

2008 / 2009 Annual Report

A Window on the Future

A message from Thomas Hanahoe, Chairman and Jan Filochowski, Chief Executive.

Welcome to the 2008/09 annual report for West Hertfordshire Hospitals NHS Trust.

We said last year that something really significant appeared to be happening in the Trust and it did. We have seen dramatic improvements in performance against national standards, significant improvements in the financial position and the virtual elimination of waiting. This ensured that the Trust rose from being rated as 'Weak' for the previous two years to achieving a 'Fair' rating from the Healthcare Commission in 2007/08. Early indications for this year's rating is that the Trust is anticipating a 'Good' rating. Now, we can really start to see the benefits of all our hard work over the last 12 months. With the opening of the new Acute Admissions Unit at Watford, it really is a window on the future of services for the people of west Hertfordshire.

This year saw the successful transfer of emergency and acute services from Hemel Hempstead General Hospital to Watford General Hospital with the opening of a new 120-bed emergency admissions building, known as the Acute Admissions Unit. This transfer was conducted by a series of phased moves from the beginning of February and was completed by the middle of March with patient safety remaining the paramount consideration during the move. Thanks to the planning and hard work of all staff these moves went well and the new model of care at Watford is working successfully.

In the latter part of 2008 and into 2009, the country faces uncertain economic conditions. The "credit crunch" is having an effect on all of us, particularly those with family and friends who face losing their jobs. As of yet, the effect on the NHS is small, but it will almost certainly increase. We can assure you that we are committed to continue to provide high quality services and improve our facilities

We remain on track to become a Foundation Trust (FT) and expect to be in front of Monitor, the Independent Regulator for Foundation Trusts, in the autumn of 2009, with accreditation early in 2010.

Let us end by outlining a couple of final messages.

The Trust is proud of its staff and of its sustained and significant improvements. The success of new services at Watford, such as the Acute Admissions Unit, Children's Emergency Department, improved and increased capacity of the Intensive Care Unit and resuscitation department in A&E, coupled with changes at Hemel Hempstead hospital and the success of the Urgent Care Centre, plus the increased efficiency at St Albans, have been achieved by the hard work, determination and creativity of people working in and with the Trust.

We have transformed our performance in controlling *Clostridium difficile* (C.diff) and MRSA and we are proud to say that we are amongst the safest

acute hospitals in the country. Despite the winter pressures we have maintained our record of less than 2% of patients waiting over 4 hours in A&E.

We will continue to deliver the best possible services for the people of west Hertfordshire.

Thomas Hanahoe
Chairman

Jan Filochowski
Chief Executive

Who we are

West Hertfordshire Hospitals NHS Trust was formed on 1 April 2000 following the merger of St Albans and Hemel Hempstead NHS Trust and Mount Vernon and Watford NHS Trust.

The Trust is one of the largest organisations in west Hertfordshire, employing around 5000 members of staff, serving a catchment population of around 500,000 and treating nearly a million visitors each year.

The Trust manages three hospitals: Watford General Hospital, Hemel Hempstead General Hospital and St Albans City Hospital. We provide general healthcare and some specialist services and have close links with specialist hospitals, such as Harefield.

Since March 2009 when emergency services centralised at Watford General Hospital, Watford has been the main acute hospital in west Hertfordshire. The specialist emergency service at Watford now includes a newly expanded A&E Department, a new 120-bed Acute Admissions Unit, a state-of-the-art 19-bed Intensive Care Unit, and a dedicated Children's Emergency Department. Watford also offers a comprehensive range of specialist and general services, including one of the safest maternity services in the country.

St Albans City Hospital is a local general hospital offering a range of services, including a Minor Injuries Unit. In September 2007 a new Elective Care Centre opened at St Albans City Hospital and since that time St Albans has been the site for the majority of planned surgery in west Hertfordshire. This has had a dramatic effect on the number cases of hospital-acquired infections in the area as patients are screened before their admission and St Albans City Hospital can now boast of being 'infection-free'. The hospital also provides a wide range of diagnostic, outpatients and ophthalmology facilities. The Breast Care Unit was formed in 2005 from the centralisation of breast services in west Hertfordshire. The state-of-the-art Breast Care Unit treats around 3,000 new patients a year and includes facilities to allow around 90% of breast operations to be performed there. The Renal Dialysis Unit based at St Albans City Hospital is managed by the Lister Hospital in Stevenage.

Hemel Hempstead General Hospital is currently undergoing a major redevelopment programme to considerably improve the general environment for patients. Full A&E services transferred from Hemel Hempstead to Watford General Hospital in March 2009, which coincided with the opening of a major expansion programme at Watford General. A new 24/7 Urgent Care Centre opened in October 2008, which treats patients with minor illness and injuries. Hemel Hempstead General Hospital also provides a wide range of outpatient services, intermediate care beds, tests and investigations.

As a Trust, we understand patients' needs and expectations. We continue to work closely with West Hertfordshire Primary Care Trust, local GPs, practice-based commissioning groups, community-based healthcare staff, and the local social services. The establishment of a partnership with Herts Urgent

Care, in order to deliver the new Urgent Care Centre service at Hemel Hempstead General Hospital, has been a significant and positive development during the course of the year.

The Corporate Team

Photoboard with names and titles

Our Pledge to Patients

The National Inpatient survey 2007/08 identified areas where the Trust had made improvements and also areas that needed to be strengthened. In particular, the report highlighted that our patients were disappointed with their experience in our hospitals. An Inpatient 'Task Force' Group, led by the Chief Executive, was set up to look at these results and support initiatives to improve the patient experience. A wide reaching programme of work followed with staff on all levels of the organisation discussing how things could be improved. This led to the design of a new 10-point Pledge to our patients, visitors and carers, known as the 'heart of Herts'. The new Pledge was launched on 1 September 2008 with a series of road shows across our three hospital sites and has since been rolled out throughout the Trust. Pledge posters and banners are now visible in prominent positions across the Trust and have been added to patient appointment cards. The Pledge has also been produced in a variety of languages and in Braille. During 2009/10 we will be investigating other ways to further incorporate the Pledge into everything we do as a Trust.

The heart of Herts pledge promises that we will:

- ◆ Treat patients with respect, courtesy and compassion
- ◆ Welcome patients and make sure they know what to expect
- ◆ Ensure our hospital is clean, safe, uncluttered and quiet
- ◆ Follow the Trust dress-code, display our identity badge and introduce ourselves to patients
- ◆ Provide clear signs, directions and assistance so patients and visitors get to their destination
- ◆ Answer all telephone calls and call buttons promptly
- ◆ Give patients our full attention and answer their questions fully
- ◆ Make it our duty to prevent delays and explain the reasons if delays occur
- ◆ Meet patients' needs for privacy, dignity and confidentiality
- ◆ Challenge and change practice that falls below these standards.

We believe the heart of Herts Pledge will have a real influence on how our patients experience their time with us.

Improving our services to you

In March 2009 we successfully transferred the emergency service from Hemel Hempstead General Hospital to Watford General Hospital. This major service change was originally planned to take place in the autumn of 2008, but it became apparent around the middle of that year that this date was unrealistic. The Trust Board agreed a revised date of March 2009 with the transition to be conducted by a series of phased moves to ensure patient safety and avoid as much disruption to services as possible. David Nicholson, Chief Executive of the NHS, visited Watford General in early 2008 and he commented that the

changes that we are making in west Hertfordshire were some of the biggest happening anywhere in the NHS at that time.

Watford General Hospital underwent major redevelopment during 2008 and 2009 with many areas being expanded and refurbished, the jewel in the crown of the redevelopment being the new 120-bed Acute Admissions Unit (AAU). This new facility, linked to the existing A&E department and believed to be the largest of its kind in the country, has radically changed the way west Hertfordshire patients receive emergency care.

The transition of emergency services from Hemel Hempstead to Watford General began in early February 2009. Wards and department were relocated over the following weeks and emergency 'blue-light' admissions were gradually redirected to Watford General. The A&E department at Hemel Hempstead closed to acute admissions on 11 March 2009 and the Intensive Care Unit transferred to Watford on 13 March 2009. The transition and the opening of the new Acute Admissions Unit went very smoothly and the phased approach meant that we were able to continue to provide good patient care at Hemel Hempstead Hospital and only needed to transfer very few patients to Watford General. This fantastic result was achieved by very detailed planning across the organisation and with its partner organisations, coupled with the revised realistic timetable for the transfer.

