



Annual Report 2002 - 2003



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

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

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

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

Useful address...

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 & Harpenden Primary Care Trust

99 Waverley Road, St Albans, Hertfordshire AL3 5TL
 Chief Executive: Steve Knighton
 Chair: John Bennett
 Tel: 01727 831219 Fax: 01727 812686

Dacorum Primary Care Trust

The Isbister Centre, Chaulden Lane, Hemel Hempstead HP1 2BW
 Chief Executive: Toni Horn
 Chair: Mary Pedlow
 Tel: 01442 840950 Fax: 01442 840951

Watford & Three Rivers Primary Care Trust

1a High Street, Rickmansworth, Hertfordshire WD3 1ET
 Chief Executive: Felicity Cox
 Chair: Pam Handley
 Tel: 01923 713050 Fax: 01923 718921

Hertsmere Primary Care Trust

The Elms Clinic, Potters Bar, Hertfordshire EN6 5DA
 Chief Executive: Jacqueline Clark
 Chair: Beth Kelly
 Tel: 01707 647586 Fax: 01707 647594

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Welcome to our annual report...

This report aims to give you a snapshot of the work of the Trust over the past 12 months, together with some of our plans for the year to come.

The Trust continues to work towards the many challenging goals set out in the NHS Plan. Last year we treated around 300,000 patients. More than 25,000 of these were treated as day cases. Reducing the time patients have to wait to see a specialist, and if needed have an operation, is a top priority and therefore we are very pleased to report that, thanks to the hard work of our staff, the Trust reached important milestones in meeting the Plan's waiting list targets, with two thirds of patients referred to hospital by their GP now waiting less than three months for their first outpatient appointment, and almost three quarters of patients who need inpatient treatment, waiting less than six months before coming into hospital.

Over the past year we delivered on our financial targets and we are certain that by working together with our partners in the NHS in Bedfordshire & Hertfordshire we can continue this position.

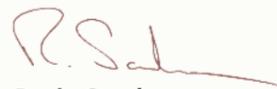
The Trust was presented with an award as one of the top hospitals, out of 178 entrants, by the specialist hospital benchmarking organisation CHKS. This award recognises improvement in patient care.

The Trust has welcomed a number of external assessors over the year, including the Commission for Health Improvement (CHI), Improving Working Lives, Risk Pooling Scheme for Trusts and the Health & Safety Executive and we have used these assessments in our work to develop a community of learning, developing new ways of working which will ultimately enhance the patient experience.

Our programme of building developments and refurbishments is starting to bear fruit and a number of departments have been extended or renewed. The Hemel Birth Centre opened its doors to mums-to-be, allowing us to offer one of the widest choices of care for pregnant women in the country. The Investing In Your Health review of acute hospitals in Bedfordshire & Hertfordshire continues and we look forward to a decision on the future shape of health services for this population, by the Strategic Health Authority, later this year.

All in all it has been a very busy period for the NHS and for the many organisations with which we work. We would like to thank our partners, including the North West and South West Community Health Councils, the County and District Councils and organisations such as the Councils for Voluntary Service and our own Leagues of Friends, which contribute a great deal to the well-being of our patients.

Finally, a big thank you to all the staff, from doctors, therapists and nurses, to administrative staff, maintenance, managers and catering staff and an army of voluntary support to mention just a few, who work tirelessly and without whom we could not provide excellent care to patients.



Rosie Sanderson



Val Harrison

West Hertfordshire Hospitals NHS Trust

The Trust covers four sites at St Albans, Hemel Hempstead, Mount Vernon and Watford. We employ more than 4,000 staff who deliver a wide range of services to the people of west Hertfordshire and beyond.

The coming year promises exciting developments and challenges as we strive to introduce new initiatives in partnership with a range of other organisations. At the heart of our strategy is a commitment to deliver patient focussed care and over the coming months we will continue to work to combine high quality services to patients whilst meeting tough financial targets and reducing waiting times.

Key Targets

We know that fast access to health services is very important to our patients. This year the Trust met key emergency and elective care targets relating to waiting in Accident and Emergency and outpatient and elective inpatient care.

- No patients waited for 12 hours or more on a trolley in Accident and Emergency before being found a bed, and the Trust also met the new four-hour total wait target of 90% - where patients must be seen and treated or admitted within four hours - at the end of March.
- No patients waited for longer than fifteen months for inpatient treatment and the Trust met the new 12-month target by the end of March 2003.
- The Trust also achieved the planned reduction in the number of patients waiting between nine and 11 months for inpatient treatment.
- No patient waited for longer than 26 weeks for an outpatient appointment and all clinical specialities met the 21-week target by the end of March 2003.
- The Trust's patient accommodation complies with the NHS recommendations on single sex accommodation.
- The number of operations cancelled on the day of surgery was 244.

Leadership



Peri-operative practitioners in action

Trust staff chosen for national surgical project

Three senior healthcare staff from West Hertfordshire NHS Hospitals Trust - two senior nurses and one senior operating department practitioner - have been chosen to join a national pilot project designed to improve the care of patients coming into hospital for surgery.

The peri-operative specialist practitioner project, as it is known, is designed to develop the skills of senior nurses and operating department practitioners, who will co-ordinate and implement the care of patients who need an operation, from admission to discharge – something traditionally done by doctors.

Gary Etheridge, Director of Nursing, Midwifery and Quality said: "This is a real achievement for the Trust as only ten people in the country have been accepted onto the training course, and speaks volumes about the exceptional standards of our clinical staff."

