BUCKINGHAMSHIRE HOSPITALS

Amersham Stoke Mandeville Wycombe

Where the needs of the patient always come first

Buckinghamshire Hospitals NHS Trust

Annual Report 2007/08

Buckinghamshire Hospitals NHS Trust

Contents

This report was produced by Buckinghamshire Hospitals NHS Trust's Communications department.

Buckinghamshire Hospitals NHS Trust
Amersham Hospital
Whielden Street
Amersham
Buckinghamshire,
HP7 0JD

Email: communications@buckshosp.nhs.uk
Tel: 01494 734959

Chairman's Welcome

Welcome to the fifth Annual Report of Buckinghamshire hospitals. I hope you find it of interest and can join with us in marking what has been, I believe, a remarkable year of progress.

It is by hard work, dedication and focus that we now find ourselves in the enviable position of being among the best performing Trusts regarding hospital acquired infections. Our recent history has been difficult, but it has yielded lessons that are benefiting the wider NHS as our practice in the management of C. difficile now helps shape the national approach to this issue. Of course we must never be complacent, nor forget the lessons of the past.

The financial year 2007/08 offered us the chance to move forward from addressing the actions required of us following the Commission's report, and focus with renewed vigour on improving the safety, access and range of care we offer to our patients. I believe our achievements outlined in this report underline the quality, professionalism and sheer determination of our staff to do the best for our patients.

Our hospitals are providing care to our patients sooner than ever. Just a few short years ago it was not uncommon to find waiting times nationally of two years or more. And patients requiring emergency and planned procedures following a heart attack are now seen locally, whereas before such patients would need to travel to Oxford or London. These are just two areas where our patients are benefiting tangibly - you will see many others throughout this report.

The year ahead will undoubtedly be one of enormous challenge. Our largest commissioner by far, Buckinghamshire PCT, has a significant financial shortfall. To address this, the PCT has signalled its intentions to reduce the amount it spends on our services for their patients. This will clearly affect Buckinghamshire hospitals in ways which will become clearer during the year.

Our new Non-Executive Directors joined us at the start of this financial year. Each has brought distinct skills which are already influencing our priorities and will come into their own as we approach the change to Foundation Trust.

On that note, I would like to pose a question. Would you like to play an active role in helping to shape the way in which hospital care is offered by Buckinghamshire hospitals in the future? We are moving steadily towards our goal of becoming a Foundation Trust. This means we will be better able to address the healthcare priorities of our patients, and have greater freedom over how we invest our resources. Becoming a Foundation Trust will mean far greater engagement with the communities we serve, and I urge you to look out for more news on our Foundation Trust application throughout 2008.

The many highlights of 2007/08 have been achieved through the leadership of our Chief Executive, Anne Eden, and through the dedication of our staff, our volunteers and supporters, and to them all I am truly grateful.

Bernard Williams, Chairman

Chief Executive's Introduction

It gives me great pleasure to introduce our Annual Report for 2007/08. The year has provided me with a great amount of pride in this organisation, and recapping on our many achievements demonstrates that we have come a long way in recent times.

First and foremost, I am delighted to say that Buckinghamshire Hospitals is becoming a good news story. The year has been one of great challenge, which I believe we have more than risen to. While nationally and regionally Trusts are struggling to meet their statutory duties of balancing their books while providing timely and appropriate emergency and planned care, we have stood out from the crowd.

I am delighted to say that waiting times for treatment at a Buckinghamshire hospital are at an all time low. The vast majority of patients now wait no longer than 18 weeks to begin treatment with us from the time they are referred to our hospitals by their GP. This has been achieved by looking at the very essence of how we deliver care and have examined how we can be more efficient without compromising on the exceptional standards of care we set ourselves.

Whilst most other Trusts are looking to achieve this standard in December of 2008, as required to by the Department of Health, patients in Buckinghamshire hospitals are already benefiting from these lower waiting times. Of course, being an early achiever means we can invest our expertise in bringing these waiting times down even further.

While celebrating our shortest ever waiting times - among the lowest in the country - we know that our patients want to be treated sooner and we are striving to achieve this.

Our hospitals are also outperforming many others in financial terms. For the third year in succession, we have demonstrated a break even, or better, position. Indeed, this year we achieved a surplus of £1.7m. This is made all the more impressive set against the backdrop of achieving a challenging financial savings target of £16.5m for this financial year.

Independent assessments of our services also bear out my analysis. Our maternity services, for example, were rated as 'better performing' than others by the Healthcare Commission. This is an enviable vote of confidence in us. And for those patients in need of urgent care, we met our national standard of treating, admitting or discharging patients who need us in an emergency within four hours. In spite of a very demanding winter when, nationally, winter vomiting bugs meant the frequent closure of wards, and hospital attendances reached nearly unprecedented levels, our staff shone through, showing exceptional

commitment and dedication.
Other achievements include the introduction of a new coronary angioplasty service at Wycombe Hospital, providing planned and emergency care for patients with a range of heart problems that would previously have had to travel to Oxford or London. Our radiology service was also the recipient of an award from our strategic Health Authority, NHS South Central, in recognition of achieving sustainably short waiting time of just two weeks or less for patients.

I am sure I speak for many of our patients in thanking those who have contributed to these achievements. I began by saying that Buckinghamshire hospitals are a success story. The reason for this is simple - we are driven by our patients, and by their aspirations. How do we know what our patients want? Well, we asked them. Innovative events that we called In Your Shoes were held where experiences were shared, and this is detailed later in this report. Our commitment is equally straightforward - to put the needs of our patients first, every time.

Anne Eden
Chief Executive Officer

About the Trust

Buckinghamshire Hospitals NHS Trust provides an extensive range of acute hospital services to the people of Buckinghamshire and surrounding areas including Thame (Oxfordshire), Tring (Hertfordshire) and Leighton Buzzard (Bedfordshire). We have three hospitals located in Stoke Mandeville, Wycombe and Amersham and serve a population of over half a million people. We are home to the widely renowned National Spinal Injuries Centre and also provide inpatient specialist services to larger catchment areas of around 1.5 million in the specialties of Burns and Plastics and Dermatology. We provide cancer unit services locally as part of the Thames Valley Cancer Network, and sit within the South Central Strategic Health Authority.

Our operating income this year is £279 million and we employ just under 4,700 people. In total the trust has 869 beds and there are PFI facilities at all three hospitals including the recently completed wing at Stoke Mandeville Hospital which replaced a significant part of the site's previously outdated accommodation.

Our lead commissioner is Buckinghamshire PCT which serves a population of around 515,000. Buckinghamshire PCT accounts for more than 65 per cent of the Trust's income.

Clean and safe hospitals

Introduction
We know that one of our patients' top priorities is to be treated in clean and safe hospitals. Coming into hospital can be a daunting experience, and it's important that our patients can be confident, not only in the clinical care they receive but in the environment in which they receive it. This is why we have made infection control one of our key objectives too during 2007/08.

This determination means that Buckinghamshire hospitals continue to perform significantly above average nationally in infection control rates. The most recent comparative data available shows our hospitals among the best third of Trusts for our low rates of C. difficile and MRSA infections.

The control of infections is a constant fight, and one in which Buckinghamshire hospitals Infection Control staff have a wealth of knowledge and expertise, and are ever vigilant.

In focus

Keeping our hospitals safe

Buckinghamshire hospitals continue to perform significantly above average nationally regarding infection control rates.

The latest comparative data available shows our hospitals as being among the third best of Trusts for rates of C. difficile and MRSA. Our hospitals are among the safest in the country, and our skills in identifying and managing patients with C. difficile in particular are sought from our peers.

In 2007, we introduced a zero tolerance approach to poor hand hygiene for all staff who work in clinical areas. Our Infection Control staff actively monitor the number of such staff complying with this policy through regular audits.

The control of infections is a constant fight, but one in which Buckinghamshire hospitals Infection Control staff are more than up to the challenge. All Trust staff are aware that Infection Control is everyone's business, and it is only by a concerted effort by staff at every level of the organisation, that we can achieve a sustained improvement in this area which is key for patient safety.

The latest rates available for C. difficile, covering the whole of 2006, show the Trust with 1.42 infections per 1,000 bed days spent in our hospitals in patients 65 or older. This compares favourably to the national average of around 2.4 cases

per 1,000 bed days.

The latest published numbers of cases (covering October to December 2007) shows a total of 31 cases (including cases diagnosed in the community). There has been a general reduction in the numbers of cases throughout the year.

The numbers of patients with MRSA bacteraemia (bloodborne) remain low too. There were nine cases of MRSA bacteraemia infections for the latest period available, October-December 2007. This shows the Trust to have the fifth lowest rate of infection in the 11 hospital Trusts which make up our Strategic Health Authority, South Central.

Dr Jean O'Driscoll, Director of Infection, Prevention and Control, is a member of the UK Department of Health Working Group on Prevention and Control of C.difficile. This group has recently produced national best practice guidance for use by the NHS as a whole, and Dr O'Driscoll's experience and expertise is widely sought-after. She was recently elected onto the executive committee of the European Study Group for C.difficile, which has just published European-wide guidelines on the control of this infection.

'Substantial Progress'

Buckinghamshire hospitals welcomed the Healthcare Commission's follow-up report into C. difficile at Stoke Mandeville Hospital, which found we had made 'substantial progress' in the management and control of the infection.

The Commission's report in September 2007 followed on from its original investigation in July 2006.

'Marked improvements' in cleanliness, a 'clear' emphasis on hand hygiene and a 'high priority' given to infection control were all noted by inspectors**.**

Health Protection Agency data shows Buckinghamshire hospitals reduced rates of C. difficile infection by 40 per cent between 2005 and 2006.

The Trust has reached all 11 individual components of the rigorous Hygiene Code relating to the prevention and management of C. difficile. Published at the same time, a Health and Safety Executive report notes that the lessons learned and subsequent measures seen at Buckinghamshire hospitals should be shared as good practice throughout the NHS.

Anne Eden, Chief Executive of Buckinghamshire Hospitals NHS Trust, said: "The report should be seen as an assurance to our patients and the wider community.

“But we can never be complacent, and will continue to strive to realise our aim to eliminate avoidable infections in our hospitals.”

A caring, helpful and respectful attitude

Introduction
Every patient rightly expects to be treated by staff in a helpful and respectful way. We know that sometimes this may not happen. So we're working hard to make sure that every patient is treated as an individual and in a sensitive and caring way.

In focus
We began an innovative project in December 2007 aimed at gaining feedback from our patients. The Patient Experience Tracker (PET) system is a series of portable electronic terminals which allow patients in selected areas to give their views on a range of topics anonymously.

This information allows Buckinghamshire hospitals staff to analyse responses against five questions, including staff attitude and whether patients felt treated with dignity and respect. Weekly 'performance reports' provides valuable feedback staff are ale to use at a ward or department level in order to create specific actions that should lead to improved 'scores'.

The information generated is also used to identify areas of good practice. The majority of responses so far have been positive, with many patients telling us that they feel treated in a dignified and respectful way and that they feel able to approach staff with questions or concerns.

The terminals will eventually be placed in a total of 12 clinical areas during the course of 2008 to allow a wide range of feedback from a variety of clinical areas.

We are able to use the information provided by our patients to ensure that what is done well in some areas is repeated more widely, and where patients tell us they want to see an improvement we are able to respond these needs too.

We're also listening and learning from our patients in other ways. The Patient Experience Group helps the Trust improve our services by gaining views and information from representatives on what we do. The group brings together a range of patients, other service users, carers, members of the public and Buckinghamshire hospitals staff with the aim to improve patient care, inform service improvement, design and development within the Trust. And because each member represents a wider patient or community group, we receive a far broader range of views from the population we serve.

Another key role of the group is to formally approve all patient information, for example leaflets, developed within the Trust.

Sister voted Nurse of the Year

Sister Saw Bee Ang, who works at Wycombe Hospital's Special Care Baby Unit (SCBU), has been named SCBU Nurse of the Year by Mother and Baby magazine.

Saw Bee, who has worked at the hospital for more than 20 years, said she felt "honoured" to have been recognised.

Fiona White, proud mum of Olivia, now 18 months, nominated Saw Bee in recognition of the extra special care and attention she showed.

"It was the 'human factor' that encouraged me to nominate Saw Bee," said Mrs White.
"We were individuals and Saw Bee made us feel special," said Mrs White. "She treated everything that Olivia did, like smiling, as though she was seeing it for the first time when she must have seen it a thousand times."

"I was really pleased," said Saw Bee. "It is very nice to be recognised and for Fiona to have nominated me – but I like to think I give all our parents and babies the same service."

Matrons are back in uniform

Our Head Nurse (Matrons) are standing out from the crowd as they cut a dash on the wards in grey and black uniforms.
The uniforms are aimed at making Head Nurse (Matrons) more recognisable to patients. Head Nurse (Matrons) responsibilities include providing strong leadership, as well as ensuring their ward areas are clean and patients receive quality care. Patients can also discuss any concerns they may have with them.
Karen Gollop, Head Nurse (Matron) for Medicine, said: "In my role I visit the wards on a daily basis and encourage comments from patients and their relatives about their stay on the ward. Their comments and feedback help me to further develop and enhance our services and the care we provide".

