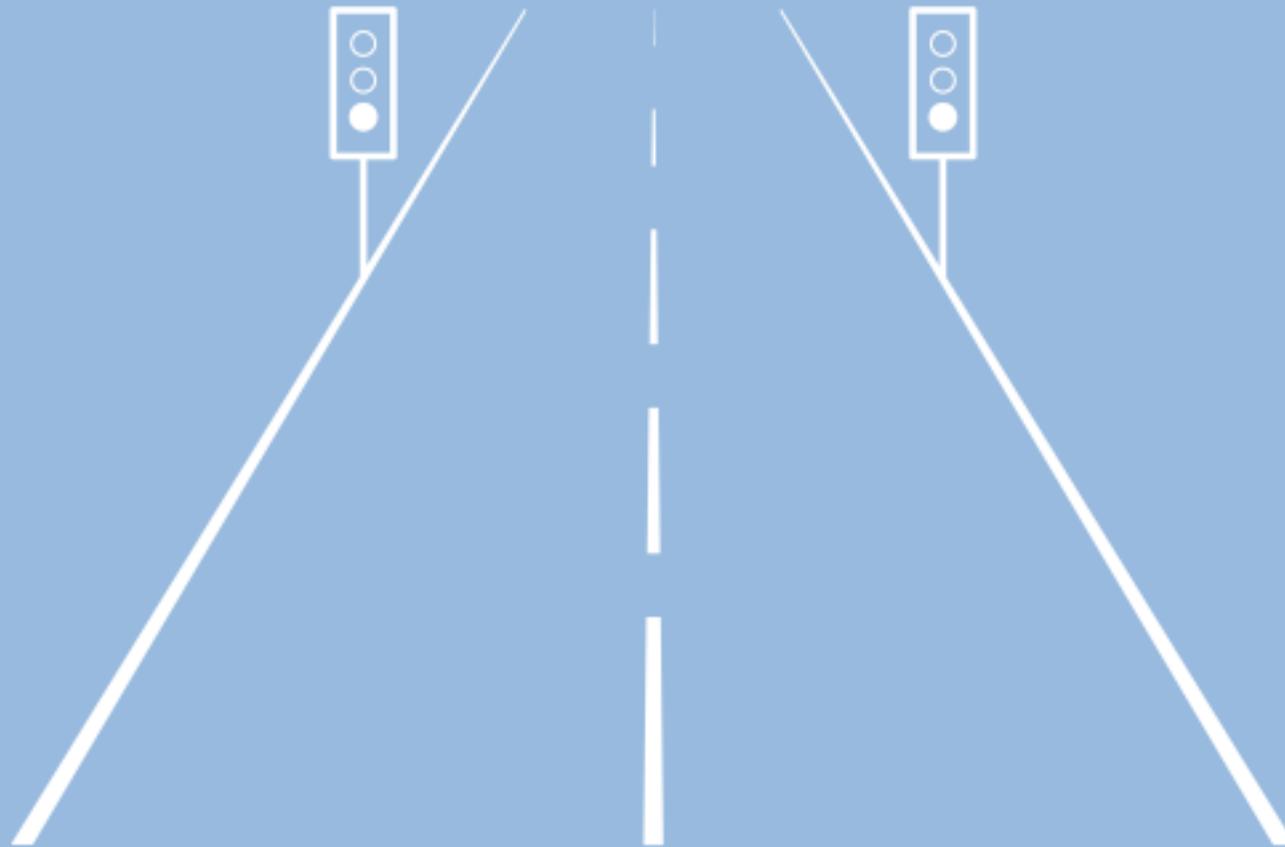
Tel: 01707 647586 Fax: 01707 647594

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On the road to recovery



Thank you for your continued hard work and commitment

David Law, Chief Executive
Robin Douglas, Acting Chairman

The NHS experienced one of its most challenging years in 2004/05. There has been very substantial public investment in the service to improve the standards and timeliness of care. In return for this investment, the performance of the NHS has to improve to meet the changing expectations of patients and the population. In West Herts the pressures have been intensified by a long history of financial and organisational problems.

As a Trust we have needed to:

- improve performance against key standards, as with the work we have done in reducing waiting times in A&E and for planned surgery and outpatients,
- continue to develop and improve services, as we have done with investment in new dermatology and gastroenterology facilities at Watford and Hemel Hempstead respectively
- start to plan for major changes to the way acute health care is organised in West Hertfordshire, as part of the Investing in Your Health programme

The key objective for the Trust must continue to be the efficient provision of high quality services to people who need acute health care. We have been privileged to witness many examples of superb clinical care within this organisation. The turnaround of performance in A&E has been outstanding and shows the importance of strong clinical leadership and multidisciplinary working. We have recently celebrated success in nursing and midwifery, and there are many other examples of excellence in the medical, therapy and other clinical professions. We will continue to focus on the quality of treatment and care that we offer. We achieved a one star rating as a Trust which was a deserved improvement on last year. We were pleased to have the progress we have made acknowledged. Whilst our clinical services are good and score well on the relevant league tables, we let ourselves down on the star ratings because we are not so good on some of the measures which are important to patients - infection control, waiting times for cancer treatment, the cleanliness of our facilities, cancelled operations

and so on. In future these issues will, rightly, be of increasing importance and the health of the organisation will depend on how well we perform. It is a cliché to refer to staff as our greatest asset. But it is true. Motivated, dedicated staff, with the right clinical skills and with the right managerial skills are key to the success of the organisation and to the well-being of the patient. We will put in place a programme of development to support staff and improve services.

We are confident that we can turn the organisation around and redevelop our sites so that we become the employer of choice as well as the provider of choice for local people. The Trust Executive, which now has strong clinical representation on it, will provide leadership. The challenge for all of us is to work well together, concentrating on patients' needs and the efficiency of our services. We are at a crossroads as an organisation and the next twelve months will be critical. We have great challenges to face but we have every confidence that we can succeed.



Jessie Winyard

Chair, Patients' Panel

The past year has been difficult for the Trust and for the staff as a whole. There are still many hurdles to cross but we are on the right road again. We are not the only Trust going through a rough time but already we have made inroads by regaining one star in the 2004/05 performance ratings, although from a patient point of view the way in which staff have pulled together, in my view, has made you all five star status.

We, the Patients' Panel, appreciate everything that is being done – the new Dermatology Units at Watford and Hemel hospitals, the new Breast Centralisation Unit at St Albans City Hospital, which will open in the autumn and the new Endoscopy suite that will shortly be opening at Watford General Hospital.

This year's 'Celebrating our Success' Conference, held in July, was so uplifting. We saw the dedication of staff in their various fields and learnt so much. So thank you to a great team, whatever part you play, from a Patients' Panel who are also your patients and critical friends.

Dr Sarah Hill

Associate Medical Director, Consultant Development

It's been an exciting year with achievements and some challenges.

For the first time, we achieved 100% compliance with consultant appraisal for the year 04/05. We are now awaiting guidance from the GMC regarding the link

between appraisal and revalidation. Our challenge will be to prepare all the doctors working within the Trust for revalidation expected in 2006.

Our second success was the transfer of over 70% of consultants onto the new consultant contract. This means that the Trust is now in a strong position to adapt to future changes within the NHS.

We have established an induction programme designed for new consultants, introducing them to key personnel within the Trust, PCTs and community.

The British Association of Medical Managers (BAMM) are supporting this programme, offering an insight for new consultants into management methods.

Dr Ian Barrison

Associate Medical Director, Postgraduate Education

The past twelve months have been both challenging and successful for Postgraduate Education. The Trust has begun the Foundation Year 1 programme, with an additional seven PRHO posts and excellent rotations with the University College London and Imperial College. The Foundation Year 2 programme is under development and the Trust has achieved funding for innovative posts linked with Public Health and Palliative Care.

The February and August induction days were well received and passed a recent CNST inspection. We have continued to use a rolling induction programme to complement the main Induction days and to ensure that all mandatory training sessions are covered.

We continue to accept an increased number of medical students from the London medical schools. The Undergraduate Administrator has successfully set up a rolling teaching programme for Medical Students that incorporates clinical skills and the University noted this as an area of good practice during a recent visit.