The new pioneering service now provided in the AAU is having a very positive impact and patients have been really enthusiastic about the service they are receiving.

The new service is open 24 hours a day, 7 days a week and offers patients requiring emergency care rapid assessment and diagnosis by a consultant from the onset of their admission. This quick diagnosis by a senior doctor and early treatment drastically improves the long-term effects of some illnesses, such as heart attack, stroke etc.

As well as a new hospital pharmacy with robotic dispensing, the AAU also houses two catheterisation labs providing a treatment for heart attack patients called angioplasty. This treatment can significantly enhance the chances of survival following a heart attack by widening an artery, which improves the blood supply to the heart muscle. Diagnostic testing, such as x-ray, CT, ultrasound and blood tests are also available for a longer period of the day and patients admitted outside normal working hours do not now have to wait so long to find out results and start treatment. Quicker access to investigations and treatments also avoids patients being admitted unnecessarily, which further improves the patients' experience and ensures beds are used for the patients who really require admission.

The Intensive Care Unit (ICU) at Watford General Hospital has also undergone major redevelopment and expansion. The new 19-bed state-of-the art ICU opened to patients in September 2008 and boasts some the most modern, high-tech equipment available today and offers patients a level of critical care that is unrivalled anywhere else in Hertfordshire.

The Children's Emergency Department (CED) at Watford General Hospital was expanded and refurbished during 2008. The CED is the only one of its kind in Hertfordshire and treats sick and injured under-16-year-olds in their own dedicated emergency department, staffed by specially trained children's doctors and nurses. This means that children do not need to be among adults in the main A&E department, which can be very stressful and distressing for them.

Furthermore, the main reception area at Watford General received a much needed 'face-lift' this year and now has a more patient-friendly approach with a new manned reception desk, information point and retail facility. It is also home to the new Patient Discharge Lounge, which is now conveniently situated for patients to be collected following their discharge from hospital.

The development of the Elective Care Centre at St Albans City Hospital has continued throughout the year, with both the range and volume of surgery undertaken being increased – overall 25% more activity has been undertaken at the hospital during 2008/09 compared with the previous year.

In 2008, the Trust succeeded in its bid to provide the Urgent Care Centre service at Hemel Hempstead General Hospital. This was a joint bid in partnership with Herts Urgent Care, the co-operative established by Hertfordshire GPs, and represents a significant step forward in our partnership working with local GPs. The Urgent Care Centre successfully ran in parallel with the hospital A&E service at Hemel Hempstead during the second half of the year and became fully operational in March 2009.

The Trust has also continued to work with local GPs and the Primary Care Trust in delivering clinical assessment and treatment services (CATS) across a range of specialties. Dermatology services, in particular, have seen increased numbers of patients during the course of the year.

Quality Report 2008/09

NHS organisations across the East of England are required to prepare Quality Reports for inclusion in their annual reports. This is in advance of the legal requirement to produce a Quality Account from April next year, subject to legislation.

An Over View of Quality in the Trust

The Trust has achieved much in the last year to improve the quality of care for patients.

The Trust is now one of the best performing Trusts in the country in respect of CDiff, with the biggest reduction in the number of reportable cases than almost any other Trust.

The Trust opened the new Acute Admissions Unit in March 2009, providing a purpose built unit for the assessment and treatment of patients that are only likely to need a short stay in hospital. It provides for rapid assessment by a consultant led team who can make quick decisions about a patient's condition.

The Trust continues to maintain one of the lowest peri-natal mortality rates in the country whilst being one of the busiest maternity units. In the last year more midwives and consultants have been appointed to further improve the services available.

At the end of 2008/09 the Trust achieved national targets for A&E waiting times, cancer waiting times and the requirement to see and treat people within 18 weeks.

Response to the Regulators

The Trust submitted its declaration to the Healthcare Commission in respect of the 2008/09 assessment year for Standards for Better Health indicating that there was only one standard that it remained non compliant with at the year end. Four further standards were declared as compliant at the year-end rather than full year compliant.

Working with YOU

Following the results of the National A&E survey 2008, we made significant improvements to our A&E service

- We provide more detailed information to patients on the time they may expect to wait to see a doctor or emergency nurse practitioner
- We provide patients with more information on pain relief
- We have purchased an LCD TV in the A&E waiting room, to provide patients with information on waiting times
- The waiting area and reception have been painted, giving a much fresher, cleaner and brighter experience for those waiting

Patient Experience Trackers

The Trust took possession of 15 Dr Foster handheld Patient Experience Trackers (PET) in July 2008. These machines were placed in Outpatients, A&E, Maternity Unit and various clinical areas across the Trust. Each machine carries five key questions relating to the specific areas that are linked to the outcomes of the National Patient Surveys and complaints we have received from patients. Results from the Trackers are regularly highlighted to the appropriate areas and discussed at the Patient Involvement & Experience Group and the Inpatient Survey 'Task Force' Group.

Improving the Patient Experience of Hospital Discharge

We have also been working closely with external organisations to improve the patients experience when being discharged from one of our hospitals. With the help of the National Centre for Involvement, we held two stakeholder events to learn from organisations such as Carers in Hertfordshire, Age Concern, PoHWER and the African and Asian communities, on concerns they have in respect of our hospital discharge process.

A 'My Hospital Discharge' leaflet was developed and piloted on Sarratt and Langley wards at Watford General Hospital. The leaflet is given to patients on discharge and advises them on their medication, explains social care arrangements and provides important contact numbers. Patients on the same two pilot wards are also given a 48-hour post discharge courtesy call to enquire if they have settled back into their home and if their stay in hospital met their expectations. This initiative was put in place in October 2008 and has proved to be successful with both staff and patients. The 'My Hospital Discharge' leaflets are currently being fully distributed throughout all wards in the Trust and it is hoped to extend the telephone calls Trust-wide in the future.

Local Involvement Networks (LINKs)

The official launch of the new Local Involvement Networks took place at the Fielder Centre at Hatfield on the 20 November 2008. The introduction of LINKs is part of a wider process to help the community have a stronger local

voice and we are looking forward to working with LINKs members this year to build on the relationship we had with the former PPI Forum.

Patients' Panel

The Patients' Panel continues to support the view of our patients and carers and is committed to improving the services we provide. Members of the Patients Panel were invited to be part of over 20 planning groups during the design and planning phase of the transfer of emergency services from Hemel Hempstead General Hospital to Watford General Hospital this year. The Patient's Panel's views and comments were extremely useful, particularly in the choosing of the colour schemes in areas of the redevelopment

Bereavement Care

The Trust's Bereavement Steering Group was relaunched in January 2009, under the new title of the End of Life and Bereavement Steering Group. The key work streams that the group are developing are around end of life care, including bereavement questionnaires and skills and confidence training for staff in order for them to support patients and their families during the end of life. The group are also working on a three year bereavement pathway project with the Bereavement Association and Cruse Bereavement Care, both nationally and locally.

How are we doing?

2008/09 was a year of consolidation for the Trust. In October 2008, the Healthcare Commission rated the Trust as “Fair” for both its quality of services and use of resources for the year 2007/08. This represents a major achievement for the Trust, and reflects the determination and hard work of many staff engaged in frontline service provision. During 2008/09, the Trust has built on this foundation and is hopeful of achieving “Good” for both quality of services and use of resources for the year when the Healthcare Commission publishes its assessment in the autumn 2009.

Reducing hospital-acquired infections, delivering care promptly when our patients need it, and managing our money effectively remain key objectives for the Trust.

During 2007/08, the Trust launched a major initiative to combat *Clostridium difficile* (C.diff) and MRSA infection rates and these fell significantly during the latter part of that year. During 2008/09, this improved performance has continued and the Trust’s levels of both MRSA bacteraemia and C.diff infections are now amongst the best in the country. Recent reports from the Health Protection Agency show that the Trust has had a 90% reduction in infection, making it just about the safest hospital in the country. But we won’t stop there and we will set further more challenging targets in the coming year.

