

Annual Report and Accounts

Corporate Social Responsibility

2007 - 2008



Chairman's Introduction



Our Trust has a clear vision which drives our decisions and actions – **Local Care for Local People** - supported by our mission statement: 'For Worcestershire Acute Hospitals NHS Trust to be the provider of choice for Worcestershire, providing excellent care for local people.'

We will only make this vision a reality by working in partnership with patients, the public, our staff and other key stakeholders. Over the past year we have been listening to people's views on their local health services to help us work with them to deliver care which best meets their requirements.

Examples of partnerships with patient groups featured in this annual report include the user groups helping to shape our services. We have also used electronic Patient Experience Trackers in wards and departments, offering patients an opportunity to give us instant feedback.

I would like to thank our PPI Forum for their role as 'Critical Friends' of the Trust. We have also gained useful insights from the County Council's Health Overview and Scrutiny Committee.

Partnerships with the Universities of Birmingham and Worcester have supported a wider programme of measures to develop a workforce with the skills to deliver healthcare in the 21st Century, while our desire to become more engaged with the business and public community prompted the decision to join our local Chamber of Commerce.

We continue to benefit from the invaluable contribution made by our volunteers, including the Alexandra League of Friends, Kidderminster League of Friends, the Friends of Worcestershire Royal Hospital, WRVS, Chaplaincy and Hospital Radio volunteers.

The year has had its challenges – operational and financial – and as usual our staff have distinguished themselves by rising to those challenges.

We achieved almost all the key targets for patient care set out by the Healthcare Commission (HCC) – of particular note was our achievement on waiting times.

By the end of March 2008, the vast majority of our patients were receiving all their tests and treatment within 18 weeks of first being referred to us by their GPs. The difference that recent significant reductions in waiting times has made shows that you cannot simply dismiss 'hitting targets' as a box ticking exercise.

Challenges for 2008/09 include improving performance against the Emergency Care target of treating, admitting or discharging 98% of emergency patients within four hours of arrival at hospital. (Another area where partnership working across the local health and social care economy is key to success).

In terms of delivering value for money, we managed not only to balance the books in 2007/08 but also delivered the extra £5 million needed to begin clearing our £25 million cash loan.

Our strong team of Non-Executive Directors played a key role in helping to steer us through these challenging times. I would like to thank all of them for their commitment, including John Darby and Colin Beardwood OBE who stepped down during the year.



Left Professor David Green, Vice Chancellor of Worcester University and Michael O'Riordan at a plaque unveiling to highlight a successful 12 year partnership between the NHS in Worcestershire and the University (formerly the College of Higher Education) for training nurses and midwives.

As we move ahead with our application to become a Foundation Trust we will, though public Membership and the election of a Council of Governors in which a majority are elected public governors, become an even more democratic and publicly accountable organisation. This will enable us to work together with our staff and partners to deliver the highest quality hospital care and develop and improve our breast, radiotherapy and renal services, provide further hand surgery and introduce percutaneous coronary intervention for patients with heart problems.

Our Trust is moving in the right direction. To all our staff and stakeholders I say: "Thank you - together we are making a difference."

From our Chief Executive



What do people want from the NHS? In 2008 we celebrate the sixtieth anniversary of the founding of the National Health Service, an institution which remains the envy of many other parts of the world.

You will see elsewhere in this Annual Report a fascinating

feature looking back on the history of the NHS from both a local and national perspective - and it is from both a local and a national perspective that we should consider our current position and our prospects for the future.

This means rising to the challenges that face the NHS in the 21st Century while keeping a clear focus on our aim of providing excellent local healthcare for local people. If we get it right, there should be no conflict between these two aims.

Infection control is a good example of something which is both an issue of national interest and concern, and a local priority.

We know that patients and visitors in our hospitals are concerned about MRSA, CDiff and other so-called 'superbugs.' They want visible reassurance that we are serious about protecting them and their loved ones from infection. That is why we adopted a zero tolerance to hospital acquired infections in 2007/08, supported by our Trust wide campaign CLEAN (Clinical Leadership Executive Action Now).

The result? A 'personal best' for this Trust of 113 consecutive days with no cases of hospital-acquired MRSA and an international award for our Infection Control team.

Our continuing success in reducing infection rates across the Trust is proof of what we can achieve when we can break down the barriers between sites, departments or staff groups and all work together towards a common aim.

Working together we have finally managed to put this Trust in a position of sustainable financial stability for the first time in its history.

And only by working together will we tackle the big challenges that face us in 2008/09 – in particular making sure that we can improve the service we offer our emergency patients and hit the target of treating, admitting or discharging 98% of patients coming into our Accident & Emergency and Minor Injury Units within four hours.

What do people want from the NHS, at a time when patients are being offered more choice than ever before about which hospital to use? I believe they want safe, high quality treatment, which is timely and easy to access, delivered by caring staff in clean surroundings.

Can we deliver that? In the vast majority of cases we are already delivering just that – but by working together we can make sure that we deliver it on time, every time.



John Rostill is pictured (far right) presenting Dr Bill Tucker with his 'Doctor of the Year' award at the Staff Achievement Awards ceremony which was hosted by BBC Hereford and Worcester presenter Howard Bentham.

Extract from Chief Executive's Blog - July 2007

The floods which brought chaos to our county fortunately left our hospitals untouched – but they also brought a massive challenge for our staff, which prompted an incredible response. Staff were working double or even treble shifts to cover for colleagues who simply couldn't make it in through the deluge. Others finished work and struggled home in appalling conditions, only to turn round and come straight back, in response to a plea from their ward or department.

I cannot thank our staff enough for what they did through this extremely difficult time. The people of Worcestershire are lucky indeed to have such dedicated professionals providing their health care.

Operating and Financial Review

Business profile

Worcestershire Acute Hospitals NHS Trust was established in 2000 and is the leading provider of acute healthcare services to patients throughout Worcestershire from three hospital sites: the Alexandra Hospital in Redditch, Kidderminster Hospital and the Worcestershire Royal Hospital in Worcester. Facilities are distributed across the three sites. There are approximately 990 beds, over 5,000 staff employed and an annual income of over £290 million.

Performance in 2007/08

The financial year 2007/08 represented the second full year of the Trust's recovery plan to deliver sustainable financial balance by 31st March 2008. Performance against key operational standards remained generally strong despite an increase in the overall levels of activity. The Trust ended the year with a surplus of income over expenditure of £5.193m against a target of achieving a £5.0m surplus. This financial performance enabled the Trust to make repayment of the first £5m instalment of its £25m cash loan. The delivery of this financial surplus in 2007/08 was crucial in demonstrating the organisation's capacity and capability to become a sustainable financial organisation by March 2008.

The Trust spent £8.988m on capital investments in 2007/08, which represented an underspend of £2.974m against its financial target of £11.962m. Significant investments were made in IT equipment and the county-wide IT infrastructure, Fire Safety, Estates Statutory Standards and Mortuary facilities, new and replacement medical equipment and increased car parking.

The Trust's performance against key operational targets was as follows:

- Outpatient and inpatient waiting times, including the achievement of a maximum 26 week wait for inpatients and 13 weeks for the first outpatient appointment were achieved.
- For the 18 week Referral to Treatment Pathway, the Trust achieved the target of 85% for admitted patients and 90% for non-admitted patients by the end of March 2008.
- All three Cancer waiting time targets were achieved.

- The target of a 10% improvement in Thrombolysis for heart attack patients was achieved.
- Difficulties were experienced from November 2007 onwards in the achievement of the 98% A&E emergency access target. Actual performance for the Trust for the full year was 96.22%.
- The number of cancelled operations increased slightly from 0.9% in 2006/07 to 1.0% in 2007/08.
- The Trust reported a total of 27 cases of MRSA bloodstream infections in 2007/08, which represented a significant year-on-year reduction of 40%.
- Daycase admissions rose by 7.4% compared with 2006/07.
- Elective Inpatient Admissions increased by 1% in comparison with 2006/07.
- Non Elective Admissions rose by 2.2% compared with 2006/07.
- Outpatient Attendances increased by 2.9% in comparison with 2006/07.

Looking forward to 2008/09 and beyond

Financial Outlook

By 31 March 2008, the Trust had delivered the Plan it approved in April 2006 to bring about financial recovery. The small reported surplus of income over expenditure of £53,000 in 2006/07 has been followed by the achievement of a surplus of £5.193m in 2007/08. The significant underlying deficit, which two years ago stood at £20m and was at the root of the Trust's historic financial problems, was reduced significantly during 2006/07 and has been turned into an underlying surplus of £3.4m in 2007/08.

Notwithstanding the significant improvements in the Trust's financial health, the ongoing delivery of substantial cost reduction programmes to meet new savings targets will be a feature for many years to come. The Department of Health's Operating Framework for 2008/09 sets out a requirement for efficiency savings of 3% for the NHS for each of the next three years. This savings target will, as in earlier years, be deducted from the Payment by Results tariff. The financial pressure is therefore not expected to ease for the foreseeable future.