The Clinical Skills Laboratory has seen an increase in its use during the past twelve months with both Undergraduates and Postgraduates using it on a weekly basis.

Dr Adam Young

Associate Medical Director, Clinical Governance: Clinical Effectiveness, Audit, Research & Development

Clinical Governance is now well established within the Clinical Divisions and sub specialties. Emphasis has been on the patient's experience and satisfaction, communication with patients and relatives, and getting the basics right (record keeping, food and nutrition, privacy and dignity, communications, hospital cleanliness).

Promotion and monitoring of the use of national clinical guidance throughout the Trust has been successful, with 85% full or partial compliance with NICE guidelines. Collaborations with primary care have increased to promote clinical effectiveness standards and to share information on best practice.

A new R&D consortium has been established incorporating East and North Herts NHS Trust, hosted by West Hertfordshire Hospitals NHS Trust, with a strategy to promote and further develop research in Hertfordshire. Response criteria for management of ovarian cancer developed by West Hertfordshire Hospitals NHS Trust have been adopted internationally.

National and mandatory audits have been completed and delivered on time by Clinical Audit. Clinical Divisions carry out regular audits of guidelines and priority projects as part of an agreed audit program.

Alfa Sa'adu

Deputy Medical Director

Shorter waiting times in our A&E departments, independent acknowledgment that we have an excellent stroke service and gaining a star in the performance ratings, form, for me, the three major highlights for this past year.

The Watford Stroke Unit was recently ranked 15 out of 246 hospitals in the 'National Sentinel Audit for Stroke 2004' commissioned by the Healthcare Commission. This independent audit has given us the chance to compare our performance with every other organisation caring for stroke. It is a tribute to the huge amount of work by everyone involved that we came eighth out of all District General Hospitals and 10 most improved Trusts since the last audit in 2002. This will motivate us all to stay on top, and help attract new members to the team.

The Trust is now consistently meeting the target to see, treat and admit or discharge 98% or more patients attending A&E within four hours. This is not easy and I see first hand how hard our staff work to make reach this challenging target.

Hearing from patients, their relatives and carers is so important. West Hertfordshire Hospitals NHS Trust is lucky to have the 'critical friendship' of both the Patient and Public Involvement Forum and the Patients' Panel, and an army of Patient Representatives. *Thank you.*

Performance

West Hertfordshire Hospitals NHS Trust was awarded one star in the NHS performance ratings for 2004/05. The rating is an improvement on the zero star score awarded in last year's ratings.

There are eight key targets covered by these ratings.

West Hertfordshire Hospitals NHS Trust achieved five of these:

- Waiting time for planned operations – no patient waited more than nine months for their operation.
 - Outpatient appointments waiting time – no patient waited more than 17 weeks for an appointment with a consultant.
 - Outpatient and in-patient booking – 67% or more of outpatients and 67% or more of patients having planned surgery must be able to book their appointment at a time of their choice. At West Hertfordshire Hospitals NHS Trust, all patients having planned surgery are able to book their appointments and by December 2005, all outpatients will be able to book their appointments too.
 - 12 hour trolley wait – no patients waited for more than 12 hours in A&E.
 - Cancer two week wait – over 98% of patients referred with suspected cancer were seen by a specialist within two weeks of their GP sending a referral.
 - The Trust's patient accommodation complies with the NHS recommendations of single sex accommodation.
- Unfortunately the Trust underachieved on the following key targets:
- Hospital Cleanliness – the Trust failed to meet this target, however a great deal of work has taken place in the last year to improve the standards of cleaning within the hospital, including the introduction of an 'urgent cleaning response team', dedicated teams to clean the main patient areas and regular checking of patient toilets in A&E and outpatients. Countdown clocks, like the ones in service stations, are on order, and a dedicated training manager for cleaning is now in post.
 - A&E total waiting time – the target for 2004/05 was that by the final three months of the year, over 98% of patients should spend no more than four hours being treated in the A&E department before they are either discharged or admitted. We narrowly underachieved on this target achieving 97% in the last three months of the year. Staff throughout the hospital have worked incredibly hard to see this many patients, and this in itself is a huge achievement.
 - The Trust significantly underachieved on the Financial Management target. The Trust overspent by almost ten million pounds. A sustainable financial recovery plan has been put in place in this financial year to address this issue.
 - The number of operations cancelled on the day of surgery was 666, which represents 1.6% of elective admissions. (The target was for less than 1%).

Emergency admission through Accident & Emergency departments

The priorities and planning framework states that:

Trusts should reduce to four hours the maximum wait in A&E from arrival to admission, transfer or discharge, by the end of 2004.

West Hertfordshire Hospitals NHS Trust treats approximately 3000 patients per week in its Accident & Emergency (A&E) Departments at Hemel Hempstead General Hospital and at Watford General Hospital and Minor Injuries Units (MIU) at Mount Vernon and St Albans Hospitals. Over the past year, we have steadily worked to improve our performance from 82% of patients seen, treated and either admitted or discharged, in less than four hours, in April 2004 to 97% in March 2005.

Improvements in performance followed work by the Emergency Care task force, which included partners from all local health organisations. A series of actions included "swapping" a ward from Surgery to Medicine, creating a Medical Admissions ward, changes to staff roles and working patterns in A&E. The appointment of Emergency Care Systems Project Managers led to improved bed management and discharge processes, and allowed closer working with Adult Care and Intermediate Care services.

We have changed the way the Rapid Assessment Units (RAU) work and patients are now assessed faster and found beds in more appropriate wards or units, or discharged. Together with Social Services and local PCTs, we have devised a plan to improve discharge planning, known as the ABACUS Project - Across Boundaries Appropriate Care Unifying Services.

West Hertfordshire Hospitals NHS Trust

West Hertfordshire Hospitals NHS Trust was formed from the Mount Vernon and Watford Hospitals NHS Trust and the St Albans and Hemel Hempstead NHS Trust on 1 April, 2000. The Trust provides health services at Hemel Hempstead General Hospital, Watford General Hospital, St Albans City Hospital and Mount Vernon Hospital. We employ more than 4000 staff working in over 50 different professions to serve the people of west Hertfordshire and beyond.

In April, the management of the Mount Vernon Cancer Centre transferred to East & North Herts NHS Trust in preparation for the development of the new Cancer Centre at Hatfield

The coming year promises to bring new developments and challenges as we move forward in delivering the Investing In Your Health strategy. At the heart of this work is a commitment to improve patient care, and over the coming months we will continue to focus our efforts on offering high quality services to patients whilst meeting tough financial targets, increasing patient and public involvement, and reducing hospital acquired infection and waiting times.

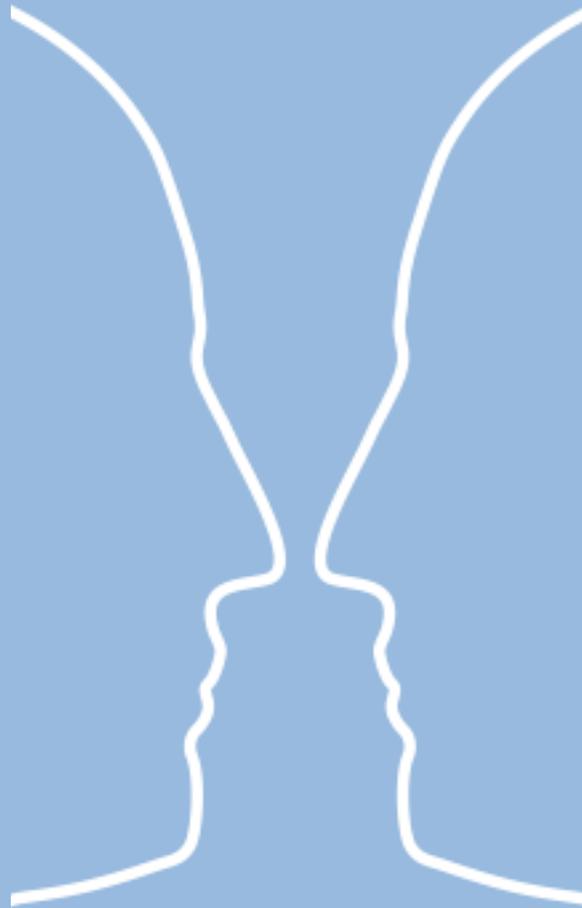
Our mission

Our purpose as an organisation is to provide high quality acute healthcare, delivering the best possible patient experience. In doing this we should deliver the performance standards required of an NHS organisation and ensure that our services offer good value for money. Ultimately, we wish to provide a range of services that meets the aspirations and needs of our diverse patients and staff and which we would be happy to know that any of our own friends and family could use with confidence.

