

The Annual Reports, 2001 – 2002

of

Gloucestershire 
Health Authority

Gloucestershire Royal 
NHS Trust

East Gloucestershire 
NHS Trust

Severn 
NHS Trust

About this report

The structure of the NHS in Gloucestershire underwent significant modernisation on April 1st 2002, with the consequence that the organisations featured in these four Annual Reports have now developed into three Primary Care Trusts, the Gloucestershire Partnership Trust and Gloucestershire Hospitals NHS Trust.

The reports have been prepared individually but inevitably they reflect the ever increasing amount of joint working which took place during a year of considerable preparation for change.

Below is an index which will direct you to the individual reports, in turn each report has its own index.

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Gloucestershire 
Health Authority

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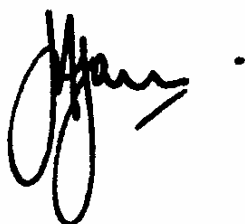
Introduction by Jeff James, Chief Executive

Health Authority annual reports for the year 2001/02 are bound to focus on organisational change and this one is no exception. The transfer of the greater part of Health Authority responsibilities to Primary Care Trusts was a very major undertaking. To have achieved this with no additional resources and no permanent increase in staff was a very significant achievement. The measure of this is magnified when it is appreciated that this was done while ensuring that the NHS in Gloucestershire continued to meet people's needs for primary care and specialist services and continued to improve the quality and availability of services.

There was an additional dimension of change in Gloucestershire. We took the opportunity to re-align the NHS Trusts to give stronger focus to specialist services across the county. The need for this change had been signalled by the Health Authority in 1997 and endorsed by all NHS organisations in 2000. The change for the county was therefore the most profound since 1974.

The Health Authority and its staff take their proper share of the credit for these considerable achievements but as with all significant changes in healthcare organisation and service delivery, no single organisation achieves change without extensive support from others. The Gloucestershire changes could not have been achieved without the support of NHS Boards and their staff, of primary care contractors and their staff, and of the County Council and its staff particularly in Social Services.

The ground is now set for the new organisations to continue to make progress in providing for the people of Gloucestershire the kind of health services they deserve. As always, this depends on active partnership between the people who need to use healthcare and associated social services and the professional staff who provide them. It will be the hope of many people, service users and staff alike that the new organisations fulfil their potential to improve the quality of life, to provide health and wellbeing and encourage social inclusion.

A handwritten signature in black ink, appearing to read 'Jeff James', with a small dot to the right of the signature.

Jeff James, Chief Executive
Gloucestershire Health Authority

Gloucestershire Health Authority

The purpose of the Health Authority was to protect and improve the health of the people of Gloucestershire. Its role was to understand these health-related needs and provide fairness and equal access to quality services to meet those needs within the resources available.

It aimed to achieve this by:

- Providing strategic leadership to the NHS and by working in partnership with other agencies and community organisations
- Ensuring that all those who work in the local health service share a clear vision of how it should develop and understand their role in it
- Listening to what local people say about their needs for health care and their views on where money should be spent
- Working alongside Primary Care Groups to make informed decisions about the local allocation of health care resources
- Securing value for money by monitoring the efficient and effective performance of the organisations who provide services.

The Health Authority held the following principles:

- An active concern for people's health, whether or not they have an illness
- Preventing illness wherever possible
- Decreasing inequalities
- Working with people to develop their potential
- Valuing the rights of individuals
- Being publicly accountable
- Managing change and innovation

Management of the Health Authority:

The management of Gloucestershire Health Authority was based around the Chief Executive's Office and three Directorates led by Executive Directors, each having specific roles and responsibilities. These were:

- Service Development
- Finance, IM&T and Support
- Public Health and Health Service Planning

The Health Authority had a number of committees to ensure high standards of corporate governance were maintained. The Audit Committee acted as an independent review mechanism to ensure the Authority met the high standards of stewardship expected of it. The Remuneration Committee reviewed the performance, remuneration and terms of conditions of service of the Executive Directors of the Health Authority. Also, a Register of Member's Interest and a hospitality register were maintained by the Health Authority.

Board Members 2001/2002

The Chairman of the Authority and Non-Executive members were appointed by the Secretary of State for Health. Non Executive members are drawn from the local community to oversee, from an independent perspective, matters of strategy and policy, monitor performance and ensure that the Authority operates to the highest standards of probity and accountability. They bring with them a wide range of experience, local knowledge and objectivity.

Executive Members 2001-2002

Chief Executive	Jeff James
Director of Service Development	Jackie Huck
Director of Finance, Information and Review	Mike Theelke
Director of Public Health	Dr Sally Pearson

Chairman and Non-Executive Members

Chris Creswick - Chairman

Chris Creswick is Chairman of the Authority, a position he has held since 1996. Chris lives in Dursley. His career has been spent in Personnel management and he is a Member of the Employment Tribunals and Secretary of the Gloucestershire Outward Bound Association and is also a Voluntary Sector Governor of Sandford School.

Dr Robert Billings

Dr Robert Billings has worked as a GP in Cheltenham for 22 years and has a keen interest in the development of primary care services. As a GP member Dr Billings is not allowed to serve on a PCG. The Health Authority therefore appointed Peter Whitton from Dursley as its representative on the Stroud and Berkeley Vale PCG. Peter Whitton has lived and worked in the area for 32 years and he is currently Managing Director of Progressive Energy Ltd. He has been actively involved in community activities for many years through organisations such as the PTA, Round Table and Rotary Club.

Liz Boait

Liz Boait joined the Board on July 1st 1998 and is a Senior Lecturer at the Business School, University of Central England. Liz is a County Councillor and lives in Tibberton. She was the Health Authority member on the Forest of Dean Primary Care Group and is now the Chair of West Gloucestershire Primary Care Trust (from 1st April, 2002).

Liz Scrivens

Liz Scrivens, a trained social worker, joined the Board on December 1st 1998 and has previously worked as Co-ordinator for the Forest of Dean Crossroads Scheme for Carers. She has also worked as a Residential Manager working alongside adults with learning disabilities living in the community. Liz lives near Cinderford where she has been Chair of Cinderford Town Council. She was the Health Authority member on the Gloucester & South Tewkesbury Primary Care Group.

Geoff Shaw

Geoff Shaw, a recently retired banker, joined the Board in November 2000. Geoff lives in Upper Framilode, near Frampton on Severn and has been actively involved in health and community issues for most of his life. He is a former Director of Gloucestershire Community Foundation and is a Governor of the Barnwood House Trust. As Chairman of the National Meningitis Trust, Geoff has developed close links with the NHS.

Margaret Styles

Margaret Styles was appointed to the Board on April 1st 1999. After reading law at University, Margaret entered the Civil Service and worked on policy and in senior management posts in various parts of the Department of Employment. She then moved into Recruitment Consultancy, specialising in senior Public sector posts. Since 1996 she has been involved with the family's antiques business based in Stow on the Wold. Margaret Styles lives in Woodmancote and was the Health Authority member of Cotswold Primary Care Group.

Members Declaration of interests

CATEGORY A: Directorships, including non-executive directorships held in private companies or PLCs

Chris Creswick: Non-Executive Director, The Link Group (Gloucestershire) Ltd

Jeff James: Director of Gloucestershire Development Agency

Geoff Shaw: Chairman, Trust Trading Ltd
Chairman, Inmed Ltd
Director, Flatorder Ltd

CATEGORY B: Ownership or part-ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS

Chris Creswick: Private consultancy work on Human Resources/Organisational Development with various non-NHS organisations on an ad-hoc basis

CATEGORY C: Majority or controlling shareholdings in organisations likely or possibly seeking to do business with the NHS

Dr Robert Billings: Senior Partner, Berkeley Surgery, Cheltenham

CATEGORY D: A position of authority in a charity or voluntary body in the field of health and social care

Chris Creswick: Honorary Secretary, Gloucestershire Outward Bound Association

Geoff Shaw: Chairman of Board of Trustees, Meningitis Trust
Governor, Barnwood House Trust

CATEGORY E: Any connection with a voluntary or other body contracting for NHS services

Dr Robert Billings: Member of the Royal College of Physicians
Member of the British Medical Association
Member of Gloucestershire Local Medical Committee
Senior Medical Officer, Endsleigh Insurance

CATEGORY F: Current or potential provider of services commissioned by or for a Primary Care Group/Health Authority

Dr Sally Pearson: Partner employed by Severn NHS Trust

Jackie Huck: Partner employed by Gloucestershire Ambulance NHS Trust

CATEGORY G: Any other interest, which a member wishes to place on record but that does not fall into categories A-F above

Elizabeth Boait: Elected Member, Gloucestershire County Council

Chris Creswick: Employer member of the Industrial Tribunals, Bristol
Governor (Voluntary Sector) Sandford School
Member of the Learning Skills Council (Glos)

Jeff James: Governor of Stroud High School for Girls
Board Member of Connexions (sic)

Dr Sally Pearson: Member of Charity Management Committee of the Jenner Museum

Jackie Huck: Governor, Whitecross Comprehensive School, Lydney

Developing the NHS in Gloucestershire

In December 2001, Gloucestershire Health Authority received Ministerial approval for its plans to create new NHS organisations in the county to move decision making on health to a more local level and to ensure that the most up to date and best quality of treatment is provided to patients.