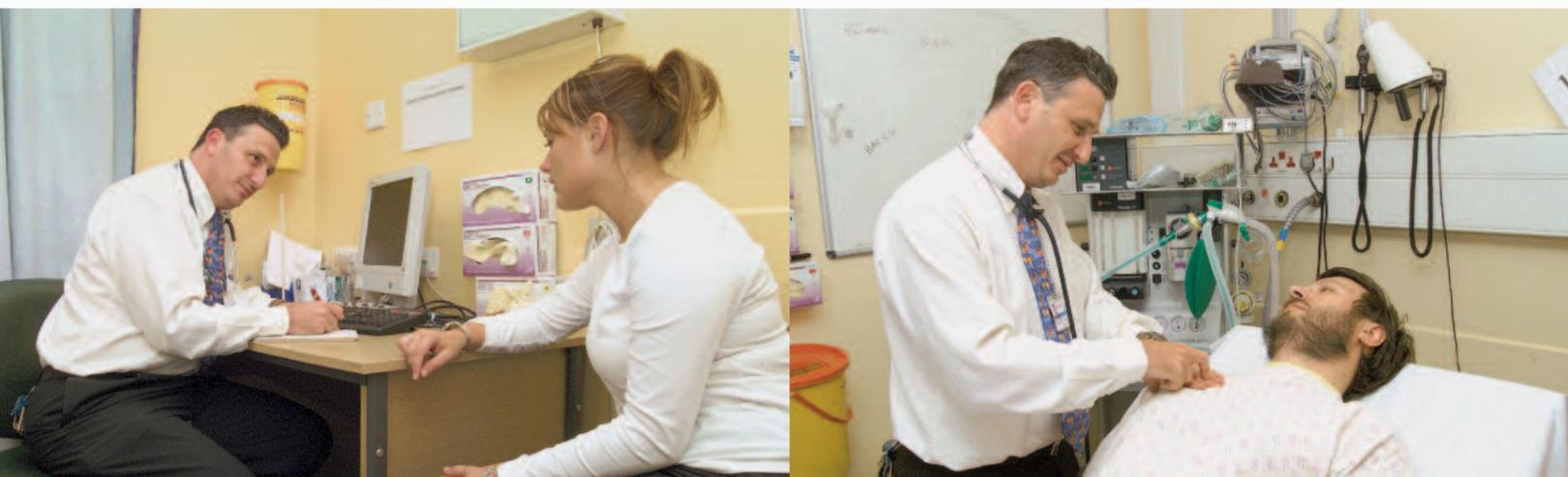
Improvements to waiting times in Accident and Emergency

New discharge lounges at Hemel Hempstead and Watford General Hospital, a 'See and Treat' system and improved bed management processes have combined to steadily reduce waiting times in the Trust's A&E departments.

Earlier this year the government introduced new waiting time targets for patients in A&E and now no patient should wait longer than four hours for a bed once a doctor has decided that they should be admitted to hospital.

Project managers Mary Richardson and Richard Shamtally took time out from their roles as senior nurses in A&E, at both Hemel Hempstead and Watford, to work on this important target and are delighted with the result.

Watford General Hospital was chosen to participate in the first wave of Modernisation Agency sponsored projects to reduce waits and delays in A&E departments and improve the patient and carer experience of emergency care. This project began in October 2002 and Hemel Hempstead General Hospital followed in June 2003. Since that time several innovative changes have been introduced including a 'See and Treat' approach within the A&E department. This means that when patients attend the A&E department with a minor injury or minor illness, they will be seen assessed quickly by a dedicated team of nurses and doctors.



A & E consultant David Gaunt treats patients in an enhanced environment

Patient Involvement



Sister Poh Tan at work in the Surgical Assessment Unit



The Trust's Patients' Panel

Surgical Assessment Unit

As part of the modernisation of services, a Surgical Assessment Unit (SAU) opened at Watford General Hospital earlier this year. The six bedded unit on Flauden Ward is managed by Senior Sister Poh Tan and her team of enthusiastic and hard working staff. The SAU takes patients sent into hospital by their GP and/or patients who come into A&E with urology problems or needing general surgery. **If you would like to know more please contact Sister Tan on 01923 217041.**

Meet the Patients' Panel

The Trust has formed a Patients' Panel which will work with other patient and public involvement bodies and patient representatives in the hospital to ensure patients' views are heard at every stage of organisational development and quality improvement. The panel of six, chaired by Gerald Bordell, a diabetic patient of many years, will ensure that the contribution made is representative of as many patients and carers as possible and help us to involve patients and carers in the development and planning of services at the hospital. The Trust now has over 30 patient representatives who have been involved in Internal PEAT (Patient Environment Action Team), developments in Day Surgery, changes to the Breast Care service, the annual Patient Survey, a Food and Nutrition audit, the Patient Information User Group, Accident & Emergency developments, developing a cancer pathway with ethnic minority communities and the development of the Trust Website.

For further information about the Panel or Patient & Public Involvement please contact Lesley Lopez, Patient & Public Involvement Manager on 01923 217187 or email lesley.lopez@whht.nhs.uk

Patients give their views

In 2002 Trust took part in the first national annual patient survey, which asked 800 patients for their views on our inpatient services.

- 84% of patients said they were satisfied with access to hospital services, such as the length of waiting lists and notice given of admission to hospital.
- 70% of patients told us they were satisfied by explanations and answers given by doctors and nurses to questions about their treatment and information.
- 72% said they were treated with dignity and respect whilst in hospital.
- 76% of patients told us that they were satisfied with the cleanliness of the hospital and general hospital environment.
- 86% of patients were satisfied with the overall care they received.

Meetings with staff from different wards and departments and patient representatives discussed the findings of the survey and developed an action plan to improve services to patients.