*At the time of going to press the Trust's mission statement was being consulted on with staff and had not been formally ratified by the Trust Board



Our staff



Our staff

The second NHS **national staff opinion survey** was held in September 2004. The survey was sent to over 750 randomly selected staff within the Trust and achieved a response rate of 57%. The results, which showed improvements on the previous year in 60% of the questions, were used to help focus the HR strategy on those areas which required further attention, such as management development, staff involvement and the tackling of violence to staff.

In November 2004, we held our first **staff conference**. One hundred staff from all wards and departments came together to hear about the Trust's plans for the future, as well as the feedback we have received from our patient surveys, staff surveys and performance ratings. A great deal of discussion and debate led to tangible ideas on how to improve the working lives of staff and how to improve hand washing. Staff also said they would like the opportunity for more face-to-face communication, and suggested that more social events would help improve relationships between departments.

As a large provider of acute care, employing over 4000 staff, West Hertfordshire Hospitals NHS Trust is committed not only to ensuring that all of its services are accessible, appropriate and fair, but also to recruiting a diverse workforce, matching the diversity of the local population and being capable of understanding the needs and culture of patients within the communities it serves. The Trust has, therefore, worked hard to improve equality through various NHS-wide and local Trust initiatives, and whilst recognising that managing diversity is a continuous process of improvement, not a one-off initiative, the Staff Survey identified that some 70% of staff recognise that the Trust is committed to equal opportunities.

At West Hertfordshire Hospitals NHS Trust we are committed to delivering equality of opportunity for all staff, patients and other service users. Our **Race Equality Scheme (RES)** and Action Plan (available on the Trust's intranet and website) are at the heart of the drive to achieve this and since producing our first RES in May 2002, as part of our general equality strategy, a great deal has been achieved. We recognise that an ethnically diverse workforce, represented at all levels and grades, is central to the delivery of fair, modern services and it is encouraging therefore to be able to show that the ethnic composition of our workforce broadly matches that of the local population. Similarly, in relation to disability, we have continued to be accredited to use the "Positive about Disability" two ticks symbol.

Our second **Annual Staff Awards** ceremony was a huge success with the A&E team scooping the Chief Executive's Special Prize in recognition of its work in meeting the new four-hour wait target, thus improving the patients' experience of their visit to A&E.

Watford General Hospital's TLC nursery celebrated its first birthday in May 2004 and a new 48-place TLC nursery opened its doors to parents and children at St Albans City Hospital. Meanwhile, plans are moving ahead for a nursery at Hemel Hempstead General Hospital.

The Trust became one of the first Trusts in the country to be awarded the prestigious 'Practice Plus' level of **Improving Working Lives**. To achieve 'Practice Plus' the Trust has done a great deal of work, enabling staff to benefit from all elements of Improving Working Lives, including access to training and

development, excellent childcare initiatives, support for carers, equal opportunities, flexible working and flexible retirement. The externally assessed award evidences the fact that the Trust policies are meeting the needs of its workforce and are well prepared to meet the forthcoming changes to the law on discrimination etc.

Recruitment and retention of staff has always been a challenge for the Trust, given its proximity to London and the high cost of living. As an employer, we need to attract the best possible range of applicants to vacancies, develop the skills of the workforce as a whole and remove any barriers to equal opportunities. Our aim is to be an organisation where all staff, whatever their differences, feel valued and have a fair and equitable quality of working life, where differences between individuals are accepted and the benefits that diversity brings are clearly recognised. Fair employment practices go hand in hand with high performance and service delivery.

This year has seen further improvements across all areas of recruitment and retention, but especially in nursing and midwifery where the success of the previous years has continued with our turnover of nursing and midwifery staff falling to 14.9% compared to 25.4% in 1998. In the past five years the Trust has recruited over 600 new nurses, half of whom came from overseas. Our Return to Practice and Adaptation courses continue to be the envy of many other Trusts and our two-year multi-professional cadet scheme has proved hugely successful in giving young people a stepping-stone into health service careers. In the past four years, sixty Health Care Assistants and ten cadets have progressed to nurse training.

The year has also been very challenging in terms of taking forward the NHS **pay modernisation** agenda, but in partnership with staff representatives the Trust has successfully implemented the new consultant contract and begun the implementation of Agenda for Change for all other professions.

The Chief Executive and other Executive Directors are appointed by the Trust in accordance with DoH guidelines and local policies. The appointments are substantive and may be terminated in accordance with statutory provisions and local policies. The Chairman and Non Executives are appointed by the Secretary of State for a fixed term.

The Trust provides an in-house Occupational Health service, available to all staff which is supplemented by a confidential counselling service. Over the course of the year, further progress has been made against the action plan agreed by the Risk Committee, following the routine inspection by the HSE in November 2003.



Our services



Service development

Day Surgery update

Laparoscopic Cholecystectomy – removal of the gall bladder – became a day surgery procedure at Watford General Hospital last year. Patients are in the department for around 12 hours where previously, with an ‘open’ operation, they would have had a three-to-five day stay in hospital. District nurses visit patients in hospital the day after their operation and again if the patient and nurse feel it is necessary.

Once, twice, three times a top hospital The Trust’s commitment to patients has been officially recognised again with the award of the prestigious 40 Top Hospitals award for the third year running!

This independent study included major teaching and regional Trusts. The top 40 hospital Trusts have all been recognised in reaching a high level of performance in an independent study carried out by the country’s leading hospital benchmarking company, CHKS.

Digital imaging in Dermatology

A new local service, which allows GPs to transmit high quality digital images of potential skin cancers to the Consultant Dermatologist, without arranging an outpatient appointment, is ensuring patients receive fast, accurate diagnosis. Potential cancers identified by the process can be fast tracked to a specialist joint dermatology/plastic surgery clinic where the lesion can be excised, reducing the need for outpatient appointments, and fast-tracking potential cancers for treatment.

DEXA service grows

Building on the existing DEXA scanning service – Dual Energy X-ray Absortometry, or DEXA scanning used to measure bone mineral density – at St Albans City Hospital, the Trust has expanded the service and purchased new, faster equipment, reducing waiting times in line with the Elderly National Service Framework and NICE guidelines.

Housekeepers go from strength to strength

The Trust’s housekeeping service has exceeded all expectations with 30 housekeepers now working within the Trust, helping to ensure that our patients’ stay is as comfortable as possible. Half of the housekeepers have successfully completed a nationally recognised food and hygiene course and work is underway to design a long-term development programme for this vital staff group.

Second birth pool for ABC

Four years on and the Alexandra Birthing Centre and midwifery led care is at an all-time high within the Trust. Almost 4000 women have now given birth at the Centre, and a further 700 at the Hemel Birth Centre. The Trust has one of the largest water birth rates in the country, and now more women can take advantage of this facility with the opening of a second pool.

For the past three years Tony Spicer, from Abbots Langley, has decorated his house with Christmas decorations and, dressed as Father Christmas, raised over £12,000 for a new pool in the process. Thank you!

Dermatology centre opens

Watford's new Dermatology Department officially opened its doors to patients in March. Decorated in a colour scheme chosen by patients, the waiting areas are light, bright and very welcoming. Many treatments, which only a few years ago meant a stay in hospital, can now be offered to outpatients within the department.

Listening to GP colleagues

GP liaison manager, Fiona Scorer, works to improve communication between primary and secondary care colleagues, ensuring that services offered to west Hertfordshire residents run smoothly. Fiona provides a point of contact where all issues are dealt with efficiently, and she has updated and relaunched an extranet for GPs. For further information contact Fiona Scorer on 01442 287255 or email fiona.scorer@whht.nhs.uk

New CT Scanner for Watford

Radiology at Watford General Hospital took delivery of a new 'state of the art' scanner which is a very welcome addition to the department and will benefit those patients referred for CT scans. The 16 slice scanner is of the latest technology with superior image quality and resolution and was funded by the National Opportunities Fund.