The Trust’s performance against the A&E 4-hour wait target also improved significantly during the latter part of 2007/08 and this improvement was sustained through the year until December 2008. In common with most of the NHS, the Trust has faced severe “winter pressures” and this has impacted upon a range of our services, including A&E. The extreme weather conditions, which Hertfordshire suffered during February 2009, posed a further challenge for both our staff and patients. Staff across the Trust reacted magnificently and all essential, and much of our planned services, continued to be provided as normal. Performance against the A&E 4-hour wait target was inevitably affected by these circumstances, but the Trust nonetheless achieved the national 98% target for the year. Similarly, improvements in last minute cancellation of operations during the first part of the year have been affected by winter conditions, particularly at Watford, but work continues to improve this position.

The national target of treating all patients in less than 18 weeks from GP referral to the start of treatment has been a significant focus for the Trust during the year and has involved working closely with other parts of the local health economy. The Trust’s performance has improved steadily across all services and in January 2009 reached the national target levels of 90% for those patients needing admission, and 95% for those who did not need admitting. This position will be sustained and further improved during the coming year.

The Trust’s achievements against key national targets in the year are summarised below:

<u>National Standard</u>	<u>West Herts 2008/09</u>
18 weeks between GP referral and start of treatment (90% admitted and 95% non-admitted from January 2009)	Achieved
A&E 4-hour wait (98% average)	Achieved
Access to Sexual Health Services (National standard is for patients to be offered an appointment to be seen within 48 hours)	Achieved
Delayed Transfer of Care (National standard is <3.5%)	Underachieved
Cardiac revascularisation (National standard is less than 13 weeks' wait)	Achieved
Rapid access to chest pain clinic (National standard is less than 2 weeks' wait)	Achieved
Cancelled operations	Underachieved
All cancers – 2 weeks maximum wait for GP urgent referrals (National standard is 98%)	Achieved
All cancers – one month from diagnosis to treatment (National standard is 98%)	Achieved
All cancers – 2 months from urgent GP referral to treatment (National standard is 95%)	Achieved

Caring for our patients

During 2008/09 the Trust has implemented a number of initiatives and pilot schemes to improve the care we provide to patients.

Confidence in Caring

A 'Confidence in Caring' pilot scheme was introduced this year onto two wards (Sarratt and Cleves) in the Trust. This scheme offers a framework to help carers focus on the issues that matter most to patients and provide a positive experience for them. The five identified 'confidence creators' were core issues that patients care about and that effective carers seek to deliver. The initiative will be value assessed on care and experience, with view a to extending the scheme to other clinical areas.

Releasing Time to Care

The Releasing Time to Care programme is due to be implemented in May 2009 on two "Showcase" wards. This is a National Quality Improvement initiative, which offers a practical and common sense approach to empower ward teams to redesign their own processes and therefore enable them to deliver better care. Releasing Time to Care will have a direct positive impact on patient safety, patient experience and overall ward efficiency.

Essence of Care

A robust strategy, utilising the national Essence of Care Benchmark Framework, has been in place since 2002. This helps us to measure and drive forward best practice in the fundamentals of care. A broad range of key stakeholders reviewed and revised the strategy again in 2008. To support this framework a quality performance tool has been devised and is being used to measure quality care provision and identify areas for development and improvement.

Electronic Rostering

An ambitious project to manage the nursing workforce more effectively by electronic rostering has been introduced across 67 clinical areas. The development of a fully integrated workforce management system linking to the pay roll and bank nurse system is the key focus for 2009.

Privacy and Dignity

The Trust holds regular monthly audits and bi-annual privacy and dignity self-assessments to measure its ability to meet the privacy and dignity needs of its patients. In July 2008 we undertook an assessment of 24 inpatient clinical areas and developed a comprehensive action plan for each area, which focuses on challenges to achieve best practice consistently. Furthermore, around 70 Trust staff are now registered as Dignity Champions and have joined a national network of people who are committed to taking action to improve dignity in care. The challenge for 2009 is to enable cross boundary working and make a difference together through a more formalised framework.

The Trust also held its second Annual Dignity Conference in December 2008. The involvement of multi-professional groups and external agencies

reinforced the message that promoting Privacy and Dignity is a collective concern across a variety of health care settings.

Nutrition Now - 'Stop, serve and observe, make food a priority'

A unique opportunity was afforded the Trust by the Royal College of Nursing in December 2007 to participate in the Nutrition Now Campaign. Initiatives progressed under this umbrella are:

- (i) Completion of a baseline audit on the importance of nutrition for patients
- (ii) Development of a bookmark with the Top 10 Tips for Nutrition and guidance for staff
- (iii) Implementation of a programme for staff on assessment and management of patients nutritionally 'at risk'
- (iv) Relaunch of the Protected Mealtimes Initiative
- (v) Development of a 'Placemat' for use with patients who have a nutritional need

The culmination of the project was the opportunity for three members of the group to present their achievements to a national audience at the RCN Nutrition Conference in London in September 2008.

Staff - our most valuable resource

A commitment to high quality services is at the heart of all we do and staff have worked tirelessly throughout 2008/09 to ensure this commitment is maintained. As a Trust, we have worked closely with all staff groups to reconfigure our services across our 3 sites. We formally consulted with over 2500 staff during the year about the changes and how they would impact on their working lives; some because they have had to change locations, others because they are working in new teams or being managed by a new manager. All these changes, while exciting in terms of new service delivery, create a high degree of disruption for staff.

We put in place a range of offers to help staff manage the changes with the minimum of stress and anxiety possible, including sessions on 'Coping with Change at Work' and developmental sessions for managers on leading change and effective communication. We have recognised the need for additional support for managers so they can better support their staff, and we have introduced a weekly "e-nugget bulletin" with helpful tips and hints for managers.

Communications has been a critical element of the planning of the changes and in addition to our already fully established communication channels, staff who have electronic access have also been able to listen to podcasts by the Chief Executive and to receive regular information updates on the developments taking place in the Trust. For staff who do not have regular electronic access, we have introduced a new weekly newsletter called Frontline News, containing up-to-date information specifically targeted at receptionists, ward clerks and housekeepers. This newsletter has helped to ensure that frontline staff are well-informed and are able to answer any questions posed to them by patients and visitors.

There has been particular attention given to Hemel Hempstead General Hospital staff as the new era at Hemel Hempstead starts to unfold. A commemorative newspaper has been published and given to all staff at Hemel Hempstead, together with a short DVD which tells the story of the hospital site so far and what is in store for the future. Copies are available from the Trust office.

During the year, we have recognised that supporting staff's physical, as well as mental, wellbeing is very important and, perhaps, no more so than during periods of fast moving change. We have developed a staff wellbeing plan that has focused on a wide range of topics to support staff at work, as well as at home. We have also run a series of lunchtime sessions with topics including parenting, migraine, the menopause, money matters and relationships. We have also help wellbeing days on diabetes awareness, encouraging staff to have their blood pressure checked, as well as complementary mini-treatments, such as Indian head massage and reflexology. Staff have also had an opportunity to find out about the childcare and pre-retirement information and take part in lunchtime yoga sessions.

How do our staff feel we are measuring up?

The results of the staff survey for 2008/09 are not yet published nationally, but from the early information we have it seems that we have improved across all the measures in the survey. We are still not up there with the best in the country, but we have made huge strides in creating a better place for staff to work.

The work undertaken in 2008/09 nationally and regionally about what matters to staff was reassuring similarly to the work we had done in the Trust during 2007/08 with our own staff. Staff told us that they:

- 1) wanted facilities and equipment to be fit for purpose
- 2) felt they needed more support from their manager
- 3) wanted good training and career development
- 4) felt that the hospital environment should be clean and well-maintained
- 5) wanted sufficient numbers to manage the work load in their department and ward

This valuable information will help us to make investment decisions for the organisation.

We have worked hard with staff to reduce our sickness absence rates by rapid access to our occupational health service and fast track treatment to physiotherapy. Staff who had been on long-term sick leave are also supported to return to work, sometimes in a different or adapted role. This work has led to a consistent reduction in sickness absence. This reduction will have an impact both in terms of the cost of temporary staff that we are using and also in the continuity and quality of care provided.

We have similarly been working hard to look at reducing the rate at which staff leave the organisation, because high turnover can create costs in terms of recruitment and also reduces productivity as new staff take a while to get used to the systems we use in the Trust. Again we have made progress in this area and plan to build on the extensive audit we undertook this year around the reasons why staff have left the Trust, so that hopefully during 2009-10 it will be even better.

We remain committed to delivering equality of opportunity for all staff, patients and other service users. Our Equalities Framework, including the Race Equality Scheme (RES), the Disability Equality Scheme (DES) and the Gender Equality Scheme (GES) is at the heart of the drive to achieve this.