The confirmation from the Department of Health, followed an extensive three month consultation process, when hundreds of members of the public, as well as professional and voluntary organisations, carers, the Community Health Council and staff had their say on plans to develop the NHS in Gloucestershire.

Health chiefs were pleased with the response, which showed endorsement for the overall proposals for three Primary Care Trusts (PCTs), a single Hospitals Trust for Gloucestershire and a Partnership Trust for people receiving mental health and learning disability services.

The Secretary of State's approval meant that on 1st April, 2002 mental health and learning disability services came together under a single countywide organisation (Partnership Trust) to provide comprehensive care and treatment for patients and enabling health and social care staff to work more closely together.

Chief Executive of Gloucestershire Partnership Trust, Jeff James said:

"We now have a unique opportunity to develop service user and carer networks that are able to receive wide-ranging feedback and ideas that can be incorporated into our plans for meeting the needs of people with mental health problems and people with learning disabilities".

The new Gloucestershire Hospitals NHS Trust manages acute services across Gloucestershire using existing hospitals (Gloucestershire Royal and Cheltenham General Hospitals, with Standish and Delancey Hospitals), and is working to improve the quality and range of services it provides by using its resources more effectively.

Chief Executive of Gloucestershire Hospitals NHS Trust, Paul Lilley said:

"We are committed to providing patients with first class treatment and must respond to new demands and requirements. This includes responding to greater specialisation in hospitals, raising quality standards and delivering equal access to healthcare for patients across Gloucestershire."

The three Primary Care Trusts (Cotswold and Vale, Cheltenham and Tewkesbury and West Gloucestershire) are new independent local organisations involving doctors, community nurses and community hospital staff and others with an interest in decisions to improve the health of the local population and provide local health services.

Primary Care Trusts offer an opportunity for those directly involved in providing care to learn and develop together, to better identify and develop local health priorities and to find new and more creative ways of addressing them. The development of primary care teams and an effective partnership between staff, partner organisations and the population is crucial to this.

Jeff James who was Chief Executive of the Gloucestershire Health Authority until it was dissolved on 31st March 2002 said:

"We have much to be proud of in health services in Gloucestershire. They have developed and expanded over the years to respond to the changing needs of Gloucestershire's people and the emergence of new treatments. This has been achieved by the hardwork of the current NHS organisations and it is right at this time to pay tribute to the dedication and professionalism of our local NHS staff."

Gloucestershire Health Authority - Annual Report 2001/02

“We want to make sure that we continue to give people quick access to high quality treatment and care. The birth of the new organisations sets the groundwork for this new phase in developing local services.”

The new organisations began work on April 1st, 2002 and replaced East Gloucestershire NHS Trust, Gloucestershire Royal NHS Trust, Severn NHS Trust and the five Primary Care Groups.

A new Health Authority covering Avon, Gloucestershire and Wiltshire also came into being on 1st April 2002.

Our Performance 2001/02

Listed below are the key standards and the Health Authorities position in relation to these. It is important to note that whilst these standards will be published in the NHS Performance Tables, many will relate directly to hospitals rather than the countywide position here.

Outpatient Appointments

- **Patients can expect to be seen within 30 minutes of their appt time -**
During the fourth quarter, 86.7% of patients were seen within 30 minutes of their appt time.
- **All patient's to be seen within 26 weeks and a reduction in the number of patients waiting over 13 weeks for an outpatient appointment**
As at March 2002 there were no Gloucestershire patients waiting over 26 weeks for an outpatient appointment. The number of patients waiting over 13 weeks fell from 2397 in March 2001 to 1544 in March 2002 a reduction of 803.

Hospital Admissions & Services

- **Patients whose operations are cancelled either on the day of surgery or after admission are guaranteed re-admission within one month**
At the end of the year there were 37 patients who were unable to be re-admitted within one month. This is slightly lower than in previous year's although pressures on emergency services have continued with high numbers of delayed transfers of care that have resulted in the cancellation of elective surgery.
- **Patients are guaranteed admission within 18 months of the decision to admit being taken.**
At the end of the year, all patients had been seen within the 18 month period.
- **The national target requires NHS Trusts to demonstrate an increase in the proportion of elective surgery carried out on a day case basis.**
Of the total of elective surgery purchased by Gloucestershire Health Authority, 71.4% was performed as day-case surgery which is slightly higher than the 2000/1 position of 70%.

Primary Care

- The national target for Cervical Smear Tests is for 80% of women to have been tested within the previous 5 year period.

The percentage of women receiving cervical smear tests was 83.90%

- The national target for Breast Cancer screening is for 70% of women to have been tested within the previous 3 year period

The percentage of women undergoing screening for breast cancer is 73.79%

- The national target is for 95% of children to be immunised against Diptheria and MMR (Measles, Mumps and Rubella).

Approximately 93.4% of children under 2 were immunised against diptheria, tetanus and polio. 85.1% of babies were immunised against measles, mumps and rubella by the age of two years and 88.7% of children received their pre-school booster by their 5th birthday..

Ambulance service

- **Since June 2001 the standards for ambulance attendance have been revised**

The new very rigorous standards are targets to be worked towards and are not expected to be met straight away.

Category A calls considered life-threatening - the standard is that 75% are responded to within 8 minutes

Category B calls considered non life-threatening - the standard is that 95% are responded to within 19 minutes.

For Category A calls between April 2001 and March 2002, 71.25% were responded to within 8 minutes and for Category B calls during the same period, 96.28% were responded to within 19 minutes.

Complaints

Making a complaint

People have a right to complain about any aspect of the health service, which they feel has not provided them with an adequate standard of care or treated them in the way they would expect. Gloucestershire Health Authority actively encouraged comments, complaints and suggestions as a valuable method of assessing and improving the quality and range of services in the county and welcomed the letters received from concerned members of the public.

Complaints generally relate to three main service areas:

- primary care services (GPs, dentists, pharmacists and opticians)
- hospital and community services
- purchasing decisions / policy issues / resource allocation

A revised complaints handling procedure was introduced on 1 April 1996 and encourages people to write to the person about whom they are complaining. This system is more efficient and more user-friendly than the old procedure and whichever area of health care you complain about, your complaint will be handled in the same way. The procedure is divided into two stages:

- Local Resolution, conducted in-house and sometimes with the assistance of one of our Lay Conciliators (volunteers appointed by the Local Representative Committees, Community Health Council and ourselves and who assist in the resolution of more complicated complaints where the practice alone has not been able to resolve the matter)
- Independent Review where an independent panel appointed by the Regional Office looks at the way in which the complaint has been managed. This process involves two stages:
 - ❖ The first stage known as the Convening stage involves the Convenor in consultation with the Chairman appointed, deciding whether or not to convene an Independent Review Panel.
 - ❖ The second stage involves a Panel being convened and independent members appointed to investigate the complaint. A report is produced which usually includes recommendations for the Trust or Health Authority Board to consider.

The Department of Health commissioned a two year evaluation and review study of the 1996 Complaints procedure which was completed in the summer 2001 and involved a Listening Exercise which consulted with both Health Professionals, Managers and Lay people. The DOH has confirmed that the Complaints procedure will be reviewed and it is likely that the new procedure will be implemented from April 2004.

Complaints about Primary Care Services

Responsibility for initial investigation of primary care complaints at the local level has been devolved to the practice itself.

General Medical Practices have informed us that they have dealt with over 480 complaints in-house at the local level and General Dental Practices have received 88 complaints.

Complaints about Hospital and Community Services

Some complaints received related to hospital and community services and these were referred to the responsible Trust for investigation and response. Each Trust, like each primary care practice, has an established local resolution procedure and applies the same criteria for receiving requests for and establishing Independent Review Panels.