State of the art Endoscopy Suite

A state of the art endoscopy suite at Hemel Hempstead General Hospital, officially opened its doors to patients in March. This unit is equipped to perform gastroscopy, colonoscopy and bronchoscopy.

Special reception for surgical patients

A small team of nurses opened the Trust's first surgical admissions lounge at Watford General Hospital last June. The Surgical Admissions Lounge is designed to allow patients to come into hospital on the day of their operation rather than having to spend the night before it in hospital. Feedback from patients has been excellent. During this past year, over 1444 patients have been admitted for surgery through the Lounge. This innovative practice means fewer cancelled operations and a better patient experience, since the majority of patients prefer to come into hospital on the day of their operation.

Fighting Infection – the west Herts way

Promoting the importance of good hygiene is Infection Control Lead Nurse, Jiovanna Foley's passion. Over the past year she and her team of four nurses, have worked tirelessly to educate staff, patients and the public in how to reduce infection. They led the Trust's contribution to National Think Clean Day, promoting the importance of hospital cleanliness to staff, patients and visitors. To hear more contact Jiovanna Foley's team by email jiovanna.foley@whht.nhs.uk

Consultant Nurse in pre-operative assessment

Jane Jackson has been appointed Consultant Nurse in Pre-operative Assessment. Jane has considerable experience in the care of the elective surgical patient, and in 1993 pioneered the nurse-led Pre-operative Assessment Clinic. The clinics see all patients being admitted for in-patient elective surgery prior to admission. For many years, Jane has been a lead in Pre-operative Assessment both within the Trust as well as nationally, being an inaugural member of the Pre-assessment Association.

Bunkers a first for Europe

Mount Vernon Cancer Centre has become the first centre in Europe to install new radiotherapy facilities which can be built up to 17 months faster than by traditional methods. The Centre is working with RAD Technology, a US company specialising in rapid deployment radiation facilities, for the construction and installation of five new radiotherapy treatment rooms. This means these new facilities will be erected in the autumn of this year instead of spring 2007 if we'd gone with the usual method. Each treatment room will be erected at the Mount Vernon site in just five days and will house a pre-installed Varian Medical Systems linear accelerator providing radiation treatment on an outpatient basis.

Hunterian Professorship

Mr Adriaan Grobbelaar, Director of Research at the medical research charity RAFT (The Restoration of Appearance & Function Trust), has been awarded a prestigious Hunterian Professorship by The Royal College of Surgeons of England. RAFT was established in 1988 and is now one of the world's leading research centres in the specialty of burns and reconstructive plastic surgery research.

Celebrating our Success

The first annual Nursing and Midwifery Conference, designed to share and celebrate innovations that have improved patients' experience was held last summer. Guest speakers included Sarah Mullally, Chief Nursing Officer, Department of Health and Dame Karlene Davis, General Secretary of the Royal College of Midwives.

Trust supports plans for smoke-free NHS

Smoke-free hospitals – inside and out – are on the horizon for the NHS in west Hertfordshire. A smoke-free environment will be better for everyone in many ways. It will reduce litter as well as improving the health of our local communities.

Official launch of Sir Astley Cooper Suite

Hemel Hempstead General Hospital's former Medical Director Mr John Nicholls officially opened the Sir Astley Cooper Suite – the newly refurbished private ward which offers patients who wish to use private facilities the opportunity to do so within an NHS hospital. All revenue generated by the Sir Astley Cooper Suite will be invested in the Trust to develop and improve health services in the local community.



Putting patients

1st

Putting patients first

The Trust is committed to involving patients and the public in both its day-to-day work and its plans for the future.

The Patients' Panel & Representatives

The Trust's Patients' Panel was established three years ago and it has continued to play an active part in the Trust. This year Gerald Bordell, who chaired the Panel for over two years, stood down and Jessie Winyard took up the reins. There are seven members in total who, together with the Trust's 50 patient representatives, ensure that as many patients and relatives as possible are involved in the work of the Trust and its plans for the future. The Panel sits on many Trust committees including Clinical Governance and Drugs and Therapeutics and assesses all patient information prior to publication.

The Panel also holds regular 'surgeries' at Watford, Hemel & St Albans Hospitals. This is a way of the Panel meeting patients and members of the public whilst they are waiting in Outpatient Departments or at the tea bars.

Through meetings of the Patient Experience Group, made up of members of the Trust's Patients' Panel, Patient Forum and frontline staff, patients and staff give their views on patient information and develop ideas for improving the patient experience. The Patients Panel and Patient Representatives regularly assist in short ad-hoc patient surveys and recording patient journeys and stories, to highlight areas for improvement.

For further information about the Panel or Patient and Public Involvement please contact Lesley Lopez on 01442 287656 or email lesley.lopez@whht.nhs.uk

Patients give their views

The views of our patients are taken very seriously. The Trust took part in the Healthcare Commission's annual patient surveys, which asked 850 patients about their experiences of Accident & Emergency & Outpatients Departments.

Patients using outpatients and A&E wanted to know if they were going to be delayed, about any tests or treatment they might need and what this might involve. Those using outpatients also told us that they found somewhere to park easily. The Trust is working to address weaknesses found in the survey.

Through Barry's Eyes

Frontline health and care staff, modern matrons, trainers and mainstream health professionals were among the guests at a 'film premiere' of 'Through Barry's Eyes' – a moving film that tells the story of a young man with learning disabilities who was admitted to hospital after a fall. The video is part of a comprehensive training pack commissioned by the Hertfordshire Learning Disability Partnership Board, in conjunction with Adult Care Services, West Hertfordshire Hospitals NHS Trust, East & North Herts NHS Trust and Carers in Hertfordshire, to ensure healthcare staff offer patients with learning disabilities the best possible care.

Bereavement

Collaboration with local community leaders, the Coroner, Registrars, local undertakers and Trust staff has led to improved services for bereaved families. From next year, front-line staff will attend bereavement workshops which will advise them of the practicalities around the role of the Coroner, Registrars of Births, Deaths and Marriages and of the post mortem and organ donation procedures.

Voluntary Services

Each week hundreds of volunteers give their time to support the Trust in a wide variety of ways, from helping in outpatients, running the hospital library service, providing volunteer driving services and offering clerical help.

The Women's Royal Voluntary Service (WRVS) and Leagues of Friends hospital also provide invaluable services and support to the hospitals.

Pat Schofield and Vivienne Payne, the Trust's Voluntary Services Managers, are always looking for extra pairs of hands. If you'd like to know more please contact Vivienne Payne on 01923 217307 or Pat Schofield on 01442 287973.



Patient & Public Involvement Forums in Hertfordshire

Patient & Public Involvement Forums were established in December 2003 to monitor and review health services from the patient's perspective, to seek the public's views about health services and to make recommendations to the NHS based on those views. The Healthcare Commission now oversees the Patient & Public Involvement Forums. The Acute PPI Forum has been active within the Trust since December 2003 and has ten members to date. The Joint Chairs are Edie Glatter and Peta Gunson and they can be contacted C/o Lin Groves, Forum Support Officer on 01707 695505. Nationally, there are currently PPI Forums in every Acute and Primary Care Trust (PCT).

Consultation with local groups and organisations

Under Section 11 of the Health and Social Care Act 2001 the Trust has a duty to involve and consult patients and the public at the beginning and throughout all stages of a process to plan services, develop and consider proposals for changes in the way services are provided and make decisions affecting the operation of services.

From 4 October 2004 to 14 January 2005 the Trust was involved in a consultation, led by Dacorum PCT, on proposed changes to the way that hospital services for children and young people in West Hertfordshire were provided. Information on the consultation was made widely available via local media, information on websites, distribution of documents and local community meetings and events. Feedback obtained from local people was considered by the Board and contributed to their formal response to the consultation.

From 4 January to 4 April 2005 a consultation on Specialist Surgical Cancer Centres in Hertfordshire and South Bedfordshire took place. In partnership with local PCTs, an event took place to raise awareness of the consultation and discuss the proposals. Feedback from this event was shared with the Strategic Health Authority.