It is important to emphasise however that the Trust is no longer in recovery mode. It has achieved a major turnaround in its finances and should look forward with confidence.

The financial plan for the next five years has been produced as part of the Integrated Business Plan for the Foundation Trust Application.

This plan includes several key elements to achieve the following objectives:

- To ensure that the Trust has sound treasury management processes which deliver significant improvements in its cash position.
- To maintain and develop strong financial management and control within the Trust to ensure it is fit for purpose both now and in the future as a Foundation Trust.
- To identify and manage business risks to ensure that the Trust's objectives progress unhindered.
- To ensure that the Trust's assets are optimised, protected and managed appropriately to sustain and improve the ongoing delivery of services.
- To ensure that there is a sound performance management framework in place to enable the Trust to monitor progress against its financial, operational and contractual targets, and to take early corrective action as necessary.

The key risks facing the Trust in 2008/09 are as follows:

- Delivery of plans to achieve the target of treating, discharging or admitting 98% of patients seen in A&E within 4 hours, within the budget provision available.
- Provision and utilisation of capacity to deliver the agreed activity reflected in SLAs, within agreed budgets.
- Ensuring that the levels of GP referrals accepted are consistent with the capacity available and that the operational management of patients along the pathway is effective so that the 18 week targets are achieved.
- Increased levels of emergency demand, which in turn could impact adversely on the capacity available for elective activity, the level of cancelled operations and delivery of the 18 week target and associated costs.
- Delivery of the savings programme through

robust planning, implementation and accountability arrangements, whilst maintaining safe clinical services and delivering challenging access targets.

- Availability of non-recurrent measures to make good any shortfalls arising from slippage in the implementation of recurrent savings schemes.
- Maintenance of effective managerial and clinical capacity across the Trust.

Effective systems to ensure performance targets achieved. Assessment and implementation of effective performance management arrangements.

Key performance indicators are reported on a monthly basis to either the Trust Board or the Finance and Performance Committee. The Finance and Performance Committee meets on a bi-monthly basis to ensure that there is a specific corporate focus on all aspects of financial and operational performance. The remit of the meeting includes the identification of key performance risks and understanding of early or preventative action the organisation will take to manage these.

Foundation Trust status – Local Care for Local People

The Trust believes that the interests of Worcestershire patients are best served by having a single, local organisation managing local acute hospital services – and the only way of making sure this happens is for the Trust to move ahead with its Foundation Trust (FT) application. The achievement of Foundation status will bring benefits to patients, the public and members of staff.

These benefits could include:

- **For the public:** the opportunity to be more closely involved in shaping the future development of our hospitals and services.
- **For staff:** the opportunity to have a greater say in the way the Trust is run, and greater freedom to shape their services to meet patients needs.
- **For local partner organisations:** the opportunity to sit on the Council of Governors and help develop local services that are co-ordinated and responsive to patient needs.

From the perspective of the Trust, securing Foundation Trust status creates the opportunity to:

- Involve the patients, public and staff in the running of the organisation;
- Develop a wider range of services, known as unregulated services;
- Raise capital money without going through current NHS approvals processes;
- Retain financial surpluses made during a financial year.

A period of formal public consultation on the Trust's FT application will commence on 5 July 2008, and that consultation will run until 26 September. As part of this process, Trust representatives will meet with as many people as possible to talk about its plans and hear what they have to say. The Trust will also host meetings and seek invitations to other meetings in the local health community to explain what FT is all about. The Trust will take everyone's comments into account and they will be reflected in a report at the end of the consultation period.

Presently, the Trust's aim is to become an FT on or after 1 May 2009. There will be a total of 34 governors drawn from members of the public, stakeholders such as the PCT and 5 from our staff – 2 from nursing, 1 from medical, 1 from scientific and technical and 1 from remaining staff groups. The chair of the JNCC will also be a governor. Staff will be able to put themselves forward for election and will be an integral part of the Council of Governors. The governors will be consulted regularly on the Trust's plans and on the day-to-day running of services. Their responsibilities will also include appointing and removing the Chairman and Non-Executive Directors, and approving the appointment of the Chief Executive, appointing or removing the Trust auditors, receiving and considering the Annual Report and the Annual Accounts and being consulted by the Board of Directors on the Forward Plans of the Trust. Governors will not be paid but the trust will provide time off for staff governors to enable them to undertake their roles.

Listening to our staff

The Staff Opinion Survey has provided positive feedback to the Trust in several areas, and has raised two specific concerns which need to be addressed – the long hours worked by some staff,

and the abuse of staff by patients and visitors. A joint management/staff side team have been tasked with developing an action plan for agreement with the Executive Team and presentation to staff and the Trust Board. As a key interim measure managers need to ensure that there is a significant improvement in the level of reported staff appraisal by 30th September 2008. This position will be monitored by the Executive Team.

Developing and maintaining effective governance systems.

The Trust will ensure that there is sufficient management capacity at all levels within the organisation to communicate, maintain and develop governance principles in a meaningful and understandable manner. The Trust's Standing Orders, Standing Financial Instructions and Detailed Scheme of Delegation were all reviewed by the Trust Board in February 2008 in preparedness for the forthcoming financial year to ensure that appropriate controls exist over all aspects of governance.

The Trust will ensure that the governance principles become firmly imbedded within the organisation through risk and performance management processes, job descriptions, appraisals and personal development plans. Formal monitoring will take place through the Trust's assurance committees. The Terms of Reference of all Board Committees have been revised for approval by the Trust Board at its June 2008 meeting.

Service Developments

In February 2008, the Trust Board approved the outline Capital Programme for 2008/09 through to 2012/13. This programme has taken account of short-term slippage in schemes which have already been approved, but will also require ongoing review to ensure that future demands included within the Foundation Trust service changes, strategy and marketing plans are reflected. In addition, future planned strategic service change developments in areas such as Renal Services and Radiotherapy will need to be accommodated in the Capital Programme.

In 2008/09, the Trust plans to invest capital in excess of £10m on the maintenance of the infrastructure of buildings and services, clinical service developments, the replacement and

development of clinical and medical equipment, and the expansion of the IT infrastructure. The Trust will commence schemes to develop a number of clinical services at the Alexandra Hospital.

The Trust has been successful in a bid to the NHS Plus Fund to support the construction of a new Occupational Health centre. The Trust has received funding totalling £1.75m.

Regulatory issues

With regard to the Annual Health Check – Core Standards Declaration, the Trust has made its submission for 2007/08 to the Healthcare Commission. In the declaration, the Trust has assessed itself as being compliant with all core standards with the following exceptions, for which there is insufficient assurance;

- “C9” which requires healthcare organisations to have a systematic and planned approach to the management of records to ensure that, from the moment that a record is created until its ultimate disposal, the organisation maintains information so that it serves the purpose it was collected for and disposes of the information appropriately when no longer required. The Trust has declared “insufficient assurance” for this standard, as audit activity was insufficient to determine whether the policies and processes in place were effective. The Trust has an agreed action plan which will address the issues of audit and compliance by July 2008. Regular audits will be undertaken throughout the year and findings will be reported to both the Health Records Committee and the Clinical Assurance Committee.
- “C11b” which requires healthcare organisations to ensure that staff concerned with all aspects of the provision of healthcare participate in mandatory training. The Trust has declared “insufficient assurance” for this standard, because variances in the Trust’s training records meant that it was not possible to confirm staff attendance on mandatory training programmes. The Trust has an agreed action plan which will address the organisation’s ability to capture, monitor and report training activities throughout the organisation; place even greater emphasis on the induction process for new starters; see the publication of a mandatory training matrix to improve training awareness throughout the Trust. Implementation of the action plan would see the Trust expect to declare compliance with the standard by July 2008.

The external auditors are appointed on the Trust’s behalf by the Audit Commission. The cost incurred in respect of the external auditors in 2007/08 was £221k, representing work associated with statutory audit activities and National Fraud Initiatives.

The Trust’s Information Governance Toolkit and Statement of Compliance were submitted to NHS Connecting for Health on 27th March 2008. Both submissions met the required standards. In terms of Information Governance, there were no Serious Untoward Incidents reported in 2007/08.

The Trust had an Audit Committee in place throughout 2007/08, with the following directors being members of the Committee; Mr J.Darby (Chairman and member until April 2007), Mrs R. Adams (until February 2008), Mr C.Beardwood (until October 2007), Mrs A.Willis (Chairman from May 2007), Mr A.Newman (until February 2008), Mrs N.Trigg (from November 2007), Mr M.Shepherd (from November 2007). The Audit Committee met six times during 2007/08. It approved both the internal and external audit plans for the year, received progress reports from each auditor at its business meetings and considered reports on individual assignments and projects. It referred issues and actions to other parts of the Trust including Assurance Committees and the Executive Team where appropriate.

A detailed review of each year’s draft annual accounts was introduced into the Committee’s work plan as a positive step forward to improve understanding and ownership of the accounts. The Committee also considered the final version of the Accounts, together with the accounting principles upon which they were based, the Statement of Internal Control and the Auditor’s findings on the Accounts, prior to recommending them to the Trust Board for adoption.