As part of the work during 2008/09 we did the following:

- The “Connect” BME Staff Network met regularly and is chaired by one of our Consultants in Care of the Elderly.

- For the first time we worked with the BME Group and Unison to identify an event to celebrate Black History month in October 2008.
- A week of menus for food from different parts of the world was offered in the Spice of Life restaurant at Watford General.
- We supported the Bedfordshire & Hertfordshire NHS Lesbian, Gay, Bi-sexual, Trans-gender (LGBT) staff network by representation from a UNISON colleague.
- Wellbeing at Work advisers were recruited internally in September 2008 in order to support staff with a disability. This service will meet our commitment in terms of the 2 Ticks Disability symbol.
- Training for Trainers on equality and diversity was provided and plans are continuing to be rolled-out.
- A Diversity Training Consultant ran a Trust workshop on how to undertake equality impact assessment. As a result of this training some additional enhancements were made to our processes.
- We agreed to sponsor one individual to attend The Breaking Through programme that is due to commence in 2009.
- We set up a quarterly Equality & Diversity Steering Group, chaired by Gary Etheridge, Director of Nursing as the Trust Board Lead for Equality and Diversity. Meetings are now held in conjunction with the Patient & Public Involvement & Experience Group to optimise the opportunities for sharing and developing best practice for staff and service users. In addition the Trust is an active participant in the Bedfordshire & Hertfordshire Equality Leads Group and the East of England Strategic Health Authority's Eastern Equality Group.
- The Trust Board received a half yearly report to be assured that progress on equality and diversity issues are being made.

Highlights of 2008/09 - (photos to be included)

March 2008

- Our eagerly awaited new **Acute Admissions Unit** began to be delivered to Watford General Hospital. The state-of-the-art building was constructed in York and delivered by road in 150 steel-framed modular units and craned into position over a three week period.

April 2008

- Anne Carroll, a Continence Clinical Nurse Specialist working in the Trust was highly commended in the Nursing Standards Nurse Awards.

Anne was short listed down to the final two nominees in her category from over 200 entrants.

May 2008

- The £1bn Watford Health Campus masterplan, which includes the new acute hospital at Watford, was given the go-ahead by Watford Borough Council.
- A new Medical Education Centre at Watford General was officially opened by Professor Huw Jones, Postgraduate Dean of the Eastern Deanery and Mark Ashton, Chief Executive of Watford Football Club. The new Centre provides enhanced teaching, study and training facilities for medical students and newly qualified doctors through to consultant level.
- We were awarded the prestigious 40 Top Hospitals award at a presentation in London. This independent study recognises Trusts that have reached a high level of performance as assessed by the country's leading hospital benchmarking company, CHKS.

July 2008

- The Trust celebrated the 60th anniversary of the NHS with displays across our three sites showing how the NHS and the Trust has developed since the 1940s.

August 2008

- We helped launch the proposed first NHS constitution to urge people to take more responsibility for their health. The residents of west Hertfordshire were asked to voice their opinion on the draft constitution.

September 2008

- To mark the end of the construction phase of the Acute Admissions Unit, a commemorative key was presented to Trust Chairman Professor Thomas Hanahoe, by Steve Liddle, Main Board Director of Medicinq Osborne.
- We launched our new 10-point 'heart of Herts' Pledge to patients. Staff follow this Pledge to ensure that everyone visiting the Trust has the best possible experience, whether they are a patient, visitor or a carer.
- We unveiled our plans to apply for Foundation Trust status and launched a public consultation exercise, which ended in February 2009.

October 2008

- We were awarded a double 'Fair' rating for 2007/08 by the Healthcare Commission. This compared to a double 'Weak' rating in the two previous years. This year the Trust is already performing at an even higher level – up with the best in the country.

- The new Children's Emergency Department (CED) at Watford opened to patients. It is the only one of its kind in Hertfordshire and treats sick and injured under 16 year-olds in their own dedicated emergency department, staffed by specially trained children's doctors and nurses.
- The Urgent Care Centre at Hemel Hempstead Hospital opened its doors, treating patients with minor illnesses and injuries
- As part of our commitment to reducing infections we once again held a 'Think Clean Week' on all our hospital sites. Watford Footballer, Will Hoskins kindly presented prizes to the winners of the various 'infection control' competitions held during the week.

November 2008

- Mark Webber, Formula One racing driver officially opened the newly expanded Intensive Care Unit (ICU) at Watford General. The new state-of-the art ICU opened to patients in September 2008 and boasts some the most modern, high-tech equipment available today.

December 2008

- The Trust worked closely with other NHS colleagues across Hertfordshire, Bedfordshire and Luton to launch the '*Spot a Stroke*' awareness campaign aimed at giving people the knowledge that could save not only their own life, but that of a friend, relative or total stranger.
- Two of our doctors received awards from the West Hertfordshire & Watford Medical Society. The first prize was awarded to Dr Collas, Consultant Physician in Elderly Care, who has set up the Trust acute stroke service. Second prize was awarded to Dr Barlow, Consultant Respiratory in Medicine, who introduced Transbronchial node aspiration for staging lung cancer.

January 2009

- The new AAU at Watford was nearing completion. Open Days were held for staff and the general public to tour the new facility before it underwent the final preparations prior to opening to patients.

February 2009

- The transition to move emergency services from Hemel Hempstead to Watford began. The first patients were admitted to the AAU and some wards and departments began to be relocated. 'Blue-light' and GP-heralded patients were also gradually redirected to Watford General.

March 2009

- The transfer of emergency services from Hemel Hempstead to Watford was completed successfully and on schedule and the new Acute Admissions Unit opened. The new model of care is working well and feedback from patients is very positive.

Safeguarding high standards

Patient Advice and Liaison

Our Patient Advice and Liaison service (PALS) continues to be an integral part of the service we provide to our patients and acts as a vital channel of feedback from services users. PALS provides a professional, friendly, sensitive service to patients, carers and staff and tries, wherever possible, to provide on-the-spot assistance and resolution to any problems or issues that may arise.

Dealing with Complaints

The Trust has a robust system for dealing with patient complaints promptly, fairly and openly. However, during the year it was highlighted that this system was not working as well as it should and the time it was taking to acknowledge and respond to complaints was increasing. The timely resolution of complaints is essential in order to help restore confidence in the Trust for those patients who have found their care and treatment falling short of what is expected. The Trust took immediate action to investigate the cause of this and instigated a number of measures to address the issue. Our compliance rate is now above the national average.

As a Trust it is very important that we learn from complaints and comments. Where appropriate following a formal investigation, improvements and changes are implemented to prevent similar situations arising in the future. These actions are then monitored to ensure that the improvements are maintained over the proceeding months.

Clinical Governance

All Trusts have a statutory duty to have comprehensive arrangements in place for monitoring and improving the quality of healthcare. This is called clinical governance and includes:

- Ensuring that professional principles are developed and applied to all services
- Working closely and co-operatively with external organisations who audit and inspect our services

Clinical governance has remained a priority for the Trust throughout 2008/09 and a great deal has been achieved during the year. The Trust has built on its good incident reporting culture and from April to September 08 reported 2,237 patient safety incidents with 91% of these incidents resulting in no harm. The Trust reported a higher percentage of incidents per 100 admissions to similar organisations; however a high reporting rate is often associated with a better safety culture rather than a less safe environment of care.

During 08/09 the Trust reported 3 Serious Untoward Incidents (SUIs), all have been investigated with final reports being sent to the PCT.

SUIs included:

1. Tissue Processor Malfunction
2. Physical Assault

3. Oxygen Leak and Maternity Unit Closure

The Trust has also continued to ensure that its Level 1 status in Risk Management as defined by the NHS Litigation Authority (NHSLA) Risk Management Standards is maintained whilst working towards level 2. These standards define the processes and systems that the Trust has in place to manage its risks.

Being prepared for an emergency

A 'Major Incident' can range from road accidents and rail crashes to radiation incidents to the deliberate release of chemical or biological agents and the Trust must be prepared for any one of these eventualities.

Following a major incident training day in December 2008 and the transfer of the emergency service from Hemel to Watford in March this year, our Major Incident Plan required a complete review and has recently been updated. The Trusts emergency plans are also now available to the public and staff on our website and we have incorporated these into the Trust's induction program for new staff. Furthermore, over the next year, we will develop and implement more formal emergency preparedness training for staff who are identified as key first responders.