Complaints about purchasing decisions/policy issues/resource allocation

These are complaints directed against the Health Authority and Primary Care Groups and were received during the year. 91 related to decisions not to fund particular forms of treatment and to inclusions in our List of Interventions Not Normally Funded and general service provision and funding issues.

Local Resolution

It would seem that the Local Resolution process is working and resolving the vast majority of complaints within 2 months. The Gloucestershire Independent Conciliation Service has provided enormous support to local Contractors and to the Health Authority over the year and when a Conciliator is involved in the resolution process, the majority of complaints are resolved satisfactorily. 9 complaints involved the assistance of a Conciliator and of those 9 Conciliation cases only 1 proceeded to request an Independent Review.

Independent Review

6 requests for an Independent Review Panel were received. All 6 requests were rejected, with no cases being referred back for more local resolution.

PALS Service

Each Trust is required to have a PALS Service from 1st April 2002. The Community PALS covering Cheltenham & Tewkesbury Primary Care Trust, Cotswold Vale Primary Care Trust, West Gloucestershire Primary Care Trust and The Partnership Trust was successful in securing a Pathfinder bid from South West Regional Office in October 2001 to develop and implement the service.

The Acute Hospitals, Gloucester Royal and Cheltenham General launched their PALS service in January 2002, with a PALS advisor in each Trust. In February 2002 The Community PALS service appointed a Service Lead Manager, an Advisor and administrative support. The PALS Service is responsible for:

- Helping to resolve patients problems quickly
- Listening to patients concerns, suggestions and queries
- Providing information on local health services
- Using feedback to improve healthy services for others

Winter Pressures

NHS and Social Services care providers experience additional pressures over the winter period, this can be exacerbated by bad weather, increases in instances of "flu" and extended bank holiday periods over Christmas and the New Year. Although additional pressures over the winter period are predictable, the exact impact on services is unknown and therefore special preparatory measures are taken each year.

2001/02 was no exception, with a multi-agency group called the Health and Social Care Capacity Planning Group meeting regularly throughout the year, establishing plans for each organisation and co-ordinating these to maximise efficiency. Nursing and residential homes worked hard to make sure that people only come into hospital when they needed to and in hospitals extra beds were opened to cope with the pressure. Support teams in the community were also formed to support the most vulnerable, should they become ill.

The health community encouraged patients to "Get the Right Treatment" by an advertising campaign to provide information about which services were available and how and when to access them. NHS Direct as a 24 hour a day source of information and advice was also promoted. This supported the provision of the right treatment, at the right time and in the right place, making sure that care was available to those who needed it.

Older people and those at risk were encouraged to have a flu jab. In 2001 more people than ever before were offered and took up the "flu" jab. Essential workers providing health and social care were also offered the jab to ensure continuity of workforce availability.

PCG Annual Review

Cheltenham and Tewkesbury Primary Care Group Acting Chief Executive - Paul Edwards

"In 2001-02, the PCG staff continued to work closely with colleagues in NHS Trusts and Social Services to make significant progress in a number of areas of service development. Alongside these developments, the PCG worked towards Primary Care Trust status, involving local residents in a local consultation before putting the foundations for the trust in place which went live on 1 April 2002.

The Primary Care Group has contributed to the achievement of waiting lists/times targets and has continued to develop a proven track record of innovation and support to East Gloucestershire NHS Trust. This has led to improved access to services for patients and specific initiatives have included Action on Cataracts, diabetic pathway criteria and the establishment of a GP led Dermatology clinic and knee and back pain physiotherapy clinics helping to reduce orthopaedic waiting lists.

Improving access to GP practices was also been a key focus. Five practices participated in the Advanced Access programme during 2001-02 designed to help practices to understand the pattern of demand for their services and improve access in new ways (eg telephone consultations)

Cheltenham and Tewkesbury PCG also played its full part in establishing effective solutions to managing through the extra demand in Winter. These included measures to help prevent admissions and to assist discharge. Through joint working with partner agencies, a sheltered housing scheme was launched providing care for patients well enough to leave hospital but requiring home adaptations or further nursing care. The PCG was also awarded £700k to start planning 2 assessment centres in Bishops Cleeve and Charlton Kings designed to help prevent unnecessary admissions to hospital and speed up delayed transfers of care. The night-time community nursing service began in July 2001, providing extended hours nursing care for patients at home.

Work on prescribing was led by a Prescribing Sub-group. A range of initiatives have been put in place, including the availability of Nicotine Replacement Therapy at a pharmacy in Whaddon. Within the first month, 51 smokers had signed up to quit.

The PCG was chosen to participate in the national medicines management services collaborative. The vision for the bid was that 'all repeat prescribing is safe, appropriate, cost effective and convenient for our residents'. The collaborative is designed to help patients get the most out of their medicines and help prevent wastage. Already schemes have been put in place to review patient's medication and help patients to take their medicine at the right time.

Steady progress has been made tackling the Coronary Heart Disease (CHD) and Mental Health National Service Frameworks and primary care elements of the Cancer Plan. The work has been guided by identified GP leads, supported through specific sub-groups. The Coronary Heart Disease NSF is being taken forward by 3 CHD nurses who began working with the PCG in July 2001. The role of the nurses is to support practices in meeting the NSF targets and to support individual patients with heart failure following discharge home from hospital.

The Older People's NSF has been led by the PCG's first joint NHS -Social Services appointment. The pilot post-holder manages adult care Social Services across Cheltenham and Tewkesbury and jointly leads the development of the Older People's NSF. This pilot post has proved so successful that it is being rolled out across the county. A key success was the survey of Older People in Tewkesbury, which trained older people to survey their peers and the overall review of services for Older People across Cheltenham and Tewkesbury, which highlighted a range of needs that are now being addressed.

Through the Health Improvement Programme, the PCG continued schemes to tackle identified local and national priorities. These included: trained smoking cessation advisors in all practices, established teenage pregnancy groups in certain areas and alcohol counselling in all Tewkesbury practices and five Cheltenham practices for one session per week each.

The PCG has been keen to develop Public Involvement in local health improvement initiatives and through the Cheltenham and Tewkesbury Health Improvement Partnerships we have worked closely with local neighbourhood projects, voluntary organisations and partner agencies. A particular success has been the partnership work done to open the new Hesters Way Healthy Living Centre. Following a survey of Ethnic minorities in Cheltenham, the PCG held an information evening and installed Language Line, a translation service in all practices. As described above, the survey of Older People was a particular success in helping the PCG to develop services around their needs. The PCG also surveyed over 5800 patients on local GP practices in February 2002.

We are proud of what we achieved as a PCG and look forward to maintaining our focus on delivering patient centred care as a Primary Care Trust.”

Forest of Dean Primary Care Group Chief Executive – Ian Carmichael

“Following a highly successful year, the PCG has continued to achieve significant improvements. The agenda has been wide and varied, placing high demands on all those involved.

Throughout the year we played a full part in partnership working with countywide and local organisations to ensure delivery of emergency and winter plans. The PCG worked closely with practices to ensure a properly co-ordinated and connected level of service existed in times of pressures such as Christmas and New Year and invested in schemes through the Intermediate Care Plan that would be of particular benefit to increasing winter capacity. We also developed excellent relationships with our District and County Council colleagues and have jointly been involved in many new health related developments including health improvement initiatives.

We have continued to invest in developing primary care services to address the Forest’s priority areas. These include coronary heart disease, improved access to family doctors and nurses, increasing hospital care in the Forest and greater access to countywide services by primary care clinicians. This investment has also helped to reduce some of the health inequalities that have existed in the past.

Prescribing continues to be a top priority for the PCG. The Primary Care Group’s Prescribing Advisors have continued to work with practices in 2001/02 to reduce overspends with particular attention being targeted at practices with the highest budgetary overspends. It is recognised however that much more work needs to be done and to achieve the best deal for patients by monitoring expenditure and analysing trends.

We have continued to work hard to improve the quality of services to Forest patients, whilst at the same time actively planning to merge with our neighbouring PCG, Gloucester and South Tewkesbury. To facilitate the merger we moved to the new joint offices at Highnam in August. This move proved very successful in pooling resources, sharing best practice and combining financial and administrative procedures. These changes have been most cost-effective and have helped to pave the way for the new West Gloucestershire Primary Care Trust.”