The NHS Audit Committee Handbook recommendations were reviewed before the beginning of the 2007/08 financial year and an action plan agreed to ensure compliance with all categories of guidance, i.e. could do, should do and must do. Progress against this action plan was reviewed in November 2007 and again in February 2008. The Committee feels confident it is now meeting all good practice as set out in the handbook.

An explanation as to how the Trust has treated its pension liabilities can be found at note 1.13 in the full published annual accounts.

Our Staff

With more than 5,000 staff our Trust is one of Worcestershire's largest employers. It is estimated that our workforce represents around 2% of the County's adult working population and we contribute some £200 million a year in pay to the local economy. Our employees are members of the local community – as citizens, family members and neighbours – and play a vital role in shaping the health and the prosperity of our community.

We recognise that our whole workforce plays a critical part in the delivery of care and we are committed to the equitable treatment of all our staff irrespective of where they work and the role they undertake. Without the hard work of our support staff such as domestic staff, porters, caterers, receptionists and many others we know that the job of our clinical staff would be impossible.

The tables opposite summarise the ethnic make-up of our workforce at the beginning of 2008.

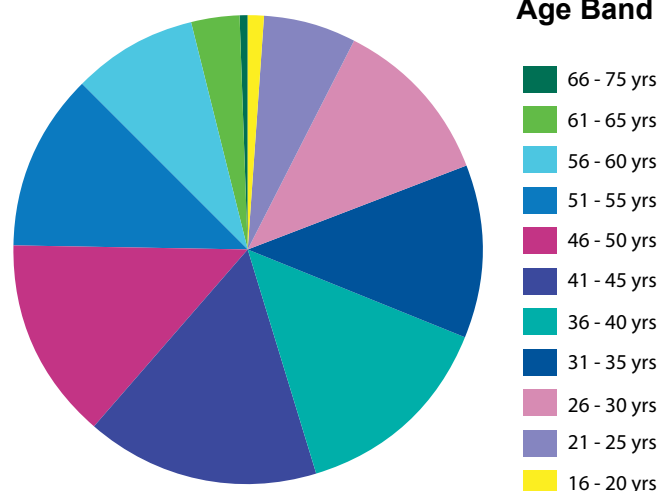
Our recent staff opinion survey showed that the number of our staff planning to leave was below the national average showing a real commitment to the Trust. A key element of this is our close working relationship with staff representatives and the Staff side chair continues to play an active part in our Trust Board.



HR staff who were tasked with introducing the Electronic Staff Record system ESR into the Trust efficiently and on time were joint winners of the Non-Clinical Team of the Year award at the Staff Achievement Award Ceremony. Worcestershire Trusts were part of the ninth wave under a national initiative to streamline payroll, training and HR information into one system. Pictured are l-r Helen Faulkner, James Blackshall and Hazel Compton.

Full time workers	49%	
Part time workers	51%	
Ethnic Profile	Trust %	Worcs %*
Asian Bangladeshi/Brit Ban	0.07	0.18
Asian Indian/Brit Indian	4.40	0.30
Asian Other	0.83	0.08
Asian Pakistani/Brit Pak	0.77	0.54
Black African	0.50	0.06
Black Caribbean	0.56	0.21
Black Other	0.15	0.03
Chinese	0.29	0.20
Mixed Other	0.07	0.14
Mixed White/Asian	0.04	0.20
Mixed White/Blk African	0.04	0.31
Mixed White/Blk Caribbean	0.07	0.04
Not Stated	1.16	0.00
Other Stated Origin	1.87	0.00
White British	86.80	95.65
White Irish	0.44	0.77
White Other	1.89	1.27

*census data



Total staff = 5324

As a major employer we want to reflect the community we serve. We recognise that many staff from an ethnic minority background are in medical and professional roles. We are committed to working with local community groups and promoting job opportunities widely to ensure the Trust is connecting with and promoting all jobs and professions to all sections of the community.



Lisa Heath - Medical Secretary receives a relaxing treatment from Jeanette Thomas - Bowen Technique Therapist at one of the '6 Steps to a Healthier Lifestyle' events. See opposite.

The high proportion of part time workers and broad age range reflects the Trust's positive approach to flexible working and retirement and on average 15% of employees retiring take advantage of our flexible retirement scheme and return in a part-time capacity. We will continue to promote and support flexible working and retirement opportunities.

We ensure our workforce are committed to the elimination of discrimination on the basis of gender, race, age, disability, religion, belief or sexual orientation, and are given the necessary training to support our efforts in this respect.

During the last two years much of our focus has been on financial recovery and reducing non clinical posts. We are now able to refocus our efforts and devote more time to improving staff development, tackling issues highlighted in the latest Staff Opinion Survey and involving staff in our plans to become a Foundation Trust.

Since achieving Improving Working Lives (IWL) Practice Plus in December, 2005 we have continued to promote Improving Working Lives Policies and Practices with specific initiatives regarding healthy lifestyles and work life balance

Our Work Life Balance Officer, (funded through European Social Fund (ESF) monies) developed a work life balance toolkit which has been distributed to staff. The toolkit was launched at the national NHS Employers Conference.

The Staff Support Co-ordinator and Work Life Balance Officer have facilitated a series of *Heart and Soul* days on each site of the Trust. These days for staff, promote health and wellbeing through a range of good practices: flexible working opportunities, healthy eating, mini health checks/ body mass index (BMI) checks, makeovers, massage and taster demonstrations on Tai Chi and belly dancing. Over 800 staff attended these sessions.

In partnership with our PFI partners Catalyst and Worcestershire PCT a '6 Steps to a Healthier Lifestyle' programme was held on the Worcestershire Royal Hospital site. This was a 6 week programme, held in the main foyer once a week, with a separate theme for each week – healthy body, healthy mind, healthy environment, healthy eating, healthy work life balance and culminated in a Heart and Soul day. External contributions included smoking cessation, sun safety, crime prevention, waste management, diet and weight management.

A further programme of '6 Steps to a New You' has been introduced at Worcestershire Royal Hospital and the Alexandra Hospital. This is a programme of 6 one hour sessions for staff focussing on exercise, healthy eating, presentation, colour matching, stress and self esteem.

Additional opportunities for staff include exercise classes, lunchtime walks and weight management advice.



One of the most successful initiatives under the work life balance umbrella is the Belly Dancing class which runs at WRH. The Worcester group are now sufficiently confident and competent to take part in Hafra's where groups of belly dancers or soloists get together to perform. These events are also used to raise funds and the group have already donated £250 each to the Salvation Army and St Richards Hospice.

Patient Services – Listening to and Learning from Patients

In 2007/08 we again received hundreds of compliments and thank you letters and cards sent by grateful patients and relatives to wards at all our hospitals as well as nearly 200 sent directly to the Chairman and Chief Executive. This praise is always greatly appreciated by our staff.

It's also important that patients and visitors feel able to give us their constructive criticism and let us know when we have not lived up to our own high standards or their expectations. We aim to learn from any mistakes we make and use those lessons to make further improvements to our services and facilities.

We pride ourselves on being an open, honest and accountable organisation which acts fairly and strives for continuous improvement.

Our Patient Services Team is responsible for dealing with complaints, responding to concerns raised through the Patient Advice and Liaison Service (PALs) and providing the administration for the Bereavement Service.



*Some of the members of the Patient Services Team,
l-r Tracey Crisp, Ruth Wren, Jackie Littlejohn and centre
Carole Hewitt.*

During 2007/08 we received 421 formal complaints and responded to 302 within our target time of 25 working days – an overall rate of 71% which is an improvement from the 64% overall rate in the previous year. Each complaint was thoroughly investigated in line with the NHS complaints procedure and a full written response sent back.

Where appropriate, we put people in touch with local advocacy services if they need extra support or advice.

The Patient Services Department received 682 contacts via PALs, most of which highlighted that miscommunication and lack of communication remain the cause of most concerns. This is an area where we need to work harder to communicate effectively with both patients and relatives.

All paperwork and administration around patients who have died within the Trust is managed by the Patient Services Team. They are sensitive to the needs of relatives at this difficult time and take every opportunity to resolve any issues or concerns raised in relation to medical death certificates or aspects of care.

By listening to and learning from patients and relatives we have made a number of changes to our clinical practice.

A booklet entitled 'About Me' has been introduced across all wards. This enables relatives of patients who have difficulty communicating to provide comprehensive background information about the patient. This assists any member of the clinical team involved in their treatment to ensure that the care they give is specific to that patient's needs.

Patients who need help with eating and drinking are provided with a red tray and are assisted at meal times. Meal times are also protected to ensure that patients receive help when they need it with minimal disturbance.

The Trust produces a leaflet entitled - *Compliments, Comments and Complaints – What you need to know*

This guide for patients and relatives contains useful information on who to contact whether you wish to pass on a compliment or thank you, share a concern or make a complaint. It also details the Trust's Code of Practice in relation to complaint handling, gives details of the Independent Complaints and Advocacy Service (ICAS) and the Health Service Ombudsman.