Pandemic Influenza preparedness has also been high on the Trust's agenda this year. Our plans, linked into the Hertfordshire resilience forum and the local utility services, have been completed and are expected to be rolled out as more information becomes available from the Department of Health.

On our way to becoming a Foundation Trust

As a result of the Trust's improved performance in 2008 we were actively encouraged by the Strategic Health Authority to apply for Foundation Trust status. We are therefore currently applying to become a Foundation Trust later in 2009.

Foundation Trust status means:

- We have Members whose views contribute to our future plans - tailoring local services to local needs
- We can retain surplus money and spend this on our local services

We will still be part of the NHS and be required to meet Department of Health targets. However, there is more of a focus on Members - listening to them and involving them in our future. Members are valuable to the Foundation Trust as their views enable us to tailor the local services to meet local needs. Members can also stand as governors and be part of the Governing Council. Membership is free and people can join by post or on-line.

As a step on the path to achieving Foundation Trust status, we conducted a public consultation from 22 September 2008 to 20 February 2009. During the

consultation we shared our plans at local public meetings and undertook presentations to various local authorities, groups and organisations. Patients, staff, carers and visitors were prompted to both respond to the consultation and to also become Members. Responses were received from a good cross section of the community. The formal consultation response will go to the Secretary of State later this year as part of the Foundation Trust application process.

In April 2009 we ran a number of roadshows to inform our staff about our Foundation Trust application and how they can contribute towards our success.

For further information on our plans to become a Foundation Trust or to become a member please access www.westhertshospitals.nhs.uk/ft.

Ambassadors of the Trust

The Trust held an afternoon of celebration in December 2008 when we said thank you and rewarded some of our long-serving staff. Staff who had been working in the Trust from 15 to 40 years were served afternoon tea and presented with gifts to say thank you for their commitment and dedication.

Later in the afternoon, over 100 staff and guests, including Watford Borough Council's Chairman attended an 'Oscar style' awards ceremony to celebrate staff who had been nominated throughout the year in our Staff Awards for Excellence scheme. The winners and runners-up in each of the five categories were announced and presentations made.

The Staff Awards for Excellence Scheme is designed to reflect the caliber of the teams and individuals who work in the Trust and show the high regard in which our staff are held by their colleagues, patients and relatives.

The awards categories were as follows:

- Employee of the Year
- Team of the Year
- Improving the Patient Experience
- Unsung Hero
- Volunteer of the Year

(Photo of long-service staff) (Photo) Team of the Year - Endoscopy

(Photo) Volunteer of the Year (Photo) Improving the Patient's Experience - Pathology Teams (Photo) Employee of the Year – Frances Stratford, Deputy Director of Infection Control

The Staff Awards for Excellence Scheme was relaunched in 2009 and an awards ceremony will be held in December 2009 to celebrate the winners and runners up.

Statement on Internal Control 2008/09

1. 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.

As Accountable Officer I have put in place arrangements to review the individual objectives of the Executive Directors through both one to one sessions and appropriate meetings with the Executive Director team, such as the Delivery Support Group that meets bi-weekly. This enables me to review progress against the key strategic objectives and to hold Directors to account. These processes also enable the team to develop and strengthen its dual operational focus of delivery and implementation across the organisation.

The Trust continues to work hard at establishing good working arrangements with both the SHA and PCT and these include:

- A series of routine performance / contract monitoring meetings once a month to look specifically at the performance of the SLAs
- A regular CEO meeting between CEOs of various NHS organisations
- A regular meeting between Trust and SHA monthly
- Specific meetings with SHA and PCT around attainment of performance targets which take place at varying intervals dependent upon performance
- Specific meetings around issues such as IT strategy which take place quarterly

I believe we have identified the key areas of common purpose that will enable us to work as a health economy to deliver the improvements in service that are required locally. We are developing robust processes around PCT commissioning contracts

and we will continue to maintain good relationships with the Practice Based Commissioning Groups and the GP Conclave.

The Trust continues to work with the County Health Scrutiny Committee (HSC) and have built upon the previous good relationships during 2008/09. The Trust attends the HSC meetings on a regular basis as well as participating in the health topic group.

The Trust has many established and effective arrangements for working with the wider stakeholder communities, including patients and carers. We have a number of interested local people, which we intend to use as part of the development work on establishing the membership and subsequent Board of Governors to support our application for Foundation Trust status. At the end of 2008/09 we had around 1800 members.

2. The purpose of the system of internal control

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.

3. Capacity to handle risk

The Trust considers 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. To provide leadership and structure in the management of risk, the Director of Patient Safety/Medical Director has specific responsibility for leading the risk management process. This responsibility is discharged throughout the organisation through the Trust's Associate Director of Integrated Governance, the Assistant Director of Clinical Governance and Risk and the Clinical Governance and Risk Managers at a corporate level. At a Divisional level Divisional Risk Managers provide support to the Divisions in the execution and discharge of their

responsibilities for ensuring safety across services and environments for patients and staff. They do this by working with individuals in the divisions and the corporate team, supporting the process of risk identification, assessment, analysis and mitigation.

In order to support this work the Divisional Risk Leads Forum provides a focus for driving actions to mitigate risk as well as a support structure for the risk Managers to enable them to better discharge their responsibilities. The Forum provides a pathway to escalate issues to the Integrated Standards Executive where this is considered necessary.

Divisional Risk Managers are responsible for the day-to-day management of the divisional risk registers. The individual risk registers will take account of the risks identified by a Division in conducting its daily business. The risk strategies of the individual divisions and services follow the Trust Risk Strategy. Maternity services have, in addition, a more detailed strategy as required by the Clinical Negligence Scheme for Trusts (CNST).

In terms of management of risk within each Division, once a risk has been identified this is added to the risk register by the Divisional Risk Manager together with the actions to be taken to mitigate the risk and the timescale. These entries are reviewed regularly by the Divisional Risk Managers and closed once the risk has been mitigated. This is reviewed by the Datix database administrator. Where risks have not been closed in line with the action plan these are followed up with the Division concerned. Following discussion at the Audit Committee during 2008/09, work has been initiated (and will continue into 2009/10) to review Divisional systems and processes and ensure that the risk registers are being used as effectively as possible. This continues to be discussed with the Divisional Risk Managers as part of ongoing dialogue between them and the Governance team.

Induction training and risk assessment and management training is provided to assure ourselves that staff in all departments and across the organisation can fulfil their responsibilities of regarding risk. The Trust induction programme for new staff provides a session on risk and incidents by the Corporate Governance and Risk team. In addition, the Trust provides a series of risk management update sessions as well as specific training undertaken by the Health and Safety Advisor and Manual Handling Advisor. Training is evaluated and audited to ensure it covers what is

needed and that it is having the appropriate impact. Training needs analysis is frequently reviewed.

In addition to this, specific risk management guidance on the responsibilities of staff at various levels and on the systems in place to manage risk is detailed within the Trust's Risk Management Strategy and the Incident Reporting Policy. More in depth risk management guidance at Divisional level is detailed within the respective individual Divisional Risk Management Strategies.

The Trust has a fully implemented and integrated risk management database and risk register. This can be viewed both within the Divisions and at Executive level. Risks are clearly recorded and identified in a standardised way. Work has been initiated within 2008/09 to improve the way in which information within the risk registers is presented. This work will continue into 2009/10 **to ensure that there is full integration between the assurance framework, risk ratings and strategic objectives.**

Divisional performance is reviewed regularly across a range of key indicators, including the identification and management of risk. At a strategic level the Board reviews the reporting arrangements for strategic risks and the requirement that this process links directly to the Assurance Framework. The Board reviews the Assurance Framework regularly at its meetings in public.

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.

The Trust produces yearly an Innovation and Excellence Directory which highlights good practice initiatives which enable dissemination of learning. This Directory is led by the Director of Nursing and is distributed Trust wide.

In addition, the Trust works with the other partners in managing elements of risk. The Trust works with the Strategic Health Authority via various structures. Chief Executives across the health economy meet regularly and I have regular meetings with colleagues from the SHA. Chairs across the Health Economy also meet on a

regular basis and there are a number of other functional groups e.g. Directors of Finance who have a formal programme of meetings across the year.