Gloucester & South Tewkesbury Primary Care Group Acting Chief Executive - Ann Jarvis Wanklin

Gloucester and South Tewkesbury PCG, in its third year of operation, continued to play an active role in developing and improving health care, both within the locality, and as a prominent partner within the County.

Particular successes included the further development and expansion of intermediate care facilities at Great Western Court, leading and sharing (at both a local and national level) the establishment of joint commissioning arrangements for continuing health care with Gloucestershire Social Services, hosting the introduction of the national free nursing care (Registered Nursing Contribution to Care) initiative for the County, and piloting the integration of social workers into general practice teams.

The PCG also made a significant contribution to the secondary care commissioning agenda, through its role as lead commissioner for the Gloucestershire Royal Hospital and Gloucestershire Ambulance Service NHS Trusts, on behalf of the PCGs within the County.

Within primary care, the Primary Care Collaborative (for which the PCG was a national pilot site) has continued to secure improvements in access and coronary heart disease services within many of our local GP practices, and also supported wider improvements in the way in which both care is offered to patients, and how effective links are made between primary and secondary (hospital) care. Our success in this area has enabled the County to secure additional funding to support service improvement within Rheumatology services, as a national 'Smart' pilot site.

Health care assistants are now working in our local practices, and a new 'Triage and Treatment of Minor Illnesses' diploma has been developed for experienced practice nurses with the support of local practices and the University of Gloucestershire.

Local practices, with support from health promotion colleagues, have made a significant contribution to improving the health of the local population through the introduction of highly successful smoking cessation clinics. Free emergency contraception has been made available through a number of local pharmacies, which is hoped will make a contribution towards reducing unplanned and teenage pregnancies in Gloucester, an important health improvement target.

New local development schemes have been established to support the provision of high quality primary care services to asylum seekers and residents of the local bail hostel, and a commitment has been given to part fund a development post to support the involvement of the local community in key health initiatives through the soon to be opened 'GL1' leisure centre in Gloucester.

The PCG also funded a comprehensive patient survey, using a nationally accredited questionnaire, involving 7,000 local residents. The survey provided helpful feedback to local practices on the perceptions of their patients on areas such as access, information giving and communication skills.

The run up to the establishment of the West Gloucestershire Primary Care Trust also provided opportunities to work more closely with clinical and managerial colleagues within the Forest of Dean PCG area, and this was greatly facilitated by the move to shared office accommodation at Highnam in August 2002. The former Gloucester & South Tewkesbury PCG staff and Board members have worked actively to support the establishment of the new PCT headquarters team, and it is hoped that the broader achievements of the PCG will have made a significant contribution to building a strong foundation for the new organisation.

Cotswold and Stroud and Berkley Vale Primary Care Groups Acting Chief Executive, Richard James

2001/02 was the third and final year of operation for the Cotswold and Stroud and Berkley Vale Primary Care Groups.

As well as continuing to deliver the responsibilities set out in the Annual Accountability Agreement between the PCGs and the Health Authority, both PCGs saw significant changes in working arrangements through 2001/02, as part of the development of the new Primary Care Trust (PCT). These changes began early in 2002, both at PCG Board and Management level and assisted the relatively smooth transition of the two separate organisations into a single new organisation in April 2002.

Joint working by both PCGs as part of the development of the new PCT, created a focus on the future of local services. The PCG Boards started a debate within the local clinical community and with partners in social services about how services should be provided in the future. The result of this work was the new Service Vision for the PCT set out at the end of this report.

The publication of the NHS Performance Tables for 2001/02 highlighted good results for the two PCGs especially in the areas of access to primary and secondary care. The tables recorded that a very high percentage* of patients living in the PCGs' areas were able to see a GP within 48 hours of calling for an appointment and that no patients in the whole of Gloucestershire waited for more than 18 months for in-patient treatment and/or 26 weeks for an outpatient appointment.

*(69.2% in Cotswolds and 75% in Stroud and Berkley Vale).

The excellent results across Gloucestershire were achieved thanks to the tireless efforts and dedication of the staff who work in the county's hospitals, clinics, GP practices and in the community.

Primary Care Development and Modernisation

A key focus during 2001/02 was to align the development of primary care across both PCG areas whilst maintaining the integrity and individual nature of practices. Areas of particular interest included:

Smoking Cessation

Helping patients to quit smoking remained a priority for practices. Stroud practices achieved a 60% quit rate at 4 weeks and Cirencester practices achieved a 49% quit rate.

PMS

Two Cotswold practices became PMS pilot providers on 1 April 2001 with a further two becoming pilots in October 2001. Six-month reviews of the first wave practices undertaken by the Health Authority and the PCG demonstrated that they had undertaken significant amounts of work to achieve their objectives and were meeting their public health targets. Fourth wave PMS practices were established in the Stroud locality.

Osteoporosis

Stroud and Berkley Vale PCG moved into year two of its National Osteoporosis Society Pilot Status award. A clinic model for identifying patients at risk of osteoporosis, calling them in for screening and treatment with lifestyle advice and/or medication was developed and had been shared with practices within the PCG area with the support of a specialist nurse.

Phoenix Surgery Beacon Site Status

The Cirencester surgery received a Beacon Award for its over 75 Staywell Scheme and was awarded an extension to its award and further funding support.

Health Improvement

The PCGs both worked, and continue to work, closely with the Stroud and Cotswold Locality Planning Teams, which represent a wide variety of statutory and voluntary agencies. This partnership has focussed on different areas of the district or particular population needs with the intention of bringing about improvement in the health of the population.

Previously in Stroud a community workshop was held to identify potential HIMP priorities. The four selected were transport, social inclusion, physical activity and crisis prevention. The focus for the year 2001/02 and forthcoming years will be set by a mixture of national and local targets e.g. NSFs.

Progress included:

- Teenage Sexual Health – specific services offered to young people in the Stroud locality via practices; and
- Falls prevention – safety related information made available to patients over 70 and pilot of hip protectors for vulnerable people.

Implementation of National Service Frameworks (NSFs)

The PCGs worked together to develop a joint approach to NSF activity to ensure best use of scarce skills and resources:

- Mental Health – work continued following the Beacon Award to Cotswold PCG for its work in primary care;
- CHD – development work continued though 2001/02, including the implementation of CHC templates on practice systems, the embedding of smoking cessation work in practices and the purchase of CO monitors to support smoking cessation clinics; and
- Older People – Both PCGs participated in countywide work including: developing implementation arrangements for new long term nursing care, building partnerships and capacity, scrutiny work to identify discrimination, medicines management activity, development of a single assessment process, development of rehabilitation care pathway and development of stroke services.

Public Involvement

The PCG joint Boards supported the recommendations from the NHS Plan that patients should be at the centre of planning services. Both PCGs continued to support user and carer involvement and communicated with the public through a number of mechanisms. Examples include:

- joint working with Severn NHS Trust's Older Persons Patient Involvement Group;
- public consultation on the proposed establishment of the Cotswold and Vale PCT holding over 50 public meetings; and
- active involvement with the county local Modernisation Review Project for patient and public involvement.

SUMMARY FINANCIAL STATEMENTS

The Summary Financial Statements show the financial position of the Authority for the financial years 2001/2002 and 2000/2001. They are a summary of the information in the full accounts, which are available from Mr Mike Theelke, West Gloucestershire Primary Care Trust, Unit 14, Highnam Business Centre, Newent Road, Highnam, Gloucestershire GL2 8DN.