Investing in Your Health is a once-in-a-generation opportunity to transform the local NHS to provide modern, local, excellent health services. **Investing in Your Health** is not simply about providing new hospital facilities, but will change the way we use our hospitals.

At Watford, approximately £323m will be invested in the major redevelopment of the hospital site to provide new hospital facilities through the 'Private Finance Initiative' or PFI. The NHS has generally not proven itself to be a good manager of buildings, with the levels of investment needed to maintain essential buildings frequently being diverted to support financial overspends in other areas.

We need to hear from members of the public if we are to achieve our intention of having a well-designed hospital that the local communities want to use. There will be many other opportunities made available to patients and the public to join in with the design process as we go through it with the architect and planners. The construction programme will take around three years to complete and will start in 2009 so we expect the new hospital to open in **2012 – 2013**.

On top of this, we are working with other organisations in Watford to develop something called the '**Watford Health Campus**'. With our other partners, including Watford Borough Council, Watford & Three Rivers PCT, and Watford Football Club, we have a vision which demonstrates a way of developing new facilities on the existing Watford General Hospital site and neighbouring land, whilst regenerating this area and its surroundings. As partners we are seeking to improve public transport (tube/ bus) as well as improving access for cars and of course, car parking.

For more details call 01923 244366 or visit www.watfordhealthcampus.info

Ophthalmology Unit for St Albans

A purpose-built Ophthalmology Unit has opened its doors to patients at St Albans City Hospital. General clinics, one-stop cataract clinics, pre-operative and post-operative clinics as well as ophthalmic surgery (except for emergency and Paediatrics) now take place here.

One-stop Breast Service to move to St Albans

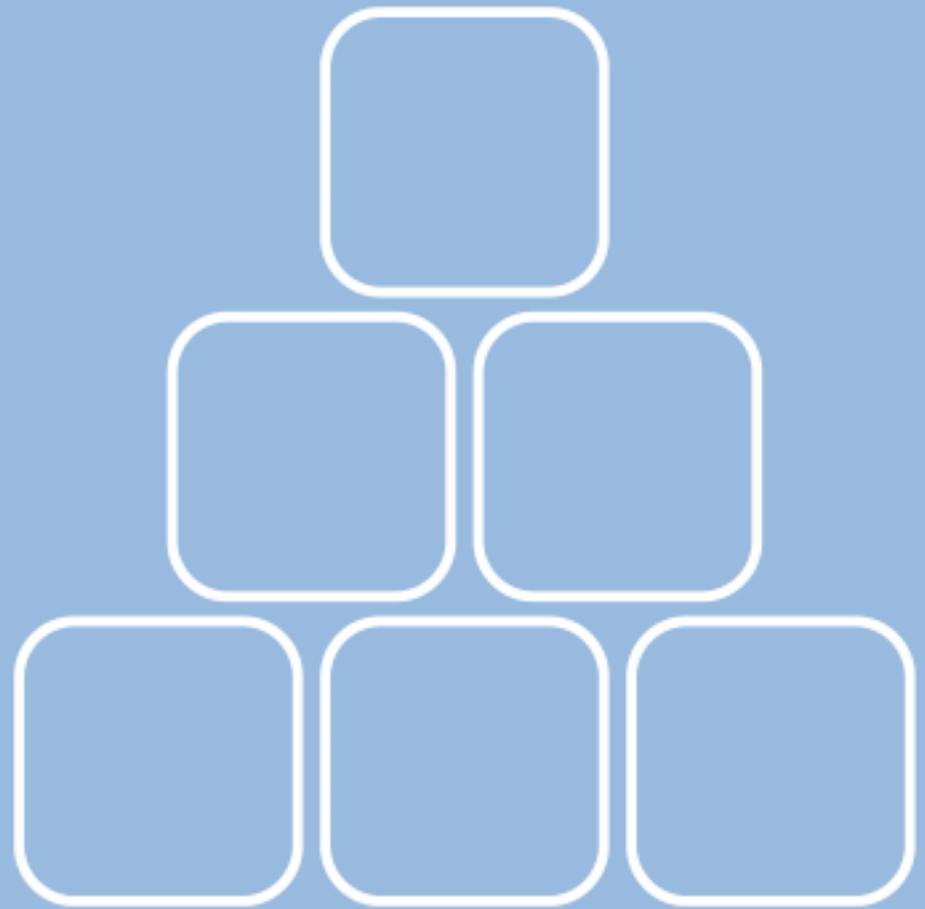
As part of the Trust's ongoing plans to improve patient services, the breast service will be relocated this summer to a new purpose-built unit within St Albans City Hospital. The new unit, which has cost over £1.2 million pounds to develop, will have state of the art equipment. Patients will be seen in designated breast clinics and the unit will be staffed by a team of healthcare professionals including Surgeons, Oncologists, Radiologists, Breast Care Nurses, a Data Manager and other trained nurses. The service will be supported by dedicated secretarial staff.

A time for choice

The ability for patients to book their hospital appointment has brought about many benefits including a reduction in the number of did not attends (DNAs), avoiding the loss of appointment or operation slots. This in turn has led to significant reduction in waiting times for patients' planned operations as well as out-patient appointments. Booking is currently available for all patients having operations, and by December 2005 will be available to all outpatients.

Modernising the way we work is already happening...

Building a strong future



Clinical Governance



it's everybody's
business

Clinical Governance focuses on the activities involved in delivering high quality care for patients. A revised Clinical Governance Strategy covering the period 2004 – 2006 was produced and includes:

- raising the level of patients' satisfaction with their standards of care and ensuring it is delivered in a secure, clean, comfortable and well-maintained environment
- taking a total risk management approach, considering both clinical and non-clinical risk
- producing useful, accurate and timely information for both patients and staff
- making best use of the available evidence base to improve the services offered
- engaging constructively with the StHA, PCTs and other external partners in ways which help to improve the patients' experience of care.

For more information please contact Celia Richards, Clinical Governance Manager on 01442 287260 or email celia.richards@whht.nhs.uk.

Risk Management

During the past 12 months, risk management has focused on two principle areas; the implementation of the Datix system and the integration of the new incident report form. These two areas have become inextricably linked, as the Trust pushes forward with embedding a formal risk management system. Mandatory training sessions have raised the importance of incident reporting to all staff – a fact highlighted by a significant increase in incident reporting from 2808 in 03/04 to 7445 in 04/05.

The Trust-wide use of an electronic risk management database is also enabling the tracking of progress with incident investigation and ensures that both staff and the organisation as a whole learn from incidents and from near misses. The proportion of incidents actually being closed has risen from 40.9% last year, to a current figure of 82%.

Clinical Negligence Scheme for Trusts (CNST)

The Trust's Maternity service was assessed in November for CNST Level 1 and achieved exceptional results with overall compliance of 98.7%. Maternity is scheduled to undergo assessment at Level 2 in February 2006, back to back with the Acute Services Level 1 reassessment.

Complaints and Comments

The Trust takes patients' feedback very seriously and uses it as an opportunity to learn lessons and improve our service. During the past year the Trust received a total of 632 formal complaints. Seventy-five percent of those patients or relatives making complaints received a response within 20 working days. The Trust's Patient Advice and Liaison Service received 1,232 calls and/or visits and resolved 83% (1,027) of these, passing the outstanding 17% to be answered as formal complaints.

From the issues raised in complaints, measures are identified and action taken to rectify, improve or prevent the risk of reoccurrence. Changes that have been implemented in the last year include:

- Reintroduction of a hot food trolley in the Rapid Assessment Unit at Hemel Hempstead
- Phlebotomy patients are now being asked to complete a questionnaire in order to obtain their views on the services provided
- Layout of hospital site maps has been reviewed and new maps produced

Independent Review Panel Requests (IRP)

Following the implementation of the revised NHS Complaints Procedure, the Health Care Commission assumed responsibility for Stage Two of the process in August 2004. The information provided includes requests made to the Health Care Commission. The Trust received nine new IRP requests between April 2004 and March 2005. Of these, one request was declined, and one panel was granted and held with a report issued.