Pride in our hospitals



Rosie Sanderson, Chairwoman, Barbara Saunders, non-executive director and Kerry Pollard MP for St Albans, clean up St Albans City Hospital

Housekeepers ensure a warm welcome on wards

Child's play at St Albans City Hospital

Local people take pride in their hospital

The Trust has launched a campaign to encourage staff, patients, visitors and the community to take pride in their local hospitals.

Earlier this year the mayors of Dacorum, Watford and St Albans, together with local MPs, hospital staff, representatives from local businesses, schools, colleges and community groups came to each of the Trust-owned sites, to weed, plant, wash signs, sweep paths and pick up litter in the hospital grounds.

Chairwoman Rosie Sanderson, said: "An enormous impact was made by the efforts of all who took part. I would like to thank all who voluntarily gave their help on the day. Everyone enjoyed themselves and many members of the public congratulated us on our work."

Housekeepers prove a huge asset

An army of 26 housekeepers has been appointed by the Trust across its four hospital sites, to keep our wards in tip-top condition for patients.

Jessie Winyard, member of the Patients' Panel said: "I spent seven days in Watford Hospital and was very impressed. The ward was spotlessly clean and the food always hot. Patients who needed extra help with eating their meals were given all the assistance they needed."

The role of the housekeeper includes serving food for patients, making sure that patients and their relatives are

comfortable, and that the ward environment is kept clean, tidy and welcoming for patients and visitor.

Local schools get insight into their NHS

Pupils from Stanborough Primary School, Garston paid a visit to St Albans City Hospital last November to see for themselves how nurses and doctors work in a hospital environment.

The children (aged 4-5 years) spent time with staff, who explained how their temperature was taken and how x-rays work. They were introduced to Sammy the skeleton and watched "Teddy" have his plaster cast removed.

Elaine Donald, Outpatients Sister said: "The staff really enjoyed showing the children different equipment and procedures they could encounter if they came to the hospital as a patient. By taking the children around the hospital and introducing them to the sights and sounds it helps them to understand how the nurses and doctors work. The children seemed to really enjoy their time spent with the staff and loved seeing teddy have his plaster cast removed."

Volunteers can you lend a hand?

The Trust is always keen to recruit volunteers who can spare an hour or two each week to help out in many different areas, from outpatients clinics and reception areas to running the in-house library service and clerical help. Over 700 volunteers already help out each week. **If you would like to know more, please contact Pat Schofield on 01442 287973 or Vivienne Payne on 01923 217307.**

A Modern NHS

The aim of the Modernisation Team

The Trust's Modernisation Team is a relatively new entity, and was born out of the need to combine various government led initiatives, and the desire of Trust staff to change and refocus the way they work to put patients back at the heart of our services.

Action On Programmes

Action On Programmes, target funds at hospital services to resolve long waiting lists or other problems. The Trust was awarded special funding to tackle high demand and long waiting times for Dermatology, Ear Nose and Throat, Orthopaedics and Ophthalmology. Some of this money is contributing towards our building programme, with plans under way for a new Dermatology Centre on the Watford site and a new operating theatre for St Albans City Hospital. Work is under way with the Ophthalmology team to develop faster access to cataract surgery via optometrists, to avoid delays in treatment.

Booked Admissions Programme

Around 80% of patients who need a day surgery operation are now able to choose a date for their surgery which is convenient for them. This has helped reduce waiting times for day surgery in the Trust.

This system has been extended to outpatients and inpatients. Patients simply telephone the Trust to book their outpatient appointment, in the same way they would do to book a GP or dentist appointment. If a patient needs to stay overnight or longer for their treatment, they can choose when this happens, before they leave the hospital following their outpatient appointment.

Collaboratives

A *Collaborative* is a programme that brings together teams of people to think about how to achieve specific

improvements in patient care. The teams test ideas for change on a small scale, analyse the evidence of their success or failure and apply the learning about success on a wider scale. We are currently running four *Collaboratives* – Emergency Care, Cancer, Coronary Heart Disease and Orthopaedics. Expert patients are involved in each programme and are making a significant contribution to reducing waits and delays at each stage of diagnosis and treatment.

Reducing cancellations

We are using the *Improving Operating Theatre Performance Step Guide* as a tool for reviewing theatre capacity and use.

Advances in IT improving patient care

Improved IT is helping doctors and nurses to improve patient care. Over the past year a great deal of work has been undertaken and spent on our IT systems. Here are just some of our achievements;

- Over 1000 desktop computers have been deployed, enabling access in clinical areas previously not part of the Trust network
- 2800 staff now have access to email, internet and intranet
- New results reporting for radiology and pathology – speeding up access to clinical information to support decision making



A modern workforce in action

Supporting our staff

Improving working lives

The national "Improving Working Lives" (IWL) standard was introduced into the NHS to promote a commitment to the creation of a working environment that supports staff and provides a positive balance between work and life outside work. We were very pleased to be awarded IWL Practice status in March and a steering group comprising managers and staff is continuing the initiative with a view to attaining Practice Plus status in the forthcoming year.

Positive about disabled people

The Trust has worked hard to support its continued commitment to the "Positive about Disabled" initiative and has reviewed its recruitment policies in conjunction with staff representatives. A partnership arrangement has been agreed with Remploy which will help ensure that disabled applicants are given practical support in the recruitment process and in the first few months of their employment. The Trust is therefore very pleased to have been re-accredited by the Department of Employment and able therefore to continue to use the "two ticks symbol" to demonstrate its commitment.

Diversity

With a diverse local population, it is important that the Trust maintains an equally diverse workforce. A large number of staff attended Diversity Awareness training over the course of the year to help improve their understanding of diversity issues.