Chief Executive: Mark Outhwaite
(Avon, Gloucestershire and Wiltshire Health Authority)



Director of Finance, IM&T and Support: Paul Nicholls
(Avon, Gloucestershire and Wiltshire Health Authority)

OPERATING COST STATEMENT	2001/2002	2000/2001
	£'000	£'000
Healthcare and related services - programme expenditure	435,999	400,748
Authority administration	8,268	5,451
Authority programme expenditure	<u>5,068</u>	<u>5,399</u>
Total Expenditure	<u>449,335</u>	<u>411,598</u>
Miscellaneous Income	(5,337)	(2,833)
Exceptional gain on write-out of clinical negligence provisions	<u>(1,296)</u>	<u> </u>
Net Operating Costs	<u>442,702</u>	<u>408,765</u>

STATEMENT OF RECOGNISED GAINS AND LOSSES	2001/2001	2000/2001
	£'000	£'000
Unrealised surplus on the revaluation of properties	16	3
Transfers to NHS bodies and the Department of Health	0	0
Fixed asset impairment losses	<u>(84)</u>	<u>0</u>
Recognised gain/(loss) for the year	<u>(68)</u>	<u>3</u>

Gloucestershire Health Authority - Annual Report 2001/02

BALANCE SHEET (as at March 2002)	2001/2002	2000/2001
	£'000	£'000
Fixed Assets:		
Intangible Assets	5	46
Tangible Assets	<u>1,434</u>	<u>210</u>
	<u>1,439</u>	<u>256</u>
Current Assets:		
Debtors	4,036	14,537
Cash at bank and in hand	<u>280</u>	<u>207</u>
	<u>4,316</u>	<u>14,744</u>
Creditors – amounts falling due within one year	<u>(22,901)</u>	<u>(26,458)</u>
Net Current Assets / (Liabilities)	<u>(18,585)</u>	<u>(11,714)</u>
Creditors – amounts falling due after more than one year	<u>(702)</u>	<u>(729)</u>
Provisions for liabilities and charges	<u>(362)</u>	<u>(2,045)</u>
	<u>(18,210)</u>	<u>(14,232)</u>
Taxpayer's Equity		
General fund	(18,232)	(14,325)
Donated assets reserve	0	0
Revaluation reserve	<u>22</u>	<u>93</u>
TOTAL	<u>18,210</u>	<u>14,232</u>
CASH FLOW STATEMENT	2001/2002	2000/2001
	£'000	£'000
Net operating cost	442,702	408,765
Adjust for non cash transactions	1,696	899
Adjust for movements in working capital other than cash	(6,828)	(1,779)
Utilisation of provisions	<u>919</u>	<u>635</u>
Net cash flow from operating activities	438,489	408,520
Capital expenditure and financial investment		
Payments to acquire fixed assets	1,235	63
Receipts from the sale of fixed assets	<u>0</u>	<u>0</u>
Net cash (inflow)/outflow from investing activities	<u>1,235</u>	<u>63</u>
Net cash outflow from all activities	<u>439,724</u>	<u>408,583</u>
Analysis of Financing		
From Department of Health	439,802	408,579
Donations	0	0
Capital element of finance lease rental payments	(5)	4
Cash transferred (to)/from PCTs	<u>0</u>	<u>0</u>
(Increase)/decrease in cash	<u>(73)</u>	<u>(0)</u>
Achievement of Operational Financial Balance	2001/2002	200/2001
Net operating costs	<u>442,702</u>	<u>408,765</u>
Prior period adjustment	0	-
Revenue resource limit	409,279	374,902
FHS non-discretionary expenditure	33,497	34,406
Transitional provisions adjustment	-	436
Cost of capital adjustment	-	(979)
Additional resource brokerage borrowed	0	0
Approved expenditure limit	<u>442,776</u>	<u>408,765</u>
Operational Financial Balance	<u>74</u>	<u>0</u>

Gloucestershire Health Authority - Annual Report 2001/02

Remuneration of Chair and Chief Executive	£'000
Remuneration of Chair	18
Remuneration of Chief Executive	99

Directors' Remuneration (excluding pension contributions)

£	Non Executive	Executive
0-5,000	1	
5,001 - 10,000	4	1
10,001 - 15,000		1
15,001 - 20,000	1	
65,001- 70,000		1
70,001- 75,000		1
85,001 - 90,000		2

PCG Chief Executives and Board Members' Remuneration (excluding pension contributions)

	Cheltenham £000	Cotswold £000	Forest £000	Gloucester £000	Stroud £000
Chief Executive	49	45	46	50	42
Board members					
£					
0 - 5,000	10	10	10	9	10
5,001 - 10,000					1
10,001 - 15,000					1
15,001 - 20,000	1	1	1	1	

Public Sector Payment Policy:

To comply with the Confederation of British Industry's prompt payment code, the Authority is required to pay all non NHS trade creditors within 30 days of receipt of goods or a valid invoice. The Authority's performance is recorded on the right:-

Public Sector Payment Policy – Measure of Compliance

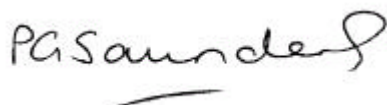
	£'000	Number
Total bills paid 2001/2002	19,095	12,467
Total bills paid within target	16,452	10,272
Percentage of bills paid within target	86.29%	86.46%

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6 'The auditor's statement on the summary financial statements' issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

In our opinion the summary financial statements and the (summary) directors' statement on internal financial control are consistent with the statutory financial statements of the Authority for the year ended 31 March 2002 on which we have issued an unqualified opinion.



Peter Saunders – August 2002

District Audit, 32 South Court, The Courtyard, Woodlands, Bradley Stoke, Bristol BS32 4NH

Use of Resources

The Health Authority expenditure in 2001/2002 was £449.3m of which £436.0m was spent on healthcare. Of the total healthcare expenditure, £369.1m was commissioned by the Primary Care Groups and £68.9m by the Health Authority.

The majority of secondary healthcare was commissioned within Gloucestershire:

	£m
East Gloucestershire NHS Trust	109.3
Gloucestershire Royal NHS Trust	87.6
Severn NHS Trust	55.5
Gloucestershire Ambulance NHS Trust	7.3

In addition, secondary care was commissioned from out of county providers, particularly for specialist services in Bristol, Oxford, Birmingham and London.

Expenditure on secondary healthcare totalled	£324.6m
	£m
Learning Difficulties	17.6
Mental Illness	40.0
Maternity	12.5
General and Acute	196.6
Accident and Emergency	7.8
Community Health Services	39.5
Other Contractual	10.6

Gloucestershire Health Authority - Annual Report 2001/02

Expenditure on primary healthcare totalled	£103.4m
	£m
PCGs:	
GMS Infrastructure Costs	12.5
Prescribing Costs	59.6
HA:	
General Medical Services	30.0
Drug Costs	1.2
Pharmaceutical Services	1.9
General Dental Services	0.1
General Ophthalmic Services	3.3

Gloucestershire Health Authority are compliant with Department of Health guidance on the implementation of NHS Manager's pay. This Authority has ensured that the pay rise offered to senior managers has been limited to a maximum of 3.7% for 2001/2002.

Charitable Funds

The Authority members are Trustees for a Charitable Fund, Gloucestershire Health Authority General Trust Fund, which is registered with the Charity Commissioners in accordance with the Charities Act 1993. The object of the Fund is 'any charitable purpose relating to the National Health Service wholly or mainly for the services provided by Gloucestershire Health Authority'.

Statement of Financial Activities	£'000
Income	1
Direct Charitable Expenditure	3
Net incoming resources	(-2)
Fund balances brought forward at 31 st March 2001	35
Net Movement in Funds	(-2)
Fund balances carried forward at 31 st March 2002	<u>33</u>
Represented by:	
Cash at bank	34
Creditors	<u>(1)</u>
	<u>33</u>

Controls Assurance Statement 2001/02

The Board acknowledges and accepts its responsibility for maintaining a sound system of internal control including risk management, and for reviewing its effectiveness.

As part of the NHS Controls Assurance Project, I as Chief Executive confirm that for the year ending 31st March 2002, and in accordance with NHS Executive circulars HSC 2001/005 and HSC 1999/123 and supporting guidance, the Board has reviewed and endorsed an action plan resulting from an organisation-wide self-assessment against relevant risk management and organisational control standards produced by the NHS Executive. The Board will oversee the implementation of the action plan.

I confirm that in the Board's judgement Gloucestershire Health Authority has attained Level 1 of the NHS Executive's "control and risk maturity matrix" (Annex A, HSC 2001/005)



Mark Outhwaite - Chief Executive

Date: 1st April 2002

Equality Statement

Gloucestershire Health Authority is working towards equality of opportunity for all and will devote its energies and resources to the achievement of this aim. We aim to treat all our employees with dignity and respect and to provide a working environment free from discrimination. The Authority also believes that the services, which we provide and commission should be equally available to all the citizens of the county and we are committed to ensuring this.

The Authority's approach to the promotion of equal opportunities is described in relevant policy documents and in its business plan, which can be obtained on request. In addition the Health Authority is collaborating with Trust partners to develop and implement county-wide initiatives, which will help ensure that the NHS within Gloucestershire reflects the full diversity of the population, which it serves.

The Annual Reports, 2001 – 2002

of

Gloucestershire Royal 
NHS Trust

&

East Gloucestershire 
NHS Trust

Introduction By Paul Lilley, Chief Executive

In this review of the last year of Gloucestershire Royal and East Gloucestershire NHS Trusts we look back over a time of considerable change and development for health services in our county.

