Annual Report 2005/6

Making our vision a reality

Work begins on King's Mill super-hospital

Chairman's Report

"Another year of excellent progress"

I am very privileged and proud to be able to commend to you our Annual Report for 2005/06 - the various sections of the report make it very clear just how much progress we have made in the year and I will concentrate on highlighting the people and strategies that have made this happen.

Our main strategic vision continues to be Working in Partnership,

- with members of our local population to improve their health,
- with our members of staff to value their contribution;
- with our stakeholders to deliver greater value.

We hope that this approach will ensure the continued loyalty of our local residents and make our services their first choice when seeking health care. We also hope that it will ensure that our staff demonstrate their loyalty to the local population in the quality of care they provide.

As in previous years, our experiences in 2005/06 confirmed to me the importance of maintaining a strong financial position and of organising our services as effectively as possible. This will be even more important when we start working as a Foundation Trust.

Our high level of performance against our targets in 2005/06 should be a matter of pride for everyone working at the Trust - particularly when we look around and see the experiences of other Trusts, as portrayed by recent media coverage.

Everyone has played their part in our achievements and none more so than the Managers that we have in the organisation. I know personally how hard and effectively the senior executives work and how much the Trust Board relies on them to manage the organisation effectively. A great deal is said in the media about the number of Managers in the NHS and how money could be better spent, and while we expect that achieving Foundation Trust status will reduce some of the bureaucratic burden that we face, particularly around the ever-increasing "evidenced based assurance" process, I think that our management costs represent good value for money.

Once again, I will be presenting our Staff Excellence Awards immediately after the Annual General Meeting in September 2006, and this will be another chance for me to pay tribute to the great individuals and teams we have working in the Trust.

The Trust Board takes a great interest in the innovative work that is being done and during the year, we have received a number of regular presentations before our monthly Trust Board meetings when teams and individuals come along and tell us what they are doing to improve services.

Before our April 2006 meeting we were delighted to receive a presentation from Julie Callaghan, Cancer Services Development Manager and her team on the issue of "Prospective Tracking of Cancer Patients Against National Waiting Time Targets".

This is a tremendous initiative and to my great delight, Julie and her team went on to win the Trent Strategic Health Authority - Inspiring Success Award 2006 in their particular category.

In future, it is likely that these Awards will be extended to the whole of the new Strategic Health Authority and I would encourage you all to enter, as we deserve even more recognition than we currently receive.

During the year I also had the opportunity to present awards to our volunteers across the Trust. The level of support that we continue to receive from our volunteers is truly amazing and the Trust Board is very appreciative of the hard work of all involved.

I recognise that for some volunteers, especially at King's Mill Hospital, the last year has been an anxious time, watching our new facilities being created and wondering quite where they will fit in.

I am confident that both our new and upgraded facilities will need the continuing support of volunteers and in ever increasing numbers. So please work with us while the facilities are built and encourage more volunteers to come and join us.

I wrote in my introduction for the 2004/05 Annual Report, that the NHS was yet again in the midst of great change, this time affecting the configuration of Primary Care Trusts (PCTs), and the Strategic Health Authorities.

We now know that we will be working principally with one PCT covering most of Nottinghamshire, excluding the city. Currently, there is still much to be decided regarding the way the new PCT will work.

In addition, we are still working through other initiatives, including Practice Based Commissioning, Payment by Results, Choose and Book, the European Working Time Directive, and others. More recently we have been considering the implications of the new White Paper – 'Our health, our care, our say'. All of these initiatives bring both opportunities and risks, which we will need to address.

One of the key themes of 'Our health, our care, our say', is to increase the amount of care and treatment provided in a primary care setting, rather than in hospitals. Our Modernising Acute Services (MAS) scheme reflects these aims, but while this is a very sensible goal, we need to ensure that change is

managed effectively and does not impact adversely on the health of our local population. I think that we are well placed to lead the way on many of these initiatives and enhance still further the strategies I set out at the start of this report.
Without doubt the highlight of the year for me was the signing of the contract for the MAS PFI scheme in October 2005.
I was told (after the event) that there is a 'natural pace' for concluding such agreements and that they are normally finalised during the early hours of the morning!
In our case it was around 4am and after approximately two hours sleep, I was heading back from London to Newark Hospital to chair our monthly Trust Board meeting. Following the signing of the agreement, the hard work really started. Departments and staff had to be moved to new temporary locations to allow the building work to begin and after around 6 months of significant disruption, things have started to settle down.
The Mansfield Community Hospital and Newark Hospital will see a significant improvement in the quality of buildings and equipment, and at King's Mill Hospital we will have facilities that will be the very best in the NHS for the type of services we provide.
What we now have to do is to work at that partnership that I mentioned at the start of my report - to ensure that local people see our facilities as their first choice.
We do have plans for a continuous development of services on all the sites and it will definitely not be 'more of the same'. Patients all over the community will see advances and improvements in the way they are treated.
I hope that by the time of the Annual General Meeting in September 2006, I can announce the second highlight of 2006 – our authorisation as a Foundation Trust.
We have put a great amount of effort into our application, as we are confident that becoming a Foundation Trust will result in many benefits for our local community. We already have a high number of members and we have set ambitious targets for the current year. We really need as many people as possible to join and make our Foundation Trust a success.
During the early months of 2006, we held our first elections for governors and in April 2006, welcomed our first elected and appointed governors to the Trust.
Our Board of Governors consists of 39 elected and appointed representatives, and my challenge to our elected governors, in particular, is how will they ensure that they are listening to what their members want from the Trust, and how they will work with the Board of Directors to ensure that we listen. We are working our way through this but please do get involved by signing up to be a member.
If you are at all familiar with the Foundation Trust authorisation process you will know that the independent regulating body – Monitor - puts the Trust and its staff through a very searching series of examinations to ensure that our organisation is fit for purpose. This puts a great strain on the Board as a whole but particularly on the Executive Directors and their supporting staff who are required to prepare many submissions. My thanks go out to all involved.
The second part of the process is for Monitor to be satisfied that the Trust Board has all the qualities needed to run a business the size of ours. We should know the outcome in late July 2006.
Since last year's report, we have welcomed David Leah and Stephen Pearson as Non-Executive Directors of the Trust. David succeeded Joe Lonergan who retired in October 2005, and has taken over responsibility as Chair of the Trust's Audit Committee, and Stephen has succeeded Lorna Carter, who retired at the end of December 2005. David, an accountant by profession, and Stephen a local solicitor, have brought new skills and knowledge to the Trust Board.
My thanks go to Joe and Lorna for all their hard work and to David and Stephen for working so hard to get up to speed in understanding a very complex organisation. We are currently in the process of adding a 6th Non-Executive Director with skills in Marketing and we hope to make an announcement as soon as we have obtained Foundation Trust status.
So, as Jeffrey Worrall said recently, "our best year ever" - but I am confident that 2006/07 will be even better.

Brian Meakin
Chairman

Brian Meakin Chairman

Chief Executive's Statement

The Trust enjoyed another successful year in 2005/06, and our Operating and Financial Review provides greater detail of the levels of performance that we achieved in financial, access and quality terms.
Our Annual Report also provides further information about how we have continued to put our values into practice for the benefit of the people who rely on our services – our patients, and the people that work with us to maintain our high standards of service - our staff.
As in previous years, I would like to introduce the Operating and Financial Review by highlighting the things that I feel have been our key achievements during the year:

Highlights of 2005/06:

- Meeting our targets - achieving financial break even, achieving all but one of our waiting time and access targets, and treating more patients, - improving safety and clinical outcomes and being at the leading edge of a number of local and national initiatives.
- Securing Financial Close for the MAS scheme, - and witnessing the start of the modernisation of our District General Hospital so that it becomes one of the most up to date hospitals in the country.
- Achieving our MRSA reduction targets, and demonstrating that our facilities are safe, clean and promote good health;
- Preparing our application for Foundation Trust status - and receiving Secretary of State's support in January 2006, so that our application could be submitted to Monitor, to seek authorisation.
- The subsequent development of the component parts of our application – the Service Development Strategy, Financial Model, Membership Strategy and Workforce Strategy. A successful Consultation process, successful elections, an increasing membership, and growing enthusiasm and support from members and governors, indicate that once achieved, Foundation Trust status will deliver significant improvements for our local community.
- Opening more services at Newark Hospital - the opening of the new Sherwood Women's Assessment Unit provided further confirmation that we are committed to developing services at the Hospital to meet the needs of our local population;
- Attracting excellent new clinical staff to work at our hospitals - people who see the prospect of helping us develop our new facilities and of being around when the new hospital starts operating in 2008 as reasons for choosing our Trust. The success of the MAS scheme will rely on securing sufficient staff with the right skills and experience at the right time.

Looking towards the future

While 2005/06 has been our most successful year, I recognise that we need to continue to develop to remain successful. In order to do this we:

- Will firstly meet the promises set out in our Annual Plan for 2006/07, which are:

For our patients we will

- Improve our patients' food. We will start by introducing a new system at Newark Hospital to provide food, that will be cooked fresh on the ward at every mealtime.
- Invest extra money in the prevention of hospital acquired infection (including MRSA) to build on the reductions we have achieved over the last year.

For our referrers we will

- Roll-out a system of real-time electronic discharge letters for GPs so they know as soon as possible what has happened to their patients while they have been in our hospitals. Patients will also benefit from this development, as they will also receive a copy of the letter.
- Introduce a structured advice system for GPs to contact hospital specialists to help them support their patients in the community.

The quality and motivation of the Trust's staff are key to sustaining the support of local people and improving the quality of services the Trust provides. To support the commitment of staff, the Trust commits itself to continue to develop them.

For our staff we will:

- Implement the Knowledge and Skills Framework, for staff covered by Agenda for Change (most staff), supported by a comprehensive system of appraisal (the new Development Review Process) ensuring all staff receive appropriate appraisal.
- Continue our commitment to the training and development of staff and build on our results in the 2005 National Staff Survey, which showed a significant improvement in performance, with 96% of staff surveyed reporting receiving training or development in the previous 12 months.
- Improve our employee well-being, focusing on: the work-life balance of our staff by reducing the requirement to work additional hours over contracted hours; and reducing the incidents of violence and aggression from patients or relatives experienced by staff.

- Secondly, we will continue to devote significant time and resources to developing the models of care and treatment that will need to be in place in the medium and long-term future as part of the MAS scheme;
- Thirdly, we will also ensure that we use Agenda for Change positively to recruit and retain the right staff, who are our most valuable assets.
- And finally, we will finalise our application to become a Foundation Trust. We feel ready and eager to take full advantage of the benefits that will be available to us once Foundation Trust status is secured.

Jeffrey Worrall
Chief Executive

Operating and Financial Review 2005/06

Our Values

Our principal aim is to be:
"A hospitals Trust committed to providing the best possible patient care for the people of our local communities."

Our values are to:

- Provide the best possible patient care, based on evidence and in a culture that encourages continuous improvement.
- Listen and understand what patients have to say, and encourage their involvement in decisions about their care.
- Provide a clean, healthy and welcoming hospital environment for patients, visitors and staff.
- Improve the patient's experience of care at the hospitals, respecting their privacy and preserving their dignity.
- Have open and honest communications between staff and with patients.
- Recognise the contribution of staff by developing and supporting them to do their jobs better, and involving them in decision-making.
- Provide high quality services through working in partnership.

We want our local hospitals to be the 'hospitals of choice' for the residents of our local communities, and to be the place where local people choose to work. We want to ensure that local people have more say in how our services are provided – an aim that we think will be best achieved through becoming a Foundation Trust.

Our Local Communities

Although the majority of our patients live within Central Nottinghamshire, approximately 14% of patients come from other areas particularly North East Derbyshire and the Amber Valley within Southern Derbyshire.
The area varies considerably in terms of urbanisation, deprivation and population concentration, with the main hubs of population in the west, focused around the towns of Mansfield and Sutton in Ashfield and to the east the main settlement is Newark.
Much of the area is rural, particularly towards Newark and the higher levels of urbanisation seen in and around Sutton in Ashfield and Mansfield are matched by increased levels of deprivation and health need.
All three areas have a greater proportion of older people within their population than the England average, and the population as a whole is expected to continue to increase by a slightly higher rate than nationally.
The areas served by our Trust have comparatively low indices of socio-economic measurement, with high levels of respiratory problems and other causes of chronic illness and long term disability mainly resulting from the industrial past, especially the coal mining industry.

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The overall impact of this local socio-economic context is higher than average hospitalisation rates, especially levels of emergency admissions, and this high level of health need has been reflected in the organisation's future activity modelling.

With regard to our workforce, the majority of our non-medical staff are drawn from the Central Nottinghamshire area, and so the local labour market is a very significant factor in our workforce development plans.

The communities of Mansfield and Ashfield have particularly low levels of educational attainment, and given the fact that most of the organisation's workforce is drawn locally this is a significant risk to our future workforce development requirements. The importance of this issue is reflected in our strategic objectives and the Trust is taking a number of steps to manage this risk, working in partnership with local education providers.

The NHS locally

There are a number of factors and trends that, combined with the new health policy agenda, will have implications for the Trust and our role in providing acute healthcare within the Central Nottinghamshire health community.

Clinical networks and the local sustainability of smaller specialties

We have developed our participation in formal clinical networks and also in more informal partnerships with other providers in order to ensure that the range and scope of smaller specialties provided within the Trust is sustainable in the future. These include the Mid Trent Cancer Network, the Cardiac Network, and the Nottinghamshire Pathology Network.

In addition we have strengthened joint services with the Nottingham tertiary providers including Haematology, Dermatology, ENT, Histopathology and a Joint Breast Service.

We have also developed partnership arrangements for on-call provision in a number of specialties in order to maintain local service provision and effectively manage the reductions in working hours required.

Changing Primary and Community Care

Changes in clinical practice are enabling care that has traditionally been provided in acute hospitals to be provided in the community, and we are working with our local PCTs to support these developments.

Our plans for the future include assumptions regarding the impact of these changes including the transfer of routine outpatient work, admission avoidance and earlier discharge from hospital.

Other changes are likely to lead to an increased range of out of hospital services competing with some of our assessment, diagnosis and treatment services. Whilst reductions in outpatient activity and minor surgery have been built into our delivery plan to compensate for these developments, more significant shifts than have currently been anticipated have been incorporated into our scenario modelling and risk management planning.

Plurality and Choice

The development of a wider range of alternative providers of hospital services locally and the associated choices for patients pose a potential threat to the organisation's delivery plans.

Our development plans include adjustments to take account of local commissioners' pre-committed levels of independent sector activity, but we have not incorporated any additional reduction in activity into our plans as a result of patients choosing alternative providers, but we have considered these issues in our modeling and risk management plans.

Local Delivery Plans 2005-2008

We have participated in the development of three Local Delivery Plans (LDPs) with our PCT partners. The plans summarise how we will work together to meet national and local targets between 2005 and 2008. The key supporting strategies outlined in the LDPs relate to:

- Increasing capacity
- Developing our workforce
- Maximising the benefits of 'Connecting for Health', the National Programme for IT
- Implementing Choose and Book to support plurality and Patients' Choice

The planned levels of commissioned activity from the Trust, and the specific service developments agreed to support the achievement of national and local targets within the LDPs, are detailed in sections 4 and 5 and appendix 4 of our Service Development Strategy, which is available from the Trust.

Our Services

The Sherwood Forest Hospitals NHS Trust was formed in April 2001, and we currently provide comprehensive District General Hospital services and services for elderly people throughout Central Nottinghamshire at four hospital sites - King's Mill Hospital (561 beds), Newark Hospital (102 beds), Mansfield Community Hospital (112 acute beds) and Ashfield Community Hospital (60 acute beds).