Respect for our patients' time

Introduction
Patients should receive the care they need in a timely way, without unnecessary delays or hold ups. We've looked at how we deliver care, from the moment that a patient is referred to Buckinghamshire hospitals, to their diagnostic test or scan, to the time they receive their operation, procedure or treatment programme to ensure our waiting times are among the lowest in the country.

In focus
Waiting times for patients at Buckinghamshire Hospitals NHS Trust are at their lowest ever.

Patients can now expect to have any hospital appointment, test or scan, and start their treatment within just 18 weeks from referral by their GP - among the shortest in the country.

These waits were unthinkable just a few short years ago - until as recently as 2005 it was not uncommon for waiting times to be as long as two or more years.

Thanks to reorganising the way hospital care is offered at Buckinghamshire Hospitals, patients are now able to be seen sooner than ever.

For example, patients can be offered - where appropriate - pre-operative assessment to find out whether they are fit for surgery straight after their consultant appointment at which the patient decides to have an operation. This means patients need not come into hospital a second time especially for the assessment.

And by speeding up access to diagnostic tests, for example by increasing the number of patients seen in each session, patients are not kept waiting while the cause of their problem is established. The waiting time for diagnostic tests in radiology, for example, is as low as two weeks.

Dr Graz Luzzi, Medical Director, said that patients' beginning treatment within 18 weeks is only the first step towards driving down waiting times even further.

"As clinicians and nurses, we know how worrying and stressful waiting for treatment can be," said Dr Luzzi.

"By recognising where we can reduce unnecessary delays, and by making our services more joined up, for example, we can reduce these delays and give our patients what they need - timely, quality hospital care.

"Offering care based around the needs and expectations of our patients

is crucial if we are to become the healthcare provider of choice for the population we serve - reducing waiting times is one way in which we can show our commitment."

Despite achieving the lowest waiting times ever at Buckinghamshire hospitals, Dr Luzzi pledged that staff would continue to work to reduce these times still further.

The Department of Health asked NHS Trusts to offer patients treatment, including any diagnostic test required, within 18 weeks by the end of December 2008. Buckinghamshire hospitals have achieved this a full nine months ahead of schedule, in March 2008. For full details on the'18 weeks' commitment for the NHS, please visit www.18weeks.nhs.uk

Buckinghamshire hospitals hit four hour goal in emergency care
The vast majority of patients requiring care in an emergency were seen, treated or discharged within four hours, helping the Trust to meet the national goal. In spite of a very busy year throughout our region particularly through the winter of 2007/08, we were able to offer care to more than 98 per cent of patients who needed our emergency services.

Comfortable, modern facilities

Introduction
Our patients should expect to be seen in modern, clean facilities, where parking needn't be a concern. We have invested millions in recent years in our hospitals and facilities, including a new £40m hospital at Stoke Mandeville. We know that we can improve on our parking arrangements, and our plans for 2008/09 give this a high priority. Plans to improve some of our older accommodation and facilities are on plan for this year, 2008, and we have longer term ambitions to renew and refresh our current stock of older buildings too to ensure our 21st century healthcare is offered in buildings to match.

In focus
Building work began in December 2007 to re-provide our outpatients department and ophthalmology operating theatres and inpatient accommodation in a brand new three storey building at Stoke Mandeville Hospital. Construction work, near the National Spinal Injuries Centre, is set for completion in December 2008 and will replace in a new, exciting space, facilities dating from the 1970s.

Work also began in December 2007 on a new Women and Children's Centre at Stoke Mandeville Hospital. At the turn of the year, all inpatient women's and children's services for Buckinghamshire hospitals will be based at the hospital. Operating two inpatient maternity and paediatric units, 24 hours a day, seven days a week, at two different sites poses an enormous challenge. Among these, and in common with other NHS Trusts, there is a shortage of people with the right skills to staff separate units, including specialist children's nurses, obstetricians, gynaecologists, midwives and doctors.

It is important to state that the majority of our patients will see no difference to where they access their services. Outpatient and diagnostic services, accessed by the vast majority of users of these services, will remain the same and will continue to be offered at both Wycombe and Stoke Mandeville hospitals. The developments only affect specialist inpatient care.

We have invested in Wycombe Birth Centre, a midwife-led unit offering births in a relaxed and welcoming environment, with the option to use a birthing pool. This Centre means women can choose to have their babies at Wycombe Hospital. Rooms will also be provided at Wycombe for mothers who wish to be transferred there following their consultant-led delivery at Stoke Mandeville. Increasing numbers of mums-to-be are electing to have their babies here.

We were delighted to welcome HRH The Princess Royal to Stoke Mandeville Hospital in June 2007 to officially name and open our new facilities.

Princess Anne spent more than an hour at the hospital meeting staff and talking with patients before taking a tour of The Wendover Wing, including the new

Endoscopy Unit, Day Surgery Unit and a Medicine for Older People ward.

Princess Anne told invited dignitaries: “When you look at the Wendover Wing it does make you realise that there has been a huge investment and what people will remember is that it is an enormous step. My congratulations go to all those involved.”

Elsewhere, Lord Carrington, patron of the Cancer Care and Haematology Fund (CCHF), officially opened the newly extended unit at Stoke Mandeville Hospital in November 2007. The additional space improves clinical facilities, with an extended treatment area, more consulting rooms and a new library/meeting room providing videoconferencing facilities. A dedicated research office has been incorporated and is at the hub of an active research and trials programme. A further major innovation of the new extension is to bring the hospital’s cancer information and support centre within the unit.

It now brings together within one building clinical areas for treatment and outpatient visits, a dedicated area to provide information and support to those affected by these disorders, and a base for nursing, research and management teams, providing a ‘state-of the art’ facility for our patients.

The best clinical care

Introduction
We strive to continually advance the quality of the care we offer. From ensuring our staff have access to the right training to ensure their skills are honed, to delivering care that our patients tell us – and tellingly others – that we have gone beyond their expectations, patients can be sure that our clinical and nursing teams constantly ensure that our patients receive high quality care. A range of independent assessments are carried out throughout each year, and are a good barometer of the care our patients can expect to receive.

In focus

Maternity services delivering for our patients
Buckinghamshire mums-to-be can be confident in the quality of maternity care provided by the county's hospitals, a major review published by the Healthcare Commission found in November 2007.

The most comprehensive ever study of all 148 NHS maternity units has found that mothers and babies using Buckinghamshire hospitals are 'better performing' than most other Trusts when assessed against 25 diverse factors including staffing, clinical quality, women's feedback and the types of services available.

Our 'better performing' rating makes it the best performing Trust in a 20 mile radius, with only one Trust in our South Central region (the Isle of Wight Healthcare NHS Trust) receiving the highest accolade of best performing.

The study covers the care provided from the time when pregnant women first access maternity services to their sign-off by the midwife – usually around 10 days after birth. Buckinghamshire hospitals were particularly congratulated on the clinical focus of maternity services, a strong emphasis on safety and provision of women-centred care where mothers-to-be are actively involved in decisions about their care and developments in the service.

Head of Midwifery Services Celina Eves for Buckinghamshire Hospitals NHS Trust said: ""We are very proud of both the departments and all the hard work of all our clinical staff who are the reason for this good assessment today.

"Pregnant women have a choice about where to have their babies, and we would encourage them to visit us, meet our staff and see the services first hand when deciding where to give birth.

Meanwhile, a separate Healthcare Commission report found new mums gave the care they received a resounding vote of confidence.

Choice of where to give birth, access to midwives, dignity, respect and confidence and trust levels were all found to be above the national average in a survey published today by the Healthcare Commission.

The survey also contains positive news that shows Trust initiatives to encourage breast feeding and natural child birth are having a significant impact. 65 per cent of new mums who responded fed their baby with breast milk, seven per cent higher than the national average. And 69 per cent delivered their babies naturally (vaginally), five per cent higher than average.

Cancer centre status in cancer and urology

Our Urology and Dermatology services have been designated as joint Cancer Centres by the Thames Valley Cancer Network, and were rated as Improving Outcomes compliant in 2008. The new Skin Centre is a joint service with our NHS colleagues at Heatherwood and Wexham Park NHS Foundation Trust, and serves the south of the region. To further support patients with cancer, Macmillan Cancer Relief has also funded a Trust-wide Skin Cancer Specialist Nurse over the next three years, in collaboration with the Trust. This role will work to support patients throughout their cancer journey as part of a comprehensive team. Our palliative care service now offers a full seven day a week service, addressing the needs of all Trust palliative care patients and their families. A new post to assist patients in claiming benefits they are entitled to also started this year, funded by Macmillan Cancer Relief, in liaison with the Citizens Advice Bureau at Milton Keynes.

Patients benefit from enhanced glaucoma service

The glaucoma service, part of the eye unit at Stoke Mandeville Hospital was selected as a finalist in the national Allergan Glaucoma Achievement Awards programme.

Glaucoma, a condition in which the pressure of fluid in the eye causes damage to the nerve that connects the eye to the brain, is a relatively common eye problem. Left undetected and untreated it can eventually cause serious problems with eyesight.

Optometrists screen for the disease during a routine eye test at the opticians. If it is suspected that the disease might be present the patient is referred to an eye specialist for further examination and treatment.

At Stoke Mandeville Hospital the glaucoma service has trained optometrists working in the hospital to diagnose and look after appropriate patients to enable an increasing number to benefit from being cared for by both optometrists and

eye doctors.

Patient Liaison Officer for our spinal patients
A new role has been created at the National Spinal Injuries Centre to promote greater patient support and representation. Jackie Bailey, our new Patient Liaison Officer, is herself a patient of the centre and took up the role in October 2007.

Jackie listens to patients' views, ideas and experiences through one to one discussions, group 'feedback' sessions and a bi-monthly Patient Forum. Information gathered is then fed back to the appropriate staff groups so that we can learn from good practice and understand where we can improve.

Jackie also liaises between patients and staff, attending any goal-planning, discharge meetings or out-patient appointments with a patient as a 'support buddy' if requested, and representing individual patient's at the weekly Multi Disciplinary Team meetings, as well as senior management meetings to ensure patients' voices are heard.

The Patient Liaison Officer also attends the NSIC's monthly Divisional Board and Clinical Governance meetings and the Buckinghamshire Hospitals Trusts Patient Experience Group ensuring the NSIC's patients' views are heard at all levels.

In Your Shoes

In the summer of 2007, Buckinghamshire hospitals embarked on an innovative series of meetings in which patients told us about their hospital experiences.

For the first time, patients had the opportunity to meet face to face with nurses, doctors, managers and other Buckinghamshire hospitals staff in structured events to understand our patients' experiences as if in their shoes.

The aim was to understand and reproduce good practice, and to learn from where we can improve.

The information gathered from analysing the comments patients made has been used to directly influence Buckinghamshire hospitals agenda for 2007/08. *You will see the top five topics our patients told us were important to them in the preceding chapter headings. These also form the core of our Corporate Objectives for 2007/08.*

Feedback from patients taking part was overwhelmingly positive. One wrote after attending: "Whoever thought of simply asking some patients, who provided their time willingly for free, deserves a medal.

"The idea is a winner on so many fronts and it seems like it has been very productive. Additionally I feel like I have given something back to the NHS in a small way."

Anne Eden, Chief Executive, said it was a rewarding experience for staff too.

"'In Your Shoes' offered a genuine opportunity for patients to influence how the Trust delivers healthcare in the future.

"Listening and learning from our patients is key to Buckinghamshire hospitals continuing to improve. Staff told us afterwards that they felt liberated in being able to concentrate solely on listening to patients without any other distractions."

Towards the future – NHS Foundation Trust

Buckinghamshire Hospitals has been given the go ahead to consult the public as we apply for NHS Foundation Trust status.

Becoming an NHS Foundation Trust will give Buckinghamshire Hospitals more freedom over our future, our finances, and how we deliver health services, with more opportunities for the public, our staff and patients to become involved and shape the way we do things.

The change will mean we are regulated by the independent body, Monitor, rather than the Department of Health. Monitor is directly responsible to Parliament.

A membership organisation
Foundation status also means that our governance arrangements will change. We will recruit a membership of thousands, made up of staff, patients and the public. These members will then elect a council of governors whose job will include choosing the hospitals' non-executive directors. Operational control of the hospitals will stay with the Board of Directors, not the council of governors.

The membership approach is a great opportunity to draw on local intelligence to shape services and support for the Trust. It is staff, patient and public involvement in the extreme.

Day-to-day management
Foundation trusts are still part of the NHS and the health role we play in Bucks will not change. What foundation trust status does allow is more corporate freedom, to respond to the local environment and community's needs. In December 2007, the Trust Board agreed that becoming an NHS Foundation Trust could offer the following benefits:

- help us shape services to reflect better local needs
- make public involvement in decision making real
- self determination – we would have responsibility for setting our own priorities
- help us to attract patients and retain and recruit talented staff.