I wish to pay a personal tribute to those people who contributed in many different ways to the former trusts and laid a firm bedrock on which to build the new NHS in Gloucestershire.

I would like to thank the Chairs and Non-Executive Directors of the former Trusts, staff throughout both of the former organisations, our volunteers and supporters, health community partners and our partners outside the NHS who played a key role in making sure that the new structure of the NHS in Gloucestershire would be the best for our local population.

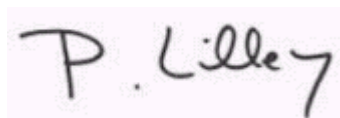
Even before the new Gloucestershire Hospitals Trust became operational in April 2002, we were working closely together and this is reflected in the number of joint developments and achievements set out in this section of our Joint Annual Report.

Changes to NHS services in the county have also meant that mental health and learning disability colleagues are now a part of the Partnership Trust, other former colleagues are working with Primary Care Trusts. These services were also busy last year developing their new ways of working and the ways that they would best provide a countywide service. As a combined Trust the former East Gloucestershire NHS Trust was proud of the close working and positive relationships developed during its ten year history and I know that this will stand us in very good stead for the future.

Perhaps the most important aspect of the last year has been the show of excitement and commitment to the future. There is genuine respect between staff groups and a willingness to bring together the best of the two former trusts.

The report also looks to the exciting future for the Hospitals Trust and the whole health community. All health partners are working more closely together than ever before to provide the best possible services for people in Gloucestershire.

Perhaps the best illustration of this is the recent awarding of 3 Star status to the two former Trusts. The star rating reflects the hard work, commitment and determination of staff during what has been a year of extra pressures, change and for some, uncertainty, I commend this report to you, thank you all once again and look forward to the coming year.



**Paul Lilley, Chief Executive
Gloucestershire Royal Hospital NHS Trust (from September 2001)
East Gloucestershire NHS Trust**

The Annual Report, 2001 – 2002

of

Gloucestershire Royal 
NHS Trust

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Aims and Objectives

Vision

The purpose of Gloucestershire Royal NHS Trust was to provide modern, high quality, specialist healthcare for the people of Gloucestershire. Our values were based on:

Care for:

- The privacy, dignity and feelings of patients, their families and friends
- The well-being of staff and for their continuing development
- The environment and our contribution to the local community

Commitment to:

- Providing quality healthcare while ensuring value for money
- Delivering national and local priorities for the NHS
- Offering courtesy, consideration and choice in an atmosphere of openness and honesty
- Promoting the quality of care
- Creating a healthy and supportive environment for patients, staff and visitors
- Working in a partnership with patients, carers, primary care and other service providers

Continuous Improvements by:

- Aiming for clinical excellence in diagnosis, care and treatment
- Involving patients, carers, staff, and our local community
- Multi-disciplinary teamwork and effective communication
- Using service evaluation to inform change
- Promoting research and innovation in all disciplines

Of particular significance to the Trust as an acute service provider were improvements in services for people with cancer, heart disease and stroke, and in services for children and older people. The Trust set four key objectives for the year:

- Delivering quality emergency care to all who need it
- Achieving our waiting lists targets
- Meeting our site redevelopment project milestones
- Achieving financial balance

As this Annual Report demonstrates, our performance against these key objectives was considerable.

About the Trust

Gloucestershire Royal Hospital NHS Trust provided general hospital services to people living in the West of the county. Some services, such as renal and haemodialysis, paediatric oncology, inpatient neurology, rheumatology, dermatology and ear nose and throat were provided for the whole county. The Trust was based at Gloucestershire Royal and Standish Hospital sites.

The Trust has now been merged with acute hospital services from East Gloucestershire NHS Trust to form Gloucestershire Hospitals NHS Trust.

Directors of the Trust

Main Board Members

Non-executive Directors

Margaret Greenwood, Chair

The Revd David Primrose, Vice Chair

Janet Wood, Non-Executive Director

Keith Waldon, Non-Executive Director

Peter Whitton, Non-Executive Director (part of year)

Hilary Burgess, Non-Executive Director (until end of June 2001)

Executive Directors

Chief Executive Mariella Dexter (to August 31st 2001) Paul Lilley (from September 10th 2001).

Janet Duberley, Nurse Executive Director

Michael Durkin, Medical Director

Graham Lloyd, Director of Operations

Veronica Luker, Director of Human Resources (co-opted) (to September 10, 2001)

Justine Barratt, Acting Director of HR (from September 2001)

Howard Oddy, Director of Finance and Information

Paul Richardson, Director of Corporate Development (co-opted)

Our Performance 2001/02

Three Star Ratings

The TOP Star Rating of 3 Stars was awarded to both Gloucestershire Royal Hospital and to East Gloucestershire NHS Trusts.

The news was enthusiastically welcomed by the Board of Gloucestershire Hospitals NHS Trust which thanked its staff for their commitment and the local community for its support. It covers the period in which there was a new Chief Executive at Gloucestershire Royal, the merger of two large hospitals and substantial changes to the NHS in Gloucestershire.

The Stars are based on how well the former Trusts of East Gloucestershire NHS Trust and Gloucestershire Royal NHS Trust performed on several key indicators during the financial year 2001 – 2002.

Chief Executive Paul Lilley said: “Our hospitals have been under pressure and it has not been easy. I am delighted to see recognition from Government that our staff here in Gloucestershire have produced an overall performance which is amongst the very best in England.

“The 3 Stars show that the two former trusts were already working very well together in the months before the April 1st merger. We know that since the merger our clinical teams and their patient services have continued to strengthen. There is a lot of hard work to do but there is a great sense of optimism for the future.”

Mr Lilley added: “We can never become complacent and there are inevitably some areas where the indicators show that we need to step up our efforts. We are already working out how we can do this and will seek every year to provide more and better services for our patients.”

Key Targets

Both Trusts did exceptionally well in eight of the nine key target areas set by Government. This meant that the Trusts had:

- No 18 month inpatient waits
- No 15 month inpatient waits
- No 26 week outpatient waits
- Only one 12 hour trolley wait
- Over 99% of urgent cancer consultations seen within 2 weeks
- Improved the working lives of staff
- A good level of hospital cleanliness
- An acceptable financial position

How we fared against the targets set – the details:

Thanks to the hard work of staff the Trust performed well against the Government targets, which aim to provide a better service to patients.

The Targets

- After being referred by their GP, 75% of our out patients were seen within 13 weeks.
- The Inpatient waiting list target was 3,372, we achieved the lower figure of 3,369.
- The Accident and Emergency Department performed well against two milestones. The first states that 75% of patients attending A&E should wait 4 hours or less from arrival to admission, discharge or transfer. The Trust achieved 89%.

- The second A&E milestone is that patients admitted to hospital through A&E should be found a bed within 4 hours of the decision to admit. The trust achieved 80%.
- Unfortunately patients sometimes have their operations cancelled at short notice. Usually because of the sudden arrival of an emergency patient, equipment failure or staff sickness. The target here states that if a patients' surgery is cancelled on the day of the operation for non-clinical reasons, the patient should be offered another date within 28 days. In 2001 – 2002 we offered another date to 99.5% of those who were cancelled at the last minute.

The number of people we treated

- Accident and Emergency staff dealt with 46,178 attendances
- There were 8,650 planned inpatient admissions
- Emergency inpatients totalled 20,150
- Pathology received nearly 407,000 requests for tests
- There were 17,900 day case operations
- There were 53,969 attendances to the Physiotherapy Department
- There were 128,420 radiology examinations.
- There were 2,673 births

Organisational Development in Gloucestershire

The Government's plans to modernise the NHS was set out in the National Plan. This set challenging targets for improving the range and quality of health services. In order to achieve these targets, the NHS in Gloucestershire needed to reorganise its services.

As part of these new changes, in April 2002 the acute services within East Gloucestershire and Gloucestershire Royal NHS Trusts joined forces to form the Gloucestershire Hospitals NHS Trust.

The Mental Health and Learning Disability elements of the former East Gloucestershire Trust became part of the Gloucestershire Partnership Trust and community staff became part of Primary Care Trusts.

A comprehensive programme of public and staff consultation began in July 2001 when the options for change were outlined. A series of public meetings followed, featuring partners from all health organisations in Gloucestershire.

Many staff contributed significantly to the development of the new trusts, which was a complicated task, at the same time as carrying out their day to day work providing health services to local people.