Health and Safety

During November and December the Health and Safety Executive visited the Trust as part of its programme of routine inspections of NHS premises. The subsequent report has proved very useful to the Trust and has formed the basis for an action plan to bring about a number of required improvements over the next two years.

Helping first time buyers

Beacon Housing and Herts Homebuy have joined forces with the Trust to help staff buy their first home. Successful applicants receive between £10,000 and £20,000 as an equity loan to top up their mortgage. To date 11 staff have bought homes, with another 19 in the pipeline.

On the St Albans City Hospital site, the Trust is in the final stages of an agreement with London Strategic Housing which will involve the refurbishment of the current residences to provide 61 units of high standard accommodation, together with the construction of 14 new homes providing accommodation for 38 people. This will be finished by the summer of 2004.

Long Service Awards

This year 245 staff were presented with long service awards, designed to recognise their commitment to the NHS in west Hertfordshire.

Listening to staff

More often than not the best ideas for improving the way we work come from staff who are working at the 'coal face' and understand how systems can be improved quickly and easily. The Trust's **Enterprising Ideas Scheme** is designed to allow all staff to have their ideas heard and put into practice. Each idea is considered at a meeting of the Enterprising Ideas Committee, held four times a year. The Scheme has so far received 85 ideas including organising health days for staff, offering spare training spaces to GPs and starting up a voluntary footwear fund for patients needing made-to-measure shoes.

Each month the Trust Board spends a morning visiting different wards and departments on an informal basis. Staff in these areas then join the Board for a **working lunch** where issues are shared and if possible solutions are found.

The Trust's Chief Executive, Val Harrison offers staff the chance to meet with her at the regular **15 to 1** sessions to share, confidentially, any issues which may concern them and to discuss how we can best improve our service to patients. Feedback following these informal meetings has been very positive.

Staff Awards

The Trust's Staff Awards for Excellence Scheme, launched this year, is designed to celebrate those members of staff who have gone out of their way to help patients or colleagues or worked in a new and innovative way to improve patient care. Staff, patients and visitors have been invited to nominate individuals they feel have made a difference, who have gone that extra mile to improve the experience of patients and colleagues.

Nurseries

The Trust has received government funding to provide nurseries at each of our hospital sites, in addition to funds from the New Opportunities Fund (NOF).

Watford General Hospital now has a new on-site nursery with 46 places. There will also be new nurseries on the St Albans City Hospital and Hemel Hempstead General Hospital sites. The St Albans nursery will replace the existing creche. It will be a 48-place nursery, and should open early in 2004.

All aboard the recruitment bus

As part of the NHS Job Shop Campaign, the West Hertfordshire Hospitals NHS Trust recruitment bus recently toured Hemel Hempstead and Watford, and proved to be a great success.

James Moore, Recruitment Manager said: "With over 4,000 staff, we are the second largest local employer. When we talk to candidates, and they realise the range, scope and diversity of the roles within the Trust, often they are very keen to sign up there and then. We hope to have many of these candidates as colleagues soon!"

The Recruitment Team can be contacted by emailing Recruitment@whht.nhs.uk or calling our 24-Hour Recruitment Line on 01923 217532

Harassment Advisors Support Trust Staff

A new Harassment Policy was introduced in September 2001, setting out the Trust's aim of creating an environment of equality and respect and its commitment to preventing and eliminating harassment in the workplace. An important aspect of this policy is the establishment of a network of "Harassment Advisors" to support and advise members of staff who feel they have been bullied or harassed at work.

Following an intensive two-day training course the 18 members of staff have "graduated" as Harassment Advisors. To complement this work, a confidential 24-hour ethical reporting hotline has been established to allow staff to raise concerns.

Ready for action

With true professionalism, earlier this year Trust staff prepared themselves and our facilities to receive injured armed forces personnel from the conflict in Iraq. Whilst we did not go on to treat patients returning from Iraq, our staff worked hard to assume a state of readiness which would have allowed us to treat casualties at very short notice. Thank you.



Watford's new on-site nursery



On tour with the recruitment bus

Building for the future

Over the past year the Trust has invested £9.8 million in our estate to develop new services and improve the hospital environment for patients, visitors and our staff.

MRI, Fracture Clinic and Dermatology Treatment Centre open for business

A state-of-the-art MRI, fracture clinic and dermatology treatment centre opened its doors to patients at Hemel Hempstead General Hospital in March. This multi-million pound development means that patients and staff now have a new diagnostics and treatment area. The final phases of the project to construct a new X-Ray reception opened at the end of July.

In addition we are planning for five more linear accelerators and hoping to use a radical new bunker technology which would allow a dramatically reduced construction period. If successful, we would be only the second site in the world to benefit from this development and would be the first multi-bunker installation. We anticipate that the first of the new linear accelerators will be up and running by December 2004.

The Clinical Physics department has a new three-dimensional treatment-planning computer that has increased the amount of patient data used to calculate treatment plans. This works in three dimensions, giving a far greater accuracy for treating the tumour and shielding out the normal tissues.

All three pieces of equipment are linked via a computer network to allow data transfer to be done automatically.



Fracture clinic's modern reception area

The MRI Scanner

Radiographers treat a patient with a new linear accelerator

Extra beds for Watford's day surgery unit

Watford's day surgery unit has been refurbished to house an additional six-bed bay. The 22-bed, three-theatre day surgery unit carries out a variety of procedures from varicose veins and hernias to oral surgery.

£3M investment in cancer services

Over the past year there has been significant investment in radiotherapy services at Mount Vernon Cancer Centre. A new building housing two new Linear Accelerator treatment machines, which gives radiotherapy treatment, and a new treatment-planning simulator opened to patients.