4. The risk and control framework

The Trust Board approved the 2008/09 Risk Management Strategy in March 2008. Key elements included within it are:

- Statement of philosophy
- Definitions
- Key principles
- Roles & responsibilities
- Committees with responsibilities for Risk Management
- Risk Analysis Tools
- Risk Management Process
- Training
- Monitoring and review of strategy
- Proposed work programme for 2009/10

Significant Internal Control Issues

The Trust has implemented a process for identifying, evaluating and managing the significant risks faced by the Trust throughout the financial year and up to the approval date of the annual accounts. The process is subject to regular review by the Board directly and the Audit Committee. The Trust has reviewed its governance arrangements this year and these have been discussed and approved by the Board.

As far as the risk and control framework is concerned both the Clinical Standards Executive (recently renamed the Integrated Standards Executive (ISE)) and the Clinical Quality and Governance Committee provide the appropriate focus and control and have had the support of the following groups:

- Infection Control
- Drugs and Therapeutic
- Complaints, Litigation, Incidents and PALS Group (CLIP)
- Clinical Audit
- Health and Safety
- Child Protection Steering Group

The Trust has a 5 year Integrated Business Plan and a yearly Operational Plan, which feed into the Trust's Risk Register and Assurance Framework.

All risks, or changes in risk, are identified and described in the Trust's Risk Register. They are then evaluated and prioritised so that an action plan can be devised for the most significant risks. The Trust's corporate Governance and Risk Management Team reviews and monitors this process. Performance reports on the management of risk are provided to the Audit Committee regularly. Performance management arrangements are being enhanced during 2009/10 in order that there is greater scrutiny of Divisional and Corporate risks via ISE meetings.

The Trust provides the CLIP Group with quarterly aggregated analysis of key themes extrapolated from their risk management database. Where there are issues of concern arising from this report they are escalated to the Complaints, Litigation, Incidents and PALS Group. This process ensures that the Clinical Quality and Governance Committee can advise the Board of significant issues that create a risk to the Trust.

Executive and operational responsibility for each of the Standards for Better Health domains has been assigned and monitoring of compliance is ongoing. The Trust has maintained progress in meeting the core standards. For our 2009/10 declarations, the Trust declared compliance with 39 of the 44 standards. Four of the remaining standards have achieved compliance in year whilst one, decontamination, has remained non compliant at year-end. The Healthcare Commission undertook an unannounced inspection in October 2008 to assess the Trust's overall compliance in respect of the Hygiene Code and also determined that, in line with the Trust's stated position on decontamination in respect of Standard 4C the Trust were not compliant with duty 4f (decontamination of instruments and other equipment). It was however, confirmed that the Trust was providing a safe service to patients. However, it should be noted that the Trust has identified the non-compliance of decontamination services as serious control issue which it is working to resolve as part of a consortium with other local Trusts.

The Trust's strategic objectives are aligned with 'Standards for Better Health' and consequently all gaps in compliance recorded on the Assurance Framework.

The Assurance Framework is based upon the DH model and contains all appropriate elements (objectives; key risk; key controls; assurance on controls; gaps in controls; assurance and gap in assurance) and contents are reviewed and presented to the Audit Committee and Trust Board on a quarterly basis. A recent review of the format

of the Assurance Framework has been undertaken to comply with recommendations from a recent Internal Audit Report.

The Trust has reported underachievement against national indicators for the rate of cancellation of elective surgery and the level of delayed transfers of care. Whilst both if these have improved against performance in previous years it is recognised that the Trust still has further work to do and has therefore identified these as serious control issues requiring attention during 2009/10.

The Trust actively involves and seeks the views of our patient's. The Trust's Patients' Panel has been established for four years. It continues to play an active part in the Trust and has also registered to become a Dignity Champion. The Panel continues to be linked into a wide range of committees, meetings and projects within the Trust in order to help develop services and to pro-actively drive forward the issues raised from the results of the both local and national patient surveys. They are also members of Internal Patient Environment Action Team (iPEAT) inspections on a monthly basis and take part in the Trust's Observation of Care, Pride in Our Workplace and 'Think Clean' days. Panel members continue to review all policies, patient information and questionnaires to ensure they are 'user friendly' before being officially ratified by the appropriate committees and published.

The Patients' Panel and other external patient representatives and voluntary organisations have been instrumental in the production of the Patient Involvement & Experience Strategy and subsequently with helping to drive forward it's objectives. They are also regular attendees of the Patient Involvement & Experience Group chaired by the Director of Nursing.

Panel members have been involved in the Internal Hospital User Groups (IHUGS) in respect of the St. Albans City Elective Care Centre, Watford Health Campus and the new Acute Admissions Unit (AAU) at Watford General Hospital. Their views were sought during the consultation process and subsequent attendance at the IHUGS and Project Team has assured their consistent involvement in the planning of future services and design of the Watford Health Campus.

The Trust is beginning to establish relationships with the recently established LINKS, which replaced the PPI Forum after these were disbanded.

As an employer with staff entitled to membership of the NHS Pension scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments in to the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations

Control measures are being put in place to ensure that risks to data security are being managed. The Trust has now encrypted all desk top and laptop computers and encrypted memory sticks are being issued to Trust staff.

Control measures are in place to ensure that all the organisations obligations under equality, diversity and human rights legislation are complied with.

5. Review of effectiveness

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 provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the internal audit work. Executive managers within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance. The Assurance Framework itself provides me with the evidence that the effectiveness controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by:

- Internal Audit Reports
- External audit reports
- Standards for Better Health self assessment and declaration
- Performance Monitoring
- National Inpatient Survey
- Staff Survey

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Trust Board; Audit Committee; Integrated Standards Executive; and the Clinical Quality and Governance

Committee. A plan to address weaknesses and ensure continuous improvement of the system is in place.

Below describes the process that has been applied in maintaining and reviewing the effectiveness of the system of internal control, including some comment on the respective roles.

The Board. The Trust Board has endorsed a mechanism to gain assurances about the effectiveness of the controls in place to manage principal and strategic risks. This mechanism ensures that risks are presented to the Board through the organisational structure in place within the Trust.

The Board reviews and maps these to its own assurance needs, enabling the Trust Board to address and put in place any improvements necessary.

The Audit Committee. The Audit Committee reports directly to the Board providing assurance on the maintenance of the system of internal control. The Committee comprises at least three Non-Executive Directors and is attended by the Director of Finance, Director of Patient Safety, Associate Director of Integrated Governance, Assistant director of Clinical Governance and Risk, Director of Corporate Affairs and other representatives including Internal and External Audit in attendance. I attend meetings on a regular basis.

The Audit Committee's primary role is to independently oversee the governance and assurance process on behalf of the organisation and to report to Trust Board on whether the systems in place for risk management and internal control are robust and effective. The Audit Committee receive regular reports from the Assistant director of Clinical Governance and Risk ensuring that appropriate issues are escalated to the Audit Committee from the ISE and the Clinical Quality and Governance Committee. The Audit Committee ensures that audit plans are drawn up with full consideration of all risks as detailed within the Trust Risk Register.

Executive Directors. Executive Directors have overall responsibility for the implementation of the risk management strategy. They are responsible for the overseeing of the processes for identifying and assessing risk, and for advising me as necessary. They ensure that so far as it is reasonably practical, resources are available in order to manage risk.

Internal Audit. Internal Audit reviews the system of internal control throughout the year and reports accordingly to the Audit Committee.

Based on the work undertaken in 2008/09, the head of internal audit has given significant assurance that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weakness in the design and inconsistent application of controls has been identified that put the achievement of particular objectives at risk. They include 4 areas listed below from a total of 25 audited.

- Staff Appraisals
- Management of Medical Device
- Procurement Arrangements of Prosthesis
- Infrastructure of Computer Network

Action plans to address these are in place.

Monthly Provider Management Governance Return

The Board has regularly reviewed the monthly governance return that I sign off each month and is sent to the Strategic Health Authority.

The Annual Health check

The Healthcare Commission's Annual Health check for 2007-08 concluded that the Trust was 'fair' in both its use of resources and in the quality of its services. It is targeted 'good' for both areas in 2008-09.