Regulation
Through an application process the independent regulator Monitor will authorise Buckinghamshire Hospitals to become a Foundation Trust through a 'terms of authorisation' that includes a schedule of services we must provide. With NHS Foundation Trust status comes more financial freedom, but Monitor will set financial borrowing limits for us. Performance management-wise, we will still be measured against Healthcare Commission standards and subject to the relevant

reviews and inspections they run. The Healthcare Commission provides Monitor with Trust information.

What being a member involves
All staff will automatically become members. Patients, public and representatives of partner organisations will also be given the opportunity to join, hopefully bringing our total membership to around 10,000 in the first year. Being a member includes voting for the council of governors, whose role includes appointing the chair and non-executive directors. Having members is tangible way of bringing patient and public involvement alive in all corners of the hospitals.

If you would like to get involved, please visit our website at www.buckinghamshirehospitals.nhs.uk for up-to-the-minute Foundation Trust news, as well as an application form to become a member,

Staff and Volunteer Achievements Recognised

Staff and volunteers working to improve the experience of patients and colleagues at Buckinghamshire Hospitals NHS Trust have been recognised at a special awards evening.

Television celebrity and special guest Ray Stubbs ensured the evening enjoyed a Grandstand finish as he presented certificates to the winners.

Our annual Staff Awards celebrates the contributions made by staff and volunteers working at Buckinghamshire hospitals.

Ray, famed for his appearances on Grandstand, Match of the Day and more recently Comic Relief Does Fame Academy, told the 150 guests that he was "humbled" by the many great stories he had heard as he talked to staff.

"I think you all do terrific jobs, and from an average punter I thank you very much," he told guests. "I have learnt a lot about this NHS Trust tonight and I have to congratulate you on what you do."

Staff were recognised in categories including Service Excellence, Lifetime Achievement, Patient Care, Volunteering and Outstanding Employee or Team.

Trust making progress on complaints

The Trust is working hard to reduce the number of complaints received about our services, facilities and staff. In 2007/08, we received 535 complaints 2007/08, compared with 531 in 2007/08.

Following a review and introduction of an improved complaints policy in December 2006, an audit was carried out by the Trust to examine the experiences of both staff and complainants under the new procedure.
The new policy encourages staff to take ownership of a complaint and try wherever possible to rectify any problem discovered at ward or department level by identifying staff in each clinical division to lead on complaints handling, with the support of the Trust's Complaints team.

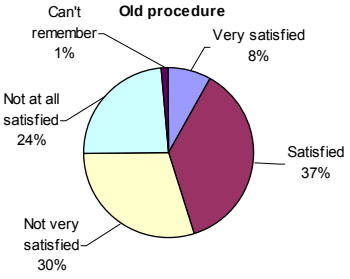
We are optimistic that this will help reduce the number of complaints we receive.

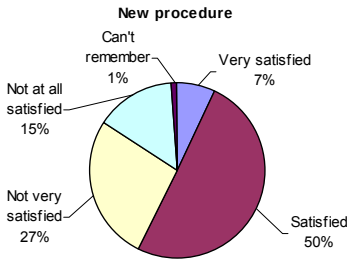
The audits, in August 2007, found that 79% of staff felt they had "sufficient knowledge of the complaints procedure to be confident in dealing with complaints".

Sixty one per cent of staff had attended mandatory training on complaints handling, an increase on the previous year. We also asked complainants whether they found making a complaint.

Forty-nine (69%) of those asked said they found it 'very easy' or 'easy' to make a complaint under the 'old procedure', compared to 70 (81%) complainants under the 'new procedure'.

Complainants were asked how satisfied they were with the length of time it took to answer their complaint under the old procedure compared to the new procedure





Aims and objectives for 2008/09

The complaints policy will be reviewed again in December 2008. Changes will focus on new regulations regarding the handling of complaints in health and social care due to be

introduced in 2009 and will be guided by the Parliamentary and Health Service Ombudsmen's following five principles for good practice with regard to remedies:

1. Getting it right
2. Being customer focused
3. Being open and accountable
4. Acting fairly and proportionately
5. Putting things right.

Openness and accountability

The Trust encourages the views of our patients, staff and visitors in order to help us improve the services we offer. Additionally, the public may request information in a number of ways, including at our Trust Board meetings held in public, through our website and under the Freedom of Information Act. The Trust also provides a Patient Advice and Liaison Service (PALS) by which patients in our hospitals, or their relatives, may raise issues.

FOI Act

Between 1 April 2007 and 31 March 2008 the Trust received 100 Freedom of Information requests. This represented an increase of 12.4 per cent for the same period in the previous year.

The number of requests answered in full was 70 (76 per cent) with 10 (10.9 per cent) answered in part. Four (4.3.per cent) requests were referred to other organisations. Exemptions were applied to another five (5.4 per cent) requests. There were three other requests (3.2 per cent) which were withdrawn, did not respond to a request for clarification and an identical question previously answered. There were 8 requests awaiting a response as at 1 April 2008.

Exemptions were applied to five of the requests under Section 21 – Information reasonably accessible to the applicant by other means, Section 41 – Information provided in confidence, Section 43 – Commercial Interests, and exceeding the appropriate limit.

The 92 requests answered were within the 20 day target. Overall the 92 requests were answered in an average time of 9.4 days.

Trust Board meetings held in public
The Trust holds six Public Board meetings each year, and members of the public are warmly invited to attend to learn more about the Trust and to ask questions. Agendas and minutes from these meetings are available on our website, www.buckshospitals.nhs.uk, or in writing from the Head of Corporate Affairs, Trust Headquarters, Amersham Hospital, Whielden Street, Amersham, Buckinghamshire, HP7 0JD.

Charitable Bodies and Voluntary Services 2007/8

The Trust is fortunate to benefit from the support of our local communities and a wide range of charitable groups who together enable us to purchase equipment or provide facilities that would not otherwise be available to the Trust. We would like to take this opportunity to extend our grateful thanks to all those who work to improve the services we can offer patients.

Our charity, registered number 1053113 includes a General Amenity Fund (unrestricted), a Research Fund (restricted) and an Endowment Fund. Within these funds are held many individual accounts, three of these are specific General Amenity Funds covering Stoke Mandeville Hospital, Wycombe Hospital and Amersham Hospital and are used to enhance the services of the relevant hospital. Most of the other accounts are individual Ward, Departmental or Service based and are used for that specific area.

The income of the charity is made up of donations, legacies, activities for generating funds and investment income. These monies are applied to enhance the services provided within the NHS Trust for patients' welfare, staff welfare, research and general charitable hospital purposes, in accordance with the objectivities of the charity. The Trust Board are the corporate trustee and a separate annual report and accounts are produced, which are available from the Trust.

In addition to our charity, the Trust also benefits from the activities of a number of charitable partners. We are indebted to these groups, staffed almost exclusively by volunteers, for the significant contribution they make towards improving care for our patients. Each of our hospitals has a friend's movement and in addition the Trust benefits from the work of Scannappeal and the Cancer Care and Haematology Fund at Stoke Mandeville Hospital. Here is a brief round-up of some of their activities.

A Year in the Life of Scannappeal
Scannappeal provides much needed diagnostic equipment at each of our hospitals that we may not be able to provide readily ourselves using existing funding. Here's a round up of 2007/08 for the charity.

Spring 2007 Fundraising work continued on:
•£250,000 Appeal to equip a dedicated Keyhole Surgery Unit at Wycombe Hospital.
•£125,000 Appeal for specialist equipment for the Neonatal Intensive Care Unit and Paediatrics Department at Stoke Mandeville Hospital (The HURT Appeal).

Summer 2007 Completion of Keyhole Unit Appeal and HURT Appeal

Autumn 2007 Launch of:
•Cancer Fighting Fund for Wycombe Hospital for state-of-the-art equipment to detect cancer, and for the treatment of cancer patients. For five years there will be a variety of projects, large and small, covering treatment of different types of cancers. Phase 1 is for £150,000 for the early detection of lung cancer.
•The HeartScan Appeal for Stoke Mandeville Hospital for £125,000 to purchase advanced echocardiography equipment to assess those at risk from heart attacks, strokes and heart failure. This appeal is in conjunction with the Friends of Stoke Mandeville Hospital.

Briefing evening held for volunteers and standing order donors to learn about new fundraising and see demonstrations of equipment funded by Scannappeal in the past.

New website launched at www.scannappeal.org.uk

Winter 2007/8 Start of small projects scheme for equipment under £100,000 with approval for the purchase of:
- specimen radiography system (£40,000) for breast patients in Radiology Department
- mini C-arm x-ray machine (£45,000) for Plastics / Burns Department
- specialist tissue processor (£25,000) for Pathology Department

From April 2007-March 2008, more than 12,000 patients used the equipment supplied by Scannappeal.

Volunteers supporting the Trust
Our communities have continued to provide generous support in terms of volunteering in the 07/08 year.

Wycombe Hospital took on 46 new volunteers in the year, Amersham & Stoke Mandeville Hospitals took on another 114. Across the Trust, the volunteers total 884, donating a total of 2128 hours weekly. If costed at minimum wage rates, this would cost the Trust over £610, 000 per annum. Also, as less than 10% of the volunteers claim mileage or meal allowances, there is a further monetary contribution, as yet unquantified.

The volunteers continue to be drawn from a wide range of backgrounds and cultures. The youngest are 16-years old and looking for experience to enter the workplace. The oldest are in their nineties, and using their life skills and experiences for the benefit of staff, patients and their fellow volunteers. It is not unusual to find an older volunteer teamed with a younger one in a ward placement, the elder mentoring the younger in how to approach patients to strike

up a conversation, the younger mentoring the elder on how to use the technology that allows patients to record their likes and dislikes about ward life.

A particularly successful project this year at Stoke Mandeville, which demonstrates how volunteers help the Trust to meet its targets is the breast feeding support project. In order to persuade new mothers to breastfeed for longer and improve their babies' start in life, more experienced mothers were recruited to befriend and talk through problems in the hospital setting and then provide a listening ear once the new mothers returned to their homes and communities. This group of volunteers received high quality training from the midwifery team which has allowed them to draw on current best practice as well as their own experiences.

Operating and Financial Review

NHS Trusts are evaluated annually by the Healthcare Commission, an independent body with statutory duties to assess performance, award performance ratings and coordinate reviews of healthcare by other bodies.

The Commission's Annual Healthcheck assesses Trusts against a wide range of standards, covering areas including safety, cleanliness and waiting times. The Annual Healthcheck for this year, 2008, is due in the autumn. We are confident that we have improved significantly from the rating of 'weak' for services awarded in 2006/07, and we are optimistic that we will receive an improved rating for 2007/08

The assessment for 2006/07 covered a period when the Trust continued to fully engage in addressing the issues highlighted in the Commission's report into outbreaks of C. difficile infection at Stoke Mandeville Hospital. Our focus during this time was on ensuring that we offered the safest care in the safest environment possible for our patients and staff, and therefore we rightly made this our key focus. This commitment has meant that our low rates of hospital acquired infections now place us in the top third of Trusts. It would not have been possible to fully commit to meeting the actions required of us following the report without taking some emphasis from other areas.

The score for each of the Healthcheck's 44 'core standards' is derived from looking back over our performance over the entire financial year 2006/07. This means that where we have not complied with a standard for the full year, it is deemed as not met. The Trust was found to be compliant in 21 standards, and of the remaining 23, a further nine were achieved by the end of March 2007. Action plans are in place to address the remaining standards.

Our score for our Use of Resources (how well we manage our finances) was upgraded from a 'fair' rating in 2005/06 to a 'good' rating in 2006/07.

Performance against objectives for 2007/08
The Trust completed its objectives for the year 2007/8 as follows:

- Considerable work has been undertaken to ensure improved standards of care for patients, as evidenced by the Health Check declaration for 2007/8 to the Health Care Commission. New governance systems to manage risk throughout the organisation have been introduced leading to a simplified, quicker and more seamless system for reporting risks from the services to the Trust board. A further review of governance arrangements has been undertaken to

ensure that we continue to enhance our systems to enable the smooth running of a Foundation Trust.

- A new bed management policy has been introduced. One of the main impacts of this has been to significantly reduce the number of patient transfers between wards for non-clinical reasons.
- For the first 3 quarters of 07/08 we received 492 complaints, 91 less than the 583 received over the same period in the previous year. This demonstrates better use of local resolution, PALS and improved staff understanding of their responsibilities through mandatory training about promoting local resolution.
- The Trust worked hard all year to ensure that the maximum 18 week waiting time for all patients from GP referral to definitive treatment was achieved by April 2008 rather than the national deadline of December 2008.
- The Trust also aimed to improve the patient experience of emergency care by ensuing that 98% of patients attending A&E were consistently treated within 4 hours and providing a streamlined service that ensured that patients did not experience delays in receiving the care they needed. At the end of March 2008, more than 98% of patients attending A&E had been seen within four hours and there has been considerable work across both sites to improve the processes for inpatients which have led to a reduction in length of stay for both elective and emergency patients. Work continues with partners in both health and social care to ensure that no patients remain in hospital, once they are medically fit for discharge.
- During 2007-2008 the Trust has implemented a new clinical leadership and organisation management structure with the creation of five Clinical Divisions each led by a Divisional Clinical chair who is a medical consultant supported by a Lead Nurse and General Manager. The Divisions co-ordinate the activities of a group of clinical specialties who are led in the main by a medical consultant. In this way, the Trust is clinically led with clinicians responsible for managing the Trust's resources.
- A series of focus groups with staff across all sites took place during the summer months in 2007. An action plan has been drawn up with the aim of improving communication, staff recognition and handling workload. The Trust's Annual Staff Awards Event continues and this is a key way of recognising and valuing the contribution of staff.
- The implementation of Modernising Medical Careers was achieved in August 2007.
- Plans to open the new inpatient women and children's unit at Stoke Mandeville Hospital are well underway with building works commenced and the services scheduled to move during the winter of 2008/2009. Work has also commenced on phase two of the improvements at Stoke Mandeville Hospital to provide outpatient facilities, 3 operating theatres, recovery beds and overnight accommodation for various

short stay surgical specialities. A strategic review of Emergency care reported in May 2007. This identified many aspects of service that were delivering high quality services to patients but others that needed more development. Most significantly the review recommended that the role of Wycombe Emergency Department should be clarified. This resulted in a specific piece of work to develop the concept of an Emergency Medical Centre at Wycombe Hospital and this opened in April 2008.