We serve a population of around 350,000 people drawn mainly from the local District Councils of Ashfield, Mansfield and Newark & Sherwood, together with areas of the North East Derbyshire, Amber Valley, and Bolsover District Councils, and other surrounding District Council Areas in Nottinghamshire and Lincolnshire.

While our medium to long-term aim is to continue to be regarded as the 'hospitals of choice' for our immediate catchment area, we are also committed to encouraging local residents who

currently seek treatment at other hospitals to start using our services routinely.

Our current financial model for the next 10 years, as well as the MAS Business Case assumes that both areas of demand will increase, and we are currently taking steps to ensure that our aims are fulfilled.

In 2005/06 we had an income of around £164m and employed around 3,600 staff. We also received support for our volunteers, who currently number around 1,000.

Modernising Acute Services (MAS)

The Modernisation of Acute Services (MAS) project is a £320m Private Finance Initiative (PFI) led by us and Mansfield District PCT. The initiative is centred on the redevelopment of King's Mill and Mansfield Community Hospitals, and with a programme of service modernisation will realise a number of benefits for the local community including:

- Shorter waiting times for hospital treatment
- Improved access to healthcare and fewer visits to hospital
- Reduced lengths of stay in hospital and care delivered closer to home
- Improved quality of care, based upon the latest national guidance
- More pleasant and welcoming hospital environments
- A major boost to the regeneration of local economies
- Assistance in the prevention of ill health
- Reduced levels of pollution

At King's Mill Hospital, the project involves the provision and enhancement of a wide range of clinical and non-clinical services including, but not restricted to, all Women's and Children's services, Emergency Care, Diagnostic Imaging, Outpatients, Theatres and Adult Inpatients, taking the opportunity to group some of these within three new clinical care centres:

- Diagnosis and Treatment Centre
- Emergency Care Assessment Centre
- Women and Children's Centre

In addition, the positioning of the new accommodation will enable the creation of a single group of buildings to replace the fragmented layout of the existing estate creating a single unified hospital.

The Full Business Case relating to this development received Treasury approval in October 2005, and the Trust reached Financial Close on the scheme at the end of October 2005. The completion date of the project is 2011/12. The capacity within the scheme, and the configuration of facilities and services provided have all been developed within the context outlined above and are fully incorporated into our delivery plan.

Our PFI Partner, Skanska Innisfree is recognised as leader within the construction industry in sustainable development and is committed to improving the environmental, social and economic benefits of all of its projects.

A Sustainability Plan for the MAS project has been developed by Skanska Innisfree, and this highlights the approach being taken against the following key aspects of the project.

- Design
- Energy
- Water management
- Transport
- Construction
- Waste management
- Pollution

King's Mill Hospital

King's Mill Hospital provides Medical, Surgical, Paediatric, Obstetric and Gynaecological services from a range of settings including general wards, a busy Accident and Emergency department, a Critical Care Unit, a new Day Case Unit, and a Neonatal Intensive Care Unit.

We have a state of the art Ophthalmology unit with its own dedicated operating theatre, and an Angiography Laboratory.

We also have Oncology and Endoscopy day care beds, and a full range of diagnostic and support services on the site.

The hospital is undergoing major refurbishment as part of the £320m Modernising Acute Services (MAS) scheme that started in 2005, and is due for completion in 2010/11.

Newark Hospital

Newark Hospital provides services from mainly modern accommodation, with two operating theatres and beds in four wards. There is a wide range of general hospital services including General Medicine and Care of the Elderly, General Surgery including Trauma and Orthopaedics, Gynaecology, Urology, Ophthalmics, and a small Accident and Emergency unit. A new Women's Assessment and Treatment Centre – the Sherwood Unit - was opened in early 2006 and diagnostic and support services are provided, including a new CT Suite.

Newark Clinical Development Strategy

We assumed responsibility for Newark Hospital in 2001, and in response to clinical concerns about the scope of services provided and the way in which they were medically staffed and led, we developed a clinical strategy which led to the cessation of emergency surgery, the introduction of restrictions to the range of emergency conditions that could be managed at the hospital and the replacement of visiting consultants with substantive Trust consultant appointments, working across our two general hospitals.

We are now engaged in further joint work with the local PCT about the next phase of development for the hospital. This is in its early stages but centres around continuing to expand the range and level of day case and short stay elective care provided at the hospital and working to integrate community and secondary care management of a range of long-term conditions across the Newark and Sherwood district.

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A Treatment Centre is also being developed at the hospital to improve the organisation of planned care services, increase capacity and the range of services provided locally.

Mansfield Community Hospital

Mansfield Community Hospital is currently managed by Mansfield & Ashfield District PCT, and we provide Health Care of the Elderly services from four wards. These services are supported by a small x-ray unit, pharmacy and therapy services.
The hospital is also undergoing major refurbishment as part of the £320m MAS scheme.

Ashfield Community Hospital

Ashfield Community Hospital is also managed by Mansfield & Ashfield District Primary Care Trust, and we provide health care of the elderly services from three wards. There is a small x-ray unit, pharmacy and therapy services. This is a newly built hospital offering excellent modern accommodation.

Our Performance in 2005/06

The Board of Directors routinely considers key aspects of the Trust's performance at its monthly public Trust Board meetings.
During the year, the majority of the monitoring information was provided through monthly Corporate Performance Management Reports (CPMR), which included both cumulative and monthly descriptions of performance, with a focus on finance, access, workforce and quality.
We reviewed our performance management process during the year to match the requirements of a Foundation Trust and to highlight Clinical Governance issues. In the last quarter of 2005/06, we introduced a monthly Clinical Governance Report (CG) to ensure that the Trust Board was able to monitor key aspects of our business.
During 2006/07, we will once again review our performance monitoring data in the context of the Dr Foster Intelligence publication – 'The Intelligent Board'.
The monthly reports contain a number of Key Performance Indicators (KPIs) against which our performance is monitored. A brief description of the main KPIs and our performance against these is provided below.
The monthly performance management reporting process is complemented by further routine reports (Quarterly Business Plan Implementation, Complaints Handling, Connecting for Health reports) as well as a number of key Annual Reports that are considered throughout the year.

Treating more patients

Category of Service	2005/06 Target	2005/06 Actual	2004/05 Actual
Elective inpatients	31,453	33,324	30,644
Non-elective inpatients	41,901	41,816	41,891
New Outpatients	60,804	63,697	62,702
Accident and Emergency	94,501	96,502	94,501

During 2005/06 we treated 6% more Elective inpatients than expected, saw 4% more Outpatients (new and follow-up) than expected and received 2% more new attenders at Accident and Emergency than expected. The number of non-elective patients treated was broadly in line with expectations and similar to the number seen in 2004/05. The Annual Plan for 2006/07 assumes further growth rates in accordance with the MAS Business Case, the Service Development Strategy and the Financial Model completed as part of our application for Foundation Trust status. These assumptions have been agreed with our local Commissioners.

Meeting targets

Performance Target	Level of Achievement
National Accident and Emergency 4 Hour Wait – 98% waiting below 4 Hours	We attained the necessary performance levels during the four quarters of the year.
National Maximum 6 month wait for Inpatient Treatment	No patient was waiting more than six months for Inpatient/ Day case treatment by the end of March 2006. We also made significant progress in reducing the maximum length of wait to below five months. Only in three specialties (Orthopaedics, General Surgery and Gynaecology) did people wait above five months for inpatient treatment, and in these specialties, the numbers were also small.
National Maximum 13 week wait for Outpatient Appointment	No patient was waiting over 13 weeks for an Outpatient appointment by the end of March 2006. We also made significant progress in reducing the maximum length of wait for an outpatient appointment to below 11 weeks. Only in three specialties (Orthopaedics, Ophthalmology and ENT) did people wait above 11 weeks.

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National Cancer Waiting Times (31 and 62 days)	**Target – 98% of patients treated within 31 days of diagnosis by the end of December 2005**. From the end of December 2005, we were able to meet and normally exceed this target. ***Target – 95% of patients treated within 62 days from urgent GP Referral by end of December 2005*** From the end of December 2005, we made good progress towards this target, and while it was not fully achieved, our performance was good compared to other similar Trusts.
Cancelled Operations	The percentage of cancelled operations remained consistent with the level achieved in 2004/05. All patients that had their operation cancelled were readmitted within 28 days.
Connecting for Health Choose and Book	North Nottinghamshire Health Community (led by the North Nottinghamshire Health Informatics Service) - the first to meet the Trent Strategic Health Authority Target of full compliance by 31st March 2006.

We maintained our excellent record of performance against national targets, and were the one of the best performing Trusts in the Trent Region for both Accident and Emergency 4 Hour waits and Cancer Waiting times.

Our 2006/07 Annual Plan assumes that we will continue to maintain our excellent record of achievement against national performance targets, and this will put us in a good position to achieve the Government's challenging waiting times targets for 2008.

While outpatient cancellation performance is not a formal target, we are committed to improving our cancellation rate during 2006/07 as we recognise the inconvenience and distress that the cancellation of an appointment causes with our patients.

Managing our Finances

We again faced a challenging year financially during 2005/06, and the Summary Financial Statements included within the Annual Report provide further detail on the Trust's financial position at the end of March 2006.

Despite the challenges we faced, we were once again able to meet all of our financial duties, including the achievement of financial breakeven.

A key feature of the year was that we treated far more patients than expected by 31st March 2006, and while the Payment by Results regime was extended to more clinical activities during 2005/06 - meaning that we were paid increasingly in accordance with work undertaken - we needed to spend more on meeting the additional activity.

We also needed to deal with the financial consequences of the introduction of Agenda for Change, the new national pay and conditions system for all NHS staff (excluding Doctors).

More than in any year before, our financial position was closely scrutinised during 2005/06 for two key reasons. Firstly, we needed to progress the MAS Full Business Case to the point of Financial Close. Throughout the early part of the year, the Trust in partnership with its local PCTs, continued to review and update the financial and growth assumptions underlying our plans to redevelop King's Mill Hospital and Mansfield Community Hospital.

This work entailed a significant level of scrutiny both by us and by our PFI partners, who would fund the redevelopment work and take responsibility for managing Facilities Management Services once the agreement had been signed, and so needed to be reassured that our financial projections were sound.

This work came to a successful conclusion in October 2005, when the agreement with our PFI partners was signed, allowing the scheme to be launched on the Investment Market the following day.

It is of great credit to the MAS Team, including our advisers, that Financial Close was achieved in a comparatively short time and that our scheme remains an exemplar for other PFI schemes nationally.

At the same time that Financial Close was being achieved for MAS, our application for Foundation Trust status was being progressed, requiring our financial plans and service development proposals to be scrutinised further. As part of our preparations for becoming a Foundation Trust we improved our financial reporting process to bring it more in line with the requirements of Monitor, the Independent Regulator of Foundation Trusts.

The work we undertook to develop our Business Case for MAS and to prepare our Service Development Strategy and Financial Model as part of our application for Foundation Trust status provided us with an excellent opportunity to plan for the next ten years.

Directors were fully involved in developing the Service Development Strategy, understanding our plans for the future and recognising what we need to do to ensure that the exciting proposals described are achieved.

The Service Development Strategy and accompanying Financial Model also include a number of different scenarios, describing how we will manage any changes to

our assumptions as our new facilities develop and new services come on-stream.

The high levels of challenge and scrutiny of our financial plans and Service Development Strategy exerted by the MAS Financial Close process and the Foundation Trust application provided the Trust Board with significant assurance that we are in a strong financial position as we entered 2006/07 and for the foreseeable future.

With regard to Capital, we invested a total of £11.1m during 2005/06 in a range of schemes and purchases.

These included:

Scheme	Level of Investment
Newark Hospital – Women's Assessment Unit (Sherwood Suite)	£473,000
Trust wide - Medical Equipment	£2m
King's Mill Hospital - Creation of new Acute Medical Unit (AMU)	£365,000
Trust wide - Picture Archiving and Communication System (PACS)	£522,000
Trust wide – Information, management Technology (IM&T)	£417,000

A significant amount of Capital investment was also made as part of the MAS Scheme, following the successful conclusion of an Advanced Works Agreement (AWA) with Skanska in January 2005.

Concluding the AWA heralded the start of the transformation of King's Mill Hospital and Mansfield Community Hospital, and during 2005/06 we saw the creation of a new Day Case Unit, the provision of new accommodation for a number of Departments, including the Human Resources Department, and the start of the new 'state of the art' Pathology Department.

In addition, new car parking capacity was created to replace that lost through the MAS Scheme.

Work has continued into 2006/07 and the two sites are changing at a fast pace.

Looking after our staff

We recognise the value of our workforce and we have undertaken a number of initiatives designed to allow staff to strike an acceptable balance between the demands of their work and their home lives.

Our commitment to staff was recognised in 2005/06 when we were awarded Improving Working Lives – Practice Plus status.

We have a significant range of staff benefits including a site based Nursery at King's Mill Hospital, and a Child-care Co-ordinator, and we encourage flexible working.

Results from the national Staff Survey for 2005/06 were largely positive, but we recognise that there is scope to do more to improve the working lives of staff.

We have continued to provide an extensive programme of Training and Development opportunities and in March 2006 improved our Induction arrangements by holding twice monthly compulsory Orientation days for all news starters, apart from Junior Doctors on rotation who receive their own tailored programmes in August and February.

We have also been greatly encouraged by our ability to attract and retain high quality clinical staff and during 2005/06 were able to fill some long-standing vacancies in key clinical areas.

While our recruitment and retention rate has remained comparatively strong, our sickness absence rate (5.1%) has shown only a small improvement when compared to 2004/05 (5.2%). We are aware of the need to improve our sickness absence rate in order to manage costs, maintain productivity and promote safe staffing levels. Work was initiated at the end of 2005/06 to review our Sickness Absence Policy and to support managers in achieving improvements.

The Trust established a Diversity and Inclusivity Working Group during 2005/06, which recently published its first annual report. This is available on the Trust's website.

Once again, the Trust Board was able to say a big 'Thank You' to many staff at our Annual Staff Excellence Awards' Ceremony in September 2005. While the Ceremony provides the opportunity to celebrate our successes, we also recognise that we would not be able to meet the increasing demands placed upon our services without the loyalty, dedication, commitment and hard work of all staff at the Trust.

Listening to patients

Listening, acting, improving – learning from complaints

In our Annual Report for 2004/05, we were able to highlight the continuous improvements that we had achieved in our Complaints Handling performance. Last year our record of improvement was maintained.

During 2005/06, we received 321 formal complaints – an increase in the number we received in 2004/05 (258) – but we saw a further improvement in response times, again illustrating the successful partnership that has been established between our Operational Divisions and our Complaints' Handling Team.

The main performance targets for receiving and responding to complaints are providing an acknowledgement of a formal complaint within 2 working days and providing a substantive response from the Chief Executive within 20 working days.

During 2005/06, 99% of complaints were acknowledged within 2 working days (99% in 2004/05) and 80% of complaints received a substantive response from the Chief Executive within 20 working days (78% in 2004/05). We feel that this is a significant improvement and a level of performance that we are keen to maintain.

The reasons for complaints being answered outside the 20-day target included the unavailability of key staff, and the complexity of the complaint. When we were not able to respond within 20 days, we notified the complainant and kept them informed of progress.

The vast majority of complaints were resolved by the Trust locally, with only 10% requiring a second substantive response. As in previous years we used a number of ways to deal with complaints at the Local Resolution stage, including meetings with complainants involving senior clinical and managerial staff, both at the Trust and at complainants' homes and inviting complainants to meet and discuss their concerns with staff.