For quality of services the main areas of concern were:

- Elective surgery cancellation rates
- High levels of delayed transfers of care

I have established a process for monitoring the Trust's performance against all of the National Targets used by the Healthcare Commission in its Annual Health check, under the supervision of an Executive Director. There is a responsible senior manager identified for each target. A summary of current performance and anticipated performance for the year for each target is reported to the Trust Board at every meeting (is this the case)

- **Standards for Better Health**

For its 2008/9 Standards for Better Health submission, the Trust has declared compliance with 39 out of 44 Standards

It has declared 'not met' for the following 4 standards:

Standard	Subject	Compliance Issue
C4c	Decontamination	<p>The Trust is not compliant with the all statutory regulations within its Sterile Services Departments, although the HC are aware and this does not have an impact on patient safety.</p> <p>Governance arrangements and assurance to the Trust Board have been strengthened through audit against requirements of Duty 4 of the Hygiene Code.</p>

The Trust has been working as a member of a North London and Hertfordshire Consortium to outsource these services in order to achieve compliance. It is anticipated that, subject to satisfactory agreements, a service will be available from summer 2010.

A further 4 standards have also been declared 'not met' but have achieved end of year compliance through the submission of 'achieved' action plans as detailed below:

Standard	Subject	Summary of action put in place
C14c	Complaints	Increased resources in place. Frequent meetings with CEO to monitor the situation and expedite the handling of complaints within the required timelines.
C20a	Safe and Secure Environment.	Action plan completed.
C20b	Privacy and Dignity	Action plan completed.
C23	Health Promotion	Partnership working in place.

- **ALE**

In 2006/07 the Trust received an ALE score of 1 'weak' for use of resources. During 2007 / 08 the Trust implemented a revised process to ensure that a score of 2 'fair' was achieved across all 5 areas of ALE - financial standing, financial management, financial reporting, internal audit and value for money. For 2008/09 further enhancements to the central repository of evidence were established along with

clearly identified director and managerial leads for each Key Line of Enquiry. The Trust has targeted a score of 3 for 2008/09.

- **Data Security**

In the last quarter of the year the Trust reported a serious untoward incident relating to the theft of four laptop computers. Three of the laptops were encrypted the fourth was not. Of the three encrypted laptops two contained no personal data whilst the third contained records relating to five individuals. The unencrypted laptop contained no personal data.

The system of internal control has been in place in West Hertfordshire Hospitals NHS Trust for the year ended 31 March 2009 and up to the date of approval of the annual report and accounts.

Signed.....Dated.....

Jan Filochowski,
Chief Executive

Financial Disclosure

The Trust produced a £4.5m surplus on its income and expenditure account in 2008/2009.

For 2009/2010 the Trust has agreed a target of £4.4m surplus. This will be achieved through:

- Continuation of the PMO review process
- Establishing an Intelligent Savings Programme known as BRIGHT
- Continuation of the controls on pay and non-pay spend
- Establishment of service line management and reporting
- Continuing the restructuring of the Trust's services and the best use of current site and facilities

The strategic risks are reviewed on a continual basis to ensure that potential gaps in control and / or assurance are managed effectively with action plans to address them as required.

Jan Filochowski

Chief Executive

Statement of the Accountable Officer of the Trust

The Secretary of State has directed that the Chief Executive should be the Accountable Officer to the Trust. The relevant responsibilities of Accountable Officers, including their responsibility for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper records, are set out in the Accountable Officers' Memorandum issued by the Department of Health.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an accountable officer.

Jan Filochowski

Chief Executive

Statement of Directors Responsibilities

Directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure of the Trust for that period. In preparing those accounts, the directors are required to:

- Apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury
- Make judgements and estimates which are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

By order of the Board

.....Date.....Chief Executive

.....Date.....Finance Director

Annual Report 2009/10: Financial Review

2008/09 was the second year in succession that the Trust has reported an outturn surplus.

The Trust's plan for the year was to achieve a surplus of £4.4 million, this target being the second year of the three year plan to meet the break-even duty performance. The Trust's actual outturn was a £4.4m surplus.

Staff at all levels of the Trust have worked tirelessly to deliver the savings and income targets agreed with them. The savings target was set at £11.6m and all bar £300k has been delivered.

Finance Developments

During 2008/09 the Finance Department has continued to provide financial information within 5 working days of the month end and ensured all budget holders are notified of the availability of their monthly financial performance within 10 working days of month end.

The implementation of International Financial Reporting Standards (IFRS) has required the Trust to re-state its 2007/08 closing Balance Sheet and to move our financial reporting in line with this standard. Our processes have been audited and conform to the new requirements we will therefore adopt IFRS for 2009/10.

The Finance systems have been enhanced during the year to enable budget holders to access their budget statements on line and to be able to drill down to view the transactions charged to their cost centres. In addition electronic authorisation of invoices has been implemented across the majority of the Trust. This will enable the Trust to speed up the payment process to suppliers and further improve our performance against the Better Payments Practice Code. Further roll out will continue in 2009/10 along with the means to use electronic, rather than paper, requisitioning of goods.

As part of the enabling actions, as the Trust progresses its Foundation Trust application, a Service Line Reporting system was chosen during the summer of 2008. This system will bring together the income earned by the Trust with the expenditure incurred in delivering the care to the patient. Roll out across the Trust will commence during the summer of 2009.

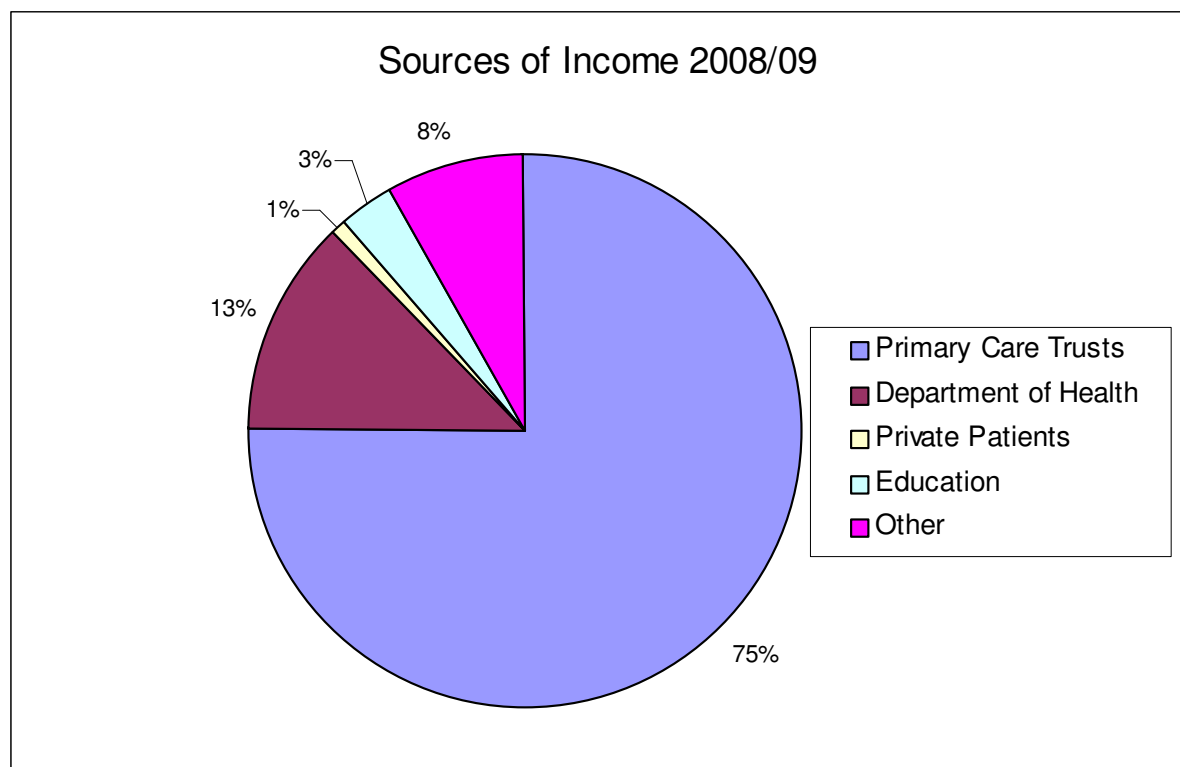
Financial Strategy

The finance department has been working closely with key stakeholders both within and outside the Trust during 2008/09 to develop the Trust's long-term financial strategy and to contribute to the development of the Integrated Business Plan which supports the Trust's Foundation Trust application.