Meet the board



Key: | V – Voting | NV – Non Voting | R – Remuneration Committee | A – Audit Committee | RM – Risk Management | CG – Clinical Governance | FP – Finance & Performance |

Board Directors:

David Law:	Chief Executive, Left the Board as Director of Planning May 2004 Joined the Board as Chief Executive May 2004 V R FP
Nigel Coomber:	Director of Operations NV RM FP
Rob Allan:	Director of HR, Trust HSE lead V R RM
Howard Borkett-Jones:	Medical Director V RM CG FP
Gary Etheridge:	Director of Nursing, Midwifery & quality & Risk V RM CG
Simon Colbert:	Director of Capital Planning, Estates and Facilities, Joined the Board August 2004 NV RM
Carolyn Hughes:	Director of Finance, Joined the Board October 2004 V A RM FP
Vince Doherty:	Acting Director of Finance V A RM FP

Non Executive Directors:

Rosie Sanderson:	Chairwoman V A R
Robin Douglas:	Non Executive Director V A RM FP
Ailsa Bernard:	Non Executive Director V A FP R
Said Namdarkhan:	Non Executive Director V R
Jane Wright:	Non Executive Director V A RM CG
Martin Saunders:	Non Executive Director V A R FP

Declaration of Directors' Interests:

Rosie Sanderson:	Director of End User Computing Ltd, elected member of Hertfordshire County Council, elected member of London Colney Parish Council, member of Hertfordshire Police Authority, governor at Francis Bacon School, Trustee and Company Secretary at London Coley Youth Project.
Robin Douglas:	Chair of Who Cares? , trustee at Health Advisory Service and trustee at Health and Social Care Advisory Service .
Ailsa Bernard:	Chair of Association of Baby Charities, Executive Committee member of the Association of Early Pregnancy Assessment Units and is on a short-term contract with Action on Pre-Eclampsia.
Martin Saunders:	Member of Hertfordshire County Council , Member of Hertsmere Borough Council , Director City Acre Property Investment Trust Ltd & Subsidiaries , Director of C&UCO Properties Ltd , governor at Aldenham School , governor at Purcell School .

Value for Money

Hertfordshire Supply Management Confederation (HSMC) was established in April 2002 to deliver value for money for the NHS in Hertfordshire. As such is HSMC's vision to ensure that it provides the NHS in Hertfordshire with the right goods and services, at the right cost and at the right time by implementing best-practice purchasing and supply chain management techniques, whilst also ensuring the Trusts meet their patient health care and legal obligations. In terms of the right cost, this means the lowest economic cost without compromising quality or service.

Furthermore, value for money needs to take into account the whole life costs for products and services as well as processing and transaction costs incurred as part of the procurement process.

HSMC have been performing this role on behalf of West Hertfordshire Hospitals NHS Trust and have delivered significant cost savings as well as process improvements during the last financial year. Cost savings of £678,000 were delivered during the year. Process improvements, this year, included NHS Logistics (NHSLA) out-of-hours deliveries which helped to reduce costs for both West Hertfordshire Hospitals NHS Trust and NHSLA. As a result of these deliveries we are now able to deliver stock earlier to the wards as well as make more effective use of receiving and ward inventory management time. Further process improvements included the rollout of NHSLA on-line ordering system (Logistics-on-line) which has resulted in reduced paperwork in the system, increased trace ability and reduced phone calls. There were also a number of standardisation projects implemented, which has not only resulted in reduced product costs but will also deliver benefits in terms of standardised products and reduced inventory.

Statement on Internal Control

2004/05*

Scope of Responsibility

The Board is accountable for internal control. As Accountable Officer, and Chief Executive of this Board, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives. I also have responsibility for safeguarding the public funds and the organisation's assets for which I am personally responsible as set out in the Accountable Officer Memorandum.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to:

- Identify and prioritise the risks to the achievement of the organisation's policies, aims and objectives,
- Evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control and Assurance Framework has been in place in West Hertfordshire Hospitals NHS Trust for the whole year ended 31 March 2005, and up to the date of approval of the annual report and accounts.

Capacity to Handle Risk

The Trust has considered the management and handling of risk as one of its top priorities. The identification and management of risk is seen within the Trust as every employee's responsibility on a day-to-day basis. To provide leadership and structure in the management of risk, the Director of Nursing, Midwifery, Quality & Risk has specific responsibility for leading the risk management process. This responsibility is discharged throughout the organisation through the Trust's Head of Quality & Risk and Divisional Risk Leads.

All employees are introduced to Risk Management and Health and Safety at Induction and this is revisited at mandatory staff updates yearly. The Trust hosts regular study days for Managers on Risk Management and Health and Safety, which addresses their individual responsibilities in detail. As Accountable Officer I seek to learn from good practice via exchange of information with other Chief Executives regarding good practice in their organisations, reading of relevant articles and documentation and advice from managers and staff within the Trust as to what has worked well in handling risk and should be rolled out across the organisation.

An improved incident reporting procedure was further embedded during 2004/5, accompanied by a significant increase in incident reporting. This has ensured that there is a proactive as well as reactive mechanism for conducting risk assessment thus ensuring risk prioritisation, reduction of errors and Trust wide learning from incidents.

The Assurance Framework is supported by the ongoing review of the Trust's compliance with the 22 Control Assurance standards until its abolishment in August 2004. There was Executive responsibility for each of the Controls Assurance Standards. The Trust has now commenced self-assessment against the new 'Standards for Better Health'.

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed in a number of ways. The Head of Internal Audit will provide me with an opinion statement on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the internal audit work. Executive Directors within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance.

Significant Internal Control Issues

- The Trust failed to break even on its income and expenditure account in 2004/05, reporting a deficit of £9.978m. The Trust has forecast that if this deficit is carried forward, and known cost and income trends continue, a further substantial deficit would result in 2005/06. The steps the Trust is taking to remedy the situation include:
 - Agreeing a financial recovery plan with the Strategic Health Authority to achieve financial balance over a three-year period, and
 - Putting in place a Board approved agreed action plan to strengthen the financial management and governance arrangements of the Trust.
- Following a Health and Safety Executive visit and review, a number of risk areas were identified for the Trust. The Trust agreed an action plan to address these risk areas. These actions have been implemented during the course of the year and the Trust is continuing discussions with the Health and Safety Executive about any further measures that are required to ensure compliance.

David Law, Chief Executive

**this is an abridged version of the full statement of internal control which can be found in the Trust's full accounts.*

Emergency Preparedness

The NHS faces a number of new challenges in the field of emergency planning. Although Trusts have long had plans to handle major incidents, they are now faced with new threats of increased scale and uncertain nature. It is therefore essential that plans are robust and accurate, and that West Herts Trust works closely with other agencies throughout the region in order that we are able to respond together to major incidents and emergencies.

The Emergency Planning Group is responsible for ensuring that emergency plans are in place, and that lessons are learnt from exercises and incidents. The Group is comprised of staff from all Divisions within the Trust, as well as representatives from the Primary Care Trust, Hertfordshire Partnership Trust, Ambulance Trust and County Council. The Trust is committed to adopting a multi-agency approach to Emergency Planning, and is also represented on a number of external emergency planning groups led by HESMIC (Hertfordshire Emergency Services Major Incident Committee).

A number of training events and exercises have taken place throughout the year. Notably a two-day exercise ran in February 2005, facilitated by the Emergotrain team from the Coventry University Centre for Disaster Management. The exercise was run in real-time using the Emergo format of magnetic simulated patients and departments, giving a hands-on approach in making decisions under pressure and treating the 'patients'. Some 28 staff took part, taking on the role that they would play in a real incident and working in three core teams: Control Room, A&E and Rest of Hospital. The scenario was a roof collapse, involving large numbers of casualties being treated at both Watford General and Hemel Hempstead General Hospitals. A debrief was held after the exercise, with lessons learnt being incorporated into the formal Major Incident Plan Review.

The Trust continually works on reviewing and improving its emergency procedures, and new legislation (i.e. the Civil Contingencies Act) and new Department of Health guidelines underpins the Emergency Planning process. An emergency planning schedule outlines the key projects to be taken forward over the coming months, including ongoing training sessions and exercises, planning for Pandemic Flu, Hospital Evacuation Plans and Business Continuity.

Auditor's Report

Independent Auditor's Report to the Directors of the Board of West Hertfordshire Hospitals NHS Trust on the Summary Financial Statements.