Fixed Catheter Laboratory for Hemel

The Trust has been given funding to develop a fixed catheter laboratory on the Hemel Hempstead site. Preliminary construction work for the new unit has already begun on site and the Cardiac Catheter Laboratory, which will allow the Trust staff to perform 1500 angiographies per year and to insert pacemakers, should open in early 2004.

A new home for Plastics and Burns

A move from their current sub-standard accommodation to new facilities at Mount Vernon Hospital is now on the horizon for the Trust's Plastics & Burns service. Work should begin during early 2004, to provide this world-class service, and its patients, with a new home.

New theatre for St Albans

The Trust is about to open a new modular theatre at St Albans which will provide an additional day surgery theatre, bringing the total number to five.

Hemel Birth Centre opens its doors

Dame Karlene Davis, General Secretary of The Royal College of Midwives officially opened the Hemel Birth Centre on March 31.

The centre is a self-contained unit in Hemel Hempstead Hospital run by midwives, offering a relaxed, supportive, "home from home" environment in which mothers can give birth to their babies.

Facilities at the centre, which is open 24 hours a day and staffed by experienced midwives, include water pools for use in labour, a relaxation room with subdued lighting, birth balls, bean bags, floor mats and a parents' kitchen.

Staff at the centre also run evening workshops to help patients prepare for birth and early parenthood.

Val Harrison, Chief Executive of the Trust, said: "The opening of the new unit at Hemel comes as a real boost for everyone at West Hertfordshire Hospitals NHS Trust. Staff have worked tremendously hard to establish what will be a new style of unit for Hemel mothers and babies."

Patient power *coming to a bed near you!*

Bedside telephones and televisions with internet access are to be installed in all wards across the Trust by the end of 2003. As part of the NHS Plan every trust must complete this work by the end of this year.

There is no cost to the Trust – the service provider pays all of the installation charges.

Patients will have free access to radio channels, including hospital radio, and will be able to watch TV (including satellite channels) and surf the internet, all for a small daily charge. As patients are admitted to hospital they will be given a smart card which gives them their individual phone number. The card can then be charged in a number of different ways to allow them to pay for the telephone, TV and internet access.

The Future

The Trust is working closely with English Partnerships and Dacorum Borough Council to develop a multi-storey car park and accommodation block at Hemel Hempstead General Hospital. The proposal is for a car park with 260 spaces and 200 accommodation units for key hospital staff.

The Trust is also working with Watford District Council to link the Cardiff Road Development with Watford General Hospital. A new link road will be constructed to the rear of the hospital thereby allowing access to a potential new multi-storey car park and a 'green' business park



A new theatre for St Albans



Dame Karlene Davis meets mums and midwives when she opens the Hemel Birth Centre

Clinical Governance

it's everybody's business



Compliments, comments and complaints

The Trust takes complaints about services very seriously, answering each concern individually following comprehensive investigation. This year the Trust received a total of 563 complaints and over 2000 expressions of thanks. The Trust responded to 44% of complaints within 20 working days. However, it has been a focus of attention and this rose to 73% in March and we are confident that this figure will continue to improve as changes to the Quality Assurance Directorate are made.

The Trust's Patient Advocacy and Liaison Service is now one year old. Providing speedy solutions to queries and problems, the PALS team is now well known throughout the Trust and seen as a vital resource.

ICAS (The Independent and Complaints Advice Service) has publicly commented that West Hertfordshire Hospitals NHS Trust Local Resolution Meetings are the best in Bedfordshire & Hertfordshire.

During the year there have been 38 requests for an independent review panel to be held. Of the 38 requests two were granted a panel hearing.

CHI and beyond

The Trust was visited by the Commission for Health Improvement (CHI), last year as part of their regular programme of clinical governance visits.

Following the visit the Trust set out to significantly increase the quality of service provided in all areas of the Trust's work. This has taken the form of an engagement campaign involving staff, patients and the public. The Trust's aim was not to use the CHI Action Plan to tick boxes, but to use new means of communication and learning to change the culture of the organisation to deliver true, patient-centred, high quality care.

Risk management is at the heart of this work and the Trust's various strands of risk management are pulled together under the umbrella of CHI to ensure a holistic approach to risk and the overall improvement of patient care and the patient experience.

The involvement of our many stakeholders is a vital element of this invaluable work and the support of Tony McWalter MP is very welcome indeed.

Clinical Governance and Risk Management

In the past 12 months the Trust's Risk Management arrangements have been strengthened and many new initiatives, designed to improve the quality of patient care, have been implemented. They include:

- DATIX – a special computer software system - has now been installed within PALS, Complaints, Litigation and the Risk Management Department.
- Following the achievement of CNST Level 1 compliance in March 2002, we are now working towards Level 2 compliance. Assessments will take place in November 2003 for maternity and the rest of the Trust in February 2004.
- Training programmes on the risk management process took place during March and April 2003.

Research and Development

2002/03 has been a year of challenge, change and considerable achievement for the research community within the Trust. The Trust is committed to supporting high quality, ethical research that is of benefit to our patients and our staff and is fully compliant with the Research Governance Framework implementation plan.

Independent Auditors' Report to the Directors of West Hertfordshire Hospitals NHS Trust on the Summary Financial Statements

I have examined the summary financial statements set out below.

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 auditor's statement on the summary financial statements' 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 2003 on which I have issued an unqualified opinion.