- 2007/8 saw the introduction of the electronic staff record (an electronic HR/payroll system) and the implementation of the basic functionality of the Care Records Service at Stoke Mandeville Hospital.
- The Trust maintained level 1 NHSLA assessment (General) in December 2007
- Preparations to become a Foundation Trust started with an assessment of work necessary, undertaken in December 2007. In February 2008 a project manager was appointed and the Foundation Trust Board now meets monthly, supported by a biweekly steering group. A detailed project plan is used to ensure the work keeps to schedule and the nomination meeting with the Strategic Health Authority is scheduled for June 2008. It is anticipated that we will become a Foundation Trust in Spring 2009.

Operational Performance 2007/08

At a glance

Indicator	Performance	Target
Total Time in A&E: 4 Hours or Less	98.02%	98%
Maintain 2 week cancer waits	99.96%[1]	100%
31 days Diagnosis to Treatment for Cancer	99.93%	>98%
62 days Urgent Referral to Treatment for cancer	98.57%	>95%
No. of Outpatients waiting over 11 weeks	0	0
No. of Outpatients waiting over 5 weeks	776	0 by February 08
No. of Inpatients waiting over 20 weeks	95	0
No. of Inpatients waiting over 11 weeks	586	0 by February 08
%age within 18 week admitted pathway	91.1%	90% by February 08
%age within 18 week non-admitted pathway[2]	95.0%	95% by February 08
Max. 2 week wait for Rapid Access Chest Pain Clinics	99.5%	100%
MRSA Bacteraemia	28	19
Clostridium difficile positive results	126	
Number of 15 key diagnostic test waits over 13 weeks		0
Number of 15 key diagnostic test waits over 6 weeks		0 by March 2008
All diagnostic waits > 6 weeks (quarterly census)		0 by March 2008
Outpatient DNA rates[6]	9.0%	

Explanatory note 1: The Trust recorded just one breach, due to our mammography scanner breaking down, leading to a cancellation for the patient to prevent an unnecessary journey. The appointment was rescheduled as soon as possible afterwards.

Financial Review

Financial Performance

The Trust has faced another challenging year in 2007-08 with the implementation of the first year of it's two year Organisational Transformation Plan (OTP). The Trust commenced the year with a requirement to deliver a planned savings programme of over £16m, the first year of the two-year Organisational Transformation Programme. Thanks to the great contribution from all the Trust's staff, this target has been achieved and exceeded.

Notable successes include;

- Return on investment and associated increased income through repatriating activity, particularly in angioplasty, intensive care and spinal services.
- Significant improvements in productivity and efficiency increasing the contribution from Payment by Results to the Trust.
- Rationalisation of capacity where the Trust has saved costs in one theatre and two wards without any decrease in service to patients.
- Procurement savings and extracting best value from the Trust's supply chain

A number of initiatives have also commenced during the year that will contribute to year two of the Transformation Programme. These include Consultant Job Planning, Nurse rostering, Medical Secretary Review and Outpatient Services.

As a consequence of this success, the Trust was able to achieve a surplus of just over £1.7M at the year end. The outturn is a significant achievement for the Trust and means that the Trust met its statutory duty to breakeven both in year and cumulatively over a five year period (subject to the deminims limit). It also provides the first step towards the delivery of the two year Organisational Transformation Plan.

The financial problems that are facing the whole Buckinghamshire Health economy are severe. The Trust aim to work with GP's and our partners in Social Services to come up with a plan for Buckinghamshire and not one that simply moves the financial problems round the patch. This will mean that the Trust will therefore need to continue to reduce its costs in order to remain in financial good health.

Key to the success of the Organisational Transformation Plan in year two is the management of risks which could affect delivery. The principal risks to the organisation are managed by two key mechanisms, the Corporate Risk register and the Trust Assurance Framework. The Corporate Risk register is used for identification of risks relating to trust-wide priorities and corporate issues. For

example it identifies risks relating to delivery of Trust objectives such as access targets and how these will be managed

The Trust Assurance Framework builds on the risk register in also assessing the controls in place to ensure delivery of each of the Trust's objectives. It is used to identify what controls are in place and how assurance can be gained that these controls are effective. Gaps in controls and assurance are identified in the document and where required action plans are put in place to address identified weaknesses. The South Central Strategic Health Authority have recently concluded their Final Year –End Assessment of the Assurance Framework 2007/8 and awarded it a category 'A' assessment.

The Clinical Risk Review Panel and the Governance Committee to whom they report are key to the timely and robust identification of risks, the formulation of mitigation plans / action plans and the monitoring of risks.

The 'Top 3' organisational risks, identified within the Assurance Framework, which may impact on the Trust's strategies and development, as identified to the Trust Board in March 2008 are:-

Number	Risk description	Lead Director	Mitigating Actions	Comments
1	There is a risk that the Trust's maternity service might not be the top choice for patients from Bucks and surrounding areas if the changes to the service do not progress to time.	Chief Operating Officer	There is an action plan in place to address this A Project Board is leading on this work.	None
2	There is a risk of not achieving Objective ten (Foundation Trust Preparation) if the Foundation Trust application does not progress.	Director of Strategy & Communi-cations	There is work in place to invest in this priority.	None
3	There is a risk associated with the introduction of the Care Records Service at Stoke Mandeville Hospital.	Chief Operating Officer	The risk is managed through the NPFIT Board chaired by the Chief Operating Officer.	Successfully implemented in April 2008 with no significant adverse effects to the Trust

(source Trust Board Paper (March 2008, TBP - 3.2(a))

Market & competitive environment

The Trust's main commissioner is Buckinghamshire Primary Care Trust. The Trust also serves a number of other commissioners in surrounding counties. Together they form a combined population of 500,000. However it has a wider range of commissioners and population served for it's specialist services, Burns and Plastic Services (Population 1.5M) and Spinal Injuries (Population 14m).

Looking forward there are a number of issues which will potentially impact on the Trust and its competitive environment, these include:-

Financial Health of local economy Reducing the significant deficit across the NHS in Buckinghamshire will require active joint planning and deliverable commissioning plans. The Trust is working jointly with the Buckinghamshire Primary Care Trust on this and a number of joint forums are in place.
External Service Changes

Within South Central Strategic Health Authority and neighboring health economies there are a range of consultations and established plans regarding service changes in which Buckinghamshire Hospitals NHS Trust will continue to be involved.

Foundation Trust

Buckinghamshire Hospitals NHS Trust's objective is to become a foundation trust and it is currently embarked upon the application process. Neighbouring Trusts are already realising this ambition with Milton Keynes Hospital NHS Foundation Trust and Heatherwood and Wexham Park Hospitals NHS FoundationTrust being established in 2007/8. The Trust aims to become a Foundation Trust in 2009.

Income from Commissioners and other sources

The main components of the Trusts income of £275M are shown below. As can be seen in the pie chart below, over 80% of the Trust's resources come directly from Primary Care Trusts, with a further 10% coming from the Department of Health in respect of payment by results transitional funding and market forces factor.

Our income sources	07/08 £000's	06/07 £000's
Strategic Health Authorities	3	52
NHS Trusts and FT's	1247	1109
Dept of Health	27749	23359
Primary Care Trusts	223522	203348
Non NHS including RTA	2063	2786
Education & Research	8655	8581
Other non-patient services	10668	11350
Other	1736	1903
Total Income	275643	252488

(source notes 3 & 4 of Annual accounts)

(source notes 3 & 4 of Annual accounts 2007/8)

Capital Resources

The capital programme is a key resource of funding to enable modernisation and ensure that our services are delivered in a safe and well maintained environment. On the 1st April 2007, the mechanism for funding capital expenditure for NHS trusts changed and a system similar to that used by foundation trusts was introduced. This meant that the Trust had to generate sufficient surplus cash flow to finance capital investment. To assist it with this, the Trust has been able to retain cash generated through operations (principally depreciation) for reinvestment, and subject to demonstration of ability to service debt, it can borrow to finance further capital investment. Borrowing is subject to a prudential borrowing code. In common with foundation trusts, the Trust has been set a prudential borrowing limit based on the prudential borrowing code.

Just over £18.4M was expended in 2007/08 and the chart below provides an indication of the areas of investment the Trust pursued in 2007/08.

The plan for 2008/9 can be summarised as follows; total funding of just over £32M is anticipated and it is proposed to utilise this for:-

	£000
Medical Equipment (including a donated item)	1,124
Information Management & Technology (IM & T)	695
Stoke Mandeville Hospital Developments	6,533
Service Developments/NHS Plan/ NSFs/LDP inc FRP	13,780
Other Committed (Inc PFI Lifecycle)	2,652
Provisional Discretionary Schemes	5,909
Total	32197

(source Trust Board Paper TBP-4.4 31.3.08)

Further details can be found in the Annual Budget report for 2008/9 submitted to the Trust Board on 31.3.08.

Cash Flow & Interest Rates

A daily cash flow forecast has been maintained through out the year and reconciled to the management accounts on a monthly basis. During 2007/8 the contents of the financial report to the Trust Board was reviewed and improved. Amongst the changes made were to enhance the cash flow forecast presented to the Trust Board and to introduce a balance sheet. It also includes information on the foundation trust metrics which are the measures used by Monitor to judge the financial health of foundation trusts.

This system has enabled the Trust to ensure it had adequate cash reserves to meet payments as they fell during 2007/8 and to forecast the requirements of forthcoming months.

Specific Performance – Financial Targets

The Trust has a number of specific financial targets or duties to meet each year. These are to :-

- Achieve a balanced Income & Expenditure position taking one year with another. The Trust finished the year with an in-year surplus of £1,729,000 and a cumulative deficit over five years of £1,205,000 which is within the materiality test of 0.5% of turnover.
- To remain within the External Financing and Capital Resource limits set by the Department of Health. These are the mechanisms for controlling borrowings and funding the capital programme. At the end of the year, the Trust undershot its External Financing limit by £1,000 and undershot its Capital resource limit by £1,000.
- Achieve at least a 3.5% Capital Absorption Rate. (this is based on the value of our fixed assets (buildings & equipment)). The Trust achieved a 3.3% rate of return. The variance from 3.5% is within the Department of Health's materiality range of 3.0% to 4.0%.
- Ensure that 95% of valid trade creditor invoices should be paid within 30 days of receipt. The Trust achieved 80% by value for non NHS trade invoices and 77% by value for NHS trade invoices.

Our staff

The Trust employs more than 4,700 staff and has a strong commitment to investing in our workforce in order to provide the best possible care for patients. Our aim is to be an employer of choice in the county, helping us to recruit and retain high caliber personnel. The Trust has been recognised by national schemes including Improving Working Lives, for which the Trust received Practice Plus accreditation in 2006.

Our commitments to our staff include

- treating our staff fairly and with dignity and respect
- valuing the diversity of our workforce
- engaging and involving staff in planning changes to services and ways of working
- supporting and encouraging proper consultation with staff, clinicians, employee and Trade Union representatives in a positive way
- investing in the development, training and education of our staff within available resources
- communicating openly and honestly, even when the messages may be difficult and tough
- zero tolerance towards harassment or bullying in the workplace
- and a commitment to patient safety and expect staff to comply with all relevant codes of conduct and Trust policies, as well as participating in mandatory training, appraisal and personal development planning.

Emergency Preparedness

The Trust has a single major incident plan for all sites. A review undertaken in 2006/07 considered the suitability of our hospitals as receivers of major trauma injuries, and Wycombe Hospital has been denominated as a receiving hospital for these types of injuries. Our Major Incident Plan incorporates processes by which Stoke Mandeville Hospital would be activated as the main emergency response base, with Wycombe Hospital supporting this role. Wycombe Hospital, in addition to Stoke Mandeville Hospital, maintains a full Chemical Biological Radiological and Nuclear (CBRN) response and equipment.

The Major Incident Plan also contains provision to address ‘flu pandemics. Business continuity plans will manage a variety of contingencies, including staff

shortages and loss of power or supplies.