I have examined the summary financial statements set out on pages 33 to 35.

This report is made solely to the Board of West Hertfordshire Hospitals NHS Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 54 of the Statement of Responsibilities of Auditors and of Audited Bodies, prepared by the Audit Commission.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. My responsibility is to report to you my opinion on the consistency of the summary financial statements with the statutory financial statements. I also read the other information contained in the Annual Report and consider the implications for my report if I become aware of any misstatements or material inconsistencies with the summary financial statements.

Basis of opinion

I conducted my work in accordance with Bulletin 1999/6 'The auditors' statement on the summary financial statement' issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

In my opinion the summary financial statements are consistent with the statutory financial statements of the Trust for the year ended 31 March 2005 on which I have issued an unqualified opinion.



Signature: Rob Murray

Date: 24 August 2005

Address: Audit Commission, Sheffield House,

Lytton way, Off Gates Way Stevenage Herts SG1 3HG

Financial review

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Review of the year 2004/2005

The Trust ended the year having spent £9,978,000 more than it received in income during the year. The majority of the Trust's income came from contracts with Primary Care Trusts for providing care and treatment for patients but it also received income from a range of other sources such as private patients, income for training medical and other staff and monies for some specific projects, for example implementation of information systems. The Trust had to contend with considerable cost pressures during 2004/05 including the national pay initiatives of Agenda for Change and the consultant's contract which were only partially funded, non-pay inflationary rises on items such as plastics consumables as well as the costs incurred in meeting patient access and emergency care targets.

Part way through the financial year it became clear that the Trust could not balance its income and expenditure position. Additional central funding that had been anticipated early in the year had not been forthcoming and the scale of the cost pressures mentioned above were quantified. The Trust set in place savings plans for the last quarter of the financial year and managed to keep the deficit to just under £10m or 4.2% of income. In addition to financial management of its income and expenditure account the Trust also had financial duties during the year relating to cash management and capital management. Targets and achievements in relation to these areas are shown in the table.

In preparing these accounts the Trust has acted on the advice of its external auditors and restated its 2003/04 accounts to reflect income that was received in 2003/04 from local PCTs and that is repayable in 2004/05 and 2005/06. The restated accounts properly show this funding as a loan to the Trust in 2003/04. The result of this adjustment is the 2003/04 deficit of £519,000 has been restated as a deficit of £4,652,000.

Having ended the last two financial years in deficit the Trust faces an extremely difficult financial challenge in 2005/06 and is aiming to meet this challenge by working both within the Trust to improve efficiency and reduce costs and with colleagues in other organisations such as PCTs to agree plans to return the local health economy to financial balance as soon as possible.



Carolyn Hughes, Director of Finance

A complete set of accounts can be obtained from the Finance Directorate telephone 01923 217103.

	Target	Achievement
Cash management	External Financing Limit The Trust is given an external financing limit which it is permitted to undershoot.	The Trust achieved this target matching cash flow financing to the external financing limit.
	Better Payment Practice Code The code required the Trust to aim to pay all valid non-NHS invoices by the due date or within 30 days of receipt of goods or valid invoice, whichever is later.	The Trust paid 83% of relevant bills by the due date when measured by number (81% measured by value).
Capital management	Capital Resource Limit The Trust is given a capital resource limit which it is not permitted to overspend.	The Trust underspent against the CRL. This was mainly due to the receipt of disposal proceeds from two properties, the sales of which were completed in March 2005.
	Capital cost absorption rate The Trust is required to absorb the cost of capital at a rate of 3.5% of average relevant net assets.	The rate is calculated as the percentage that dividends paid on public dividend capital, totalling £6,173k, bears to the average relevant net assets of £160,614k, that is 3.8%. The 3.8% is within the Department of Health's materiality range of 3.00% to 4.00%.

Fundraising – a big thank you!

The generous charitable gifts and donations received by the Trust over the year have made it possible to purchase many important items of equipment for patients.

- The Hemel Stroke Appeal was successfully launched in July to raise funds for the new Stroke Unit at Hemel Hempstead General Hospital.
- The Special Care Baby Unit continues to receive great support from the parents and families of their little patients.
- Mrs Elsie Little, Chair of the WRVS, and her team of volunteers at St Albans Hospital raised £3,000 to buy equipment for the Pre-operative Assessment Clinic at the hospital.



Costs for management and administration

Full details can be found on page 18 of our full report and accounts.

Pay

The Trust applied the nationally agreed pay increase to all staff and therefore complied with the Secretary of State's requirement that pay increases for managers overall should not exceed 3.6%. The pay increase was in fact 3.225%. The Trust has a well-established Joint Consultative Committee, which provides a monthly forum for managers and staff side representatives to discuss and agree any changes to working arrangements or terms and conditions of employment.

Retirements due to ill health

During 2004/05 there were seven (prior year 2003/04: six) early retirements from the Trust agreed on the grounds of ill health. The estimated additional pension liabilities of these ill-health retirements will be £348k (2003/04: £145k). The cost of these ill-health retirements will be borne by the NHS Pensions Agency. *A copy of our full accounts is available. Please contact our Director of Finance on 01442 217612.*

Income from Primary Care Trusts

The Trust obtains about £150m of its income from the four West Herts PCTs with Watford having the largest share at £60m and Hertsmere the smallest at £10m. Thereafter, Hillingdon PCT accounted for £11m and Harrow PCT some £4m. In total the Trust had SLAs with 93 PCTs covering Surrey, Sussex, Kent, Berkshire, Buckinghamshire, Bedfordshire, Hertfordshire, North London, parts of Essex and the Midlands as far north as Barnsley.

Audit Services

The Audit Commission acts as the Trust's External Auditor. Audit fees per the 2004-05 accounts were £222k. There were no further assurance or other audit services.

Accounting Policies

The Trust follows recognised NHS accounting policies. The NHS is currently moving all staff to a single pay spine (Agenda For Change) which requires all staff to be assimilated by 1 October 2005. A provision has been made within the Trust's budget as only a proportion of staff have been moved to the new pay scale. At this time the full impact of Agenda For Change is unknown.

Income and expenditure account for the year ended 31 March 2005

	2003/04 (Re-stated)	
	£000	£000
Income from activities	197,347	176,350
Other operating income	39,359	34,615
Operating expenses	(240,951)	(209,805)
Operating Surplus (Deficit)	(4,245)	1,160
Loss on disposal of fixed assets	(4)	(915)
Surplus (Deficit) before interest	(4,249)	245
Interest receivable	633	768
Other finance costs - <i>unwinding of discount</i>	(189)	(204)
Other finance costs - <i>change in discount rate on provisions</i>	0	(87)
Surplus (Deficit) for the financial year	(3,805)	722
Public Dividend Capital dividends payable	(6,173)	(5,374)
Retained Deficit for the year	(9,978)	(4,652)
Note to: Income and expenditure account		
Retained deficit for the year	(9,978)	(4,652)
Financial support included in retained deficit for the year - NHS Bank	0	0
Financial support included in retained deficit for the year - Internally Generated	0	0
Retained deficit for the year excluding financial support	(9,978)	(4,652)

Statement of total recognised gains and losses for the year ended 31 March 2005

	£000	£000
Surplus/(deficit) for the financial year before dividend payments	(3,805)	4,855
Fixed asset impairment losses	(1,954)	(5,382)
Unrealised surplus on fixed asset revaluations/indexation	58,278	13,465
Increases in the donated asset and government grant reserve due to receipt of donated and government grant financed assets	324	169
Reductions in the donated asset and government grant reserve due to the depreciation, impairment and disposal of donated and government grant financed assets	(548)	(1,346)
Total recognised gains and losses for the financial year	52,295	11,761
Prior period adjustment	(4,133)	0
Total gains and losses recognised in the financial year	48,162	11,761

The prior period adjustment of £4,133k, previously shown as income in 2003/04, has now been reclassified as a loan. £1,761k of the loan has been repaid in 2004/05 with £2,372k repayable in 2005/06.