Signature: *Karen McConnell*

Date: 11 September 2003
Name: Karen McConnell – District Auditor

Address: Audit Commission
Sheffield House
Gates Way off Lytton Way
Stevenage
Herts
SG1 3HB

Appointment of Directors

Non Executive Directors and the **Chair** are appointed by the Secretary of State, normally for a fixed term period of four years following open advertisement. Executive Directors are appointed by the Trust on standard employment contracts, following open advertisement, and the appointments are terminable with notice in accordance with normal employment legislation.

Meet the Board



Key:

V – voting NV – non voting R – remuneration committee A – audit committee

Left to right, top to bottom

- Howard Borkett-Jones:** Medical Director **V**
- Rob Allan:** Director of HR **NV**, HSE lead (joined the Trust June 2002)
- Neil Marshall:** Non Executive Director **V A**
- David Law:** Director of Planning **V**
- Robin Douglas:** Non Executive Director **V A**
- Ailsa Bernard:** Non Executive Director **V R** (joined the Trust December 2002)
- Gary Etheridge:** Director of Nursing **V** (acted up from June 2002)
- Barbara Saunders OBE:** Non Executive Director **V A**
- Nigel Coomber:** Director of Operations **NV** (joined the Trust April 2002)
- Val Harrison:** Chief Executive **V**
- Rosie Sanderson:** Chairwoman **V R**
- Martin Herd:** Director of Finance **V A** (joined the Trust November 2002)
- Not pictured**
- Ann Donkin:** Director of Modernisation **NV** (joined the Trust June 2002)
- Said Namdarkhan:** Non Executive Director **V R**
- Gillian Hooper:** Director of Nursing **V** (left the Trust August 2002)
- Ken Sharp:** Acting Director of Finance **V A** (left the Trust October 2002)
- Ritu Chabra:** Non Executive Director **V** (left the Trust November 2002)

Declaration of Directors' Interests:

- Ann Donkin:** school governor and Director of Charterhouse Wine Company Ltd.
- Martin Herd:** Honorary Treasurer of Action on Elder Abuse.
- Neil Marshall:** Raglan Housing Association Ltd.
- Barbara Saunders:** married to employee of Steer Davies Gleave
- Robin Douglas:** Director of Office for Public Management, Chair, Who Cares?, Trustee Health Advisory Service
- Ailsa Bernard:** Chair of Miscarriage Association. Steering group member of the Association of Early Pregnancy Assessment Units, works for Hightown Praetorian and Churches Housing Association
- Rosie Sanderson:** Director and Company Secretary, End user Computer Ltd. Chairwoman and Company Secretary, London Colney Youth Project Ltd. Member, Hertfordshire County Council. Member, Herts Police Authority. Member, London Colney Parish Council
- Ken Sharp:** Partner, Blackett Sharp Associates (Consultancy & interim Management) Non-Executive Director, Essex Ambulance Service NHS Trust

There were no material transactions with related parties detailed above

Pay:

The Trust applied the nationally agreed pay increases 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 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.

Financial review of the year 2002/03

The Trust had a very ambitious financial plan in 2002/03 that required delivery of around £5m in savings in order to facilitate an outturn surplus of £11.5m. It is pleasing to report that the Trust succeeded with that plan which is evidenced by the fact that the outturn for 2002/03 was £11.668m, which enabled the Trust to eliminate the previous year's deficit and provide a stable platform on which to progress.

The Trust was assisted in achieving that surplus by the Health Economy, which provided the Trust with non-recurrent financial support of £10.5m.

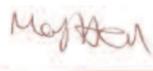
There are other statutory targets to be met during a financial year in addition to achieving break-even and for 2002/03 all those targets were met. They were:

- Meet the capital demands of the organisation within the resources available. The Capital Resources Limit for 2002/03 was £8,261k and the Trust spent £8,210k
- Ensure that the Trust did not exceed the cash available to it in paying for all goods and services. The External Financing Limit last year was £22,317k and at the end of the year the Trust's cash balance was £0k which implies that no further cash was used than the monies available.

A further target is the prompt payment of bills. For 2002/03 the figures were 93.47% of bills paid within 30 days representing 91.60% in value.

In summary, the Trust had an excellent financial year, which will provide a solid platform from which to progress recognising that 2003/04 will again be a difficult year.

A complete set of accounts can be obtained from the Finance Directorate (01923 217107).



Martin Herd, Director of Finance

Statement of directors' responsibility in respect of internal control

The Board is accountable for internal control. As Accountable Officer, and Chief Executive Officer of this Board, I have responsibility of maintaining a sound system of internal control that supports the achievement of the organisation's objectives, and for reviewing its effectiveness. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve these objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing risk management process designed to identify the principal risks to the achievement of the organisation's objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically. The system of internal control is underpinned by compliance with the requirements of the core Control Assurance standards:

- Governance
- Financial Management
- Risk Management

As Accountable Officer, I also have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control has taken account of the work of the executive management team within the organisation who have responsibility for the development and maintenance of the internal control framework, and of the internal auditors. I have also taken account of comments made by external auditors and other review bodies in their reports.

The assurance framework is still being finalised and will be fully embedded during 2003/04 to provide the necessary evidence of an effective system of internal control.

The following actions have been taken so far:

- Controls Assurance Action Plans are in place together with a comprehensive Risk Management Action Plan.
- A draft Business Plan 2003/04 has been documented and tabled at two Board meetings, and is in the process of being finalised.
- A Strategic Directions Statement, including Strategy and Development proposals, has been determined and noted by the Board.
- The Board has assigned lead responsibility for Controls Assurance (namely the Director of Nursing, Midwifery and Quality).
- The Board has considered reports from external review agencies (CHI, CNST, Internal and External Audit).
- The Board has discussed new arrangements for risk management and a Risk Management Committee has been established.