An independent assessment of our emergency preparedness was conducted in 2006 which deemed our preparations to be appropriate.

Use of Technology

During 2007-08 technology has made a difference to a number of initiatives and played a part in achieving Trust objectives and national targets. Over the next year it will continue to be an important enabler for the Trust's goals to ensure patient safety and improve the patient experience.

A new system, Saver, has been delivered to support the collection of information to track the 18-Week Referral to Treatment government initiative, and is helping the Trust to achieve high success rates in meeting this target.

The Trust has made good progress on embedding the National Programme projects across the organisation:

- The Picture Archiving and Communications Service (PACS) for Radiology continues to provide a rapid and reliable service for radiology images across the Trust. A link to Cressex Diagnostic Centre in High Wycombe was set up during the year. Clinicians are able to review and report on images wherever they are located, saving time on ensuring the right treatment is given to patients, and saving money on X-ray film and transportation of records.
- There have been new releases of the Cerner Millennium Care Records Service (CRS) during the year. As familiarity with the system in day-to-day use has grown, knowledge of CRS has greatly increased among Trust staff. There will be further upgrades to the functionality in 2008-09, and the Trust would like to replace its existing A&E system with the CRS A&E module. The roll-out of the system to Stoke Mandeville Hospital is programmed for the end of March 2008.
- Electronic Staff Record, replacing the old payroll system, successfully went live in October 2007.
- The Choose and Book Direct Booking Service will be implemented in the second half of the next financial year.

In 2008-09 the Trust will also be replacing its current Radiology Information System (RIS) and integrating it with CRS, implementing in partnership with Buckinghamshire County Council the ContactPoint project, holding information on children at risk, and installing new Child Health software jointly with the Primary Care Trust.

The Information and Technology Departments have begun developing plans for a Data Warehouse as a central repository for data. The information held here will be used for commissioning and reporting and also to inform on statutory and local requirements.

Population growth

Over the coming five years the population of Buckinghamshire will grow by 3%. Predominantly this growth is in the 65+age group leading to an aging population with an associated increased prevalence of chronic disease and higher demand for acute services. In addition, the identification of Aylesbury Vale as a growth area and the associated new housing development will lead (unusually) to an increase in our young adult population, especially in the north of the county. Overall the number of 20-64 year olds will increase by 2%, however, within the 20-24 and 25-29 age range the growth is more dominant at 23% and 10% respectively. When the effect of this population growth is analysed we anticipate that demand for our services will increase by 5% by 2013/14 from 96,000 patient spells to 101,000. We are confident that as we continue to drive efficiencies in our processes this anticipated increase in patients will not be problematic.

Environmental Key Performance Indicators 2007/2008

Direct impacts (operational)			Quantity			
Greenhouse Gases	**Definition**	**Data source and calculation methods**	**Absolute tones of CO2**		**Normalised tones of CO2 per £m turnover**	
			2006/7	**2007/8**	**2006/7**	**2007/8**
Gas	Emissions from boilers		13,622	11,481	57.51	41.65
Waste	**Definition**	**Data source and calculation methods**	**Absolute tonnes of waste**		**Normalised tones of waste per £m turnover**	
			2006/7	**2007/8**	**2006/7**	**2007/8**
Incinerated or deep landfill	Incinerated and autoclaved clinical waste	Weight of waste generated in tones	692	672	2.74	2.44
Landfill	General waste includes a mixture of paper, card, wood plastics, metals and	Volume of waste generated, calculated by recording the number of skips removed, converted to tones according to Defra guidelines	1,341	1,181	5.31	4.28
Indirect Impacts (Supply Chain)						
Greenhouse Gases	**Definition**	**Data source and calculation methods**	**Absolute tones of CO2**		**Normalised tones of per £m turnover**	
			2006/7	**2007/8**	**2006/7**	**2007/8**
Energy use	Directly purchased gas which generates greenhouse gases including CO2 emissions	Yearly consumption of directly purchased electricity in kWh, converted according to Defra guidelines	11,833	11,677	46.86	42.36
Energy use	Directly purchased oil which generates greenhouse gases including CO2 emissions	Yearly consumption of directly purchased electricity in kWh, converted according to Defra guidelines	310	129	1.23	0.47
Energy use	Directly purchased coal which generates greenhouse gases including CO2 emissions	Yearly consumption of directly purchased electricity in kWh, converted according to Defra guidelines	1,917	0	7.59	0
Energy use	Directly purchased electricity which generates greenhouse gases including CO2 emissions	Yearly consumption of directly purchased electricity in kWh, converted according to Defra guidelines	8,342	8,288	33.04	30.07

Water	**Definition**	**Data source and calculation methods**	**Absolute cubic metres of water**		**Normalised cubic metres of water per £m turnover**	
			2006/7	**2007/8**	**2006/7**	**2007/8**
Supplied water	Consumption of piped water.	Yearly consumption of purchased water	242,400	261,700	960.05	949.42

The Board of Buckinghamshire hospitals
The Board has a number of responsibilities:

- to set the strategic direction of the Trust within the overall policies and priorities of the Government and the Department of Health
- to keep a strategic overview of the organisation and provide a framework in which managers and clinical staff can work effectively
- provide leadership
- make decisions about healthcare services and make sure that staff, facilities and finances are managed properly
- work together as a team and take responsibility if things go wrong, as well as when they go well
- plan for the future so that services can be steadily improved

The Chairman is responsible for leading the Board and for ensuring that it successfully discharges its overall responsibility for the organisation as a whole. He advises the Secretary of State, through the Chair of the Strategic Health Authority, on the performance of the Non-Executive Directors and leads the recruitment of Non-Executive Directors. In addition, he also leads the recruitment of the Chief Executive. Board meetings are held in public six times a year.

Audit Committee

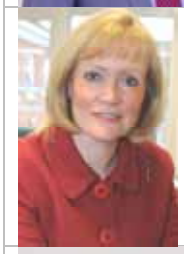
The directors who were members of the Audit committee during the year were:

Brenda Kerstin	Non-Executive Director
Keith Gilchrist	Non-Executive Director
Malcolm Griffiths	Non-Executive Director
Les Broude	Non-Executive Director

The Audit Committee approved the Trust's accounts prior to an opinion being received from our external auditors.

Board Members and Declaration of Interest

Chair/Chief Executive/Non-Executive Directors

Picture	Name of Member of Staff	Declared Interest
	Bernard Williams	None
	Anne Eden	None
	Jane Bramwell	Director of Avenue House Management Co Ltd Representative of Chesham Town Council on Dial A Ride Management Committee
	Les Broude	Son is buyer with Southern Syringe Ltd (a supplier to the Trust)
	Keith Gilchist	Non-Executive Chair Hemcore Ltd Non-Executive Director Pankakoski Board Mill Advisory work with LCA (Low Carbon Accelerator) Seed finance fund for low carbon development companies
	Brenda Kersting	Director of Tergo HR Lay Assessor for National Clinical Assessment Service

	Malcolm Griffiths	Son has a small web design business which may at some time in the future do work for NHS organisations

Directors

Picture	Name of Member of Staff	Declared Interest
	Juliet Brown	Director and Company Secretary for Shining Life Children's Trust (Charitable Co) charity involved in social care in Sri Lanka
	Sandra Hatton	Director of One Volt Ltd. – a media broadcast consultancy
	Nick Hulme	Non-Executive Director (Deputy Chair) Terrence Higgins Trust
	Sheryl Knight	Director Shine Coaching & Consultancy Ltd
	Samantha Knollys	None

	Dr Graz Luzzi	Trustee of Amersham Dermatological Research Trust (Amerderm)
	John Summers	Wife is the Director of Regional Genetics for the West Midlands – an NHS body that competes for genetics contracts throughout the NHS Wife's son works for the NHS section of Orange, selling mobile phone contracts to the NHS
	Tom Travers	None
	Sarah Watson-Fisher	None

Summary Financial Statements

The Secretary of State for Health determines the remuneration of the Chairman and Non-executive Directors nationally. Remuneration for Executive Board members is determined in the light of Trust performance by the Trust's Remuneration Committee.

Membership of the committee comprises Non-Executive Directors and the Chairman with the Chief Executive and Director of Human Resources in attendance (unless the agenda items referred to them personally) but only in an advisory capacity. The Remuneration Committee is chaired by the Trust Chairman and meets at least annually to agree the remuneration policy and practice for Executive Directors and other senior staff. The terms of reference for the committee are to ensure that senior managers are fairly remunerated for their individual contribution to the organisation, with consideration to affordability and public accountability. The Trust's Non-Executive Directors all serve on the committee. Details of the Directors' remuneration are given in the tables on the following pages.

Membership of the Remuneration committee during 2007/8

Mr Bernard Williams (Chairman)
Mr M Bellamy (until 30.6.07**)**
Mr B Chapman (until 30.4.07)
Ms P Thomas (until 30.4.07)
Ms J Bramwell (from 1.5.07)
Mr L Broude (from 1.5.07)
Mr K Gilchrist (from 1.5.07)
Mr M Griffiths (from 1.7.07)
Ms B Kersting (from 1.5.07)

Performance is monitored through appraisal and personal development both annually and through an ongoing appraisal process Details of the Trust's policies on contracts, notice periods and termination payments, as well as details of the dates of contracts and notice periods, and compensation for early retirement or awards made to former senior managers are available by writing to the Director of Human Resources at Trust Headquarters.

The financial statements may not contain sufficient information for a full understanding of the Trust's financial position and performance. A free full copy of the Trust's Annual Accounts can be obtained on request by writing to the Director of Finance & IT, Trust Headquarters, Amersham Hospital, Whielden Street, Amersham, Buckinghamshire, HP7 0JD, or by telephoning the Finance Department on (01494) 734755.

Salary and pension entitlements of senior managers

		2007 - 08			2006 - 07		
Name and Title	Service as Director in year	Salary (bands of £5000) £000	Other Remuneration (bands of £5000) £000	Benefits in Kind Rounded to the nearest £100 £	Salary (bands of £5000) £000	Other Remuneration (bands of £5000) £000	Benefits in Kind Rounded to the nearest £100 £
Chairman:							
Mr B Williams	Full Year	20-25	0	0	15-20	0	0
Non-Executive Directors							
Mr M Griffiths	16/07/07 - 31/03/08	0-5	0	0	n/a	n/a	n/a
Mr L Broude	01/05/07 - 31/03/08	5-10	0	0	n/a	n/a	n/a
Mr K Gilchrist	01/05/07 - 31/03/08	5-10	0	0	n/a	n/a	n/a
Ms J Bramwell	01/05/07 - 31/03/08	5-10	0	0	n/a	n/a	n/a
Mrs B Mcall-Kersting	01/05/07 - 31/03/08	5-10	0	0	n/a	n/a	n/a
Ms P Thomas	01/04/07 - 01/05/07	0-5	0	0	5-10	0	0
Mr B S Chapman	01/04/07 - 01/05/07	0-5	0	0	5-10	0	0
Mr M C Bellamy	01/04/07 - 30/06/07	0-5	0	0	5-10	0	0
Chief Executive							
Ms A Eden	Full Year	130-135	0	0	40-45	0	0
Director of Finance							
Mr T Travers	Full Year	95-100	0	0	95-100	0	0
Director of Nursing							
Ms S A Watson-Fisher	07/05/07 - 31/03/08	80-85	0	0	n/a	n/a	n/a
Mrs F Coogan (Acting)	01/04/07 - 30/04/07	5-10	0	0	80-85	0	0
Director of Human Resources							
Mrs S Hatton	Full Year	85-90	0	0	80-85	0	0
Director of Operations							
Mr M Newton	01/04/07 - 05/06/07	15-20	185-190	0	90-95	0	1000
Miss E Doyle	01/04/07 - 05/06/07	15-20	80-85	0	80-85	0	4700
Ms K M Bastin	01/04/07 - 05/06/07	10-15	155-160	0	75-80	0	0
Mr N Hulme	14/05/07 - 31/03/08	95-100	0	0	n/a	n/a	n/a
Director of Facilities and Estates							
Mr J Summers	Full Year	90-95	0	0	90-95	0	0
Acting Director of Strategy and Communications							
Mrs J Brown*	Full Year	45-50	0-5	0	0-5	0	0
Medical Director							
Dr G Luzzi	Full Year	45-50	115-120	0	5-10	15-20	0
Strategy & System							

Reform							
Mrs S Knollys	27/02/08 - 31/03/08	0-5	0	0	n/a	n/a	n/a

* from 01/04/07 to 26/02/08 Mrs J Brown was Acting Director of Strategy and Communications.
From 27/02/08 to 31/03/08 Mrs J Brown was Director of Strategy and System Reform

Name and Title	Real increase in pension at age 60 (bands of £2500)	Real increase in pension lump sum at age 60 (bands of £2500)	Total accrued pension at age 60 at 31 March 2008 (bands of £5000)	Lump sum at age 60 related to accrued pension at 31 March 2008 (bands of £5000)	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 (To nearest £100)
	£000	£000	£000	£000	£000	£000	£000	£
Chief Executive								
Ms A Eden	2.5-5	10-12.5	40-45	130-135	644	559	71	49,500
Director of Finance								
Mr T Travers	0-2.5	2.5-5	10-15	30-35	134	112	19	13,400
Director of Nursing								
Ms S A Watson-Fisher	n/a	n/a	25-30	75-80	369	n/a	n/a	n/a
Mrs F Coogan (Acting)	0	0	25-30	75-80	458	353	96	67,500
Director of Human Resources								
Mrs S Hatton	0-2.5	2.5-5	5-10	15-20	85	64	19	13,500
Director of Operations								
Mr M Newton	0	0	30-35	90-95	470	452	7	4,800
Ms K Bastin	0	0	10-15	35-40	167	165	0	0
Mr N Hulme	n/a	n/a	20-25	70-75	313	n/a	n/a	n/a
Acting Director of Strategy and Communications								
Mrs J Brown*	n/a	n/a	5-10	25-30	104	n/a	n/a	n/a
Director of Facilities and Estates								
Mr J Summers	0-2.5	2.5-5	25-30	80-85	435	396	28	19,900
Medical Director								
Dr G Luzzi	0-2.5	5-7.5	35-40	115-120	564	539	11	7,700

* from 01/04/07 to 26/02/08 Mrs J Brown was Acting Director of Strategy and Communications.
From 27/02/08 to 31/03/08 Mrs J Brown was Director of Strategy and System Reform

Note: No pension details available for Mrs S Knollys as she started late in financial year.