Copies of the leaflet are available from the Patient Services Department on 01527 512177.

Emergency Planning

Since the enactment of the Civil Contingencies Act in 2005, the Trust has invested substantially in developing its already well established major incident arrangements to reflect the increasing range of threats it faces. During 2007/8, an Acute Emergency Planning Committee was established to oversee developments and an emergency planning officer was confirmed in post to facilitate the work required.

A Disaster Management Policy was approved by the Board in August 2007, which provided a revised framework for emergency response and continuity planning for the Trust. It identified the need for improved and wider-ranging plans to address the range of incidents that could affect the normal working of the Trust.

Along with increasing the quality and range of plans in place, comes the need to train staff and test these plans to ensure they are workable. During 2007/8 a training programme was implemented to ensure that those with key roles during major incidents are equipped with the knowledge and skills required to manage the special arrangements that are likely to be implemented. Approximately 75% of these staff have undergone training since July 2007.

Communications cascades in October 2007 and February 2008 to test our communication arrangements during a major incident and to identify the potential number of staff that could be contacted outside normal working hours.

We worked with the Fire Service to carry out a live evacuation exercise at the Kidderminster Hospital site in June 2007.



We also participated in a multi-agency exercise to test our major accident and contamination procedures in October 2007 (see picture opposite).

Our ability to respond effectively to major incidents 24 hours a day, 7 days a week, 365 days a year depends entirely on our ability to ensure that additional staff can be called in to work out of normal working hours. During 2007/8, we asked staff who do not have a specific role during major incidents if they would be prepared to be included on a volunteer list to undertake a supporting role. The response was excellent and we now have a list of volunteers who are prepared to take on administrative or other supporting roles during major incidents.

Significant progress has been made during 2007/8 in improving our emergency planning arrangements and work will carry on in to 2008/9 to ensure that the Trust fulfils its obligations under the Civil Contingencies Act.



Exercise Corbett covered both Worcestershire Royal and the Alexandra Hospitals to test the off site plan for dealing with chemical incidents. 'Patients' are pictured on their way into the decontamination tent!

Exercising will become an annual event and during 2007/8 we tested several of our plans during the following exercises:



Patients want to know that their hospitals are clean. Although Matrons are seen as leading the fight against hospital infections it is very much a whole trust effort. They have the full backing of the Board and the clinicians. Director of Nursing and Midwifery Helen Blanchard is executive lead for the CLEAN initiative (Clinical Leadership, Executive Action Now) and together with Dr Anne Dyas and her Infection Control and Prevention Team are focusing on a number of projects to tackle MRSA, Cdiff and other so-called 'superbugs'. Working closely in partnership are the housekeepers and cleaners, porters, and clinical colleagues. It's a team effort!

Infection Control Initiatives!

Worcester Warriors Rugby Club Stars say 'CleanyourHands' to Kick Bugs into Touch

Players in their club kit and carrying personal alcohol hand gel dispensers joined members of our infection control team for a photoshoot. The picture is used in posters displayed across all sites as part of The National Patient Safety Agency's cleanyourhands campaign.

Pipa Boxes Speak Up for Hand Hygiene

Investing in movement activated 'speaker boxes' attracted a lot of attention. As staff, patients and visitors walk past, the box plays a recorded message reminding them of the importance of good hand hygiene.



Matron Amanda Moore with the movement activated PIPA box and hand gel dispenser.

New Hand Hygiene Audit

A tool has been designed to audit hand hygiene de-contamination within clinical areas. Infection Control Link Nurses monitor a particular patient room or bay and tick off the number of times members of staff use gel, or wash their hands at the sink.

Back to the Floor for Poster

This eye-catching floor poster is another way of reminding staff, patients and visitors of the importance of hand hygiene as they enter ward areas.

Bare below the Elbows

The Trust followed national guidance for doctors, nurses and other clinical staff having direct contact with patients to adopt short or rolled up sleeves, no wristwatches and no rings other than wedding rings.

£1 Million Deep Clean

The £1 million pounds of extra funding received from the Department of Health enabled wards to receive extra steam cleaning and disinfection in addition to ongoing cleaning. The money was also used to improve the environment for patients and to replace clinical items.

Infection Control Management System

Infection Control have introduced a new computerised surveillance system (ICNet) for Healthcare Associated infections. This draws alert organism results (e.g. MRSA, Clostridium difficile) from the Microbiology laboratory and patient information from the PAS systems in hospital and the community to create patient-based records, which allow closer monitoring of treatment and progress. The associated statistical analysis also enables monitoring of infections and early identification of any rise in numbers to focus resources and help prevent outbreaks.

Latest Initiative

This is the development of a kit using a special powder which glows under UV light. This is used to test the cleanliness of surfaces following cleaning. If any powder residue is visible then the area needs to be re-cleaned to ensure that high cleaning standards have been achieved.

We welcome patient and public involvement in our efforts to reduce infection rates and promote public confidence in the cleanliness of our hospitals. This is why we launched a new campaign – **It's Got to be Right for You** on our **Think Clean Day** held at each hospital to engage with the public and hear their views and ask them whether they believe we have got it right and what more could be done.



Matron Jane Rutter seeks the views of visitors Wilson and Phyllis Batty.

Award Winning Staff

Congratulations

The year has seen our staff winning awards at local, regional and national level. Internally we held our second Hospital Heroes – Staff Achievement Awards ceremony in November 2007 when presentations were made to staff covering thirteen different categories. Across the Trust individuals and teams have been successful in many different areas.



The Alexandra Fast Response Team won the PPI Award for Contribution to Cleanliness at the Staff Achievement Awards Ceremony.



Elaine Newell, Head of Midwifery was the winner of the Chairman's Award at the Staff Achievement Awards Ceremony. She is pictured with BBC H&W Presenter Howard Bentham and Chairman Michael O'Riordan.



Congratulations to our Infection Control Team which won the Infection Control Team of the Year Award sponsored by international microbiology specialists Oxoid for their work to reduce hospital acquired infections.



Above:
The Trust's Radiology team scored an impressive win at the prestigious 2007 Hospital Doctor Awards when they beat off stiff competition to take the Innovation Award.

Left:
Kidderminster Community Midwives won the Team of the Year Award at the British Journal of Midwifery Clinical Practice Awards recognising their promotion of home and 'normal' births.



The Trust's Work Life Balance policies and programmes were recognised at an event – 'Celebration of Work-Life Balance' organised by Worcestershire County Council. Kath Ackah and Ann Hart were presented with their award by Richard Hubbard, Director of Children's Services for the Council.



Charles Hastings Education Centre Medical Education Manager Jenny Murray was awarded the Royal College of General Practitioners' new Michael Drury Non-GP Contributor to General Practice Education. Jenny is pictured with College President Professor David Haslam



Patient Power

Working together with cancer patients and carers

A top priority for the cancer team is ensuring that national guidelines and recommendations for cancer services are met.

The Cancer Reform Strategy issued in December 2007 builds on the progress made since the NHS Cancer Plan was introduced in 2000. The Strategy focuses on improving cancer services at every point of the cancer pathway – preventing cancer, diagnosing cancer earlier, ensuring better treatment, living beyond cancer, reducing cancer inequalities, delivering care in the appropriate setting and improving access to, and the quality of information.

Patient and carer involvement is of paramount importance in delivering the strategy. Three active User Groups across Worcestershire meet regularly with members of the cancer team to ensure their views to shape services which meet patients' needs are heard and discussed.



Members of the Cancer Team

Back row: Chris West – Cancer Team Secretary, Dr Geoff Summers - Consultant Physician and Cancer Lead Physician, Clare Hibbert - Cancer Information Manager

Front row: Janice Kerr, General Manager Cancer & Clinical Haematology and Anne Sullivan - Associate Director of Nursing / Macmillan Lead Cancer Nurse

Anne Sullivan, Associate Director of Nursing and Macmillan Lead Cancer Nurse, works closely with the User Groups. She explains that the hospitals

across the county work with different cancer networks. Redditch is linked to the Arden Cancer Network, Worcester to the 3 Counties Cancer Network and Kidderminster to the Greater Midlands Cancer Network. However, the aim of each group is the same – to provide a forum for patients' views and to work with the Trust to develop local services.

Anne describes recent initiatives promoted and supported by the user groups and says: “ ‘Personal Folders’ for patients to track their personal cancer journey and find information such as who to contact for support and advice, were developed and initially funded by the 3 Counties Cancer Network. The folders were then reviewed by all the Trust's cancer user groups, who felt it was an excellent publication and endorsed its use for all patients with a diagnosis of cancer across Worcestershire. The Cancer/ Clinical Nurse Specialist (CNS) Forum championed ‘Personal Folders’ on behalf of all service users and subsequently obtained funding for this initiative from the Trust's Donated Funds Committee.