The following actions will be undertaken during the first quarter of 2003/04:

- A high level Risk Register will be developed utilising Datix software to support implementation process.
- The Board will formally consider the DoH publication "Assurance, The Board Agenda".
- The 2003/04 Business Plan will be considered and formally adopted by the Board.
- Board members will attend a risk management away-day to promote consistent understanding (scheduled for May 2003).
- The Internal Audit plan will be reviewed to ensure coverage matches identified principle risks.

Signed:  (Chief Executive Officer) Date: 4th August 2003
(on behalf of the Board)

Retirements due to ill-health

There were 9 (2001/02:10) early retirements from the Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £269k (2001/02:£332k).

The cost of these ill-health retirements will be borne by the NHS Pensions Agency.

Income and expenditure account for the year ended 31 March 2003

	NOTE	£000	2001/02 £000
Income from activities:			
Continuing operations	3	179,535	148,092
Other operating income			
Continuing operations	4	30,722	25,484
Operating expenses:			
Continuing operations	5-7	(191,326)	(178,066)
Operating Surplus (Deficit)			
Continuing operations		18,931	(4,490)
Exceptional gain: on write-out of clinical negligence provisions	1.10	0	13,774
Exceptional loss: on write-out of clinical negligence debtors	1.10	0	(13,774)
Cost of fundamental reorganisation/restructuring		0	0
Profit (loss) on disposal of fixed assets	8	1,106	(106)
Surplus (Deficit) before interest		20,037	(4,596)
Interest receivable		566	401
Interest payable	9	(10)	0
Other finance costs - <i>unwinding of discount</i>	16	(343)	(324)
Surplus (Deficit) for the financial year		20,250	(4,519)
Public Dividend Capital dividends payable		(8,582)	(7,656)
Retained Surplus (Deficit) for the year		11,668	(12,175)

Balance sheet as at 31 March 2003

	NOTE	£000	£000	2001/02 £000
Fixed assets				
Intangible assets	10	149		145
Tangible assets	11	161,060		142,822
			161,209	142,967
Current assets				
Stocks and work in progress	12	2,661		2,463
Debtors	13	23,830		14,569
Investments	14	0		0
Cash at bank and in hand	18	159		177
			26,650	17,209
Creditors: Amounts falling due within one year	15		(15,096)	(37,349)
Net Current Assets (Liabilities)			11,554	(20,140)
Total Assets Less Current Liabilities			172,763	122,827
Creditors: Amounts falling due after more than one year	15		0	0
Provisions for Liabilities and Charges	16		(6,532)	(6,641)
Total Assets Employed			166,231	116,186
Financed by:				
Taxpayers' Equity				
Public dividend capital			144,228	121,911
Revaluation reserve	17		19,705	6,010
Donated Asset reserve	17		5,164	3,881
Government grant reserve	17		0	0
Other reserves	17		0	0
Income and expenditure reserve	17		(2,866)	(15,616)
Total Taxpayers' Equity			166,231	116,186

Debtors above include debtors falling due after more than one year of £351k (2001/02 £322k), relating to Road Traffic Accident cases.

Signed:  (Chief Executive) Date: 4th August 2003

Signed:  (Director of Finance) Date: 4th August 2003

Statement of total recognised gains and losses for the year ended 31 March 2003		
	£000	2001/02 £000
Surplus (deficit) for the financial year before dividend payments	20,250	(3,831)
Fixed asset impairment losses	(6,565)	0
Unrealised surplus (deficit) on fixed asset revaluations/indexation	21,571	5,202
Increases in the donated asset and government grant reserve due to receipt of donated and government grant financed assets	1,415	2,680
Reductions in the donated asset and government grant reserve due to the depreciation, impairment and disposal of donated and government grant financed assets	(361)	(237)
Additions/(reductions) in "other reserves"	0	0
Total recognised gains and losses for the financial year	36,310	3,814
Prior period adjustment		
- Pre-95 early retirement (see note 1.11)	(4,567)	0
- Other	0	0
Total gains and losses recognised in the financial year	31,743	3,814

Management costs		
	£000	2001/02 £000
Management costs	8,615	8,224
Income	210,257	173,576

Public Sector Payment Policy

Better Payment Practice Code - measure of compliance		
	Number	£000
Total bills paid in the year	81,986	62,038
Total bills paid within target	76,636	56,827
Percentage of bills paid within target	93.47%	91.60%

The Better Payment Practice Code requires the Trust to aim to pay all valid invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. The Trust calculates its compliance with this code based upon the date invoices are registered by the Trust, rather than the date that the invoices are received by the Trust as recommended in the compliance guidance.

The Late Payment of Commercial Debts (Interest) Act 1998		
	£000	£000
Amounts included within Interest Payable (Note 9) arising from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0

Profit (Loss) on Disposal of Fixed Assets		
	£000	£000
Profit/loss on the disposal of fixed assets is made up as follows:		
Profit on disposal of land and buildings	1,210	0
Loss on disposal of land and buildings	0	0
Profits on disposal of plant and equipment	3	1
Loss on disposal of plant and equipment	(107)	(107)
	1,106	(106)