Having listened to complainants we were able to make a number of improvements to our services. These included:

- Ward Leaders reinforced our policy regarding the removal of cannulae prior to the discharge of patients;
- Alterations were made to a treatment room on a Ward to make the environment more spacious;
- Our policy regarding To Take Out (TTO) medication was reviewed with the Chief Pharmacist to enable nursing staff to dispense more common medications direct from the Surgical Admissions Unit Ward stock, when the Pharmacy was closed;
- Our procedure for on-call referrals from neighbouring Trusts was reviewed and clarified by the clinical staff involved;
- As the result of a complaint, our Consultant in Accident and Emergency is preparing guidelines for the management of vertigo to ensure strokes and other brain conditions are considered;
- As the result of another complaint, our Consultant Pathologist reviewed our policy for the storage of samples;
- A diary system was implemented on our Paediatric Wards to aid communication;
- A local Practice Manager and our Senior Midwife reviewed the availability of accommodation for Community Midwives to ensure that it meets the needs of the service users.

The national Complaints Handling process enables complainants who remain unhappy with their response to seek an independent review. Since July 2004, the Healthcare Commission has taken responsibility for the Independent Review stage of the national Complaints Procedure.

During 2005/06, we were informed of 25 requests for independent review that were received by the Healthcare Commission relating to complaints handled by the Trust.

The Healthcare Commission has considered 13 of these requests, and we have acted on the recommendations made. 12 cases remain with the Healthcare Commission and the outcome of these is awaited.

We are proud of the improvements that we have made in responding to complaints and in using complaints in a positive way.

Patient Advice and Liaison Service (PALS)

Once again we saw further developments in our PALS, with investment at both Newark and King's Mill Hospital to increase staff resources.

The total amount of PALS enquiries received during 2005/06 was 1795, an average of 150 per month, and a similar number to 2004/05.

Of these enquiries,

- 35% related to issues concerning communication
- 22% related to procedures
- 11% related to clinical issues
- 7% related to waiting times
- 7% related to appointments
- 6% related to the environment

As can be seen, the category with the highest percentage of enquiries was 'communication' and this included a range of issues. For example, the type and detail of information sent out to our patients have been common themes, and 171 of the 630 communication enquiries related to patients feeling they had received incorrect, inadequate, confusing, delayed or illegible information for example

- Letters for appointments arriving after the appointment date
- Illegible photocopied information being sent with letters
- Incorrect car parking information
- Unclear location for appointment or test

Unfortunately, these issues have increased recently due to the onset of building works under MAS project at King's Mill Hospital.

The majority of the 'procedures' enquiries related to car parking both at King's Mill Hospital and Newark Hospital. These range from accessibility issues for the disabled people (inappropriate parking in disabled bays) through to capacity problems at both sites.

In 2006/07 we will be continue to look at how PALS is resourced in the future under MAS, and will focus on how we can overcome and resolve some of the common, recurring enquiries with Divisions.

During 2005/06, we produced an Action Plan for PALS, and progress was reviewed and ratified by the Trust's Patient and Public Involvement Panel.

Areas where progress has been made against the action plan include:

- Introduction of PALS Operational Policy and associated policies for the Trust
- Introduction of a PALS website accessed via the Trust's Intranet and Internet for staff, patients and carers.

In the same way that we used complaints positively, we also used PALS enquiries to improve services for patients across the Trust, with 5% of the PALS enquiries received leading to benefits for patients and staff.

These included:

- Development of weighing in methods for Chemotherapy patients

Operating and Financial Review 2005/06

- Development of methods to chase and receive test results for patients who have been referred for further tests following a consultation.
- Better advertising of car parking concessions at King's Mill Hospital site.
- Improvements to the hearing induction loop facility in Newark Hospital - all equipment now checked monthly, portable loop system purchased for one-to-one consultations and facilities installed in Board Rooms for public meetings.
- Drop kerb introduced at King's Mill for easier disabled access to pavement.
- Letters for pre-op ophthalmology assessment now clearly state that patients will not be able to drive home afterwards due to use of eye-drops.
- Information given by ward staff to patients who query eating/drinking times before surgery is now double-checked with clinical or theatre staff to prevent unnecessary cancellations of surgery.
- Communication between departments has been improved for patients who need advice and support following receiving bad news at any stage of scanning during pregnancy.
- Toilets on B and C floors at King's Mill Hospital have now been designated as disabled facilities.
- Revision of methods used in the Outpatient Department to communicate with the hard of hearing.
- Revision of the wording used on some of the Trust's medical record alert stickers.
- Improvements made to locker facilities for patients attending for MRI scans.
- Increased stock of blankets and umbrellas for King's Mill Hospital internal ambulance.
- Introduction by the catering department of a system to record batch codes from sandwiches supplied by external companies to enable tracking.

We are keen to ensure that our PALS continues to meet patients' needs and we have developed a further action plan for 2006/07. The following are some key priorities:

- Workforce planning for King's Mill Hospital PALS in preparation for MAS;
- Raising awareness of PALS across the Trust with a particular focus on resolving some of the common, recurring issues;
- A two yearly review of all PALS enquiries in September 2006 to detect trends and themes over the first two year period of electronic data recording;
- Further development of PALS communication materials.

Improving the quality of our services (Clinical Governance)

Good Clinical Governance - making sure our clinical services meet high standards - continued to be one of our key focuses during the year.

A new national system for monitoring the delivery of quality standards was established during 2005/06, with the introduction of the Healthcare Commission's Standards for Better Health, which include core standards that,

"describe a level of service which is acceptable and which must be universal".

Starting in 2005/06, NHS Trusts are now required to undertake an annual self-assessment (the Annual Health Check) of performance against the Healthcare Commission's core and developmental standards, and to make a public declaration in April each year. The declaration must include a commentary from the Trust's Patient and Public Involvement Forum (PPIF), the local Overview and Scrutiny Committee, and the Strategic Health Authority.

For 2005/06, we have declared full compliance against all of the core standards, which relate to:

- Safety
- Clinical and Cost Effectiveness
- Governance
- Patient Focus
- Accessible and Responsive Care
- Care Environment and Amenities
- Public Health.

The following sections confirm how we have achieved high levels of clinical governance during 2005/06 and achieved full compliance with the:

Safety

- **Reporting Incidents** – Learning from incidents is an important part of good risk management. We have a well-defined reporting process for any untoward incident that may occur at our four hospital sites. All reported incidents are logged centrally using the DATIX risk management programme, which is used to analyse incidents, and 'near misses' to help us identify shortfalls in our safety systems.

Details of more serious incidents, and summaries of incident data are considered by our Quality Assurance Committee to ensure that our safety systems are regularly scrutinised and improved. We endeavour to feedback to frontline staff information and analyses of individual and summary incidents to promote safety and encourage further reporting.

- **Healthcare Acquired Infections (HAIs)** – Minimising the risk of infection remains one of our key priorities and is best achieved through maintaining high levels of cleanliness and surveillance.

Directors receive monthly reports on MRSA and other HAI performance levels as part of the monthly Clinical Governance Reports and note the continued reduction in the number of incidents during 2005/06.

Our Winning Ways action plan provided a focus for achieving these improvements through the promotion of hand hygiene, the training of staff and appropriate use of protective clothing.

In 2005/06, our PEAT (Patient Environment Action Team) scores improved once again and we benefited from the involvement of a very active

and supportive Patient Reference Group member on our Hospital Cleanliness Team and Infection Control Committee. Directors also consider monthly reports on cleanliness at public Trust Board meetings.

Clinical and Cost Effectiveness

- **National Institute for Health and Clinical Excellence (NICE) Guidance** - Guidance received from NICE was used to inform our use of drugs and medical devices. We maintained a register of the guidance issued and monitored progress towards implementation.
- **Professional Updating for clinical staff** – We recognise the importance of ensuring that clinical staff are up to date in their clinical practice and we provided a wide range of opportunities for professional updating and development. We have an active in-house training department that offers many training courses and professional development opportunities, including annual mandatory professional update days for clinical staff and professional development days focussing on single clinical issues.
- **Improving standards of clinical care** – We rely on a number of data collection systems to provide evidence of improvements. Data on mortality rates, readmission rates and lengths of stay showed that our performance was better than national averages. Clinical staff also participate in clinical audits to measure performance against recommended standards of care. During 2005/06, we participated in several national audits including stroke, continence and trauma. The data from these studies demonstrated high standards of care.

Governance

- **Risk Management** – We continued to develop our systematic approach to risk management, with Divisions holding risk registers feeding our principal risk register. The Clinical Risk Board on behalf of the Quality Assurance Committee reviewed clinical risks.
- **Research Governance** - We continued to be research active and were compliant in reporting research activity to the National Research Register. We further strengthened our Research Governance arrangements with reference to the Research Governance Framework for Health and Social Care, which sets out standards, responsibilities and monitoring arrangements for all research. As part of this development we now monitor projects that are being undertaken within the Trust to assure patient safety and good research governance.
- **Information Governance** – We maintained compliance with the 99 Information Governance Standards and achieved a self-assessment rating of 83%. A number of areas improved - information governance management, information security, compliance with the national IT programme, and confidentiality.

Patient Focus

We once again participated in the national Inpatient Survey, with patients' experiences of our services being collected through a national questionnaire.
The results of the Survey showed that:

- 74% patients said they were always treated with respect and dignity while they were in hospital; 4% said they were not.
- With regard to how well patients felt that doctors and nurses worked together. 35% rated working together as 'excellent', a further 38% rated it as 'very good'. 1% said working together was 'poor'.
- With regard to issues relating to the hospital and ward environment, views were mixed, when compared with other hospitals especially when considering food and noise.
- The overall rating of care showed that 34% of patients rated their care as 'excellent', and a further 38% rated it as 'very good'; only 2% described their care as 'poor'.

The data from the Inpatient Survey was reviewed with patient representatives and plans to further improve the patient experience were drawn up.

Accessible and Responsive Care

The length of time that a patient waits for hospital treatment is an important quality issue and is a visible and public indicator of the efficiency of our services. This year, we made significant progress on a number of key waiting time targets.

- All patients with a suspected cancer, referred to hospital by their GP, were seen by a hospital specialist within 14 days of the GP referral.
- The national Choose & Book initiative is offering patients greater choice. Choose & Book enables GPs to electronically refer patients for their first outpatient appointment. Two local GP surgeries went 'live' on 1st August 2005 and all local surgeries were using system by March 2006. The Trust has been commended for its success in implementing this key national programme.

Care, Environment and Amenities

- The Health and Safety Executive visited the Trust in early December 2005 to conduct an audit of our Health and Safety arrangements. The formal report of the visit noted many areas of good practice and made a number of recommendations for improvements relating to Manual Handling, Violence and Aggression, Work Related Stress, and the management of Latex. We have drawn up an action plan to address the recommendations and the Quality Assurance Committee is monitoring progress on behalf of the Trust Board.

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Public Health

- We continued to work closely with health and social care partners in Central Nottinghamshire. A clear planning and service modernisation structure has been developed over recent years to support joint planning, service improvement and delivery and to ensure that operational issues which arise between organisations are effectively addressed. This structure is led by the North Nottinghamshire Health and Social Care Group with Chief Executive/Medical Director/PEC chair representation from each organisation within the local Health Community.
- Working within this structure, we have developed a wide range of integrated services including:
- We also maintained our compliance with 'Handling Major Incidents: An Operational Doctrine' by updating and reviewing our Major Incident Plan. More recently we conducted a training exercise using the EMERGOTRAIN training programme.
- A community based pulmonary rehabilitation service;
- A Pregnancy Assessment Service based at Newark Hospital;
- An innovative service for patients requiring secondary care who have drug and alcohol problems;
- A Stop Smoking Service for patients coming into hospital.
- A variety of maternity services delivered in non-traditional ways
- An integrated Safeguarding Children training and development programme.

2nd Annual Clinical Governance Conference

In November 2005, we held our second annual Clinical Governance Conference.

We were delighted to welcome Professor Aidan Halligan, Deputy Medical Director at the Department Health and Director of Clinical Governance for the NHS, to the Conference to deliver a keynote speech.

Professor Halligan presented his own reflections on clinical governance and highlighted the importance of:

- Clinical leaders,
- Local ownership of quality issues,
- Empowered front-line staff,
- Patient involvement,
- Basic care skills.

The conference also enabled representatives of our many quality-related groups and committees to highlight their work and report on progress, issues and achievements. These included:

- Dr Richard Scott (MEMD Manager) - Managing the Trust's Medical Equipment Services and Research and Development
- Janet Noon (Department Leader A&E) - "Enhancing the Healing Environment" in Accident and Emergency.
- Dr Jagdish Sharma (Consultant Physician) - Stroke services.
- Mr Clive Pickles (Associate Medical Director for Clinical Governance) - patient consent.
- Laura Macarthy (Patient and Public Involvement Manager) - Patient and Public Involvement Strategy.
- Dr Molyneux (Consultant Physician) - Smoking cessation services.

As well as these presentations, posters describing many other aspects of our quality initiatives were displayed to allow the 90 delegates who attended the Conference to understand the significant amount of work that is undertaken within the Trust in relation to clinical governance.

How other people have rated us

As in previous years, our work received a number of commendations from informed external agencies.

- The management of the MAS Scheme continued to be seen as an exemplar for other PFI Schemes;
- Our application for Foundation Trust status was commended by the Secretary of State for Health;
- We were chosen by the Department of Health as one of eight, '18 week wait pioneers', reflecting our previous involvement with the Department of Health and the quality of our Foundation Trust application;
- The Annual Accreditation visit from the Post Graduate Dean of the University of Nottingham, confirmed an increased rating reflecting the high quality of our Training for Junior medical staff;
- We maintained Level 1 status for both Maternity and General Services following assessment by the Clinical Negligence Scheme for Trusts (CNST) but with improved scores.

Working in Partnership

We continued to work closely with our partners within the local Health Community during 2005/06.

- With our local PCTs, we actively developed our governance proposals for the proposed Foundation Trust, contributed to the development of the ISIP, and continued to refine our growth assumptions and plan for the implementation of the new models of care implicit in the development of MAS.
- With other Trusts we continued to play an active role in the local Clinical Networks, including Pathology, Critical Care, Cancer and Coronary Heart Disease. We were also appointed as the 'host' Trust for the East Midlands Procurement Hub that was established on 1st April 2006.

Operating and Financial Review 2005/06

- We also continued to work closely with our Patients and Public and made good progress against our Patient and Public Involvement Annual Plan.

The number of achievements include:

- Developing a final membership strategy for the Trust's Foundation Trust application;
- Launching a successful recruitment drive for public members;
- Electing a lay-chair and vice-chair for the King's Mill Hospital Patients' Reference Group;
- Developing and approving an operational policy for the Patients' Reference Group titled 'How It Works';
- Developing and maintaining a PPI Map for the Trust to outline where there is active PRG involvement in service development projects across the Trust;
- Introducing Standardised, approved terms of reference for King's Mill and Newark Hospital Patients' Reference Groups;
- Implementing a pilot comments and suggestion scheme for children's inpatients services at King's Mill Hospital;
- Implementing a time limited photo diary project for consulting on children's services for inclusion in MAS planning;
- Developing patient diaries for further MAS consultation in children's services;
- Developing the concept of a children and young person's forum for the engagement of children and young people in the overall planning of children's services as well as the Trust's membership scheme;
- Rolling-out the Essence of Care Communication benchmark across King's Mill and Newark Hospitals, including an assessment of how the Trust performs when dealing with patients where English is not the first language or they have a sensory impairment;
- Rolling-out the National Patient Survey action plans for Accident and Emergency and Outpatients;
- Implementing Patient Awareness Training sessions for the newly qualified nurse induction programme from March 2006 onwards;
- Contributing to the Trust's approach to customer care.
- We also continued to receive tremendous support from our many volunteers across the Trust.