“As many patients find it difficult to come to terms with their diagnosis and treatment, a project group looked at guidance/good practice and, working with the patient user groups, identified the need for expert psychological support specifically for cancer patients. A consultant psychologist is now available within the Trust for this purpose. The service was promoted and further developed through the Clinical Nurse Specialists/Allied Healthcare Professionals forum, with support from the user representatives, to ensure the clinical nurse specialists make appropriate referrals for patients with cancer.



SN Becky Bothwick is pictured connecting intravenous fluids during a chemotherapy treatment for Zoe Chesterman

Anne continues: “A very exciting development is the planned installation of a Macmillan Patient Information Pod at Worcestershire Royal Hospital. Following a Patient Survey carried out during April to July 2007, the need was identified for more comprehensive patient information to be readily available. This was raised with the three patient carer and user groups across the Trust, who fully supported this need.

“A special meeting was arranged at which the patients and carers gave feedback on how the information service should be developed immediately and in the future, the location and what service users wanted.



Artist's Impression of a Macmillan Information Pod

“As well as the main Patient Information Pod at WRH, there will be satellites at the Alexandra and Kidderminster Hospitals. Although I led the project, it is being funded by Macmillan Cancer Support and, as well as the three information centres, they will provide staffing in the form of a Cancer Information and Support Service Lead/Manager and Cancer Information Facilitators, and refurbishment of a quiet room for patients or relatives who may be distressed”.

Geoff Palmer, Chair of the Worcestershire Cancer User Group said: “It is very worthwhile when you see ideas that have been discussed actually coming to fruition and to know that representation from patient user groups such as ours have been influential in the implementation. The patient information pods will vastly improve the resources, information and support available to cancer patients.

“Users were instrumental in working with health professionals to deliver chemotherapy closer to home and have helped in the rural areas of the 3 Counties Network to bring about a mobile treatment bus. Looking forward we are working to develop a workable Key Worker policy that will provide for the whole cancer journey, not just that part spent in hospital.”



Pictured left are Geoff Palmer - Chair of the Worcestershire Cancer User Group and Mel Burgoyne – User Involvement Facilitator for the 3 Counties Cancer Network with members of the group including patients, carers and staff from the Acute Cancer team.

The three cancer user groups are also working together to ensure that future Radiotherapy services meet the needs of patients across the county. They jointly formed the Worcestershire Action on Radiotherapy Group and worked with the Trust on a press campaign to highlight the need for ‘local treatment for local people’ in the form of a satellite radiotherapy service based within the county for Worcestershire cancer patients. Together they successfully raised awareness and submitted a petition of 22,000 signatures in support of our bid for radiotherapy services in Worcestershire.

The recent Cancer Peer Review visit recognised the valuable work of the three patient/user groups and commented: *“The groups have excellent involvement and communication despite the distance between the hospitals. The groups are proactive in running their own campaigns about issues of concern. Patients are actively encouraged to be involved in the development of cancer services within the Trust in a variety of ways.”*

Contact Details:

Geoff Palmer – Chair

Worcestershire Cancer User Group

☎ 01905 766782

Pat Hackett – Chair

Redditch & Bromsgrove Cancer Group

☎ 01527 877601 or 07745813521

Marjorie Wallace – Chair

Wyre Forest PACT

☎ 01562 741749

60 Years of Acute Care in the NHS in Worcestershire

The NHS celebrates its 60th birthday this year. Today we take free healthcare for granted, but prior to 1948 healthcare was a luxury not everyone could afford.

In the aftermath of the Second World War the NHS was established by the National Health Service Act 1946 and the new arrangements were officially launched on 5 July 1948 by Aneurin Bevan, who was the Health and Housing Minister at the time.

The founding principles of the NHS called for its funding out of general taxation, this would ensure, for the first time in history, free treatment at the point of care.

1940s / 1950s



Mill Street Hospital*

In 1948 Worcestershire patients were mainly served by three separate independent hospitals, Bromsgrove General Hospital, Kidderminster Hospital (Mill Street), Worcester Royal Infirmary including Castle Street and Ronkswood.

The past 60 years have seen major changes in medical knowledge and practice and a significant investment in new or upgraded hospital buildings.

The timeline highlights how healthcare and the NHS has evolved in Worcestershire over the last 60 years. Local events are interspersed with organisational and medical developments.

In 1952 prescription charges were introduced for the NHS at a cost of one shilling per prescription.

1953: Cambridge scientists publish their work on DNA structure which allows the study of disease caused by defective genes.

1954: A link was established between smoking and cancer by Richard Doll.

1958: Introduction of polio and diphtheria vaccinations that would see everyone under the age of 15 vaccinated. This resulted in a massive decline in cases of both diseases.

1960s



Operating theatre at Castle Street

1961: The contraceptive pill is made widely available.

1962: The Hospital Plan was introduced dividing the NHS into hospitals, general practice and local health authorities. The plan approved the development of district general hospitals for large population areas.

1962: This year also saw the first full hip replacement by Professor John Charnley.

1967: The Salmon Report set out recommendations for the development of nursing staff structures and the status of the profession in hospital management.

1968: First NHS heart transplant takes place in London. Surgeon Donald Ross led a team of 18 doctors and nurses for the 7 hour procedure.

1969: A new purpose built A&E department was opened at Castle Street Hospital in the centre of Worcester to meet the increasing need for emergency treatment for patients.

1970s



Newtown Hospital

The 1970s saw major developments to hospital facilities and buildings in Kidderminster and Worcester.

1970: Phase 1 completed to transform the old Blakebrook Workhouse, Kidderminster into a District General Hospital with operating theatres and wards. Mill Street Hospital, Kidderminster was to be used solely for elderly people who were chronically sick.

1971: Post Graduate Medical Centre was opened at Kidderminster.

1972: CT (computer tomography) scans were introduced and revolutionised the way the body was examined.

1978: The first test-tube baby was born as a result of IVF (in-vitro fertilization).

1978: Phase 1 of the long awaited new District General Hospital opened at WRI Newtown branch with 110 beds for the elderly and 160 beds for the mentally ill.

1979: First successful bone marrow transplant took place at Great Ormond Street Hospital for Children.

1980s



Members of the original estates team involved in the design and build of the Alexandra Hospital I-r Val Harris, Dave Stephens, Brian Hickman, Brian Jackson, Steve Matthews, Phil Cheatham, Stuart Parsons and Ian Johnson

1986: The Alexandra Hospital opened offering modern clinical facilities, a post graduate medical centre and a nurse education centre. This replaced the Bromsgrove District General Hospital. It was officially opened in April 1987 by HRH Princess Alexandra.

Estimated attendances 1986/87 were:
A&E - 25,000

Inpatients - 15,000

Outpatients - 65,000

Twenty years later in 2006/07 attendances were:

A&E - 50,500

Inpatients - 25,000 elective and emergency plus 6,500 Day Cases

Outpatients - 132,000

1980s: Magnetic resonance imaging (MRI) scanners were introduced enabling accurate scans of soft tissue such as scans of the brain. These also identify conditions such as multiple sclerosis and the extent of damage following a stroke.

1980s: Development of keyhole or laparoscopic surgery using fibre optic technology which allows surgeons to operate using a monitor.

1988: Breast screening was introduced to reduce breast cancer deaths in women over 50.

References: Nigel Gilbert 'A History of Kidderminster' 2004

*Photograph courtesy of Kidderminster Library.

With thanks to: Nick Smith, David Croft, Steve Standing and Catriona Smellie

1990s



Ronkswood A&E

1990: This decade saw the start of Project 2000 in Worcestershire. This aimed to establish the nursing role in a more professional light. Training of nurses was transferred off-site to what is now the University of Worcester.

1990: Laparoscopic surgery begins in Worcester.

1992: With the opening of a new A&E all acute emergency care was provided at WRI Ronkswood site. Also the Princess of Wales Community Hospital was built on the North of the old Bromsgrove General Hospital offering a range of outpatient and non-acute inpatient services.

1990s: All three Worcestershire Hospitals become NHS Trust Hospitals.

1995: The final phase of building works sees the completion of the expansion of Kidderminster Hospital (Bewdley Road site).

1998: NHS Direct was launched to provide nurse-led 24 hour health advice over the telephone.

1998 also saw the launch of the Worcester Health Authority's strategy "Investing in Excellence" looking at services across the County.

Late 1990s - Pilot of PACS - picture archiving and communication system which enabled x-rays and scans to be stored electronically and viewed on screens.

2000s



Worcestershire Royal Hospital

2000: Worcestershire Acute Hospitals NHS Trust was formed and included Worcester Royal Infirmary, the Alexandra Hospital and Kidderminster Hospital.

2002: New Worcestershire Royal Hospital opened which was developed under a private finance initiative (PFI). The Hospital was officially opened by the then Secretary of State for Health, the Rt Hon Alan Milburn MP in September 2002.

2004: The new Treatment Centre at Kidderminster Hospital (see below) welcomed its first patients. HRH The Duchess of Gloucester opened the KTC in April of that year.



Prescription charges in 2008 are £7.10 per prescription.