The profit on disposal of land and buildings of £1,210k

Interest Payable		
	£000	£000
Finance leases	0	0
Other	10	0
	10	0

Salary and Pension entitlements of senior managers

Name and Title	Age	Salary (bands of £5,000)	Other Remuneration (bands of £5,000)	Golden hello/compensation for loss of office	Benefits in kind	Real increase in pension at age 60 (bands of £2,500)	Total accrued pension at age 60 at 31/3/03 (bands of £5,000)
		£000	£000	£000	£00	£000	£000
Non-Executives							
N. Marshall	65	5-10	0	0	0	0	0
R. Chabra (left Nov'02)	41	0-5	0	0	0	0	0
A. Bernard (comm Dec'02)	37	0-5	0	0	0	0	0
R. Douglas	54	5-10	0	0	0	0	0
B. Saunders	52	5-10	0	0	0	0	0
S. Namdarkhan	64	5-10	0	0	0	0	0
R. Sanderson	45	20-25	0	0	0	0	0
Chief Executive/Directors							
V. Harrison	47	105-110	0	0	0	0-2.5	0-5
K. Sharp (left Oct'02)	57	85-90	0	0	0	0	0
M. Herd (comm Nov'02)	48	30-35	0	0	0	2.5-5	20-25
N. Coomber (comm Apr'02)	34	70-75	0	0	22	0-2.5	10-15
R. Allan (comm Jun'02)	47	55-60	0	0	0	2.5-5	20-25
D. Law	42	70-75	0	0	13	0-2.5	15-20
G. Etheridge (comm Jul'02)	40	45-50	0	0	17	5-7.5	15-20
H. Borkett-Jones	47	110-115	25-30	0	0	2.5-5	25-30
A. Donkin	47	65-70	0	0	0	0	0-5

Note to above

G. Hooper (left Jun'02) Director of Nursing Consent to disclosure withheld

Benefits in Kind - where shown relates to Lease Car Benefit.

For the purpose of this note, senior managers are defined as being the Chief Executive, Non-Executive Directors, Executive Directors and Non Voting Directors. Each senior manager has been asked to consent to the above information being disclosed as required by the Data Protection Act and where consent has not been given it has been duly noted above.

Cash Flow Statement for the year ended 31 March 2003

	NOTE	£000	£000	2001/02 £000
Operating Activities				
Net cash inflow(outflow) from operating activities	18.1		(7,157)	24,737
Returns on investments and servicing of finance:				
Interest received		555		408
Interest paid		0		0
Interest element of finance leases		0		0
Net cash inflow/(outflow) from returns on investments and servicing of finance			555	408
Capital Expenditure				
Payments to acquire tangible fixed assets		(9,308)		(10,506)
Receipts from sale of tangible fixed assets		2,175		1,151
(Payments to acquire)/receipts from sale of intangible assets		0		0
Net cash inflow (outflow) from capital expenditure			(7,133)	(9,355)
Dividends Paid			(8,582)	(7,656)
Net cash inflow/(outflow) before management of liquid resources and financing			(22,317)	8,134
Management of liquid resources				
Purchase of investments		0		0
Sale of investments		0		0
Net cash inflow (outflow) from management of liquid resources			0	0
Net cash inflow (outflow) before financing			(22,317)	8,134
Financing				
Public dividend capital received				8,363
Public dividend capital repaid (not previously accrued)		24,102		(1,150)
Public dividend capital repaid (accrued in prior period)		(1,785)		(15,347)
Loans received		0		0
Loans repaid		0		0
Other capital receipts		0		0
Capital element of finance lease rental payments		0		0
Cash transferred from/to other NHS bodies		0		0
		0		0
Net cash inflow (outflow) from financing			22,317	(8,134)
Increase (decrease) in cash			0	0

Financial Performance Targets

The Trust's breakeven performance for 2002/2003 is as follows:

	1997/1998 £000	1998/1999 £000	1999/2000 £000	2000/2001 £000	2001/2002 £000	2002/03 £000
Turnover	0	0	0	163,440	173,576	210,257
Retained (deficit)/surplus for the year	0	0	0	17	(11,487)	11,668
Break-even in-year position				17	(11,487)	11,668
Break-even cumulative position				17	(11,470)	198

Materiality test:

- Break-even in-year position	0.01%	-6.62%	5.55%
- Break-even cumulative position	0.01%	-6.61%	0.09%

Retained Surplus/(Deficit) for the year		11,668
Financial support included in Retained Surplus/(Deficit) for the year		20,185
Retained Surplus/(Deficit) for the year excluding financial support		(8,517)

Financial support is made up of the following amounts:

- (a) £9,685k additional support funding received as part of service agreements to offset an underlying current year deficit.
(b) £10,500k additional support funding to clear prior years' cumulative deficit.

Capital cost absorption rate

The Trust is required to absorb the cost of capital at a rate of 6% of average relevant net assets. The rate is calculated as the percentage that dividends paid on public dividend capital, totalling £8,582k, bears to the average relevant net assets of £130,134k, that is 6.6%. The Trust has exceeded the expected rate (5.5% - 6.5%) due to the high level of Assets in Course of Construction at March 2003 (£9,122k) which are excluded from the calculation.

For further information call our information line on 01923 217198

براہ کرم مزید معلومات کے لئے ہماری انفارمیشن لائن 01923 217198 پر فون کیجئے۔

ਵਧੇਰੇ ਜਾਣਕਾਰੀ ਲੈਣ ਲਈ ਸਾਡੀ ਇਨਫਰਮੇਸ਼ਨ ਲਾਈਨ ਨਾਲ ਫੋਨ ਨੰਬਰ 01923 217198 'ਤੇ ਗੱਲਬਾਤ ਕਰੋ।

વધુ માહિતી માટે મહેરબાની કરી અમારી ઈન્ફર્મેશન લાઈન 01923 217198 ઉપર ફોન કરો.

'Per maggiori informazioni telefonare allo 01923 217198.'

Hadaad u baahatid maclumad dheeraad ah Fadlan naga soo wac Tilifonka Lainya
Maclumadka 01923 217198