The Trust underwent a significant amount of change during 2005/06, and we relied on our volunteers to help ensure that people visiting our buildings and services received a positive welcome and assistance in finding their desired location.

The volunteers have also maintained a very high level of service through their many activities and we were keen to ensure that their contribution was adequately recognised as our Foundation Trust application developed.

For this reason, we invited our Daffodils at King's Mill Hospital and our Newark Volunteers to be part of our Staff constituency to allow them to elect their representatives on the Board of Governors.

This would ensure that the volunteers' voice would be heard as the Trust develops.

Hospital entrance
Main entrance
Casualty
Visitors parking

Financial Report 2005-2006

Financial Report 2005-2006

The following pages include summary financial statements.

A copy of the Trust's Full Annual Accounting Statements is available on request by telephoning **01623 672277** or email **sue.newburn@sfh-tr.nhs.uk**.

DIRECTORS' REPORT

Overview

Whilst 2005/2006 was a challenging financial year, the Trust has successfully used its financial resources to improve services for patients and also deliver or exceed the NHS plan targets. The main financial duties were achieved as shown below.

Target	Requirement	Performance	Result
At least breakeven on our Income and Expenditure account	Break even	£1,000 surplus	✓
Achieve a Capital Cost absorption rate of 3.5%	3.0% to 4.0%	3.6%	✓
Operate within the Capital Resources Limit	(£18,788,000)	(£24,173,000)	✓
Operate within the External Finance Limit	£4,023,000	£4,019,000	✓

Income and Expenditure

Total income for the year was £164.2m (£146.1m in 2004/2005) representing a growth of 12.4%. This growth results from additional funding for inflation, the movement to National Payment by Results Tariff, financing for the development of services and the provision of additional patient care anticipated and actually delivered during the year. In addition funding was received to meet a number of additional cost pressures faced by the Trust including the implementation of the national Agenda for Change and Consultant Contract pay and terms and conditions

Expenditure increased in line with this additional funding and allowed us to see or treat 33,324 elective patients (30,644 in 2004/2005) and 41,816 non-elective patients (41,891 in 2004/2005). In addition, 255,676 outpatients were seen during the year (255,910 in 2004/05) and 96,502 new patients were seen in Accident and Emergency (94,501 in 2004/05).

Effort continues to be applied to reduce our costs and obtain value for money. During the year the Trust in liaison with other hospitals in the East Midlands formed a purchasing consortium (hosted by Sherwood Forest Hospitals) in order to obtain economies of scale from purchased goods and services. We have seen benefits during 2005/2006 from local purchasing initiatives and plan to see increasing benefits from this extended arrangement during 2006/2007.

Our management costs were £5,467,000 (£4,671,000 in 2004/2005), which represents 3.3% (3.2% in 2004/2005) of our total income. Details of our management costs and directors remuneration are given in notes 7 and 9 to the summary accounts

Balance Sheet

During 2005/2006 we saw significant additional investment in the fixed assets of the Trust. This included the Newark Women's Assessment Unit and preparations for the commencement of the Modernisation of Acute Services PFI scheme.

The Trust also invested over £2.6m on upgrading or acquiring new medical equipment, essential for the day-to-day operation of the Trust, including significant investment in new pathology and radiology equipment. In addition £939,000 was invested in improvements in information systems and technology in conjunction with the North Nottinghamshire Health Community, a key development being the commencement of implementing the technology to store x-ray images without using films. Overall our capital expenditure was within budget, as measured by the Capital Resource limit.

The Trust achieved its year-end cash target (as measured by the External Finance Limit) and achieved 97% (97% in 2004/2005) compliance with the Better Payment Practice Code. Details of compliance with this code are given in note 5 to the summary accounts.

During 2004/2005 there were significant changes within the Balance sheet to account for the Private Finance Initiative (PFI). In particular the recognition of the capital prepayment of £3.8m, and the creation of a deferred asset representing the value of assets transferred to our PFI provider (£29.7m). There has also been a significant increase in both short-term debtors and creditors to account for the £7.2m Public Dividend Capital repayable to the Department of Health, on impairment of the Trust's assets.

Charitable Funds

During the financial year we received donations and legacies to our charitable funds of £329,000 (£725,000 in 2004/2005 which included the £346,000 transfer of funds from Nottinghamshire Healthcare NHS Trust).

The generosity of all those who made a donation or raised funds on behalf of our charitable funds is very much appreciated.

The Trustees were able to make grants totalling £462,000 (£456,000 in 2004/2005) to support the activities of the Trust and for the welfare of patients and staff.

Outlook

The next few years will be a period of significant change and challenge for the Trust in terms of the facilities we have available to provide patient care and the regulatory regime under which we operate:

- The Trust reached financial close in October 2005, on the £320m redevelopment of Kings Mill Hospital and Mansfield Community Hospitals, together with significant refurbishment and upgrade works at Newark Hospital. This contract includes the future operation of the Facilities Services across the Trust's estates, cleaning, catering, portering for a period of 37 years.

- The Trust submitted its application to become an NHS Foundation Trust in 2006, and is in the final stages of the review and approval process. Work is currently being undertaken to satisfy our Trust Board and the Foundation Trust regulator (Monitor) that our plans for dealing with the potential risks facing the Trust in the future are well developed. The Trust is anticipating being authorised during the 2006/07 financial year.

- The Trust is operating a full Payment by Results (PBR) contract in 2006/2007. As part of developing the 2006/2007 contract, a number of changes have been made to ensure it properly reflects the extant NHS operating guidance for PBR and also to develop locally agreed approaches to services not covered by PBR.

- During 2005/2006 the Trust finished implementing the new NHS pay system for non-medical staff, called "Agenda for Change", and is currently in the process of implementing the new integrated Payroll and Human Resources, Electronic Staff Records (ESR) computer system. This will provide more efficient and co-ordinated working practices across both departments.

- 2006/2007 will see significant reorganisation of both the local Strategic Health Authority and local PCTs. The Trust will continue to work hard in securing positive working relationships with both the current and successor bodies, in order to ensure seamless healthcare delivery for the local population.

The Trust faces this period of significant change with a positive attitude and looks forward to being able to further improve the services we provide to the patients we serve.

Bill Gregory
Executive Director of Finance

Statement of the Chief Executive's responsibilities as the Accountable Officer of the Trust

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

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

Jeffrey Worrall
Chief Executive

June 27, 2006

Statement of Directors' Responsibilities in Respect of the Accounts

The directors are required under the National Health Service Act 1977 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure of the trust for that period. In preparing those accounts, the directors are required to:

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

The directors are responsible for keeping proper accounting records 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

Jeffrey Worrall
Chief Executive

Bill Gregory
Executive Director of Finance

June 27, 2006

Independent auditors' report to the Directors of the Board of Sherwood Forest Hospitals NHS Trust

I have examined the summary financial statements set out below.
This report is made solely to the Board of Sherwood Forest Hospitals NHS Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 36 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by the Audit Commission.

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

Basis of opinion
I conducted my work in accordance with Bulletin 1999/6 'The auditors' statement on the summary financial statement' issued by the Auditing Practices Board.

Opinion
In my opinion the summary financial statements are consistent with the statutory financial statements of the Trust for the year ended 31 March 2006.

Ian Sadd
Audit Commission,
1st Floor, Bridge Business Park,
Thurmaston,
Leicester, LE4 8BL

August 25, 2006

INCOME AND EXPENDITURE ACCOUNT

For the Year ended 31 March	Notes	2006		2005	
		£000	£000	£000	£000
Income from activities:		**143,419**		128,172	
Other operating income		**20,818**		17,977	
TOTAL INCOME	1		**164,237**		146,149
Operating expenses:					
Staff costs	7	**107,765**		99,599	
Non-staff costs		**43,367**		38,131	
Depreciation		**9,128**		4,701	
Audit fees		**173**		163	
Directors' remuneration	9	**487**		450	
			(160,920)		(143,044)
OPERATING SURPLUS			**3,317**		3,105
Interest receivable			**269**		220
Interest Payable			**(10)**		0
Other finance costs - unwinding of discount			**(79)**		(48)
Other finance costs - change in discount rate on provisions			**0**		0
SURPLUS FOR THE FINANCIAL YEAR			**3,497**		3,277
Public dividend capital dividends payable			**(3,496)**		(3,269)
RETAINED SURPLUS FOR THE YEAR	1		**1**		8
CAPITAL COST ABSORPTION RATE	2		**3.6%**		3.6%

BALANCE SHEET

As at 31 March	Notes	2006 £000	2006 £000	2005 £000	2005 £000
FIXED ASSETS					
Intangible Fixed Assets					
Software Licences		**836**		0	
Tangible fixed assets					
Land		**16,228**		17,138	
Buildings		**36,869**		66,986	
Assets under construction		**809**		2,073	
Equipment		**15,151**		14,419	
			69,893		100,616
CURRENT ASSETS					
Stocks and work in progress		**2,023**		2,149	
Debtors		**50,573**		5,643	
Cash at bank and in hand		**96**		135	
			52,962		7,927
CREDITORS: Amounts falling due within one year	5		**(20,667)**		(5,911)
NET CURRENT LIABILITIES			**32,025**		(2,016)
TOTAL ASSETS LESS CURRENT LIABILITIES			**101,918**		102,632
CREDITORS: Amounts falling due after more than one year			**(73)**		0
PROVISIONS FOR LIABILITIES AND CHARGES			**(925)**		(2,375)
TOTAL ASSETS EMPLOYED			**100,920**		100,257
FINANCED BY:					
TAXPAYERS' EQUITY					
Public dividend capital		**76,342**		79,522	
Revaluation reserve	7	**21,519**		25,533	
Donated asset reserve		**1,582**		3,118	
Income and expenditure reserve	7	**(1,477)**		(7,916)	
TOTAL TAXPAYERS EQUITY			**100,920**		100,257

Jeffrey Worrall
Chief Executive:
27th June 2006

CASH FLOW STATEMENT

For the Year Ended 31 March		2006		2005	
	Notes	**£000**	**£000**	**£000**	**£000**
Operating activities					
Total operating surplus		**3,317**		3.105	
Depreciation and amortisation charge		**9,128**		4,701	
Fixed Asset Impairment and reversals		**2,100**		0	
Transfer from donated asset reserve		**(676)**		(278)	
(Increase)/decrease in stocks		**126**		(223)	
(Increase)/decrease in debtors		**(18,986)**		234	
Increase/(decrease) in creditors		**14,256**		(1,803)	
Increase/(decrease) in provisions		**(1,529)**		97	
Net cash inflow from operating activities			**7,736**		5,833
Returns on Investment and Servicing of Finance					
Interest received		**269**		220	
Interest element of finance leases		**(10)**		0	
Net cash inflow from returns on investments and servicing of finance			**259**		220
Capital Expenditure					
Payments to acquire tangible fixed assets		**(7,824)**		(8,041)	
Payments to acquire intangible fixed assets		**(750)**		0	
Net cash outflow from capital expenditure			**(8,574)**		(8,041)
Dividends paid			**(3,496)**		(3,269)
NET CASH OUTFLOW BEFORE FINANCING			**(4,075)**		(5,257)
Financing					
Public dividend capital received		**4,023**		5,229	
Public dividend capital repaid (not previously accrued)			**0**		0
Other capital receipts		**56**		29	
Capital element of finance lease rental payments		**(43)**		0	
Net cash inflow from financing			**4,036**		5,258
INCREASE / (DECREASE) IN CASH			**(39)**		1

STATEMENT OF RECOGNISED GAINS AND LOSSES

For the Year ended 31 March	2006 £000	2005 £000
Surplus for the financial year before dividend payments	**3,497**	3,277
Unrealised surplus on fixed asset revaluations/indexation	**2,314**	5,702
Fixed asset impairment losses	**2,148**	0
Increases in the donated asset and government grant reserve due to receipt of donated and government grant financed assets	**56**	29
Total recognised gains and losses for the financial year	**8,015**	9,008
Prior period adjustment		
- Pre-95 early retirement	**0**	0
- Other	**0**	0
Total gains and losses recognised for the financial year	**8,015**	9,008

Final Report 2005-2006

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

1. Breakeven performance and five-year financial summary

The Trust's breakeven performance for 2005/2006 and for the preceding four years is as follows:

	2001/02 £000	2002/03 £000	2003/04 £000	2004/05 £000	2005/06 £000
Total income	102,773	114,207	124,785	146,149	164,237
Retained surplus for the year	2	1	2	8	1
Break-even cumulative position	90	91	93	101	102

2. Capital cost absorption rate

	2005/06 £000	2004/05 £000
Total Capital and Reserves (Total Assets Employed)	**100,920**	100,257
Less: Donated Assets Reserve	**(1,582)**	(3,118)
Purchased Assets in the Course of Construction	**-**	
Cash held in Paymaster accounts	**(96)**	(135)
Total Relevant Net Assets	**99,242**	97,004
Average Relevant Net Assets	**98,123**	91,276
Total Dividends paid	**3,496**	3,269
Capital Cost Absorption Rate (%)	**3.56%**	3.58%

The Trust is required to absorb the cost of capital at a rate of 3.5% of average relevant net assets. The rate is calculated as the percentage that dividends paid on public dividend capital, totalling £3,496,000 bears to the average relevant net assets of £98,123,000: that is 3.56%. The variance is within the Department of Health's materiality range of 3% to 4%.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

3. External financing

The Trust is given an external financing limit which it is permitted to undershoot.

	2005/06 £000	2004/05 £000
External financing limit set by the Department of Health	**4,023**	5,229
Cash flow financing	**4,075**	5,257
Other capital receipts	**(56)**	(29)
External financing requirement	**4,019**	5,228
Undershoot	**4**	1

4. Capital Resource Limit

The Trust is given a Capital Resource Limit which it is not . permitted to overspend

	2005/06 £000	2004/05 £000
Gross capital expenditure	**9,791**	7,331
Less: book value of assets disposed of	**(33,908)**	0
Less: donations	**(56)**	0
Charge against the CRL	**(24,173)**	7,331
Capital resource limit	**(18,788)**	7,728
Underspend against the CRL	**5,385**	397

5. Better Payment Practice Code - measure of compliance

Year Ended 31 March 2006

	Number	£000
Total bills paid in the year	**50,774**	45,586
Total bills paid within target	**49,122**	44,030
Percentage of bills paid within target	**97%**	97%

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.

6. Audit Services

The Audit fee charged to the Accounts in the period was £173,000. All of the work carried out by the External Auditors was in accordance with the Code of Practice.

7. Movement on Reserves

	2005/06 £000	2004/05 £000
Management costs	**5,467**	4,856
Income (net of NMET Income)	**157,132**	145,833

Management costs are as defined in the document 'NHS Management Costs 2002/03' which can be found on the internet at http://www.doh.gov.uk/managementcosts.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS (CONTINUED)

8. Related Party Transactions

Sherwood Forest Hospitals NHS Trust is a body corporate established by order of the Secretary of State for Health.

During the year none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with Sherwood Forest Hospitals NHS Trust.