2008: The NHS celebrates its 60th Birthday on 5 July.

The National Health Service has changed radically from its inception in 1948. Medical science and knowledge have dramatically altered our personal health expectations and what we demand from the NHS.

Looking to the future the Trust is now moving forward to achieve NHS Foundation Trust status.

Foreword to the Accounts

These accounts for the year ended 31st March 2008 have been prepared by Worcestershire Acute Hospitals NHS Trust under Section 98(2) of the National Health Services Act 1977 (as amended by Section 24(2), Schedule 2 of the National Health Service and Community Care Act 1990) in the form which the Secretary of State has, with the approval of the Treasury, directed.

It should be noted that some of the Annual Accounts comparative figures for 2006/07 have been restated. This is as a result of a change in guidance in the Capital Accounting Manual which removed the need to capitalise expenditure on Digital Hearing Aids. The Trust has treated this as revenue expenditure, and has reflected this in the 2007/08

accounts. However the Trust is also required to reflect the charge of this expenditure to its Income and Expenditure accounts for the three previous financial years. Thus the restated accounts for 2006/07 show a deficit of £1.006m compared with the surplus of £0.053m actually achieved.

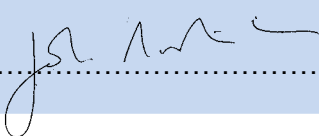
The financial performance of the Trust is shown below in the summary financial statements. In accordance with the Codes of Conduct and Accountability, details of directors' remuneration, management and administration costs and compliance with the CBI Better Payments Code are given on pages 22 to 25.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2008

	Note	2007/08 £000	2006/07 As restated £000
Income from activities	3	273,031	242,838
Other operating income	4	20,828	20,963
Operating expenses	5	(281,651)	(258,921)
OPERATING SURPLUS/(DEFICIT)		12,208	4,880
Cost of fundamental reorganisation/restructuring		0	0
Profit/(loss) on disposal of fixed assets	8	(812)	(60)
SURPLUS/(DEFICIT) BEFORE INTEREST		11,396	4,820
Interest receivable		1,007	449
Interest payable	9	(1,269)	0
Other finance costs - unwinding of discount	16	(58)	(55)
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR		11,076	5,214
Public Dividend Capital dividends payable		(5,883)	(6,220)
RETAINED SURPLUS/(DEFICIT) FOR THE YEAR		5,193	(1,006)

BALANCE SHEET AS AT 31 MARCH 2008

	Note	31 March 2008 £000	31 March 2007 As restated £000
FIXED ASSETS			
Intangible assets	10	674	715
Tangible assets	11	176,316	171,189
Investments	14.1	0	0
		176,990	171,904
CURRENT ASSETS			
Stocks and work in progress	12	3,726	3,740
Debtors	13	35,778	28,483
Investments	14.2	0	0
Cash at bank and in hand	18.3	5,602	141
		45,106	32,364
CREDITORS: Amounts falling due within one year	15	(31,033)	(24,879)
NET CURRENT ASSETS/(LIABILITIES)		14,073	7,485
TOTAL ASSETS LESS CURRENT LIABILITIES		191,063	179,389
CREDITORS: Amounts falling due after more than one year	15	(15,000)	(20,000)
PROVISIONS FOR LIABILITIES AND CHARGES	16	(3,842)	(4,124)
TOTAL ASSETS EMPLOYED		172,221	155,265
FINANCED BY:			
TAXPAYERS' EQUITY			
Public dividend capital	22	145,860	145,860
Revaluation reserve	17	43,218	34,351
Donated asset reserve	17	1,281	1,442
Government grant reserve	17	335	391
Other reserves	17	(861)	(861)
Income and expenditure reserve	17	(17,612)	(25,918)
TOTAL TAXPAYERS' EQUITY		172,221	155,265

Signed:  (Chief Executive)

Date: 19/06/08

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2008

	2007/08 £000	2006/07 As restated £000
Surplus/(deficit) for the financial year before dividend payments	11,076	5,214
Fixed asset impairment losses	0	(2,956)
Unrealised surplus/(deficit) on fixed asset revaluations/indexation	12,079	11,172
Increases in the donated asset and government grant reserve due to receipt of donated and government grant financed assets	186	45
Defined benefit scheme actuarial gains/(losses)		
Additions/(reductions) in 'other reserves'	0	0
Total recognised gains and losses for the financial year	23,341	13,475
Prior period adjustment	(1,059)	0
Total gains and losses recognised in the financial year	22,282	13,475

2007/08 Annual Accounts of Worcestershire Acute Hospitals NHS Trust

STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS 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.

Date: 19/06/08  Chief Executive

Statement on Internal Control

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.

The system of internal control has been in place in Worcestershire Acute Hospitals NHS Trust for the year ended 31 March 2008 and up to the date of approval of the annual report and accounts.

For a full copy of the Statement of Internal Control, please contact Director of Finance, Worcestershire Acute Hospitals NHS Trust, Worcestershire Royal Hospital, Charles Hastings Way, Worcester, WR5 1DD. Telephone 01905 760393.

2007/08 Annual Accounts of Worcestershire Acute Hospitals NHS Trust

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The 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 accounts

The Directors are responsible for keeping proper accounting records which 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.

Date: 19/06/08  Chief Executive

Date: 19/06/08  Finance Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2008

	Note	2007/2008 £000	2006/2007 As restated £000
OPERATING ACTIVITIES			
Net cash inflow/(outflow) from operating activities	18.1	26,080	11,622
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE:			
Interest received		1,007	449
Interest paid		(1,269)	0
Interest element of finance leases		0	0
Net cash inflow/(outflow) from returns on investments and servicing of finance		(262)	449
CAPITAL EXPENDITURE			
(Payments) to acquire tangible fixed assets		(9,341)	(9,695)
Receipts from sale of tangible fixed assets		0	0
(Payments) to acquire intangible assets		(133)	(464)
Receipts from sale of intangible assets		0	0
(Payments to acquire)/receipts from sale of fixed asset investments		0	0
Net cash inflow/(outflow) from capital expenditure		(9,474)	(10,159)
DIVIDENDS PAID		(5,883)	(6,220)
Net cash inflow/(outflow) before management of liquid resources and financing		10,461	(4,308)
MANAGEMENT OF LIQUID RESOURCES			
(Purchase) of investments with DH		0	0
(Purchase) of other current asset investments		0	0
Sale of investments with DH		0	0
Sale of other current asset investments		0	0
Net cash inflow/(outflow) from management of liquid resources		0	0
Net cash inflow/(outflow) before financing		10,461	(4,308)
FINANCING			
Public dividend capital received		0	4,334
Public dividend capital repaid (not previously accrued)		0	(25,000)
Loans received from DH		0	25,000
Other loans received		0	0
Loans repaid to DH		(5,000)	0
Other loans repaid		0	0
Other capital receipts		0	0
Capital element of finance lease rental payments		0	0
Cash transferred (to)/from other NHS bodies		0	0
Net cash inflow/(outflow) from financing		(5,000)	4,334
Increase/(decrease) in cash		5,461	26

STAFF COSTS AND NUMBERS

	2007/08			2006/07
	Total £000	Permanently Employed £000	Other £000	£000
Staff Costs				
Salaries and wages	137,940	129,443	8,497	130,117
Social Security costs	10,116	10,116	0	10,125
Employer contributions to NHS Pension Scheme	15,440	15,440	0	15,145
Other pension costs	0	0	0	0
	163,496	154,999	8,497	155,387

	2007/08			2006/07
	Total Number	Permanently Employed Number	Other Number	Number
Average number of persons employed (expressed as whole time equivalents)				
Medical and dental	562	539	23	524
Ambulance staff	0	0	0	0
Administration and estates	919	909	10	946
Healthcare assistants and other support staff	668	668	0	694
Nursing, midwifery and health visiting staff	1,561	1,482	79	1,592
Nursing, midwifery and health visiting learners	0	0	0	0
Scientific, therapeutic and technical staff	683	683	0	658
Social care staff	0	0	0	0
Other	0	0	0	8
Total	4,393	4,281	112	4,422

Employee Benefits

There were no Employee Benefits for the year 2007/08.

	2007/08 £000	2006/07 £000
Management costs		
Management costs	8,060	8,769
Income	292,530	263,801
Management costs are defined as those on the management costs website at www.dh.gov.uk/PolicyAndGuidance/OrganisationPolicy/FinanceAndPlanning/NHSManagementCosts/fs/en		

Retirements due to ill-health

During 2007/08 there were 9 (2006/07, 14) early retirements from the NHS Trust on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £643,236.41 (2006/07 £522,735.11). The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

BETTER PAYMENT PRACTICE CODE

	2007/08	
	Number	£000
Better Payment Practice Code - measure of compliance		
Total Non-NHS trade invoices paid in the year	72,756	96,598
Total Non-NHS trade invoices paid within target	55,826	83,281
Percentage of Non-NHS trade invoices paid within target	77%	86%
Total NHS trade invoices paid in the year	5,856	25,531
Total NHS trade invoices paid within target	3,977	19,047
Percentage of NHS trade invoices paid within target	68%	75%
The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.		