Public Interest and other Disclosures

In line with best practice guidance, there are a number of issues which the Trust wishes to record within the Annual Report. These cover a range of subjects from the details of the performance against the Better Payments Practice Code to the arrangement with the external auditor.

Research and Development

Clinical research is at it s most effective when it is multi-centred and collaborative and at its heart it is good for patients. The Trust takes part in commercial and non-commercial research and development work. During 2007/8 this was undertaken by numerous specialties in the Trust. For a copy of the 2007/8 Research and Development Annual Report, please contact the Trust's Communications department by calling 0149473952.

Data security

The Trust undertook a review of our data security systems in 2007/08, in line with guidance issued by the Department of Health.

This review looked at transfers of data relating to 50 people or more ('bulk data'), again in line with guidance, and found in every instance this data was either encrypted, password protected or had identifiable information removed, for example names and addresses, which could identify an individual to an unauthorised user.

The Trust takes the issue of data security extremely seriously. We are currently installing encryption software in areas identified as requiring it following the review to further improve the level of security that sensitive data we handle is subjected to.

There have been no reported Serious Untoward Incidents relating to electronic data handling.

Equality and Diversity

We are fully committed to embracing diversity and delivering equality of opportunity for all employees and service users. Our Single Equality Scheme is at the heart of the drive to achieve this.
We care for over 500,000 people from across Buckinghamshire. We know our patients want high quality healthcare, delivered in a caring and compassionate way when they need it, and provided in a convenient and supportive environment. That is why our vision is underpinned with a philosophy of 'the right treatment at the right time in the right place by the right people.'

In December 2005, the Trust achieved the IWL Practice Plus standard. This means that independent inspectors found evidence to indicate that the Trust delivers on all key areas of good employment practice including equality and diversity standards. The purpose of Single Equality Scheme is to maintain and build on our achievements on the equality and diversity agenda to date. Its key aims are:

• To provide a healthcare service that recognises respects and responds to the diverse communities we serve.
• To develop, support and sustain a diverse workforce, creating a working environment where staff are able to do their job to the best of their abilities without having to dace harassment.
• To meet legislation and healthcare standards that ensure equality and fairness are embedded in all areas of service delivery, planning and employment.

The scheme clearly sets out the Trust's values, strategic objectives, legal framework, implementation and review. It explains how the Trust plans to meet its statutory duties to promote race, disability and gender equality and meet NHS healthcare standards. The Scheme also acts as a framework for compliance with other legislation and policy guidance outlawing discrimination on the grounds of age, sexual orientation, religion and belief. You can view our Single Equality Scheme in full on our website at www.buckinghamshirehospitals.nhs.uk

Regularity Framework

The Trust is governed by a regularity framework set by the Healthcare Commission. They have a statutory duty to assess the performance of healthcare organizations, award annual performance ratings for the NHS and coordinate reviews of healthcare by others. The annual health check is the most important of the Healthcare Commission's activities to drive improvements in healthcare for patients. It involves assessing and rating the performance of each NHS trust in England during the financial year from 1 April to 31 March. When doing so, they look at a wide range of areas, from the overall quality of care – including safety of patients, cleanliness and waiting times – to how well trusts manage their finances.

In carrying out the annual health check, first, they look at whether the Trust is getting the basics of healthcare right. Then they look at whether it has been taking steps to make and sustain ongoing improvements in the healthcare it provides. The essential, basic elements of a trust's performance are:

- The quality of the healthcare the Trust provides to patients. The HCC assess this by looking at how well the Trust has met Department of Health (DH) core standards and national targets for NHS healthcare providers
- How effectively the Trust manages its financial resources. The HCC assessment of this draws on work carried out by the Audit Commission

and by Monitor, the regulator of NHS foundation trusts

To assess whether a trust is making and sustaining improvements in the care it provides, the HCC look at its performance against:

- The DH's developmental standards for NHS healthcare organizations
- The DH's new national targets for NHS healthcare organizations

They then publish the results on their website in October, so that as many people as possible have access to the information.

Complaints Disclosure

The Trust takes any complaints very seriously and has a system in place to address these. It is a system of continual improvement and occasionally we do not always get it right. The Trust approach incorporates the six principles set out in the Parliamentary and Health Service Ombudsman report "Principles for Remedy" published in October 2007 and the principles are included in some of the training provided in complaints.

Better Payment Practice Code

The Better Payment Practice Code requires the Trust to aim to pay all valid NHS and non-NHS trade creditors by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. The Trust performance in 2007/8 is shown below:-

	Number		**£000**
Total Non-NHS trade invoices paid in the year	**64837**		**108,042**
Total Non-NHS trade invoices paid within target	**47344**		**86897**
Percentage of Non-NHS trade invoices paid within target	**73%**		**80%**
Total NHS trade invoices paid in the year	**3778**		**25098**
Total NHS trade invoices paid within target	**2684**		**19212**
Percentage of NHS trade invoices paid within target	**71%**		**77%**

Land Values

NHS Trusts are required to disclose any material differences between the carrying amount and market value of interests in land, where in the opinion of the directors, it is significant. The Trust has no properties held at existing use value that have an open market value materially different to its existing use value.

Auditors

KPMG have been appointed by the Audit Commission as external auditors to the Trust during 2007/08. A total of £243,410 was paid to them. This was composed of £192,000 in respect of Audit Services which cover the statutory audit and mandatory studies requested by the Department of Health and £51,541 in respect of further assurance services (For tax related work). The Trust has recently been advised that from 2008/09 the Audit Commission will take over the external audit of the Trust and arrangements for the handover are being made.

In respect of maintaining and ensuring that the auditor's independence has not been compromised, KPMG have provided a suitable declaration (an ISA 260 Declaration of independence and objectivity).

Directors' declaration in respect of Audit

In line with current guidance, each director has given a statement that as far as they are aware, there is no relevant audit information of which KPMG, (the Trust's Auditors) are unaware. They have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that KPMG are aware of that information.

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 for the Trust. The relevant responsibilities of accountable officers, including their responsibilities 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.

Anne Eden
Chief Executive 12 June 2008

Statements 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 judgments and estimates which are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for keeping proper accounting records 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.

By order of the Board.

Anne Eden
Chief Executive 12 June 2008

Tom Travers
Director of Finance 12 June 2008

Independent auditors' statement to the Directors of the Board of Buckinghamshire Hospitals NHS Trust

We have examined the summary financial statements which comprise the Income and Expenditure Account, Balance Sheet, Cash Flow Statement, Statement of Total Recognised Gains and Losses, Better Payment Practice Code and Directors' Remuneration Note.

This report is made solely to the Board of Buckinghamshire Hospitals NHS Trust as a body, in accordance with Section 2 of the Audit Commission Act 1998. Our audit work has been undertaken so that we might state to the Board of Buckinghamshire Hospitals NHS Trust, as a body, those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Buckinghamshire Hospitals NHS Trust and the Board of Buckinghamshire Hospitals NHS Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report.

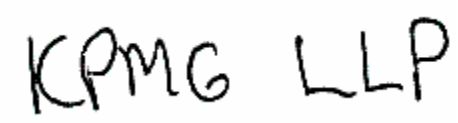
Our responsibility is to report to you our opinion on the consistency of the summary financial statement within the Annual Report with the Annual Accounts.
We also read the other information contained in the Annual Report and consider the implications for our report if we become aware of any misstatements or material inconsistencies with the summary financial statements.

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6 'The auditors' statement on the summary financial statements' issued by the Auditing Practices Board. Our report on the Annual Accounts describes the basis of our audit opinion on those Annual Accounts dated 12 June 2008.

Opinion

In our opinion the summary financial statements are consistent with the Annual Accounts of Buckinghamshire Hospitals NHS Trust for the year ended 31 March 2008.



KPMG LLP
London
10 September 2008

Statement of Internal Control – for year ended 31 March 2008

A full copy of the Trust's Statement of Internal Control is available as part of our Annual Accounts on request by writing to the Director of Finance & IT, Trust Headquarters, Amersham Hospital, Whielden Street, Amersham, Buckinghamshire, HP7 0JD, or by telephoning the Finance Department on (01494) 734755.

Summary Financial Statements

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED				
31 March 2008				
		2007/08		2006/07
		£000		£000
Income from activities		**254,584**		230,654
Other operating income		**21,059**		21,834
Operating expenses		**(262,933)**		(242,808)
OPERATING SURPLUS/(DEFICIT)		**12,710**		9,680
Cost of fundamental reorganisation/restructuring		**0**		0
Profit/(loss) on disposal of fixed assets		**7**		(210)
SURPLUS/(DEFICIT) BEFORE INTEREST		**12,717**		9,470
Interest receivable		**394**		367
Interest payable		**(5,228)**		(5,036)
Other finance costs - unwinding of discount		**(31)**		(30)

SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR		**7,852**		4,771
Public Dividend Capital dividends payable		**(6,123)**		(4,728)
RETAINED SURPLUS/(DEFICIT) FOR THE YEAR		**1,729**		43
All income and expenditure is derived from continuing operations.				

BALANCE SHEET AS AT 31 March 2008		31 March 2008		31 March 2007
		£000		£000
FIXED ASSETS				
Intangible assets		**0**		35
Tangible assets		**246,926**		225,083
Investments		**0**		0
		246,926		225,118
CURRENT ASSETS				
Stocks and work in progress		**2,356**		2,649
Debtors		**29,996**		33,288
Investments		**0**		27
Cash at bank and in hand		**322**		747
		32,674		36,711
CREDITORS: Amounts falling due within one year		**(28,071)**		(26,300)
NET CURRENT ASSETS/(LIABILITIES)		**4,603**		10,411
TOTAL ASSETS LESS CURRENT LIABILITIES		**251,529**		235,529
CREDITORS: Amounts falling due after more than one year		**(32,138)**		(32,617)
PROVISIONS FOR LIABILITIES AND CHARGES		**(2,200)**		(4,080)
TOTAL ASSETS EMPLOYED		**217,191**		198,832
FINANCED BY:				
TAXPAYERS' EQUITY				
Public dividend capital		**154,724**		152,855
Revaluation reserve		**39,075**		24,873
Donated asset reserve		**22,546**		21,974
Government grant reserve		**0**		17
Other reserves		**0**		0
Income and expenditure reserve		**846**		(887)
TOTAL TAXPAYERS' EQUITY		**217,191**		198,832

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 March 2008			
	2007/08		2006/07
	£000		£000
Surplus/(deficit) for the financial year before dividend payments	**7,852**		4,771
Fixed asset impairment losses	**0**		0
Unrealised surplus/(deficit) on fixed asset revaluations/indexation	**15,920**		14,351
Increases in the donated asset and government grant reserve due to receipt of donated and government grant financed assets	**359**		273
Defined benefit scheme actuarial gains/(losses)	**0**		0
Additions/(reductions) in "other reserves"	**0**		0
Total recognised gains and losses for the financial year	**24,131**		19,395

Prior period adjustment	**0**		0
Total gains and losses recognised in the financial year	**24,131**		19,395

CASH FLOW STATEMENT FOR THE YEAR ENDED					
31 March 2008			2007/08		2006/07
			£000		£000
OPERATING ACTIVITIES					
Net cash inflow/(outflow) from operating activities			24,579		28,473
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE:					
Interest received			379		367
Interest paid			(1)		(1)
Interest element of finance leases			(4,791)		(5,035)
Net cash inflow/(outflow) from returns on investments and servicing of finance			(4,413)		(4,669)
CAPITAL EXPENDITURE					
(Payments) to acquire tangible fixed assets			(15,933)		(16,720)
Receipts from sale of tangible fixed assets			21		919
(Payments) to acquire intangible assets			0		0
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			(15,912)		(15,801)
DIVIDENDS PAID			(6,123)		(4,728)
Net cash inflow/(outflow) before management of liquid resources and financing			(1,869)		3,275
MANAGEMENT OF LIQUID RESOURCES					
(Purchase) of investments with DH			0		0

(Purchase) of other current asset investments			**(73,000)**		(48,000)
Sale of investments with DH			**0**		0
Sale of other current asset investments			**73,000**		48,000
Net cash inflow/(outflow) from management of liquid resources	**0**		0		
Net cash inflow/(outflow) before financing			**(1,869)**		3,275
FINANCING					
Public dividend capital received			**1,869**		4,100
Public dividend capital repaid (not previously accrued)			**0**		(6,874)
Loans received from DH			**0**		0
Other loans received			**0**		0
Loans repaid to DH			**0**		0
Other loans repaid			**0**		0
Other capital receipts			**0**		0
Capital element of finance lease rental payments			**(425)**		(378)
Cash transferred (to)/from other NHS bodies			**0**		0
Net cash inflow/(outflow) from financing			**1,444**		(3,152)
Increase/(decrease) in cash			**(425)**		123

Supplementary Information to the Summary Accounts

1 Accounting Policies

The Accounts are produced in accordance with guidance provided by the Department of Health in a standard form. The following paragraphs provide some further information which is designed to clarify and supplement this information.