Balance sheet as at 31 March 2005

	31 March 2004 (Re-stated)	
	£000	£000
Fixed assets		
Intangible assets	136	114
Tangible assets	<u>221,152</u>	<u>167,671</u>
	221,288	167,785
Current assets		
Stocks	3,321	2,755
Debtors	19,339	18,931
Cash at bank and in hand	<u>256</u>	<u>122</u>
	22,916	21,808
Creditors: Amounts falling due within one year	(28,967)	(19,120)
Net Current Assets (Liabilities)/Assets	(6,051)	2,688
Total Assets Less Current Liabilities	215,237	170,473
Creditors: Amounts falling due after more than one year	(32)	(2,469)
Provisions for Liabilities and Charges	(7,178)	(8,180)
Total Assets Employed	<u>208,027</u>	<u>159,824</u>
Financed by:		
Taxpayers' Equity		
Public dividend capital	137,648	135,567
Revaluation reserve	79,184	25,462
Donated Asset reserve	2,636	4,230
Income and expenditure reserve	<u>(11,441)</u>	<u>(5,435)</u>
Total Taxpayers' Equity	<u>208,027</u>	<u>159,824</u>

Financial Performance Targets

	2000/01	2001/02	2002/03	2003/04	2004/05
The Trust's breakeven performance for 2004/05 is as follows:	£000	£000	£000	£000	£000
Turnover	163,440	173,576	210,257	215,098	236,706
Retained surplus/(deficit) for the year	17	(11,487)	11,668	(4,652)	(9,978)
Break-even in-year position	17	(11,487)	11,668	(4,652)	(9,978)
Break-even cumulative position	17	(11,470)	198	(4,454)	(14,432)
- Anticipated financial year of recovery					2007
Materiality test:					
- Break-even in-year position	0.0%	-6.6%	5.5%	-2.2%	-4.2%
- Break-even cumulative position	0.0%	-6.6%	0.1%	-2.1%	-6.1%

Capital cost absorption rate

The Trust is required to absorb the cost of capital at a rate of 3.5% of average relevant net assets. The rate is calculated as the percentage that dividends paid on public dividend capital, totalling £6,173k, bears to the average relevant net assets of £160,614k, that is 3.8%. The 3.8% is within the Department of Health's materiality range of 3.00% to 4.00%.

Other Operating Income

	2003/04	
	£000	£000
Education, training and research	13,952	11,559
Charitable and other contributions to expenditure	606	554
Transfers from donated asset reserve	548	1,346
Other income	24,253	21,156
	<u>39,359</u>	<u>34,615</u>

Other income comprises car parking income £646k, income from the Packing Unit £1,364k, income from other NHS bodies £1,287k, income from Bishopswood Hospital £616k, Estates services income £1,915k, Staff Accommodation £538k, miscellaneous income of £7,751k and recharges of expenditure incurred on behalf of other Hertfordshire Trusts of £10,136k.

Management costs

	£000	£000
Management costs	10,231	9,192
Income	236,706	215,098
Percentage of Management costs to turnover	4.36%	4.28%

Management costs are as defined on the management costs website at www.dh.gov.uk/PolicyAndGuidance/OrganisationPolicy/FinanceAndPlanning/NHSManagementCosts/fs/en.

Better Payment Practice Code

Better Payment Practice Code - measure of compliance

	Number	£000
Total bills paid in the year	59,108	57,282
Total bills paid within target	48,841	46,219
Percentage of bills paid within target	83%	81%

The Better Payment Practice Code requires the Trust to aim to pay all valid non-NHS invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

Income from Activities

	£000	£000
Primary Care Trusts	192,174	171,774
NHS Other	342	0
Non NHS:	3,485	3,572
- Private Patients		
- Overseas patients (non-reciprocal)	238	165
- Road Traffic Act	1,059	763
- Other	49	76
	<u>192,347</u>	<u>176,350</u>

Road Traffic Act income is subject to a provision for doubtful debts of 8.7% to reflect expected rates of collection.

Cash Flow Statement for the year ended 31 March 2005

	2003/04	
	£000	£000
Operating Activities		
Net cash inflow(outflow) from operating activities	8,844	20,019
Returns on investments and servicing of finance:		
Interest received	649	757
Net cash inflow from returns on investments and servicing of finance	649	757
Capital Expenditure		
Payments to acquire tangible fixed assets	(9,948)	(12,064)
Receipts from sale of tangible fixed assets	4,547	5,323
Net cash outflow from capital expenditure	(5,401)	(6,741)
Dividends Paid	(6,173)	(5,374)
Net cash inflow (outflow) before financing	(2,081)	8,661
Financing		
Public dividend capital received	2,081	7,373
Public dividend capital repaid (not previously accrued)	0	(16,034)
Net cash inflow (outflow) from financing	2,081	(8,661)
Increase (decrease) in cash	0	0

Profit (Loss) on Disposal of Fixed Assets

	2003/04	
	£000	£000
Profit/loss on the disposal of fixed assets is made up as follows:		
Profit on disposal of land and buildings	0	42
Loss on disposal of land and buildings	0	(895)
Loss on disposal of plant and equipment	(4)	(62)
	<u>(4)</u>	<u>(915)</u>



David Law, Chief Executive

Date: 12 July 2005



Carolyn Hughes, Director of Finance

Date: 12 July 2005

Salary and Pension entitlements of senior managers

Remuneration and Pension Benefits 2004/05

Title and Name	Salary (bands of £5,000)	Other Remuneration (bands of £5,000)	Benefits in Kind Rounded to the nearest £100	Real increase in pension and related lump sum at age 60 (bands of £2500)	Total accrued pension and related lump sum at age at 31 March 2005 (bands of £5000)	Cash Equivalent Transfer Value at 31 March 2005	Cash Equivalent Transfer Value at 31 March 2004	Real Increase in Cash Equivalent Transfer Value	Employers Contribution to Stakeholder Pension
	£000	£000		£000	£000			£000	To nearest £100
2004/05									
Chairwoman: R. Sanderson	20-25	0	0	–	–	–	–	–	–
Chief Executive: D. Law	115-120	0	17	2.5-5	75-80	237	215	16	0
Non-Executives									
S. Namdarkhan	5-10	0	0	–	–	–	–	–	–
R. Douglas	5-10	0	0	–	–	–	–	–	–
A. Bernard	5-10	0	0	–	–	–	–	–	–
M. Saunders	5-10	0	0	–	–	–	–	–	–
J. Wright	5-10	0	0	–	–	–	–	–	–
Directors									
C. Hughes, Director of Finance (commenced 18/10/04)	40-45	0	2	5-7.5	90.95	295	259	29	0
V. Doherty, Director of Finance (01/04/04 - 17/10/04)	70-75	0	0	0	0	0	0	0	0
G. Etheridge, Director of Nursing	80-85	0	21	7.5-10	75-80	234	201	27	0
N. Coomber, Director of Operations	85-90	0	27	2.5-5	60-65	155	138	12	0
R. Allan, Director of Human Resources	85-90	0	0	2.5-5	75-80	277	249	21	0
L. Gaffney, Acting Director of Planning (01/04/04 - 07/11/04)	30-35	0	0	12.5-15	45-50	120	75	43	0
S. Colbert, Director of Est/Plan/Facilities (commenced 02/08/04)	45-50	0	0	0	0-5	6	0	0	0
H. Borkett-Jones, Clinical/Medical Director	165-170	30-35	0	5-7.5	140.145	498	454	31	0
Consent to disclosure withheld:									
I. Hammond, Acting Director of Planning (commenced 08/11/04)				0	0	0	0	0	0

For the purpose of this note, senior managers are defined as being the Chief Executive, Non-Executive Directors, Executive Directors and Non-Voting Directors.

As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.

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

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

information



West Hertfordshire Hospitals



NHS Trust

For further information please call 01442 287620

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Gujarati વધારે માહિતી માટે અમારી માહિતી આપતી ઘાઈન 01442 287620 ઉપર કોન. જો.કો.

Italian Per maggiori informazioni telefonare allo 01442 287620

Punjabi ਵਧੇਰੇ ਜਾਣਕਾਰੀ ਲਈ ਸਾਡੀ ਜਾਣਕਾਰੀ ਲਾਈਨ ਨੂੰ 01442 287620 'ਤੇ ਟੈਲੀਫ਼ੋਨ ਕਰੋ.

Spanish Para mas information, por favor llama 01442 287620

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