The Department of Health is regarded as a related party. During the year Sherwood Forest Hospitals NHS Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

Amber Valley Primary Care Trust
Ashfield Primary Care Trust
Bassetlaw Primary Care Trust
Blood Transfusion Services
Broxtowe and Hucknall Primary Care Trust
Central Manchester Healthcare NHS Trust
Department of Health
Doncaster and Bassetlaw Hospitals NHS Trust
East Midlands Ambulance Services NHS Trust
Leicestershire and Rutland Healthcare NHS Trust
Lincolnshire South West Primary Care Trust
Mansfield District Primary Care Trust
Newark and Sherwood Primary Care Trust
NHS Supplies Authority
NHS Litigation
North Eastern Derbyshire Primary Care Trust
North West Leicestershire and Charnwood Primary Care Trust
Nottingham City Hospital NHS Trust
Nottinghamshire Healthcare NHS Trust
Queens Medical Centre University Nottingham NHS Trust
Solihull Healthcare NHS Trust
Southern Derbyshire Acute Hospitals NHS Trust
Trent Strategic Health Authority

In addition, the Trust has had a number of material transactions with other Government Departments and other central and local Government bodies. Most of these transactions have been with the Department for Education and Skills in respect of University Hospitals.

The Trust has also received revenue and capital payments from a number of charitable funds, certain of the Trustees for which are also members of the NHS Trust Board. The Sherwood Forest Hospitals Charitable Fund purchased goods and services for the Trust during the financial year, and also provided purchases for patients and staff at the Sherwood Forest Hospitals. The administration of the Charity is carried out by the Trust, and during the financial year the Trust charged the Charity for this service.

The audited accounts/the Summary Financial Statements of the Funds Held on Trust are available separately.

9. Salary and Pension entitlements of senior managers

Name and Title 2005/06	Salary (bands of £5000) £000	Other Remuneration** (bands of £5000) £000	Golden hello/ compensation for loss of office £000	Real increase in pension at age 60 (bands of £2500)*** £000	Total accrued pension at age 60 at 31 March 2006 (bands of £2500)*** £000	Benefits in kind* £000
Mr B.Meakin (Chair)	**15 - 20**	**0**	**0**	**n/a**	**n/a**	**0**
2004/05	15 - 20	0	0	n/a	n/a	0
Mr J.Worrall (Chief Executive)	**105 - 110**	**0**	**0**	**0 - 2.5**	**132.5 – 135**	**3**
2004/05	100 - 105	0	0	0 - 2.5	135 – 140	3
Mr W.Gregory (Executive Director of Finance)	**90 - 95**	**0**	**0**	**10 - 12.5**	**60 – 62.5**	**4**
2004/05	75 - 80	0	0	2.5 - 5	45 - 50	4
Ms T.Allen (Executive Director of Strategy & Service Improvement)	**70 - 75**	**0**	**0**	**0 - 2.5**	**47.5 – 50**	**0**
2004/05	70 - 75	0	0	0 - 2.5	45 – 50	0
Dr M.Mowbray (Executive Medical Director)	**20 - 25**	**125 - 130**	**0**	**2.5 - 5**	**125 – 127.5**	**5**
2004/05	20 - 25	130 - 130	0	2.5 - 5	120 – 25	5
Mrs C.White (Executive Nursing Director)	**70 - 75**	**0**	**0**	**0 - 2.5**	**72.5 – 75**	**1**
2004/05	65 - 70	0	0	0 - 2.5	70 – 75	1
<u>Non-Executive Directors:</u>						
Mrs L.Carter (Non Executive Director)	**0 - 5**	**0**	**0**	**n/a**	**n/a**	**0**
2004/05 (Left 31st December 2005)	5 - 10	0	0	n/a	n/a	0
Mrs D.George (Non-Executive Director)	**5 - 10**	**0**	**0**	**n/a**	**n/a**	**0**
2004/05	5 - 10	0	0	n/a	n/a	0
Mr P.Harris (Non-Executive Director)	**5 - 10**	**0**	**0**	**n/a**	**n/a**	**0**
2004/05	5 - 10	0	0	n/a	n/a	0
Mr J.Lonergan, MBE (Non-Executive Director)	**0 - 5**	**0**	**0**	**n/a**	**n/a**	**0**
2004/05 (Left 31st October 2005)	5 - 10	0	0	n/a	n/a	0
Mrs S.Andrews (Non-Executive Director)	**5 - 10**	**0**	**0**	**n/a**	**n/a**	**0**
2004/05	5 - 10	0	0	n/a	n/a	0
Mr S.Pearson (Non-Executive Director)	**0 - 5**	**0**	**0**	**n/a**	**n/a**	**0**
2004/05 (From 1st November 2005)	0 - 5	0	0	n/a	n/a	0
Mr D.J.Leah (Non-Executive Director)	**0 - 5**	**0**	**0**	**n/a**	**n/a**	**0**
2004/05 (From 1st November 2005)	0 - 5	0	0	n/a	n/a	0

<u>Benefits in kind:</u>
* The amounts shown for benefits in kind relate to the provision of lease cars.
** Other remuneration relates to remuneration for the Executive Medical Director for clinical work.

Final Report 2005-2006

NOTES TO THE SUMMARY FINANCIAL STATEMENTS (CONTINUED)

10. Cash Equivalent Transfer Value of Pensions of senior managers

Name and Title	Cash Equivalent Transfer Value Contribution to at 31st March 2006 Pension £000	Cash Equivalent Transfer Value at 31st March 2005 £000	Real Increase in Cash Equivalent Transfer Value £000	Employers £000
Mr J.Worrall (Chief Executive)	505	494	0	0
Mr W.Gregory (Executive Director of Finance)	180	138	38	27
Ms T.Allen (Executive Director of Strategy & Service Improvement)	133	126	5	3
Dr M.Mowbray (Executive Medical Director)	431	403	18	12
Mrs C.White (Executive Nursing Director)	248	231	10	7

CHARITABLE FUNDS - STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March	2006		2005	
	£000	£000	£000	£000
Incoming resources				
Donations, legacies and similar resources				
Donations	**324**		690	
Legacies	**5**		35	
Investment income	**43**		38	
Total incoming resources		**372**		763
Resources expended				
Grants payable to other NHS bodies	**462**		456	
Management and administration	**44**		43	
Total resources expended		**(506)**		(499)
NET INCOMING / (OUTGOING) RESOURCES		**(134)**		264
Gains/(losses) on revaluation and disposal of investment assets		**102**		54
NET MOVEMENT IN FUNDS		**(32)**		318
Fund balances brought forward		**1,078**		760
Fund balances carried forward		**1,046**		1,078

CHARITABLE FUNDS - BALANCE SHEET

	2006		2005	
	£000	**£000**	£000	£000
Fixed Asset Investments		**754**		651
Current Assets				
Debtors	**1**		3	
Short term investments and deposits	**75**		73	
Cash at bank and in hand	**359**		390	
	435		466	
Creditors: amounts falling due within one year	**(143)**		(39)	
NET CURRENT ASSETS		**292**		427
NET ASSETS		**1,046**		1,078
Funds of the Charity				
Capital Funds:				
Endowment funds		**30**		28
Income Funds:				
Restricted		**0**		4
Unrestricted		**1,016**		1,046
Total Funds		**1,046**		1,078

Note 1. Analysis of Fixed Asset Investments	**2006**	2005
	£000	£000
Market value at 31 March (opening balance)	**651**	597
Net gain/(loss) on revaluation	**102**	54
Market value at 31 March (closing balance)	**753**	651
Historic cost (purchase price of investments)	**550**	550

Statement on Internal Control 2005/06

1. Scope of responsibility

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

Trent Strategic Health Authority meet on a regular basis with the North Nottinghamshire Health Economy as the deliverers of health and social care services in the locality. Performance and achievement of Local Development Plan priorities, National Service Framework Targets and locally determined targets are monitored at these meetings. Also corporate objectives and specific topic areas are examined and good practice is shared.

I am directly involved in the North Nottinghamshire Health and Social Care Group and attend Trent Strategic Health Authority Chief Executive Forum meetings. The Trust engages with the local health economy at all levels but is specifically involved in partnership working on managing patient access to services, management of emergency care and modernisation of health services.

2. The purpose of the system of internal control

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

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

The system of internal control, as evidenced by an Assurance Framework, has been in place in full in Sherwood Forest Hospitals NHS Trust for the whole year ended 31 March 2006 and up to the date of approval of the annual report and accounts.

3. Capacity to handle risk

The Trust's Risk Management Policy and Strategy sets out the responsibility and role of the Chief Executive in relation to Risk Management. Through participation in the Quality Assurance Committee and support of integrated clinical and non-clinical risk management the Chief Executive provides leadership to the management of all risks faced by the Trust.

The Quality Assurance Committee embraces strategic issues, monitors the activity of other risk management groups, and in particular both the Clinical Risk Board and the Controls Assurance Steering Group report to it.

The Quality Assurance Committee reports directly to the Board. The Audit Committee and the Finance Strategy Committee deal specifically with internal control and financial risks faced by the Trust and report directly to the Board. Internal control and financial risks are reflected in the overall consideration of risk at the Board but also at the Quality Assurance Committee, by a degree of common membership, including the Director of Finance.

The Trust carries out regular risk assessments and has produced risk registers at various levels across the organisation including the strategic Assurance Framework. The Assurance Framework was reviewed during 2005/06 in order to ensure the risks it identified remained up to date and to ensure progress has been made with any actions identified. This review has included cross referencing the Assurance Framework to the domains set out by the Healthcare Commission's Standards for Better Health. The Assurance Framework enables risk management decision-making to occur as near as practicable to the risk source and for those risks that cannot be dealt with locally to be passed upwards to the appropriate level.

Statement on Internal Control 2005/06 (continued)

Risk Management, risk assessment and incident reporting are included in core induction. Mandatory induction training includes a section on risk management that highlights key Trust policies and procedures. These include the risk management strategy, and policies for health and safety, infection control and complaints. The core training processes also includes specific risk management training (Fire, Lifting and handling, Health and Safety and mandatory updates). The Trust also employs a system of root cause analysis to review processes and incidents in order to identify ways of reducing risks and learning from experiences. The Trust also links with partner organisations to provide appropriate education and training in this area.
The Trust provides training on managing risk for directors and managers.

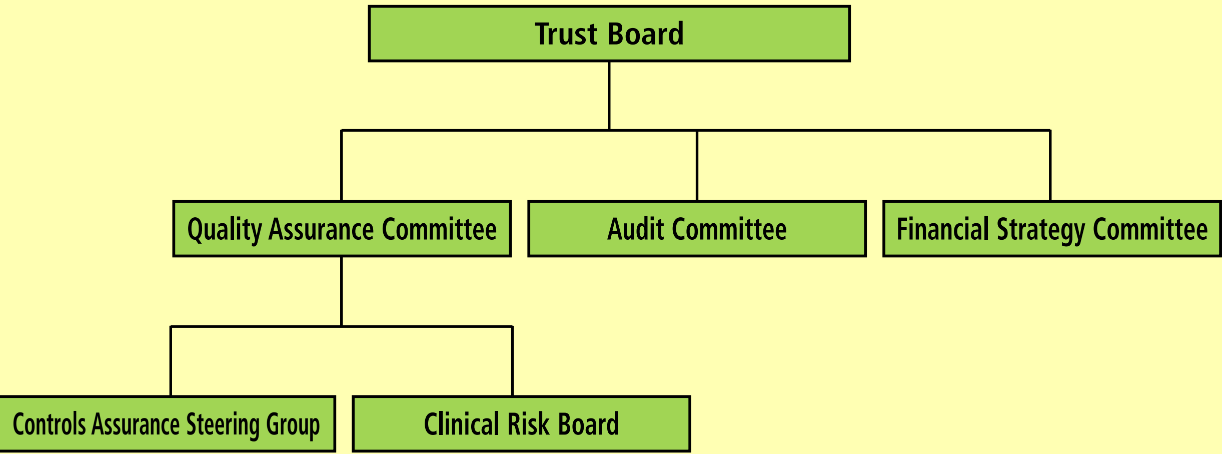
4. The risk and control framework

The risk management framework is set out in the Policy and Strategy for Managing Risk. The key elements of the strategy and associated policy include:

- The Trust Board recognises that Risk Management is an integral part of good management practice and to be most effective should become part of the Trust's culture and strategic direction. The Trust Board is, therefore committed to ensuring that Risk Management forms an integral part of its philosophy, practices and business plans rather than viewed or practised as a separate programme and that responsibility for implementation is accepted at all levels of the organisation.
- The aim of the Policy and Strategy for Managing Risk is to create robust structures, systems and processes that will minimise or eliminate risks to patients, staff, the organisation and to third parties by promoting consistency in practice in clinical and non-clinical services. The Policy and Strategy is aimed at creating a deep awareness and responsibility for the assessment and management of risk at all levels in the organisation, whether through individual practice or through management arrangements
- Responsibility for the effectiveness of organisational systems of control and Risk Management rests unequivocally with the Trust Board and the Chief Executive as Accountable Officer, however specific responsibilities are delegated to other directors, and divisional managers, through the Policy and Strategy.
- In addition all Trust employees have a part to play in managing risk including reporting incidents, accidents and near misses; complying with all Trust policies and procedures; attending training, including new joiner induction sessions as stated in the Trust mandatory training plans and being familiar with emergency procedures.
- The following chart shows the interrelationship between the principal Trust Committees involved in the risk management process. Their key responsibilities can be summarised as follows:
  - The Quality Assurance Committee is responsible for the overall control of the risk management process and for ensuring that all significant risks are reported to the Trust Board on a regular basis
  - The Audit Committee is responsible for reviewing the effectiveness of the Trust’s systems of internal control, overseeing the work of the Trust’s auditors and the implementation of its plan to manage the risk of fraud and corruption. The Audit Committee reports regularly to the Trust Board
  - The Finance Strategy Committee deals specifically with financial risks faced by the Trust. It receives reports from the Executive Directors and helps the Trust board form action plans to deal with the risk faced
  - Controls Assurance Steering Group advises the Quality Assurance Committee on the framework and structure to effectively manage organisational risk
  - Clinical Risk Board advises the Quality Assurance Committee on the management of clinical risks

Statement on Internal Control 2005/06 (continued)

Chart – Risk Committee Structure



- The Trust has a comprehensive manual of policies and procedures which is disseminated to staff. Risk assessment processes are included within a wide range of these policies. Examples include accident and incident reporting, handling complaints and claims, health & safety and dealing with fraud and corruption.
- An ongoing Risk Management process is in place to develop and keep up to date the Trust's Assurance Framework, Principal Risk Register and Divisional Risk Registers. This process includes risk identification, evaluation, identification of control and development of action plans to mitigate risks where appropriate.

As referred to above an Assurance Framework has been debated and agreed by the Trust Board during 2005/2006. This has considered the Trust's main activities and objectives, and identified and evaluated the system of control in place to manage the associated risks and how the board draws an assurance that these risks are being managed.

These include enhancing our arrangements for realising and monitoring the delivery of the benefits from modernisation of clinical services and pay modernisation that will deliver the efficiencies required to ensure our new hospital is affordable. In addition further development is planned for our systems and processes to ensure that the Trust remains successful in the NHS under payment by results and as a potential foundation trust. Action plans are in place and assigned to specific directors for these areas.

The board's work on the assurance framework will continue in 2006/07 and will include re-evaluating risks against the 2006/07 business plan objectives, further integration of the risk assessment process at the various levels within the Trust and identification of sources of independent verification, including integration with the Standards for Better Health.

Statement on Internal Control 2005/06 (continued)

5. Review of effectiveness

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

Executive Directors and Managers within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance through personal regular monitoring of key objectives.