(a) Accounting Policies

Within the accounts, the following accounting policies are applied.

Accounting policies reflect generally used commercial policies as adapted for use in the public sector by HM Treasury

Specific requirements for the NHS are set out in the NHS Manual for Accounts published annually by the Department of Health

Accounts are prepared using historic costs – i.e. the cost actually incurred at the time of the transaction. The exception to this is Fixed Assets, which are valued according to their value to the business at the Balance Sheet date.

Wherever possible, income and expenditure flows are matched to ensure that expenditure incurred on patient activity is matched by the relevant income flow from Commissioners

(b) Income Recognition

Income is recognised during the time period when the service is provided regardless of when any associated cash payments are made.

The majority of the Trust's income is received from other NHS organisations and is, therefore, regarded as inter company transactions.

As the debts between NHS organisations are not legally enforceable (with the exception of Foundation Trusts), no provision is made for bad or doubtful debts with other NHS bodies.

At the end of each year, material financial balances are agreed with other NHS bodies.

(c) Capitalisation

Where assets have a life longer than one year, their economic value to the business is spread out over their useful life. This is achieved by charging the income and expenditure account with a proportion of the asset's value each year. The Trust uses a straight line method of depreciation, thus an asset with a useful life of 5 years would have 20% of it's value charged each year. No depreciation is provided on freehold land and assets surplus to requirements.

In order to be capitalised, an asset must also have a value in excess of £5,000 at first acquisition or be part of a functionally interdependent group with a collective cost over £5,000 and an individual cost over £250.

The Trust also rents a number of assets via leasing companies and, therefore, never acquires the risks and rewards of ownership. The rentals on these assets are charged to the Income and Expenditure account according to the asset's usage within the year. In order to be treated in this way the leases must comply with the relevant accounting and reporting standards.

(d) Provisions

The Trust also makes provision for expenditure that will be incurred with reasonable certainty in the future, but which relates to past actions or decisions. The most significant provisions relate to Clinical Negligence Claims and ill health early retirement.

Provisions held are discounted to reflect the time value of money – currently at a rate of 2.2% p.a.

(e) Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme and the accounting policy is set out in note 1.12 to the full Annual Accounts, available on request from the Director of Finance & IT. The Remuneration report sets out information on the pension benefits of directors.

(f) Taxation & Foreign Exchange

VAT

In general, the Trust's activities are outside of VAT and input and output taxes do not apply due to EU exemption.

The main exception is on commercial activities, where the amounts included within the accounts are stated net of VAT.

Corporation Tax

The Trust is not subject to Corporation Tax.

Foreign Exchange

The Trust does undertake some transactions in foreign currencies – predominantly U.S. Dollars and Euros.

These are exchanged into sterling at the point of transaction and any losses or gains taken to the Income and Expenditure account.

2 Major Changes in the Accounts between 2006/7 & 2007/8

I&E Statement	
-Income from Activities	The Trust has increased its income from Primary Care Trusts by over £20M, due to the agreed Service Level agreements reflecting increased activity levels. The Trust has also treated more patients than included in its Service Level Agreements, and has increased its income from this source. It has received £4M more from the Department of Health due to an increase in Market Forces Factor.
-Operating Expenses	Expenditure has increased by just over £20M due to a number of factors including :- • Staff costs have increased by 4% (£3.5M) • Clinical Supplies costs have increased by £3M due to an increased level of purchases of equipment, drugs and single use items. • General supplies & services have increased by £4M and include the balance to full year effect of the FM costs at SMH. • Premises costs have increased by £2M due to increased building and engineering costs and increased IT costs. • Depreciation has increased by £3M and links with the increase in fixed assets (see above) • Other Expenditure has increased by over £3m principally due to Section 106 payment in respect of the SMH development.

Balance Sheet	
-Fixed Assets Tangible Assets	Tangible assets increased by £21.491M due principally to additions to Land & Buildings of £15.491M, Plant £1.263M and IT of £1.842M. The main increase in Land and Buildings was due to Phase 2 (Outpatients) at SMH
-Current Assets Debtors	The amount owed by debtors has decreased due to the Trust's increased credit control efforts, leading to earlier repayment.
-Current Assets Investments	The Trust no longer holds any investments in the EU Emissions Trading scheme.
- Provisions for Liabilities and charges	The Trust makes provision for expenditure that will be incurred with reasonable certainty in the future, but which relates to past actions or decisions. There has been a reduction in the amount as some provisions made at the end of the last financial year have been settled. The most significant provisions are those for ill-health early retirement pensions and clinical negligence claims.
Cash Flow Statement	
- Management of Liquid Resources	Entries regarding Purchase & Sale of other Investments represent the deposit and repayment, of surplus cash with the National Loans Fund.

Glossary of Key Financial & other Terms

Acute Services Medical and surgical interventions provided in hospitals.
Accruals An accounting concept. In addition to payments and receipts of cash, adjustment is made for outstanding payments, debts to be collected and stock (items bought, paid for but not yet used). This means that the accounts show all the income and expenditure that relates to the financial year.
Agenda for Change Agenda for Change is a new pay system for NHS staff.
Amortisation The process of charging the cost of an asset over its useful life as opposed to recording its cost as a single entry in the income & expenditure records. It is similar to depreciation but is used for intangible assets.
Annual Health Check The annual health check is the most important of the Healthcare Commission's activities to drive improvements in healthcare for patients. It involves assessing and rating the performance of each NHS trust in England during the financial year from 1 April to 31 March. When doing so, they look at a wide range of areas, from the overall quality of care – including safety of patients, cleanliness and waiting times – to how well trusts manage their finances.
Assets In general, assets include land, buildings, equipment, cash and other property.
Assurance Framework The Assurance Framework provides organisations with a simple but comprehensive method for the effective and focused management of the principal risks to meeting their objectives. It also provides a structure for the evidence to support the Statement on Internal Control.
Audit Commission They are an independent public body responsible for ensuring that public money is spent economically, efficiently, and effectively in the areas of local government, housing, health, criminal justice and fire and rescue services. They appoint the External Auditors.
Better Payment Practice Code

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

Break-even (duty)

A financial target. In its simplest form it requires the Trust to match income and expenditure.

Board of Directors

The Board of Directors is the executive body responsible for the operational management and conduct of a particular NHS Trust.

Capital

Expenditure on the acquisition of land and premises, individual works for the provision, adaptation, renewal, replacement and demolition of buildings, items or groups of equipment and vehicles, etc. In the NHS, expenditure on an item is classified as capital if its costs exceed £5000 and it's useful life expectancy is greater than one year.

Capital Absorption rate

The Capital Absorption rate is determined by dividing the PDC dividend (from the I & E account) by the average net relevant assets (owned assets of the trust at the beginning and end of the year less current liabilities & cash). The trust achieves the target if it achieves a rate of retun of between 3 per cent and 4 per cent.

Capital Resource Limit (CRL)

NHS Trusts are given a Capital Resource Limit (CRL) each year. They must not make capital expenditure in excess of this limit. Our Capital Resource Limit in 2006/07 was set as the sum of the Trust's delegated capital (a resource guaranteed to all Trusts based on a national formula) plus specific additions from discretionary capital relating to business cases for new assets approved by the Department of Health or central DoH initiatives.

Charitable Funds

Our charity, registered number 1053113 includes a General Amenity Fund (unrestricted), a Research Fund (restricted) and an Endowment Fund. Within these funds are held many individual accounts, 3 of these are specific General Amenity Funds covering Stoke Mandeville Hospital, Wycombe Hospital and Amersham Hospital and are used to enhance the services of the relevant hospital. Most of the other accounts are individual Ward, Departmental or Service based and are used for that specific area.

Choose and Book

It is the Government's aim to allow patients to choose the hospital they are

treated in. Patients needing elective treatment are offered a choice of four or five hospitals once their GP has decided that a referral is required. These could be NHS trusts, foundation trusts, treatment centres, private hospitals or practitioners with a special interest operating within primary care. Choose and Book is a national service that, for the first time, combines electronic booking and a choice of place, date and time for first outpatient appointments.
Clinical Division During 2007/8 the Trust implemented a new clinical leadership and organisation management structure with the creation of five Clinical Divisions, each led by a Divisional Clinical Chair who is a medical consultant supported by a Lead Nurse and General Manager. The five Divisions are:- • Clinical Services • Medicine • Spinal & Private Patients • Surgery • Women & Children
Clostridium difficile (C difficile) Clostridium difficile is a bacterium that can cause an infection of the gut and is the major infectious cause of diarrhoea that is acquired in hospitals in the UK.
Commissioning A continuous cycle of activities that underpins and delivers on the overall strategic plan for healthcare provision and health improvement of the population. These activities include stakeholders agreeing and specifying services to be delivered over the long term through partnership working, as well as contract negotiation, target setting, providing incentives and monitoring.
Connecting for Health This is the national programme for information technology aiming to bring modern computer systems into the NHS which will improve patient care and services.
Corporate Trustee A corporate trustee is a corporation which has been appointed to act as a trustee of a charity. In the case of the NHS, the NHS Trust Board is the corporate trustee of our charitable funds.
Current Assets Debtors, stocks, cash or similar whose value is, or can be converted into, cash within the next twelve months.
Depreciation

The measure of the wearing out, consumption or other loss of value of a fixed asset whether arising from use, passage of time or obsolescence through technology, and market changes. The process of charging the cost of an asset over its useful life as opposed to recording its cost as a single entry in the income & expenditure records.
Direct Costs Direct costs are costs that can be directly attributed to a particular activity or output. For example, the costs of a pharmacist is a direct cost to the Pharmacy department but an indirect cost to general medicine (as pharmacy serves several departments)
Disability Equality Scheme The Disability Discrimination Act amended in 2005 gives the Trust 'general' and 'specific' duties to promote disability equality. The Trust's Disability Equality Scheme (DES) explains how the Trust will promote equality for disabled and Deaf staff and patients.
Eighteen Week and Cancer Waits The NHS Improvement Plan gave a commitment that by December 2008 no one will have to wait longer than 18 weeks from GP referral to hospital treatment. However, many patients will be seen much more quickly. For example by December 2005, cancer patients were guaranteed a maximum two month wait from urgent GP referral to first treatment and a maximum one month wait form diagnosis to first treatment for all cancers.
Elective Inpatient Activity Elective activity is where the decision to admit to hospital could be separated in time from the actual admission, i.e. planned. This covers waiting list, booked and planned admissions.
Electronic Staff Record (ESR) The electronic staff record (ESR) is the World Class, national, integrated Human Resources (HR) and Payroll system which will be used by all 600+ NHS organisations throughout England and Wales. It is one of the world"s largest IT implementations. It has replaced the 29 payroll and at least 38 human resource systems used in the NHS and will pay approximately 1.2 million employees when fully rolled out in spring 2008.
Emergency Inpatient Activity Emergency activity is where admission is unpredictable and at short notice because of clinical need.
E U Emissions Trading Scheme The EU Emissions Trading Scheme (EU ETS) is one of the policies being introduced across Europe to reduce emissions of carbon dioxide and combat

the serious threat of climate change. Phase I of the Scheme began on 1 January 2005 and will run until 31 December 2007. Phase II will run from 2008-2012 to coincide with the first Kyoto Protocol commitment period.
Executive Directors The executive directors are senior employees of the NHS Trust who sit on the Board of Directors and will include the Chief Executive and Finance Director. Executive directors have decision-making powers and a defined set of responsibilities thus playing a key role in the day to day running of the organisation.
External Financing Limits (EFLs) NHS trusts are subject to public expenditure controls on their use of cash. The control is an external financing limit (EFL) issued to each NHS trust by the Department of Health. The EFL represents the difference between the cash resources a trust can generate internally (principally retained surpluses and depreciation) and its approved capital spending. If its internal resources are insufficient to meet approved capital spend then it is able to borrow the difference.
Financial Recovery Plan (FRP) The “savings” plan agreed in 2006/7.
Fixed Assets Land, buildings, equipment and other long term assets that are expected to have a life of more than one year.
Fixed Cost A cost whose magintude does not increase or decrease with changes in activity level.
Foundation Trust (FT) NHS Foundation Trusts are a new type of NHS Trust in England and have been created to devolve decision-making from central Government control to local organisations and communities so they are more responsive to the needs and wishes of their local people. Foundation Trusts have a membership drawn from the community which they serve and an elected Governors’ Council. They also enjoy some financial freedoms not available to NHS Trusts.
GDP Gross domestic product – a measure of the value of national economic activity.
Gender Equality Scheme The Gender Equality Scheme addresses how the Trust will respond to the Gender Equality Duty (GED). This is a statutory duty which came into force in April 2007. All public authorities in England, Wales and Scotland must