The Chief Executive of East Gloucestershire NHS Trust, Paul Lilley, became acting Chief Executive of Gloucestershire Royal Hospital NHS Trust in September 2001 and a programme of closer working between the Trusts, in preparation for the merger began. The result has been a better countywide service for people in the county.

In preparation for the new Trusts, Chairs were appointed in December 2001 and Non-Executive Directors were appointed in February. Also in February the Chief Executive was appointed and following that, clinical and non-clinical teams were developed across the county's acute trust.

Developments at Gloucestershire Royal Hospital NHS Trust 2001/02

- **Excellence Awards**

In November, City and Guilds Excellence Awards were given to three members of nursing staff at the Royal. Awards are given annually by City and Guilds to those who have performed outstandingly in their awards and have benefited their department or ward by doing their courses. Just 20 awards are made nationally which is a great credit to the Gloucester staff.

- **BBC NHS Day**

The BBC held a national NHS Day and a former nurse from the Royal, Carol Barton, was awarded the national BBC NHS Day health care worker award.

- **Government advisor visits Pain Centre**

The Pain Management Centre at Gloucestershire Royal Hospital received a visit from Government advisor Professor Mansel Aylward, Chief Medical Officer and Medical Director of the Government Department for Works and Pensions. He talked to pain sufferers about the Pain Management Programme, which is helping people to return to work.

- **Ward 3 officially opened**

In November there was the official Opening of Ward 3 at the Royal by Gloucester MP, Parmjit Dhanda. The ward helped to ease pressure on the hospital during a very busy winter providing 25 beds for gastroenterology patients.

- **Charitable donations**

North Gloucestershire Football League presented £1,860 to the Dermatology Dept at the Royal.

Key joint developments within the former Gloucestershire Royal Hospital and East Gloucestershire NHS Trusts 2001/02

- **New funds for heart treatment**

In October the county benefited from the Government's announcement of new investment in cardiac facilities. The £1.2m funding will be used to begin a new coronary angioplasty service, based at Cheltenham General Hospital for patients with heart problems. The new local service, only previously provided at specialist centres in Oxford and Bristol, uses a state of the art digital catheter laboratory and the treatment involves the insertion of a balloon catheter into the coronary artery to 'squash' fatty deposits to restore blood flow. This is a major new development for the Hospitals Trust.

- **PALS launched**

The Patient Advisory Liaison Service (PALS) was launched across the acute hospitals in Gloucestershire. The PALS can provide help and advice to patients and their families or carers regarding worries about the service they receive in hospital. The service has central offices at Cheltenham General and Gloucestershire Royal Hospitals.

- **Maternity Modernisation Funds**

In October Cheltenham General Hospital and Gloucestershire Royal Hospitals received Modernisation Funding for Maternity Services. The St Paul's Maternity Unit at Cheltenham received £400,000 and Gloucestershire Royal £526,000 which has been used to upgrade the maternity facilities at Gloucester and to upgrade the bereavement room at Cheltenham General Hospital. It is also being used to provide more equipment for mothers and babies, temporary beds for fathers staying overnight, special cots for mothers with disabilities and scanning equipment.

- **Cranfield University Links**

The links between Cranfield University, Gloucestershire Royal Hospital and East Gloucestershire NHS Trust were strengthened when Andrew McNaught, an ophthalmology consultant based at Cheltenham, was appointed as a visiting professor to Cranfield University. Research carried out by him used military technology to develop equipment which improves the ability to view the retina.

- **Gloucestershire Arthritis Trust**

The Gloucestershire Arthritis Association made several donations of equipment totalling several thousand pounds to help patients with arthritis at Cheltenham General Hospital, Gloucestershire Royal Hospital, Winchcombe Hospital, Cirencester Hospital and Standish Hospital.

- **Clean Hospitals**

The Government's Patient Environment Action Teams (PEAT) gave hospitals within both Gloucestershire Royal and East Gloucestershire NHS Trusts the green light, the best measure of cleanliness, quality of food and other environmental considerations. Other hospitals which received a visit from PEAT were Cirencester, Tewkesbury, Winchcombe, Delancey, Moore Cottage in Bourton-on-the-Water and Moreton District Hospital in Moreton-in-Marsh also Fairford Hospital and the Charlton Lane Unit.

- **Get the Right Treatment**

In November the countywide health community began its Get the Right Treatment campaign in earnest. It encourages patients to go to different places and people for help, depending on their ailment. The campaign featured advertisements on buses, features and advertising in local newspapers and leafleting busy places such as GP surgeries and libraries.

- **National Inpatients Survey**

Patients from both Gloucestershire Royal and East Gloucestershire NHS Trusts took part in the first National Inpatients Survey. 850 randomly chosen people who were in hospital at the end of 2001 were asked for their views on their experience, including their views about staff, their surroundings, privacy, clarity of information and other important aspects. The results were positive overall and were reported as part of the announcement of Star Ratings in July 2002.

- **Specialist MS Nurse**

A Specialist Multiple Sclerosis Nurse was appointed for Gloucestershire. Based in the Neurology OPD at Gloucestershire Royal Hospital the specialist nurse position is funded partly by Trust and partly by the MS Society. His role is to help to support patients, improving quality of life and educating staff and the public.

- **Digital Hearing Aids**

There was success for a £200,000 bid by the county for digital hearing aids to be made available to more people in Gloucestershire.

- **Charitable Funds for Cancer**

The Gloucestershire Oncology Centre, based at Cheltenham General Hospital, has a charitable fund, FOCUS (Fund for Oncology Centre Users and Supporters) which is going from strength to strength, with £155,335 donated in the financial year 2001/02. The fund is used to provide extra facilities for people receiving treatment at the Oncology Centre, who are from Gloucestershire, Herefordshire, Worcestershire and parts of Wales.

Key developments after April 1st 2002 within acute hospital services

- **Our New Gloucestershire Royal**

Financial close for the Gloucester Healthcare Partnership scheme to redevelop GRH was achieved in mid-April. The full business case for Gloucestershire Royal Hospital's £30 million new development was also approved by the Secretary of State and in May 2002 the first turf was turned to mark the start of this two year Public Private Partnership project. At the end of the project the Royal will have hugely improved facilities including a new Accident and Emergency Department and a new Children's Centre. The scheme should be completed in the summer of 2004.

- **New MRI scanner**

A new MRI scanner was officially opened at Gloucestershire Royal Hospital to replace the mobile scanner which had until then been the hospital's only access to MRI. A dual system was operated for several months, using the new scanner and the mobile scanner, to reduce waiting times.

- **More staff**

Six extra beds and seven qualified nurses were added to the Medical Admissions Unit at Gloucestershire Royal Hospital at a cost of £123,000 this was a key element in the overall strategy to reduce pressures on beds and staff at the Royal.

- **Radiotherapy staff and equipment**

National funding of £500,000 was received to replace a radiotherapy simulator within the Oncology Centre based at Cheltenham General Hospital. Nurse staffing in the Radiology Department at Gloucester was boosted to the tune of £38,000.

- **Maternity Security**

Maternity Unit security was enhanced, bringing together the best of measures previously used in the units at Cheltenham General and Gloucestershire Royal Hospitals. The need for a review of security, involving a security guard, cot security measures and enhanced staff vigilance was brought about following the abduction of a baby in Stourbridge.

Customer and Staff Relations

Equal Opportunities

The Trust's Equality at Work group has continued to meet regularly and work through its action plan to reflect the requirements of 'The Vital Connection – an equalities framework for the NHS'. Work to date includes:

- Securing funding to set up a network for staff from black and minority ethnic groups
- Following the introduction of a revised Harassment Policy, we have trained several 'supporters' who will provide help to staff should they feel that they are being harassed or bullied
- The introduction of a Managing Diversity policy in conjunction with the other health providers in the county
- Further roll out of the managing diversity training

The Trust was awarded the Employment Service Disability Symbol (two ticks symbol) several years ago, and annually monitors against each criteria to ensure there is continuing action and commitment.

Informing and Consulting Staff

Internal and external communication is an on-going priority for the Trust.