THE LATE PAYMENT OF COMMERCIAL DEBTS (INTEREST) ACT 1998

	2007/08 £000	2006/07 £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

	2007/08 £000	2006/07 £000
Profit/(loss) on the disposal of fixed assets is made up as follows:		
Profit on disposal of fixed asset investments	0	0
(Loss) on disposal of fixed asset investments	0	0
Profit on disposal of intangible fixed assets	0	0
(Loss) on disposal of intangible fixed assets	0	0
Profit on disposal of land and buildings	0	0
(Loss) on disposal of land and buildings	0	0
Profits on disposal of plant and equipment	0	0
(Loss) on disposal of plant and equipment	(812)	(60)
	(812)	(60)

The 2007/08 Annual Accounts and Annual Report for the Trust's Donated Funds will be available upon request from the Director of Finance from October 2008. The contact address details are; Director of Finance, Worcestershire Royal Hospital, Charles Hastings Way, Worcester WR5 1DD

DIRECTORS' REMUNERATION

Salaries and Allowance for Senior Managers

Name and Title	2007/08			2006/7		
	Salary (bands of £5,000)	Other Remuneration (bands of £5,000)	Benefits in kind (Rounded to the nearest £100)	Salary (bands of £5,000)	Other Remuneration (bands of £5,000)	Benefits in kind (Rounded to the nearest £100)
	£000	£000	£	£000	£000	£
M.O'Riordan - Chairman	20-25	0	400	20-25	0	700
J.Rostill - Chief Executive	145-150	0	200	145-150	0	300
G.Burley - Director of Operations	0	0	0	45-50	0	200
C.Walsh – Interim Director of Operations	80-85	0	600	40-45	0	0
G.Bennett - Interim Director of Finance	165-170	0	0	165-170	0	0
J.Crawshaw - Director of Human Resources	85-90	0	5000	75-80	0	4000
R.Overfield - Director of Nursing and Midwifery	30-35	0	200	80-85	0	600
H.Blanchard – Director of Nursing and Midwifery	45-50	0-5	100	0	0	0
C.Ashton - Medical Director	40-45	135-140	100	40-45	125-130	1000
C.Phillips – Associate Medical Director	20-25	135-140	300	15-20	140-145	700
S.Graystone – Associate Medical Director	10-15	115-120	0	10-15	115-120	0
M.Shepherd – Non Executive Director	0-5	0	0	0	0	0
N.Trigg – Non Executive Director	0-5	0	0	0	0	0
C.Beardwood – Non Executive Director	0-5	0	100	5-10	0	200
R.Adams – Non Executive Director	5-10	0	100	5-10	0	100
J.Darby – Non Executive Director	0-5	0	0	5-10	0	500
A.Willis - Non Executive Director	5-10	0	100	5-10	0	100
A.Newman - Non Executive Director	5-10	0	100	5-10	0	100

The remuneration of Executive Directors is determined by the Remuneration Committee, in accordance with NHS guidance and with regard to their roles and the complexity of their duties, and approved by the Trust Board.

The Remuneration Committee, which is made up of the Chairman and all non Executive Directors is responsible for determining the pay and conditions of employment for Executive Directors and receives and ratifies recommendations from other committees such as the Consultant's Clinical Excellence Award Committee.

In determining the pay of Executive Directors the Committee agrees and twice a year reviews the annual objectives of the Directors. The Committee also compares each year Executive Directors' pay against comparative salaries in the NHS. Cost of living awards are made in line with Department of Health guidance. For 2007/08 Executive Directors were awarded 1.3% cost of living increase effective from April 2007. The increase is not included within the figures above due to the award being agreed in March 2008; the payment of this increase will be made in 2008/09.

Notes

R.Overfield - left the Trust on 19/8/07

H.Blanchard – commenced with the Trust on 17/9/07

N.Trigg and M Shepherd – commenced with the Trust on 1/11/07

J.Darby – left the Trust on 30/04/07

C.Beardwood – left the Trust on 31/10/07

G.Burley - commenced a secondment to South Warwickshire General Hospitals on 01/10/06, all figures shown above in 2006-07 relate to the period 01/04/06 to 30/09/06. Figures for 2007-08 and Pension Benefits will be included within the Accounts of South Warwickshire General Hospitals NHS Trust

C.Walsh - commenced on secondment from South Warwickshire General Hospitals NHS Trust on 01/11/06, all figures shown in 2006-07 above relate to the period 01/11/06 to 31/03/07.

G.Bennett - Interim Director Finance commenced 1/11/05. The figure quoted under Salary represents the payment of fees to Graham Bennett Associates Ltd and there are no additional costs for National Insurance or Superannuation.

A.Newman – The figure quoted under Salary represents payments to Sterling Consulting Group Ltd.

PENSION BENEFITS

Name and Title	Real increase in pension at age 60 (bands of £2,500)	Real increase in Lump sum at aged 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2007 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2007 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2008	Cash Equivalent Transfer Value at 31 March 2007	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
	£000	£000	£000	£000	£000	£000	£000	£000
J. Rostill - Chief Executive	0.0-2.5	0.0-2.5	75-80	225-230	0	0	0	0
C. Walsh – Director of Operations	0.0-2.5	0.0-2.5	25-30	75-80	351	316	11	0
H. Blanchard – Director of Nursing and Midwifery	0.0-2.5	0.0-2.5	15-20	55-60	255	0	0	0
R. Overfield – Director of Nursing and Midwifery	0.0-2.5	0.0-2.5	25-30	75-80	334	319	2	0
J.Crawshaw - Director of Human Resources	2.5-5.0	12.5-15.0	30-35	100-105	506	417	55	0
C. Ashton - Medical Director	0.0-2.5	5.0-7.5	35-40	115-120	603	543	33	0

Remuneration for Non Executive Directors is in accordance with statutory limits. As Non Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non Executive members.

No Cash Equivalent Transfer Value is listed if the individual is over the age of 60.

Pension information for C.Phillips and S.Graystone requested from the NHS Pensions Agency was unavailable at the time this note was prepared.

Independent Auditors' Statement to the Board of Directors of Worcestershire Acute Hospitals NHS Trust

I have examined the summary financial statement which comprises the Balance Sheet at 31 March 2008, the Income and Expenditure Account, the Statement of Recognised Gains and Losses and the Cash Flow Statement for the year ended 31 March 2008 and supporting notes.

This report is made solely to the Board of Directors of Worcestershire Acute Hospitals NHS Trust in accordance with Part II of the Audit Commissions Act 1998 and for no other purpose, as set out in paragraph 36 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 statement within the Annual Report 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 our work in accordance with Bulletin 1999/6 'The auditors' statement on the summary financial statements' issued by the Auditing Practices Board. My report on the statutory financial statements describes the basis of our audit opinion on those financial statements.

Opinion

In our opinion the summary financial statement is consistent with the statutory financial statements of the Trust for the year ended 31 March 2008.



Mark Stocks – District Auditor
The Audit Commission
No.1 Friarsgate
1011 Stratford Road
Solihull
West Midlands
B90 4EB

Date: 20.06.08

Senior Management Team (at 31 March 2008)

Michael O'Riordan, Chairman

Committees:

Chairman: Finance & Performance and Remuneration Committees.

His tenure runs until November 2009

Interests:

Chairman of the Healthcare Purchasing Consortium. Member of the Worcestershire Partnership Board, Member of the Worcestershire Health and Social Care Board, Chairman of the Trustees of Birmingham Citywatch, Trustee of the Charles Hastings Education Centre and Director of the Worcestershire Healthcare Education Company Ltd.

John Rostill, Chief Executive

Committees:

Chairman: Foundation Trust Steering Group
Member: Finance & Performance, and Donated Funds

Interests:

Chairman of NHS Employers Policy Board & Assembly

Dr Charles Ashton, Medical Director

Committees:

Chairman: Area Prescribing Committee, Trust Children's and Education
Member: Finance & Performance, Clinical Assurance and Donated Funds
Chairman: HENIG – Health Economy NICE Implementation Group

Interests:

Member of the NHS Employers Assembly
Some private practice undertaken.
Has received sponsorship from pharmaceutical companies to attend educational conferences.

Graham Bennett, Interim Director of Finance

Committees:

Member: Finance & Performance and Donated Funds and Foundation Trust Steering Group

Interests:

Company Director, Graham Bennett Associates Ltd.

Clive Walsh, Interim Director of Operations

Committees:

Member: Finance & Performance, Corporate & Organisational Assurance and Foundation Trust Steering Group

Interests:

Spouse works for Heart of Birmingham Teaching PCT.

Jeff Crawshaw, Director of Human Resources

Committees:

Member: Finance & Performance, Donated Funds, Corporate & Organisational Assurance and Foundation Trust Steering Group

Interests:

Member NHS Staff Council.
Member NHS Employers Assembly.