demonstrate that they are promoting equality for women and men and that they are eliminating sexual discrimination and harassment.
Governance Governance arrangements are the 'rules' that govern the internal conduct of an organisation by defining the roles and responsibilities of key officers/groups and the relationship between them, as well as the process for due decision making and the internal accountability arrangements.
Healthcare Commission (HCC) The Healthcare Commission was set up in April 2004 to help improve the quality of healthcare. It does this by providing an independent assessment of the standards of services, whether provided by the NHS, the private sector or voluntary organisations.
Health Protection Agency The Health Protection Agency (HPA) is an independent body that protects the health and well-being of the population. The Agency plays a critical role in protecting people from infectious diseases and in preventing harm when hazards involving chemicals**,** poisons or radiation occur. The Health Protection Agency was formed in 2003 by the merger of several bodies, including parts of the Public Health Laboratory Service.
HRG Healthcare Resource Group - groupings of treatment episodes which are similar in resource use and in clinical response.
ICT Information and Communications Technology.
Improving Working Lives The Improving Working Lives Standard (IWL) is a blueprint by which NHS employers and staff can measure the management of human resources. Organisations are kite-marked against their ability to demonstrate a commitment to improving the working lives of their employees.
Indexation A process of adjusting the value, normally of fixed assets, to account for inflation.
Indirect Costs Indirect costs cannot be traced directly to a particular activity or output.
Initial Resource Limit As part of resource accounting and budgeting NHS organisations are provided with a resource limit at the start of the year to determine their maximum use of

revenue and capital resources. This may be subject to change with resource limit adjustments such as allocations from central budgets.
Intangible asset Goodwill, brand value, or some other right, which although invisible is likely to derive financial benefit (income) for its owner in future and for which you might be willing to pay.
Integrated Governance Integrated Governance is the means by which the Trust will pull together all the competing pressures on the Board and their supporting structure, to enable good governance. As a key building block of good governance, Integrated Governance is a process that spans the various functional governance processes that are often unlinked and result in the handling of issues in silos. Integrated Governance offers Boards the opportunity to rethink their governance arrangements to be fit for the future direction of the NHS.
Investors in People The Investors in People Standard provides a framework that helps organizations to improve performance and realize objectives through the effective management and development of their people
Local Health Economy The NHS organisations including GP practices, and voluntary and independent sector bodies involved in the commissioning, development and provision of health services for particular population groups.
Marginal Cost The increase / decrease in cost caused by the increase / decrease in activity by one unit.
Market Forces Factor An index used in resource allocation to adjust for unavoidable variation in input costs. It consists of components to take account of staff costs, regional weighting, land, buildings and equipment.
Methicillin resistant staphylococcus aureus (MSRA) This is a strain of a common bacterium which is resistant to an antibiotic called methicillin.
Millenium Care Records Service (CRS) The Care Records Service is the pivotal part of the National Programme for IT (NPfIT), the aim being to provide an electronic health record for 50 million people in England , accessible by any authorised clinician. The Trust's system is the Cerner Millennium-based system.

Monitor Monitor authorises and regulates NHS foundation trusts, making sure they are well-managed and financially strong so that they can deliver excellent healthcare for patients. It was established in 2004.
National Programme for IT (NPfIT) The National Programme for IT focuses on changes to IT in the NHS that will improve patient experience. The programme has four particular goals: electronic appointment booking, an electronic care records service, electronic transmission of prescriptions, and fast, reliable underlying IT infrastructure.
National Service Frameworks (NSFs) National service frameworks (NSFs) are long term strategies for improving specific areas of care. They set measurable goals within set time frames.
NHS Trusts NHS Trusts are hospitals, community health services, mental health services and ambulance services which are managed by their own boards of directors. NHS trusts are part of the NHS and provide services based on the requirements of patients as commissioned by PCTs.
Non Executive Directors Non-executive directors, including the Chairman, are Trust Board members but they are not full time NHS employees. They are people from other backgrounds who have shown a keen interest in helping to improve the health of local people. They have a majority on the Board and their role is to bring a range of varied perspectives and experiences to strategy development and decision-making, ensure effective management arrangements and an effective management team is in place and hold the executive directors to account for organisational performance.
Non recurrent resources Income or expenditure which only occurs once.
Order Communications An electronic system for the requesting and reviewing of test results. For example, pathology results.
Organisational Transformation Plan (OTP) This is a two year plan which sets out how the Trust intended to improve the quality and the integrity of our patient pathways (avoiding duplication and unnecessary steps) and iron out the variations in operating performance, thus improving our clinical efficiency and thereby value for money. 2007/8 is the first year of this plan.
Outpatient Attendance

An outpatient attendance is when a patient visits a consultant or other medical outpatient clinic. The attendance can be a 'first' or 'follow up'.

Outturn

The actual year end position in income and expenditure terms.

Overview and Scrutiny Committees (OSC)

OSCs have the power to scrutinise health services. This contributes to their wider role in health improvement and reducing health inequalities for their area and its inhabitants.

Patient Administration System (PAS)

A computer system used to record information about the care provided to service users. The data can only be accessed by authorised users.

Patient Advice and Liaison Service (PALS)

All NHS trusts are required to have a Patient Advice and Liaison Service. The service offers patients information, advice, quick solution of problems or access to the complaints procedure. PALS are designed to offer on the spot help and information, practical advice and support for patients and carers. The service aims to:

- ♣ advise and support patients, their families and carers
- ♣ provide information on NHS services.
- ♣ listen to your concerns, suggestions or queries
- ♣ help sort out problems quickly on your behalf.

Patient and public involvement forums (PPIF)

A Patient and Public Involvement (PPIF) Forum has been set up for every NHS Trust and Primary Care Trust (PCT) in England. They are a key vehicle for raising awareness of the needs and views of patients and the public, and placing them at the centre of health services. Their roles include:

- ♣ obtaining views from local communities about health services and make recommendations and reports.
- ♣ making reports and recommendations on the range and day to day delivery of health services.
- ♣ influencing the design of and access to NHS services.
- ♣ providing advice and information to patients and their carers about services. Monitoring the effectiveness of local Patient Advice and Liaison Services (PALS)

Patient Choice

It is the Government's aim to allow patients to choose the hospital they are treated in. Patients needing elective treatment are offered a choice of four or five hospitals once their GP has decided that a referral is required. These could be NHS trusts, foundation trusts, treatment centres, private hospitals or

practitioners with a special interest operating within primary care.

Payment by Results (PbR)

Payment by Results (PbR) aims to be a fair and transparent, rules-based system for paying NHS Trusts. It uses a national price list (tariff) and is intended to reward efficiency, support patient choice and diversity and encourage activity for sustainable waiting time reductions. Payment is linked to activity and adjusted for case complexity.

Private Finance Initiative (PFI)

The private finance initiative (PFI) provides a way of funding major capital investments, without immediate recourse to the public purse. Private consortia, usually involving large construction firms, are contracted to design, build, and in some cases manage new projects

Practice Plus

The third and final stage of the Improving Working lives initiative - Practice Plus award: challenges NHS employers to prove that only are the policies in place, but that they are making a measurable difference to the working lives across all staff groups.

Primary Care

Family health services provided by family doctors, dentists, pharmacists, optometrists, and ophthalmic medical practitioners.

Primary Care Trust (PCT)

The three main functions of a Primary Care Trust are:

- engaging with its local population to improve health and well-being;
- commissioning a comprehensive and equitable range of high quality, responsive and efficient services, within allocated resources, across all service sectors; and
- directly providing high quality responsive and efficient services where this gives best-value.

Primary Care Trusts commission a range of services from Buckinghamshire Hospitals NHS Trust, which provides the majority of our income.

Provisions

Provisions are made when an expense is probable but there is uncertainty about how much or when payment will be required. Provisions are included in the accounts to comply with the accounting principle of prudence.

Public Divident Capital (PDC)

The Public Divident Capital represents the outstanding public debt of an NHS trust and is made up of the original investment in the trust by the Secretary of State plus any subsequent annual PDC investments to support new capital expenditure less any repayments.

Race Equality Scheme

The Race Equality Scheme is a strategic framework of standards and principles that will be applied across the Trust to ensure that we deliver high quality public services in a manner which is fair for all sectors of the community, that our patients are treated with dignity and respect and that our workforce reflects the communities that we serve.
Recurrent Resources Income or expenditure which occurs more than once.
Reference Costs NHS organisations are required to submit a schedule of costs of healthcare resource groups to allow direct comparison of the relative costs of different providers. The results are published in the National Schedule of Reference Costs and are used as a building block for the PBR tariff.
Revenue Expenditure other than capital. For example, staff salaries and drug budgets. Also known as current expenditure.
Ring Fenced Funding specifically designated for a purpose and which can only be used for that purpose.
Risk Register A register of all the risks identified by the organisation, each of which is assessed to determine the likelyhood of the risk occuring and the impact on the organisation if it does occur.
Scannappeal An independent registered charity who's objective is to raise money for scanners and other life saving medical equipment for hospitals in Buckinghamshire.
Secondary Care Care provided in hospitals.
Semi-Fixed Cost A cost whose magnitude is only partly affected by the level of activity. The relationship is not directly proportional.
Service Increment for Teaching (SIFT) Payment from central resources to recognise the excess costs incurred in hospitals providing medical training.
Service Level Agreements A Service Level Agreements (SLA) is the main mechanism for service provision between NHS Trusts and Primary Care Trusts for NHS services. An SLA is an agreement that sets out formally the relationship between service

providers and customers for the supply of a service by one or another.
Shaping Health Services The consultation carried out by NHS organisations in mid and south Buckinghamshire about proposed changes to the provision of health care within the area. This has now moved into an implementation phase.
Statement of Internal Control (SIC) The Chief Executive as the Accounting Officer is required to make an annual statement – the "Statement on Internal Control" (SIC) – alongside the accounts of the Trust. which provides a high-level summary of the ways in which staff are trained to manage risk and of how risk has been identified, evaluated and controlled, together with a confirmation that the effectiveness of the system of internal control has been reviewed and that the results of the effectiveness review have been discussed by the Accounting Officer with the board, the Audit Committee (and the risk committee if one exists in the body). In addition, disclosure is required in relation to any "significant internal control issues" .
Strategic Health Authority (SHA) The Strategic Health Authority. It is accountable to the Secretary of State for Health via the Chief Executive of the NHS and a role to performance manage PCT's and local health systems, work to improve public health and reduce inequalities and ensure robust and integrated emergency planning.
Tariff / National Tariff The National Tariff underpins the implementation of the Payment by Results policy by providing a national price schedule for commissioning services for patients in England. The Tariff is a schedule of prices for Healthcare Resource Groups (HRG's). These HRG's cover a range of clinical procedures, treatments and diagnoses that cover a large proportion of hospital services in England.
Variable Cost An expense whose magnitude varies proportionately with the level of activity undertaken.
Working Capital Working capital is the current assets and liabilities (debtors, stock, cash and creditors) required to facilitate the operation of an organisation.

Our Annual Report 2007/08

It is important our Annual Report is easy to read and understand, and available in a variety of versions, including in other languages and as an audio book, on request. In producing ours we have used guidance on content from the Department of Health, as well as learning from reports produced by other NHS Trusts.

This year we also asked members of the Patient and Public Involvement Forum and the Patient Experience Group for their views on last year's report to understand whether we can improve the way information is presented, as well as whether the kind of information was of interest or use.

All who responded found the Annual Report 2006/07 well presented and written in straightforward, understandable language. Comments we received that would improve the report included more details regarding the type of complaints to the Trust, and more detail on how we performed against our corporate objectives for the year. We have acted on these suggestions and you increased the amount of information on both of these topics in this year's report.

We value feedback on this year's report – please complete the feedback form at the end of this report and post the page to the address shown. Alternatively, you may email your comments to communications@buckshosp.nhs.uk.

Feedback on Annual Report 2007/08

	Strongly Agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree
The information in this Annual Report was easy to understand					
There was enough information about the Trust and its services					
There was enough information about the Trust's achievements					
There was enough information about the Trust's finances					
The layout of the document was clear and attractive					

Please post your feedback to:

Communications
Buckinghamshire Hospitals NHS Trust
Amersham Hospital
Whielden Street
Amersham
Bucks
HP7 0JD

Or telephone 01494 734959

Or email: communications@buckshosp.nhs.uk