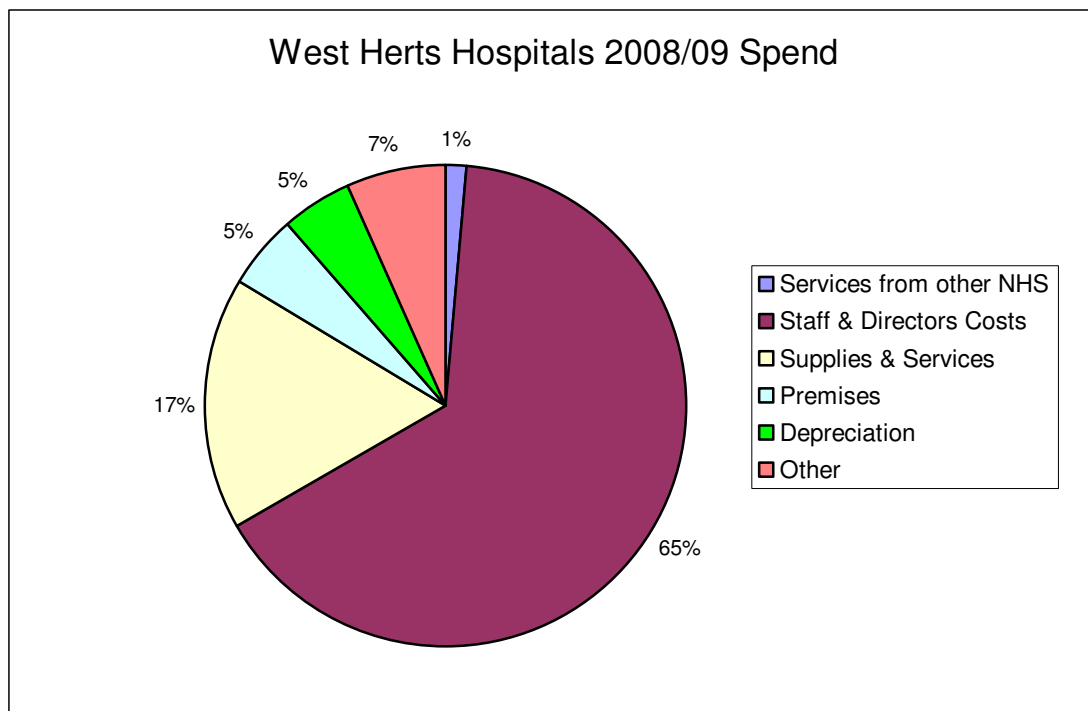
Conclusion

The accounts that follow are dedicated to the memory of Tony Bettridge who sadly died towards the latter end of the financial year. Tony had been the Trust's Financial Controller for seventeen years and was highly regarded by all his colleagues. Tony was an integral part of the finance department and his expertise and professional manner will be greatly missed.

Income



Expenditure



The Trust's Committees

During the latter part of 2008/09, the Trust reviewed the Board sub-committee structure and approved a document – *Scheme of Governance* - establishing the governance arrangements for the Trust, with a revised committee structure. The sub committees reporting directly to the Board are:

- Audit Committee
- Remuneration Committee
- Charitable Funds Committee
- Finance

In addition, the Clinical Quality and Governance Groups will report via the Medical Director and/or the Chief Executive.

Audit Committee

Membership: Colin Gordon (Chair), Stuart Lacey, Mahdi Hassan, Katherine Charter, Robin Douglas

Remit: The Committee has delegated authority from the Board to investigate any activity within its terms of reference. In undertaking such activities, the Committee will help discharge the responsibility of the Trust's Accounting Officer, who under the terms of the National Health Service Act 2006 is held responsible to Parliament, by the Public Accounts Committee, for the overall stewardship of the organisation and the use of its resources.

Remuneration Committee

Membership: Thomas Hanahoe (Chair), Mahdi Hassan, Katherine Charter

Remit: The Committee shall have delegated authority to determine the broad policy for the remuneration of those staff who are covered by Very Senior Manager (VSM) terms and conditions. The Trust's Annual Report, which is approved by the Trust Board, shall include a statement of the broad remuneration policy.

Charitable Funds Committee

Membership: Robin Douglas (Chair), Colin Gordon, Stuart Lacey

Remit: To ensure Funds held on Trust/Charitable Funds are managed in accordance with the Trust's Standing Financial Instruction, as approved by the Trust Board.

Finance Committee

Membership: Stuart Lacey (Chairman), Katherine Charter,

Remit: To maintain an oversight of, and receive assurances from the Director of Finance and the Director for Partnerships on, the robustness of the Trust's key income sources and contractual safeguard

DIRECTORS' REMUNERATION

NAME	TITLE	2008-09			2007-08		
		SALARY	Other	Benefits in	SALARY	Other	Benefits in
		(bands of £5,000	Remuneration (bands of £5,000)		(bands of £5,000	Remuneration (bands of £5,000)	
		£	£	£	£	£	£
T. Hanahoe	Chairman	20-25	0	0	20-25	0	0
J. Filochowski*	Chief Executive						
R. Douglas	Non-Executive	5-10	0	0	5-10	0	0
C. Gordon	Non-Executive	0-5	0	0	5-10	0	0
K. Charter	Non-Executive	0-5	0	0	5-10	0	0
M. Hasan	Non-Executive	5-10	0	0	5-10	0	0
S. Lacey	Non-Executive	5-10	0	0	0-5	0	0
K. Sharp **	Interim Director of Finance			Non disclosure			
M. Ashworth	Director of Finance	70-75	0	38	0	0	0
G. Etheridge	Director of Nursing	90-95	0	28	80-85	0	28
N. Evans	Director of Business Development	95-100	0	43	85-90	0	43
S. Childerstone	Director of Human Resources	90-95	0	0	80-85	0	37
R. Harrison	Director of Delivery	95-100	0	0	60-65	0	0
G. Ramsey	Medical Director	185-190	0	55	170-175	0	55

* The Chief Executive was not an employee of the Trust during 2008-09 but was seconded in on an agreed contract from South East Coast Strategic Health Authority. The costs charged for 2008-09 were £308,000 which includes, salary, employer's national insurance and superannuation contributions and benefits in kind.

** Remuneration costs are charged by a third party and are not disclosed due to commercial confidentiality.

Declarations of Interest

It is a requirement that chairs and all board directors should declare any conflict of interest that arise in the course of conducting NHS business. All board members are therefore expected to declare any personal or business interests that may influence or may be perceived to influence their judgement. The register of Interest for the Trust at the end of 2008/09 is shown below.

Register of Interests (as at March 2009)

Name	Interest Declared	Date Declaration Noted by the Board
Professor Thomas Hanahoe	None	Updated March 09
Robin Douglas	Chair of the Health and Social Care Advisory Service Chair of The Who Cares? Trust Independent consultant in public services via Douglas Consulting National Advisor to the Local Govt Leadership Centre and Coach with the NHS Institute	Updated December 08
Colin Gordon	Governor University of Hertfordshire Chair of company PJ Valve & Pipe Ltd	Updated December 2008
Mahdi Hasan	Project Management Advisor, OMV gmbh, Austria Business Advisor, Hertfordshire Schools Young Enterprise Scheme Volunteer Driver, West Herts Hospital Trust	April 2007
Katherine Charter	Teaching Assistant employed by Herts County Council	October 2008
Stuart Lacey	Commercial Director, BT plc	
Jan Filochowski	None	Updated March 09
Professor Graham Ramsay	Editor in Chief PACT Multimedia Intensive Care Educational Programme Founder/Executive Committee Member Surviving Sepsis Campaign Consultant & Adviser to Respiroics Inc Consultant to Edwards Lifesciences	April 2007
Gary Etheridge	Nil return	April 2007
Nick Evans	Nil return	April 2007
Sarah Wiles	Nil return	April 2007
Sarah Childerstone	Married to Regional Director of BUPA Care Homes covering South East England Chair of the Council of the Tavistock Institute of Human Relations in London.	April 2007

David McNeil	Vice Chair of Governors at Kings Langley School Trustee of an Outdoor Education Centre	Feb 2008
Russell Harrison	Nil Return	November 2007
Lindsay MacIntrye	Married to Ex Chief Executive Hertfordshire Partnership Foundation Trust	November 2007
Margaret Ashworth	Non-executive director of Technology Afloat Ltd.	October 2008

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- **Letter of Representation**
 - **Auditor's Report**

- **Annual Accounts**
(Attached as an Appendix)