The Board agenda, papers and our business plan monitoring reports which are aligned with the Assurance Framework provide me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by:

- Attendance and debate at the Quality Assurance Committee, Trust Management Team Meetings and Divisional Performance Monitoring meetings, and reports from the Audit Committee
- Achievement of :
  - CNST Standard 1 for Acute Services in February 2006 and Maternity Services in 2004
  - Compliance with the Standards for Better Health Core Standards in April 2006
  - Improving Working Lives Practice + Status in 2006
  - Maintenance of Investors In People status
  - Positive Postgraduate Dean report on training activities

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by receiving the minutes and action plans of the key groups for promoting risk management as identified above. In addition I am aware of the importance of the roles of the following:

- The Board's role to provide active leadership of the Trust within a framework of prudent and effective controls that enable risk to be assessed and managed.
- The Audit Committee, as part of an integrated committee structure, is pivotal in advising the Board on the effectiveness of the system of internal control. Any significant internal control issues would be reported to the Board via the Audit Committee.
- The Quality Assurance Committee is to provide strategic direction, ensuring a comprehensive and coherent framework of Risk Management that integrates clinical and corporate governance.
- Directors and managers roles and responsibilities.
- The Trust's Internal Auditors, who provide regular reports to the Audit Committee and full reports to the Executive Director of Finance and Line Management. The Audit Committee also receives details of any actions that remain outstanding following the follow up of previous audit work. The Director of Finance also meets regularly with the Internal Audit Manager.
- The Trust's External Auditors, who provide an annual management letter and regular progress reports to the Audit Committee.

There has been no significant internal controls issues identified during 2005/2006.

Signed…………………………………….. **Date……………………** **27th June 2006**

Chief Executive
(on behalf of the Board)

Sherwood Forest Hospitals NHS
NHS Trust

A statement of the Trust's Values

"A hospitals Trust committed to providing the best possible patient care for the people of our local communities"

Our values are to:

Provide the best possible patient care, based on evidence and in a culture that encourages continuous improvement

Listen and understand what patients have to say, and encourage their involvement in decisions about their care

Provide a clean, healthy and welcoming hospital environment for patients, visitors and staff

Improve the patient's experience of care at the hospitals, respecting their privacy and preserving their dignity

Have open and honest communications between staff and with patients

Recognise the contribution of staff by developing and supporting them to do their jobs better, and involving them in decision-making

Provide high quality services through working in partnership

King's Mill Hospital, Newark Hospital, Mansfield and Ashfield Community Hospitals

Open Day Success

Hundreds of local residents flocked to King's Mill and Newark Hospitals' action packed Open Days in September.

At King's Mill over 40 health and hospital information stands, interactive displays and demonstrations proved extremely popular with the many visitors.

Free cholesterol checks were in big demand, over 250 adults and children learned basic resuscitation techniques, the HR stand responded to over 200 requests for information and more than 100 people tested their hand-washing techniques with Infection's Control's glow & tell machine.

Tours of Theatre and the Radiography Department were a huge draw for visitors and the A&E trauma resuscitation was a major crowd-puller.

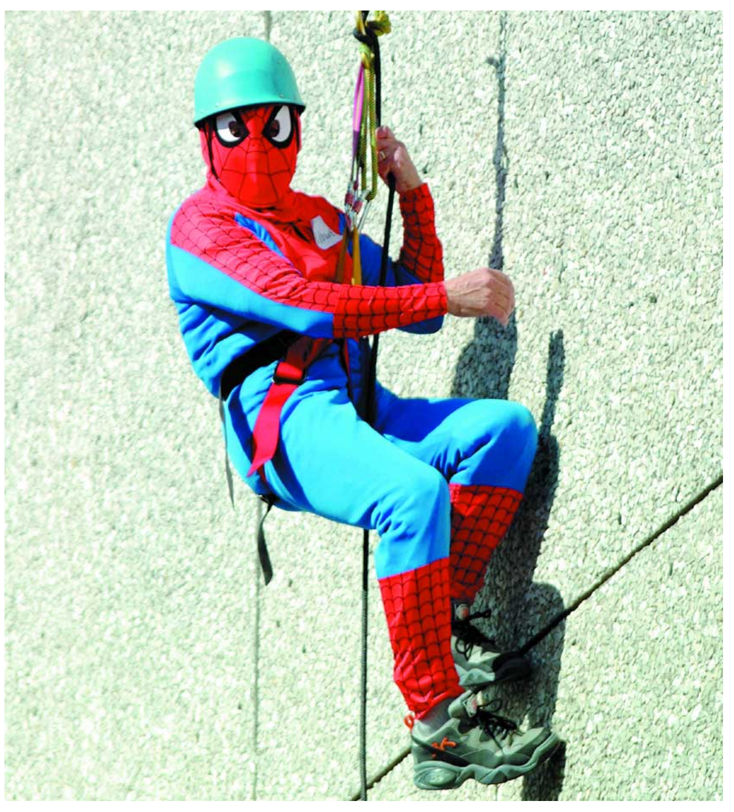
Hundreds of Foundation Trust information packs were handed out on the day and the Modernisation of Acute Services (MAS) team were kept busy answering a flood of questions from visitors.

Therapy Services gave department tours, demonstrated hand-splinting and EMG muscle stimulation and provided information on lymphodema and back pain.

Maternity Services demonstrated active birth equipment, displayed the birthing pool, provided breast-feeding advice and explained neonatal care.

78 people took part in King's Mill's first ever charity abseil during the day from the Hospital's Dukeries building, pledging £13,000 in sponsorship for the Trust's Cancer Appeal.

Crazy participants included Trust staff and local community volunteers, ranging from 15 years old to 64 year old



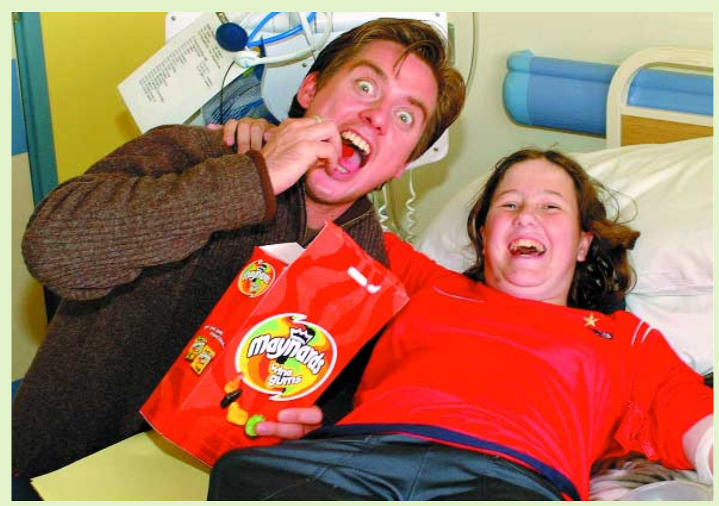
Spiderman, AKA local resident Richard Stenning, abseils down King's Mill's Dukeries building for the Trust's Cancer Appeal.

Richard Stenning who abseiled down the wall dressed as Spiderman!

Newark Hospital's event was officially opened by the Major of Newark, and their fourth annual open day proved to be as popular as ever with the local community.

Visitors enjoyed meeting the staff and were able to view the superb CT Suite facility and the exciting outline plans for a new Diagnostic and Treatment Centre at Newark Hospital.

TV's Dick inda Hospital!



Dick, star of CCTV's "Dick n Dom inda Bungalow", visits the children's ward at King's Mill Hospital's Open Day.

Excited crowds packed King's Mill's main Reception more than two hours before Dick (star of CCTV's "Dick n Dom inda Bungalow") made his guest appearance at the Open Day.

As the tension built the hospital entrance was frantic. Queues at least five deep stretched from the main Reception desk, past all the shops to the lifts, round the corner and right up past A&E.

Dick, who was not paid for his visit, was amazed to see so many fans.

He was a brilliant sport, spending two hours posing for photos, giving kisses and even signing a girl's forehead!

Staying until the very last autograph was given, Dick then dropped in to make the day of the bed-bound children on Robin Hood Ward.

Newark Sherwood Women's Centre opens

Officially opened by Professor Aidan Halligan, Director of Clinical Governance for the NHS, Newark Hospital's new Sherwood Women's Centre provides a modern dedicated women only environment for gynaecological, early pregnancy and antenatal care.

The unit is a purpose-built extension and full refurbishment of the existing Sherwood Suite, allowing pregnancy assessment to be delivered alongside consultant-run antenatal clinics and providing more gynaecology clinics.

Waiting times are being dramatically reduced with the vastly improved access to enhanced gynaecological and antenatal treatment and services, and also to outpatient clinics and treatment sessions.

The existing colposcopy clinic provides an enhanced service to women following an inconclusive or abnormal smear, and is now being held twice weekly instead of alternate weeks.

Hysteroscopy procedures for investigating menstrual cycle problems, previously undertaken at King's Mill Hospital or requiring admittance to a Newark Hospital ward, are being carried out in the new unit as a day case.

In addition to the local service and improved waiting times, this in turn improves availability and access to theatres for other patients.

Left to right: Jane Burkitt, Amber Butler, Alison Scorer and Ann Allen.

An increased number of gynaecological outpatient clinics and treatment services now run throughout the week in the new unit which are tailored to meet demand. Clients can access the pregnancy assessment service via their midwife when necessary and gynaecology services through their GP.

This more local service for monitoring pregnant women in Newark will possibly avoid them having to travel to their delivery unit at King's Mill Hospital, Lincoln or Nottingham if experiencing pregnancy complications.

Late pregnancy scanning can be carried out with consultant back-up and, where referrals are necessary to birthing hospitals, full notes detailing the patient's current condition and recent assessments are available from the Newark service.

The dedicated environment includes a special counselling room and also the facility to hold a wide-range of parent education courses on site, at times and days convenient to local women.

Specially targeted sessions can be held to focus on specific groups/subjects including couples, multiple birth, refresher courses, active birth and water birth.

Five additional posts were created to run the services to support existing staff, who are rotating from outpatients to offer a wide-range of experienced care that can be flexible according to demand.

The Trust are very grateful to Newark and Sherwood League of Hospital Friends, who provided over £33K of funding to the new centre for equipment, artwork and toys for the waiting room children's play area.

Professor Aidan Halligan, Director of Clinical Governance for the NHS, officially opens Newark Hospital's new Sherwood Women's Centre.

Two local A Level students from Magnus Church of England School produced artwork for the unit as part of their examination submissions. Eighteen year old Stacey Grand-Scrutton painted a canvas picture for her public art studies and Jack Duffy created an environmental piece for the garden - a metallic mobile made entirely from natural materials.

Stacey Grand-Scrutton with her teacher and her canvas.

E-Learning Infection Control

Many staff across the Trust are taking advantage of a new flexible learning Infection Control E-Learning course covering hand hygiene and standard infection control precautions.

An e-learning MRSA package is also available.

These concise, user-friendly courses have been developed by the Infection Control Team and Training & Development Department, and have a simple test at the end with a certificate awarded on successful completion.

The e-learning site was launched towards the end of 2005.

Cleaning trainers at Newark Hospital

Two managers employed by Medirest, the private contractor responsible for domestic, catering and portering services at Newark Hospital for the past eight years, have been awarded certificates from the British Institute of Cleaning Science for successfully completing a three month course.

These managers are now able to train the hospital's 42 cleaners.

Every cleaner now employed at Newark must complete a six-week course comprising 10 practical assessments, which include chemical competence and window cleaning.

Working towards achieving a certificate ensures all cleaning staff are fully trained in the correct procedures for cleaning within a hospital environment.

Newark Hospital has also recently been awarded a certificate as part of a clean hospital campaign run by the women's magazine "Yours".

Tracey Mayall, Ruby Stevens, Valerie Broome and Elaine Walters.

New side room door notices

New door notices have been developed by the Infection Control Team, in consultation with infection control link representatives, to improve information given to staff and visitors when an inpatient is in a single room for isolation purposes.

There are two different notices, one with more strict precautions.

It is important to provide relevant information without breaching patient confidentiality and for this reason the new notices are entitled "General Precautions".

A section aimed at visitors highlights the need for hand hygiene at all times, encourages people not to sit on the bed and covers washing patients' own clothes.

The staff section is more comprehensive and varies depending on the patient's particular infection.

Staff guidance is provided as to which sheet should be used for which infections, and this is reinforced on the infection control care plans.

As part of the initiative Housekeeping have taken over the cleaning of all single rooms irrespective of whether the patient has an infection or not, with the aim of standardising and improving the cleaning in single rooms.

Auditing Infection Control

During 2005-6 more audits were carried out within Infection Control than any previous years, assisted by the appointment of an Infection Control Audit Officer whose role is to conduct and assist other staff members with the delivery of clinical and non-clinical based audits.

The Infection Control Team's objective is to promote clinical audit as a crucial part of the clinical governance agenda to all healthcare professionals as a process to assist in improving the quality of patient care and service improvement.

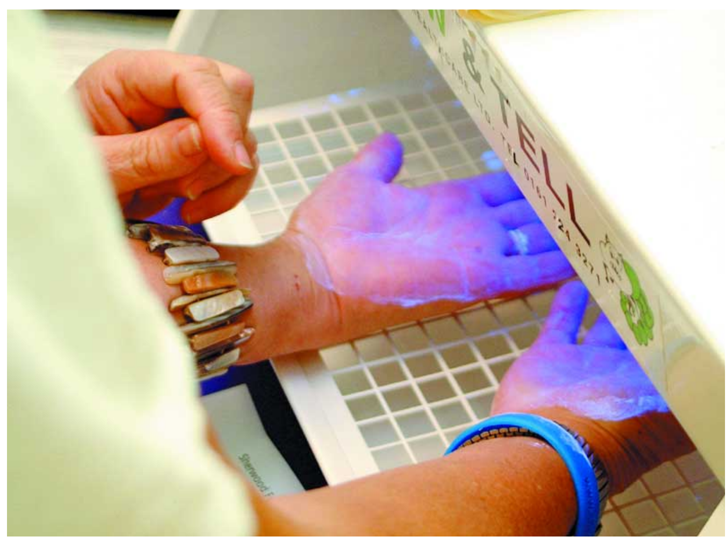
The recent introduction of a Trust wide Infection Control Audit Plan incorporates both clinical and non-clinical audits.

The Link Representative scheme has also been a major part of the success of audit delivery across the Trust.

Link Representatives are members of staff, currently 86 in total, from all disciplines who volunteer to work with the Infection Control Team in their own work areas.

2006 also saw the first Infection Control Audit Programme being developed, which highlights key areas and target dates of completion, and includes hand hygiene observations and blood culture procedure monitoring.

Glow and tell machine



Glow and tell machine used to train staff in effective hand-washing techniques.

The glow and tell machine is a UV light box used to train Trust staff in correct hand-washing techniques and highlight the importance of clean hands.

A lotion called "Glitter Bug" is placed onto dry hands before placing them under the UV lamp.

Areas that have had a thorough coverage with the lotion glow white, while areas that have been missed remain skin-coloured.

Hands are then washed using soap and water and placed back under the light to highlight how well the lotion has been washed off.

The Infection Control Team visit wards and departments with the machines on a rotational basis.

Machines are also available for individual wards and departments to borrow at any time for carrying out their own one-to-one training sessions.