Rachel Overfield, Director of Nursing and Midwifery (until August 2007)

Committees:

Chairman: Matrons/Senior Nursing Forum
Member: Worcestershire Safeguarding Board; Finance & Performance, Clinical Assurance and Donated Funds

Interests:

No interests declared.

Helen Blanchard, Director of Nursing and Midwifery (from September 2007)

Committees:

Chairman: Matrons/Senior Nursing Forum
Member: Worcestershire Safeguarding Board; Finance & Performance, Clinical Assurance and Donated Funds

Interests:

No interests declared.

Dr Chris Phillips, Associate Medical Director, Alexandra Hospital

Committees:

Member: Finance & Performance and Clinical Assurance

Interests:

Some private practice undertaken. Minority shareholder, Worcestershire Imaging Centre.
Family interest in company providing ultrasound services.

Dr Steve Graystone, Associate Medical Director, Worcestershire Royal Hospital

Committees:

Chairman: Health Records, Resuscitation and Research and Development
Member: Finance & Performance and Clinical Assurance, Foundation Trust Steering Group and Acute Trust ICT Board

Interests:

Some private practice undertaken.

Rosemary Adams, Non Executive Director

Committees:

Chairman: Clinical Assurance
Member: Finance & Performance, Donated Funds, Audit and Remuneration

Her tenure runs until April 2009

Interests:

No interests declared.

Colin Beardwood OBE, Vice Chairman and Non Executive Director (until October 2007)

Committees:

Chairman: Donated Funds and Acute ICT Programme Board
Member: Finance & Performance, Audit and Remuneration

Interests:

Non Executive Director, West Midlands Enterprise Group .
Non Executive Director, Midlands Industrial Association Limited.
Business Governor, Worcester College of Technology .
Governor, Trinity High School, Redditch.
Vice President, Birmingham Valuation Panel.
Family member works for Mencap.

John Darby, Non Executive Director (until April 2007)

Committees:

Chairman: Audit
Member: Finance & Performance, Clinical Assurance and Remuneration and Foundation Trust Steering Group

Interests:

Director, Rockland Consulting Ltd, Company Secretary, Torch Trust for the Blind.

Andrew Newman, Non Executive Director

Committees:

Member: Foundation Trust Steering Group and Acute IT Programme Board
Member: Finance & Performance, Audit and Remuneration

His tenure runs until November 2009

Interests:

Owner and Director of Sterling Consulting Group Limited.
Non Executive Director, B E Wedge Holdings Limited.

Avril Willis, Vice Chairman from November 2007 and Non Executive Director

Committees:

Chairman: Audit and Donated Funds
Member: Finance & Performance and Remuneration

Her tenure runs until November 2009

Interests:

Vice Chairman of Furness Building Society.
Non Executive Director, Furness Mortgage Services Limited.

Michael Shepherd, Non Executive Director

Committees:

Member: Audit Committee and Foundation Trust Steering Group, Finance & Performance and Remuneration

His tenure runs until November 2012

Interests:

Trustee of Sunfield Children's Homes Ltd (a Registered Charity).
Non-Executive Director of Rubery Owen Holdings Ltd.
A consultant with Martineau Johnson, solicitors, Birmingham and London.

Nichola Trigg, Non Executive Director

Committees:

Chairman: Corporate & Organisational Assurance Committee
Member: Audit Committee, Finance & Performance and Remuneration

Her tenure runs until November 2012

Interests:

Finance Director and Company Secretary of Redcliffe Catering Group.
Chairman (Independent lay member) of Bromsgrove District Council Standards Committee.
Director – Trigg Administration Services Limited.
Treasurer – Hagley Community Association (Charity).

Corporate Social Responsibility

Chairman's Introduction



In my introduction to our Annual Report and Accounts, I stress the importance of working in partnership with our patients, staff, members of the public, NHS partners and other stakeholders when we are planning and developing our services.

I want that partnership to be more than just a means of developing high-quality patient-centred services and I believe that our hospitals should be at the heart of our community.

We are a big employer, a significant contributor to the local economy (spending more than £1,000,000 a year buying goods and services from local suppliers) and a major consumer of resources.

We are an organisation which in one way or another probably touches the lives of everyone in Worcestershire, and that is what drives our Corporate and Social Responsibility agenda.

We should be playing an active role in other aspects of life in Worcestershire – while at the same time encouraging local people to get more involved in how our hospitals grow and develop.

Our application to become a Foundation Trust (FT) is a key part of engaging more directly with the communities we serve. FT status offers new opportunities to benefit from the enthusiasm and insight of local people (for instance the FT Council of Governors, in which elected Public Governors will always be in the majority.)

We recently joined Herefordshire and Worcestershire Chamber of Commerce, a move in keeping with our FT strategy to engage more effectively with the local business community and our desire to play a greater role in the affairs of our business and public communities.

In January 2008 Neil Westwood joined the Trust as Head of Continuous Improvement to improve the quality of patient care. We hope to be able to share our developing expertise with other organisations, both inside and outside the NHS, through the

development of a 'LEAN Centre' offering advice, coaching, training and consultancy in all aspects of lean thinking and continuous improvement.

And as well as becoming more LEAN we also want to become more green and contribute to environmental improvements in Worcestershire.

In conjunction with our PFI partners we are setting up an Environment and Energy Action group, initially for our Worcester site but with a view to setting up similar groups at the Alexandra and Kidderminster.

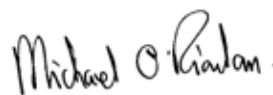
The general aims of the group will be to promote good practice on environmental issues and energy conservation methods, to raise awareness of "green" issues and contribute towards environmental programmes, such as recycling and waste minimisation.

We are seeking volunteers who will act as green "Champions" and either join the group or act as their departmental eyes and ears and raise issues at a local level.

In this supplement you will also see some examples of the efforts made by our staff to support good causes outside the Trust.

We aspire to pursue our CSR agenda, then, by being LEAN, green and keen to help good causes.

As we move ahead towards Foundation Trust status, new and exciting opportunities will arise – we must make sure we seize them.

A handwritten signature in black ink that reads "Michael O'Riordan".

Michael O'Riordan - Chairman

Front cover images:

Patient Margaret Telford receives help with walking from Physiotherapist Amy Bellivario.

Emma Mander, Senior Play Specialist uses play to explain his procedure to Reece Jones.

Maxillo-Facial Consultant Surgeon Mr Graham James examines patient Jeff Holmes.

Connecting with the Community

This year, as in previous years, our hospitals have received many generous donations and gifts through fund raising by patients and their families.

With the increasing prevalence of organised fund raising events it is not surprising that more and more of our staff are involved in all sorts of activities which raise money for many different charities and good causes providing support for those suffering with ill health or who need extra support and care.

Below are just a few examples of fund raising activities our staff have taken part in during the year.

Many members of staff from across the county took part in the London Marathon. Consultant anaesthetist Dr Ratan Alexander was raising funds for the Worcester Breast Unit Appeal. Dr Alexander said: "Almost everyone knows someone affected by breast cancer. It's the most common cancer in women. If we can treat patients in a more sympathetic, dedicated environment, that has to be a good thing!



Staff from all three hospitals ran in local 'Race for Life' events. The Aconbury Angels from finance for the Trust were just one of the teams who took to the streets. They raised over £1000 for Cancer Relief. Angel - Aimi Price was particularly pleased with the sponsorship received from colleagues and wanted to thank all those who supported their efforts.



Staff Nurse Karen Greenway from the Alexandra decided to jump rather than run in order to fund raise for her chosen charity. Karen saw an advertisement in the paper looking for volunteers to take part in a parachute jump to raise money for the Primrose Hospice in Bromsgrove, which provides help and support for cancer patients and their families.

Trust staff have also used other opportunities to help those in need. 'Orphans in the Wild' are a charitable organisation who are setting up a field hospital and orphanage in Tanzania. David Crofts, Project Manager at Kidderminster said: "We have been able to provide them with a number of surplus items of furniture and equipment that we can no longer use for which we have received a big 'thank you'. We are very pleased that this equipment has gone to a good cause."

Through the George Marshall Medical Museum we are able to offer school children and adult groups from across the county opportunities to learn about the history of healthcare with specially arranged visits and workshops. The museum, which is based in the Charles Hastings Education Centre at Worcestershire Royal Hospital, holds a large and varied selection of medical artefacts displayed in a modern setting as well as interactive displays. It is also open to the general public and is free. Recently, curator Catriona Smellie (pictured centre) held an open day featuring Tudor Medicine which attracted visitors from the local community.

The Museum and the Charles Hastings Education Centre will be hosts to another open day on Saturday 16 August 2008 as part of the Worcester



Festival. It gives us an opportunity to look back at 60 Years of the NHS in Worcestershire. Period re-enactors will demonstrate medical advances and techniques at the end of the Second World War with a full-size casualty clearing station, and Nurse Tutor will be on hand to guide us on nurse education and practices in the fifties. There will also be displays and interactive sessions about developments in medicine and surgery during the period as well as other light entertainment and fun for all. **Everyone welcome!**