Taking resuscitation training to where it's needed

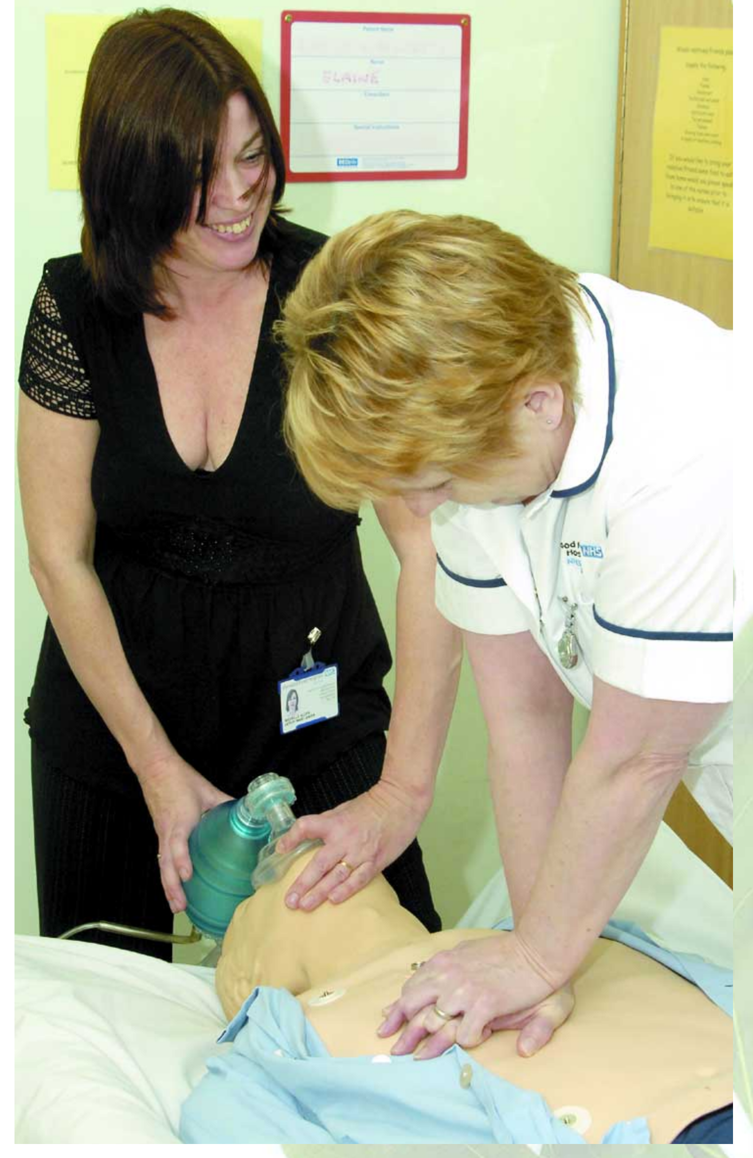
Responding to staff feedback that resuscitation tuition in an artificial training facility did not feel realistic, Trust trainers have created opportunities for staff to experience mock situations in their own work environments.

It's vitally important that all clinical staff within the Trust are able to respond with confidence to someone in need of urgent assistance.

Many staff who work in non-acute areas seldom witness cardiac arrests/medical emergency situations, and therefore gain no experience in dealing with them.

By running the training sessions within actual clinical areas, any problems and issues that need addressing can be identified to allow an emergency medical situation to run smoothly.

Ward staff found that there was little ward disruption and received positive feedback from patients and relatives exposed to the training session.



Resuscitation training now undertaken in clinical areas

Leading the way in substance misuse treatment

Spearheading the development and delivery of services for people with alcohol or drug misuse issues, the Trust's dedicated Alcohol and Drug Liaison Nursing Service (ADLN) has been extended to benefit Newark Hospital patients.

As the first dedicated ADLN service within any Nottinghamshire Trust, it is now one of the leading alcohol and drug services for hospital inpatients in the UK, receiving numerous fact-finding visits from clinicians and service planners from across the UK.

The service has now been in operation for over four years, and during the last three years has had contact with one thousand five hundred patients, with over nine hundred patient contacts per year.

It sees patients from all age groups and from any hospital ward/department.

All Nottinghamshire hospitals, including Queen's Medical Centre, Bassetlaw Hospital and Nottingham City Hospital, have now developed their own services and the recent expansion of the service to Newark Hospital means that Nottinghamshire now has comprehensive substance misuse services within all its general hospitals.

Established at King's Mill in April 2001, the service was originally funded by Nottinghamshire Police as part of a county-wide operation to address Alcohol Related Violence.

Since April 2002 it has been part of a collaborative initiative between Nottinghamshire Healthcare NHS Trust, Sherwood Forest Hospitals NHS Trust, and Nottinghamshire Drug and Alcohol Action Team.

As a result its role has expanded from initially focusing on alcohol misuse to now include patients who misuse drugs, and it is a well-known service within the Trust.

Misusing alcohol or drugs can lead to a variety of health problems that require hospital treatment.

In 2001 the Royal College of Physicians estimated that alcohol alone cost the NHS around £3 billion a year in treatment whilst also estimating that as many as 20% of all hospital patients drink alcohol at problematic levels.

Locally drugs are also an issue within our community and all healthcare workers regularly deal with patients who have problems related to alcohol or drugs.

The Alcohol and Drugs Liaison Service ensures that the highest quality of care is given to this patient group and that all Trust staff are fully supported in carrying out this essential part of their role.

The service has three main objectives:

- Promoting access to essential healthcare services for people with substance misuse problems
- Supporting substance users during periods of hospitalisation
- Supporting general hospital colleagues in their role of engaging with, and providing services to, substance misusers.

A multidisciplinary steering group was set up in 2002 to oversee the development of strategies for the management and care of all patients with drug and/or alcohol related problems.

In addition to Trust staff, the group also comprises Social Services, Nottinghamshire's Drug & Alcohol Action Team, Nottinghamshire Police and local substance misuse services.

Alcohol & Drug Liaison Nurse Richard Gratton tests a patient's alcohol level.

Newark Hospital's A&E Sister Chris Pollitt shows a pupil a blood pressure monitor.

School visit to Newark Hospital

Pupils from Newark's Holy Trinity Primary School enjoyed an educational trip to Newark Hospital's A&E department to gain a valuable insight into the workings of an accident and emergency department and introduce them to different staff they may encounter.

Some typical procedures were demonstrated and explained, along with talks about hand washing and health promotion, and the children also visited the x-ray department.

The Trust is pleased to encourage such visits, which hopefully help to alleviate any fears or anxieties children may have about coming to hospital.

SFH wins top award for improving the working lives of its staff

The Trust has won Improving Working Lives (IWL) Practice Plus status after achieving maximum scores in seven areas of good practice.

Achieving seven top marks is an excellent and unusual achievement for an acute Trust of this size.

The validators had particularly noted the friendliness and helpfulness of the people they met during the exercise, recognising that as a consequence their work was made easier and their visit was enjoyable.

The report opened by identifying the following as areas of good practice:

- staff side partnership working
- effective communication channels
- informative, up to date, neat and tidy notice boards
- flexible working
- training and development
- staff involvement in the design of the new building

For each of the seven IWL standards the report gave examples of work being undertaken by the Trust.

Overall the IWL Practice Plus Validation report was a very positive.

However, whilst the report did not identify specific areas for development, it did ask the Trust to consider:

- raising awareness of the need to report any incidents of bully or harassment
- to undertake an audit to identify those members of staff who are unable to take time owing back due to the demands of the job

The Trust also recognised the need to ensure that all our staff receive appropriate communications and feel able to influence their own working lives.

Achieving Improving Working Lives Practice Plus is not the end of the process, but it will provide an excellent basis for the Trust to continue to develop as a good employer.

The Trust's Human Resource Committee are considering how we can continue to build on this and how we ensure that the standards achieved are maintained across all areas.

(Back L-R) Anne Burton (Staff Support and Benefits Coordinator), Kathy Frain (HR Advisor), Nigel Mellors (IWL Lead for SFHT), Joe Forde (Assistant Director Human Resources), David Greatbatch (Training and Development Advisor), Sandra Rollett (Director Human Resources). (Front L-R) Carol Binley (Validation Team Leader), Brian Meakin (Chairman).

Putting our values into practice

Feedback for Children's Division

As part of the Trust's patient and public involvement strategy plan, the Children's Division ran a pilot questionnaire on children's and parents' experiences of the service they had received while in the departments.

They were asked about the best and worst things about the hospital and how hospital services could be improved.

A total of 60 forms were completed.

The children's views included:

- good, plentiful equipment
- schoolteacher and play specialist nice and chatty
- good visiting hours
- nice to have TVs at the bedside
- good that mum and dad could stay

The only improvements children felt could be made were with theatre delays and having choices of hot or cold meals.

There was also lots of positive feedback from parents including:

- feeling welcome on the ward and in outpatients
- happy with the availability of the play specialist and teachers
- happy with the provision of toys and activities
- clean and tidy ward and outpatients
- nice to make drinks in parents' accommodation

Car parking fees and lack of spaces were areas parents felt could be improved on, also more information on ward and hospital facilities.

As a result, improvements are being implemented which include new patient and parents' information booklets, developing PALS and nursing staff links and a PALS notice board and suggestion box on each ward.

(L-R) Angela Stewart (Modern Matron) and Deb Farn (Ward Leader) displaying the "Tell us what you think" questionnaires.

Can we fix it? Yes we can!

The Trust fixed it for TV's Bob the Builder and his friend, Wendy, to make special guest appearances on Blandy Ward at KMH before switching on Mansfield's Christmas lights.

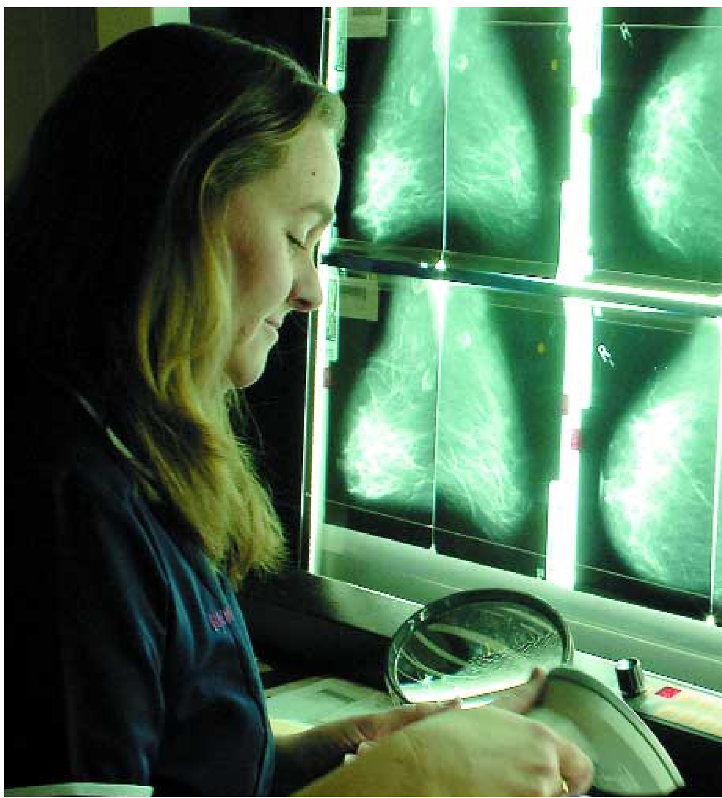
Excitement was evident as Bob and Wendy visited the children on the ward who were unable to go along to the switching-on ceremony.

The afternoon was made even more special when Bob and Wendy handed out selection boxes to their fans.

Special thanks to Radio Mansfield 103.2FM for arranging the visit.

King's Mill patient Connah Porter delighted with his Christmas present from Bob and Wendy.

Praise for breast screening service



Superintendent Radiographer, Penny Stinchcombe, film reading.

In its annual quality assurance report East Midlands Breast Screening praised the King's Mill-based North Nottinghamshire Breast Screening Service for its excellent performance and good practice.

The service, which covers the Mansfield, Edwinstowe and Ollerton area, was highlighted for its continuing high levels of achievement.

It is the only one in the UK to achieve a non-operative diagnosis rate of 100% over the past three years, which East Midlands Breast Screening describes as "remarkable".

The national target is 90%, with a minimum standard of 80% and a UK average of 93%.

Having a definite diagnosis before going to theatre is a major benefit to women in reducing the anxiety of prolonged waits for diagnosis and avoiding unnecessary surgery for a diagnostic operation prior to actual treatment.

Waiting times for results were also highly praised, with over 99% of women receiving their results within two weeks of screening for the last three years compared to the 90% UK target. The regional average was 89%.

To maximise attendance and reduce unnecessary anxiety amongst screening women it's vital that results are sent without delay, and that women requiring further assessment are seen as soon as possible.

King's Mill also exceeded the target of no more than three weeks' waiting time for an assessment following screening.

The North Nottinghamshire service averaged 99% over the last three years, compared to a 65% regional average and a UK target of 90%.

Screening over 10,000 women each year, the service was noted as being extremely successful in maintaining adherence to the three year schedule of calling all women between the ages of 50-70 for routine checks.

In 2004/5, 95% of women in North Nottinghamshire were screened within three years.

Only 37% of breast screening units in the UK met the 90% minimum standard, and 70.8% of East Midlands women were screened within three years.

It's important that high rates of cancer detection are achieved without causing unnecessary anxiety by having a high recall rate.

In the period 2001-2004, North Nottinghamshire recorded a referral rate of 6.2% of women screened being called back for further assessment.

This compares to a UK target of 7% and 7.9% in the East Midlands.

Arguably the most important indicator to assess the overall quality of a screening unit is small cancer detection rates.

North Nottinghamshire is one of the top three units in the East Midlands for detecting small cancers less than 15mm in size and East Midlands has the UK's second highest rate of small cancer detection.

Faculty of Healthcare Careers launch

The Trust has joined together with West Nottinghamshire College to launch a new Faculty of Healthcare Careers, providing an integrated approach towards accessing and developing NHS careers through partnership working.

The partnership will support and encourage young people and adults to take up healthcare related jobs, especially at Sherwood Forest Hospitals, by providing structured training programmes and formal qualifications.

It will also guarantee interviews for learners for appropriate posts.

With inside knowledge, the college can identify key roles within the healthcare sector and ensure appropriate courses are provided to furnish members of the local community with the skills/competencies required to fulfil them.

Existing Trust staff will also benefit by accessing specially tailored training opportunities to expand their current roles, facilitate movement between roles and ensure career development.

In addition to the more hands-on healthcare professions such as nursing, training will also meet opportunities within other areas including IT and business administration, and cover the many construction-related posts created by the current £300m rebuild of King's Mill Hospital.

Protected Mealtimes

A protected mealtimes initiative has been launched by Emergency and Planned Surgery at King's Mill Hospital.

The ward environment, presentation of food and the timing and content of meals are important elements in encouraging patients to eat well.

Protected mealtimes also allow ward-based staff the opportunity to focus on the nutritional requirements of patients.

Key principles around protected mealtimes include:

- Keeping mealtimes free from avoidable and unnecessary interruptions
- Creating a quiet and relaxed atmosphere in which patients/clients are afforded time to enjoy meals, limiting unwanted traffic through the ward during mealtimes, e.g. estates work and linen deliveries
- Recognising and supporting the social aspects of eating
- Providing an environment conducive to eating that is welcoming, clean and tidy
- Limiting ward-based activities, both clinical (i.e. drug rounds) and non-clinical (i.e. cleaning tasks) to those that are relevant to mealtimes or 'essential' to undertake at that time
- Focusing ward activities into the service of food, providing patients/clients with support at mealtimes
- Emphasising to all staff, patients and visitors the importance of mealtimes as part of care and treatment for patients

Protected mealtimes are 11.45am - 12.30pm and 4.45pm - 5.30pm.

Shirley Round, Ward Housekeeper, serving up a healthy option.

Mandy Smith of Occupational Therapy enjoys a shift in the Tea Bar with volunteers Ron Daws and Dot Holmes

Volunteers Week 2005

Staff mucked in for our annual Volunteers' Week celebrations in June by spending shifts with hospital volunteers across the King's Mill site.

Duties included working on the ward library trolley and sweet trolley, helping in Cardiac Rehabilitation, serving in the Main Outpatients Tea Bar, flower-arranging, and escorting patients & visitors.

Most staff were eager to get behind the wheel of the internal buggy – which was by far the most popular activity of the week.

King's Mill benefits from the help of more than 400 volunteers, which makes it one of the biggest volunteer services in any hospital nationwide.

Volunteers are involved in almost all areas of hospital life and their support is vital in helping the Trust to deliver the best possible healthcare services.

Anyone interested in volunteering opportunities can contact Lyn Norris, Voluntary Services Manager at King's Mill on telephone 01623-676011.

Volunteers, staff and Chief Executive, Jeffrey Worrall, celebrate Volunteers' Week 2005

Cancer appeal

A Trust-wide appeal to raise £1m for equipment used to diagnose and treat cancer was launched in early 2005.

About £100,000 was received by the appeal in its first year, and we hope it will raise well over £200,000 in its second year.

One of the highlights of the fundraising calendar was Chocolate Day, which proved popular with staff and visitors alike.

The abseiling event on the Open Day was so well supported it's planned to make it a regular event.

If you would like to support our Cancer Appeal please contact Chris Fox on telephone 01623 622515, ext 6031.

Staff and visitors queue up for a feast of chocolate treats at the Trust's Cancer Appeal Chocolate Day event.

Chief Executive, Jeffrey Worrall, takes the plunge for the Trust's Cancer Appeal.

Bladder scanners for Newark Hospital

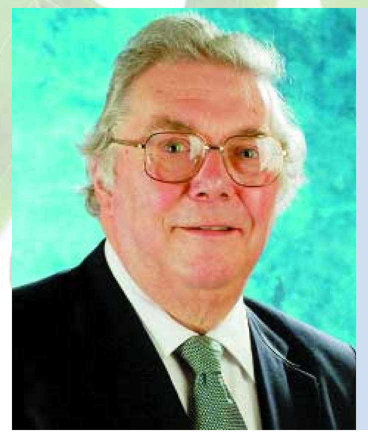
Balderton League of Friends has donated money to Newark Hospital towards the purchase of a further two bladder scanners.

The two additional machines will be used to determine the volume of fluid in the bladder without the need to catheterise, drain and measure.

This generous donation will enable more of the hospital's patients to benefit from the latest technology.

Using the scanner: Sister Hilary Price, Tracey Corcoran-Wall, Cllr Fletcher, Vice-Chairman of Balderton League of Friends, League Chairman David Hall.

Meet our Trust Board members...



Brian Meakin - (Chairman)

Brian joined the former King's Mill Centre for Healthcare Services NHS Trust as a Non-Executive Director in 1993 and was appointed Chairman in 1999, a role in which he continued with the formation of Sherwood Forest Hospitals NHS Trust in 2001.
He was born in Sutton in Ashfield and attended the local primary school, completing his education at Newark Magnus Grammar School.
His background is in finance and chartered accountancy. He has experience of company law and governance and has involvement with the Institute of Chartered Accountants national committees, and is a past District Society President.
Brian is currently Design Champion for the Trust's major PFI scheme, receiving a 'Better Building Healthcare Award' in 2004.

Jeffrey Worrall - (Chief Executive)

Jeffrey was appointed as Chief Executive on 7th February 2002, and began his working life in local government.
He joined the NHS in 1984 (Rotherham Health Authority) and then became Deputy Chief Executive of Derbyshire Family Health Services Authority.
He has been an NHS Chief Executive since 1997 and his more recent posts include Chief Executive of both Southern Derbyshire Health Authority and North Nottinghamshire Health Authority.
He is Chair of the local Cardiac Network and Chair of the local Pathology Network

Tracy Allen - (Executive Director of Planning and Performance)

Tracy joined the Trust on 9th September 2002.
She has worked in the NHS since 1990, when she joined as a management trainee.
Since this time she has had various jobs within the NHS including general management of Trauma, Accident and Emergency and Critical Care Services in Oxford and a planning and development role in Bassetlaw Hospital.
Her previous role was as Director of NHS Direct and Governance at Sheffield Children's Hospital.

Bill Gregory - (Executive Director of Finance)

Bill joined the Trust on 1st November 2003.
He has worked in a variety of finance and commercial roles within the public and private sectors.
Having trained as an Accountant with Coopers and Lybrand, he joined the NHS in 1993 and has held the post of Director of Finance at three NHS Trusts in northwest England.
Previously he was Head of Business Development for BUPA Hospitals.

Carolyn White - (Executive Nursing Director)

Carolyn joined the Trust on 16th July 2001, having previously worked for 12 years at the Hull and East Yorkshire Hospitals NHS Trust in a variety of senior nursing and management roles.
She trained as a Registered Children's Nurse and State Registered Nurse in Liverpool and qualified in 1982.
Carolyn has worked for most of her clinical career in Paediatric Intensive Care.

Since her appointment Carolyn has significantly raised the profile of nursing services within the Trust. Her professional drive has improved recruitment, retention and training of nurses and other clinical staff. She has highly developed leadership skills and change management experience most recently demonstrated in her role as lead for the Trust's Emergency Services Collaborative. This resulted in the Trust being recognised as one of the country's top performing hospitals for emergency care.

Mike Mowbray - (Executive Medical Director)

Mike has been a Consultant Anaesthetist at King's Mill since July 1991 and was appointed Executive Medical Director in June 2002.
Since 2000, Mike has been a College Advisor for the Royal College of Anaesthetists with a PASK Certificate from the Association of Anaesthetists.
While continuing to provide clinical care, the Executive Medical Director's role is to provide dynamic leadership of the Trust's medical profession, play a key part in developing policies and strategies, and offer advice to the Trust Board on all matters from the medical perspective.

Peter Harris - (Non-Executive Director and Vice-Chairman)

Peter joined the Trust on 1st November 2001, and lives in Southwell.
He is currently a school head teacher, after previously working as a School Inspector, Education Advisor and an Actuarial Underwriter in the City of London.
Peter is a Town and District Councillor for Southwell.

Sheilah Andrews - (Non-Executive Director)

Sheilah joined the Trust on 1st November 2002.
She lives near Newark and is a former member of the Central Nottinghamshire Community Health Council, her most recent post being Chair of the Primary Panel.

Sheilah is a Director of Newark CVS and a lifetime Vice-President of Newark Swimming Club, where she teaches on a voluntary basis.
She is also a committee member of Newark Hospital League of Friends.
Now retired, she previously worked for 25 years as a head teacher at two primary schools, in Warsop and Edwinstowe.

Dawn George - (Non-Executive Director)

Dawn joined the Trust on 1st November 1999.
Now retired, she is a qualified teacher and taught in schools in Birmingham, Halewood and Nottinghamshire.
She lives in the Newark area and has 30 years commitment to the voluntary sector ranging from local pre-school playgroups association and the WRVS and has been active in a variety of voluntary organisations.
She was a member of the Central Nottinghamshire Community Health Council for several years before becoming its Chairman.

David Leah - (Non-Executive Director)

David joined the Trust on 1st November 2005.
He is a Chartered Certified Accountant by profession and has worked for a wide range of companies.
Previously he was Group Finance Director of one of the country's leading interior contracting groups. His wide commercial knowledge has enabled him to contribute to the establishment of successful business strategies.
David is now a director of a business support consultancy.

Stephen Pearson - (Non-Executive Director)

Stephen joined the Trust on 1st January 2006, and is a Solicitor who has substantial experience in Public-Private matters on behalf of a range of public and not-for-profit bodies. He has worked as an in-house lawyer in the public sector and industry, and is currently a partner in a major Nottingham law firm. He holds a post-graduate diploma in local government law.
His experience includes a role as Secretary to Nottingham Health Authority for 2 years, and he has lectured on PFI/PPP, the role of Local Improvement Finance Trusts in the NHS and, most recently concerning the effect of changes in EU Procurement Law and the obligations imposed by Freedom of Information legislation"

Governance Arrangements

The Trust Board is responsible for Policy and Strategy issues and meets in Public, formally, every month and welcomes written questions from the Public.
Brian Meakin has chaired the Trust Board since its establishment, and the Trust's Chief Executive, Jeffrey Worrall, was appointed on 7th February 2002. Bill Gregory was appointed as Executive Director of Finance on November 1st, 2003.
The Chair and Non-Executive Directors hold a Statutory Office and their remuneration and conditions of service are governed by the National Health Service and Community Care Act 1990. The remuneration of the Chief Executive and Executive Directors is determined by the Trust's Remuneration Committee, which is chaired by Brian Meakin. Pay Awards for Directors and Senior Managers in 2005/06 were in accordance with NHS Executive Guidance.
Details of Directors' Declarations of Interest are available on request from the Trust's Corporate Affairs Manager, Mike Tasker. During the year none of the Trust Board Directors or parties related to them has undertaken any material transactions with the Trust.

The membership of the Trust's key Committees at 31st March 2006 was as follows:

Audit Committee:	Remuneration Committee:
Mr David Leah (Chair)	Mr Brian Meakin (Chair)
Mrs Dawn George	Mr Stephen Pearson
Mr Stephen Pearson	Mrs Dawn George
	Mr Jeffrey Worrall

The Chief Executive has delegated responsibility for the day-to-day management of the Trust's services to four Operational Divisions:

- Medical Division
- Surgical Division
- Women and Children's Division
- Allied and Facilities Division

Each Division has a Divisional Management Team consisting of senior clinical and managerial staff, including medical and nursing professionals where appropriate. Members of the Executive Team, including Executive Directors, Directors and Heads of Function, manage other Trust-wide functions.

This document is also available in alternative formats and other languages including Polish, Cantonese, Punjabi, Hindi, Gujarati and Urdu.

Board of Governors

One of the benefits of achieving Foundation Trust status is being able to establish a Board of Governors – local people, staff and representatives from local partnership organisations – that has a real say in how our services are provided and developed.

Securing Secretary of State approval for our application in January 2006 meant that we could start to implement some of the Foundation Trust structures, including establishing a 'Shadow' Board of Governors, in preparation for becoming a Foundation Trust.

The majority of governors are elected to the Board of Governors and in January 2006 we held our first round of elections, with the results being announced in March 2006.

Contested elections were held for the following:

- Ashfield public constituency
- Mansfield public constituency
- King's Mill Hospital class of the staff constituency

Governors for the following constituencies were elected uncontested as there were insufficient nominations to require a contested election:

- Newark and Sherwood public constituency
- Newark Hospital class of the staff constituency
- Volunteer class of the staff constituency

Unfortunately, we were unable to hold elections for the following constituencies due to there being insufficient nominations:

- Derbyshire
- Mansfield Community Hospital class of the staff constituency
- Ashfield Community Hospital class of the staff constituency

Following the conclusion of the elections, seven vacancies were left unfilled.

In the run up to the announcement of the election results and immediately after, we had the opportunity of meeting all of the governors who had been elected and we were very impressed by the high levels of enthusiasm shown. We are sure that they will do an excellent job for their members and all of the Trust's Directors are looking forward to working closely with our new governors.

The voting turnout was above average with 43% of members from Mansfield, 37% of members from Ashfield and 23% of staff members at King's Mill Hospital casting a vote. These return rates compared favourably with other first round elections for Foundation Trusts.

The elected governors joined governors appointed by our local PCTs, Local Authorities, West Nottinghamshire College and Nottingham University on our Board of Governors.

The governors met for the first time in April 2006 for an induction event, with a further event taking place in May 2006. The first meeting of the Shadow Board of Governors was held in July 2006.

The governors will represent the interests of their members in the development of the Foundation Trust and have a strong influence in shaping its strategic direction. They will also ensure that our performance against our plans is satisfactory and that we meet the requirements of our Authorisation or 'Licence' when received from Monitor.

Governors will need to seek the views of their members and ensure that these are used to inform the development of the Trust. They will also report back to their members on what happens in Board of Governor meetings.

The Board of Governors will meet in public four times a year, including the Annual General meeting (AGM). However, much of governor activity will take place in working groups or sub-committees that will report to the main Board of Governor meetings.

At the induction event on 6th April 2006, the governors considered proposals about how they should organise their work and agreed that four work-streams should be established. These proposals will be developed further, but in principle these work streams will include:

- Development of the Patient and Public Involvement Strategy
- Ambassadorial Role focussing on raising the profile of the Trust, and expanding educational partnerships and employment opportunities
- Membership Development and Engagement
- Access and Quality of Patient Services

Your hospitals, your health, so join today

Sherwood Forest Hospitals NHS Trust is committed to patient, staff and public involvement in our activities and services, a key reason behind our application to become a Foundation Trust.

The freedom and flexibility that NHS Foundation status will provide is about giving local people and patients more say in how our hospitals are run - and delivering the level of service that our patients need and demand.

To achieve that vision, however, we need involvement from you - from the public, patients and staff. We want to make sure that your local hospitals are run for the good of the patients, carers, volunteers and staff that use them.

Make your voice heard and register as a member of the Trust today.

Membership is free and there is no obligation for you to do anything.

Membership provides the members of our community with a way to express their loyalty and support to the Trust. It also provides us with an opportunity to communicate with our members on issues of importance about the hospitals and their development. Membership will allow you to get more involved and play an active role in our development.

Members must be 16 years of age or older and live locally. No particular skills, experience or qualifications are required.

We have ambitious plans for the future of King's Mill and Newark Hospitals and believe the loyalty and contribution from our members will be vital to our success. Please complete and return the form below to help us provide better, more effective healthcare for our community.

Further information is available from our website www.sfh-tr.nhs.uk, by email on sfht@nhs-membership.co.uk or by telephoning 0800 587 0574.

We look forward to you joining us.

Membership Registration Form

Sherwood Forest Hospitals NHS
NHS Trust

You can also register on line at: www.sfh-tr.nhs.uk

Please compete the following section. Your information will be used only to contact you with news and information about Sherwood Forest Hospitals and other health issues, and will be stored in accordance with Data Protection Act.

Contact details

(please complete in capital letters)

Title
(eg:Mr/Mrs/Dr)

Name

Address

Postcode

Telephone

Mobile

Email
Email is the most cost effective method of communication. If you are willing to recieve information by email please enter your email address in the box below.

About you

☐ Male
☐ Female

Date of birth (dd/mm/yyyy)

Ethnic group

This information is helpful in ensuring that our membership is representative of our community.

☐ British
☐ Irish
☐ Other White
☐ Chinese
☐ Pakistani
☐ Bangladeshi

Asian Indian ☐
Other Asian ☐
Caribbean ☐
African ☐
Other Black ☐
Other ethnic group ☐

Mixed

☐ White & Black African
☐ White & Black Caribbean

White & Asian ☐
Other mixed background ☐

Do you consider yourself to have a disability?

☐ No ☐ Yes

Signature

Thank you for taking the time to register.

Member get member

If you were encouraged to register for membership by another member, please put their membership number in the box below.

The three members that refer the most people for membership every year will win a small prize. Your membership number, can be found out by calling 0800 587 0574.

Completed forms can be returned to:

Freepost RLSJ-BGTL-XRUY
Membership Response Centre
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Designed & Published by Octagon Design & Marketing Ltd, Britannic Chambers, 8a Carlton Road, Worksop, Notts. S80 1PH Tel: 01909 478822