- The quarterly staff newsletter Grapevine, the staff side committee, Board Reports, Team Brief, departmental meetings and the staff surveys were all well-used methods of communicating with staff.
- The rolling programme of giving all staff access to email and the Trust Intranet has continued, giving more staff than ever access to this valuable source of information.
- In preparation for the changes to the NHS in Gloucestershire a countywide newsletter was developed, 'Meeting the Challenge', which was distributed to every member of staff. This regular newsletter provided information and considerable feedback from staff by means of a tear-off section, on the proposals to change the NHS in Gloucestershire.
- There was a Meeting the Challenge website and Intranet page, also with interactive feedback pages.
- In preparation for both the site redevelopment and the merger with East Gloucestershire NHS Trust, we have worked closely with the staff side to reach decisions.
- During the past year the methods of communication used within the former Gloucestershire Royal Hospitals NHS Trust and East Gloucestershire NHS Trust have been combined and the best elements have been taken forward into the new Hospitals Trust.
- Staff were consulted and voted on decisions about their new monthly staff newsletter and chose the name themselves, Acute Angle, the same process was used to help staff chose the name of the new acute Trust.
- A Gloucestershire Health Services portal website was developed, giving access to the individual websites of each NHS Trust from a single front page, making it easier for the public to navigate the local NHS sites.

Improving Working Lives

The new Gloucestershire Hospitals NHS Trust is working hard to build on the progress of the former East Gloucestershire and Gloucestershire Royal Trusts to achieve Improving Working Lives (IWL) accreditation.

- IWL is a series of Government standards which, when achieved, aim to provide a better balance between home and work for all employees.
- The standards look at areas such as staff involvement and consultation, childcare, flexible working, training and development and communication.
- Staff from across the Trust are involved in making the IWL programme a reality for our 7,300 staff.

Local Pay Bargaining

Due to the trend towards national pay and conditions, there has been a decline in the need for local pay bargaining. It has only been appropriate for those staff employed on Trust terms and conditions of service, who have been awarded the same pay increases as other health professionals.

Learning from Complaints

In 2001-2 a total of 296 complaints were received, in writing or verbally. This is a decrease from 2000-1 when 329 complaints were received. The period January to March 2001 produced an unusually high number of complaints rising to 91 from an average quarterly rate of 74. Although it is disappointing to see an increase, it is often difficult to spot a particular reason why this occurred.

49% of complaints related to inpatient activity, 41% to outpatient and 10% to accident and emergency.

All but 5 complaints were locally resolved, often through meetings between complainants, clinical staff and managers. This low number demonstrates our commitment to effective and sensitive handling of complaints.

In 2001-2 the Complaints Convenor received 8 requests for consideration by an Independent Review, 4 of which proceeded/will proceed to an Independent Review Panel. The 5th request is still under consideration.

Information from Complaints

Information gained as a result of expressions of dissatisfaction is widely shared throughout the Trust. Our management of complaints has led to a number of service improvements, which include:

- Two new doctor appointments in accident and emergency department for weekend working, to decrease waiting times in the department.
- Additional cleaning schedules in accident and emergency department organised in response to problems of overall cleanliness of the area.
- A qualified nurse now accompanies children at scans.
- An information leaflet in children's services has been produced for patients and carers regarding reaction to sedation.
- A nutritional pilot scheme introduced for elderly patients.
- Site signage improved.
- A Trust Access Policy has been introduced in Urology to avoid cancellations.

Joint Clinical Governance Report

Clinical Governance is a framework through which NHS organisations are accountable for continuously improving the quality of their services and safeguarding high standards of care by creating an environment within which excellence in clinical care will flourish.

Both Trusts had structures within which clinical governance was managed. Clinical Governance Committees, sub-committees of the Main Boards of East Gloucestershire and Gloucestershire Royal Hospitals NHS Trust, had the role of overseeing the clinical governance agenda.

Also, each clinical directorate or department had a clinical governance committee. The clinical governance co-ordinators worked with staff groups to ensure that important governance and quality issues relating to their particular specialty were looked at in detail.

Considerable progress was made in the year 2001 – 2002 towards achieving the Clinical Governance agenda of both Gloucestershire Royal Hospital NHS Trust and East Gloucestershire NHS Trust.

The former Trusts carried out their individual clinical governance programmes, including clinical audits, staff surveys and patient surveys, and at the same time began to work in ever closer collaboration in preparation for organisational redevelopment, harmonising clinical governance work

At Gloucestershire Royal Hospital NHS Trust the report from the Commission for Health Improvement review of clinical governance identified a number of key areas for further development. The action plan focused the Trust's Clinical Governance development plan for the remainder of the year and has been monitored by the Regional Office.

Both Trusts have continued to develop systems for reporting Adverse Clinical Incidents with an emphasis on an open and learning culture. A new system, which incorporates available recommendations, will be introduced for the new Trust.

Progress was made on a number of Human Resources processes that underpin Clinical Governance within both Trusts. These include staff appraisal and personal development planning, consultant appraisal and the development of nurse practitioners, nurse consultant roles, physiotherapy triage as well as the on-going training and development of all staff.

A joint Patient Advice and Liaison Service was set up between the former Trusts which provided a smooth transition during the merger period.

Jointly, the Trusts took part in the first National Inpatients Survey, which provided valuable patient feedback about their experience of hospital.

Both former trusts were, prior to April 1st 2002, working towards the Clinical Negligence Scheme for Trusts Level Two standard. It was decided that, due to the imminent merger of acute services, the new trust would take forward that work as a single organisation.

Looking to the future, further development of single systems and the improvement of patient and public involvement processes are likely to be key areas for change in the next financial year.

The Organisation

Corporate Governance

The Trust has complied throughout the year with the Code of Conduct and Accountability for NHS Trust boards. The Trust had an audit committee consisting of at least three Non-Executive Directors. The members were:

Margaret Greenwood, Trust Chair

Keith Waldon, Non-Executive Director

David Primrose, Non-Executive Director

Janet Wood, Non-Executive Director

Mariella Dexter, Chief Executive (to August 31st 2001)/ Paul Lilley, Chief Executive (from September 10th 2001)

Peter Gorin (District Audit)

Steve Malyn (District Audit).

Members of the Remuneration Committee

The Trust had a Remuneration Committee which comprised the Chair and Non-Executive Directors of the Trust.

Margaret Greenwood, Chair

David Primrose, Non-Executive Director

Janet Wood, Non-Executive Director

Keith Waldon, Non-Executive Director

Peter Whitton, Non-Executive Director (part of year)

Hilary Burgess, Non-Executive Director (until end of June 2001)

Compliance Statement on Managers Pay

The Trust has complied with the NHS Executive's Chief Executive's letter of April 9th, 2001 to Chief Executives requesting that the individual pay rises for Board and Senior Management colleagues did not exceed 3.7% in year effect for 2001/2002.

Controls Assurance Statement

Statement on Internal Control for organisations ceasing to exist.

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

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

- Governance
- Financial Management
- Risk Management [Risk Management System standard for 2001/2002]

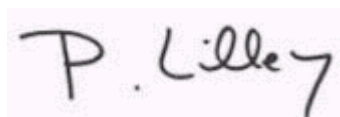
This organisation ceased to exist on 31 March 2002 and the system of internal control had not been fully embedded at that time.

The actions taken included:

- The organisation had undertaken a self-assessment exercise against the core Controls Assurance standards set out above. An action plan had been developed and implemented to meet any gaps.
- The organisation had in place arrangements to monitor, as part of its risk identification and management processes, compliance with other key standards, including relevant Controls Assurance standards covering areas of potentially significant organisational risk.
- The identification and management of risks associated with the dissolution of the organisation.

I had also taken steps to ensure that ongoing key risks were documented, and this information was made available to the successor organisation. These risks were continued in a Due Diligence report.

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



P Lilley
Chief Executive, 26 July 2002
(on behalf of the board)

Non Medical Education and Training (NMET)

Gloucestershire Royal NHS Trust is part of the Avon, Dorset, Gloucestershire and Wiltshire Workforce Development Confederation. A Gloucestershire Workforce Development Group has been set up in order to co-ordinate workforce development issues and link with the confederation. The confederation promotes and supports the continuing education of nurses and Allied Health Professionals within the Trusts.

Register of Interests

Board members are asked to declare interests which are relevant and material to their membership of the Trust Board. The following details are held in the Register of Interests:

Mrs Margaret Greenwood, Chair, Director, Club Telemarketing Ltd, Chair of Governors, Leighton County Primary School, Partner, Rebecca Benneyworth & Co

Mrs Janet Wood, Non-Executive Director, Council for Voluntary Service, Stroud District Council

Mr Keith Waldon, Non-Executive Director, Chair of Trustees, Gloucestershire Wheels Project

Mr Peter Whitton, Non-Executive Director, Director, Progressive Energy Ltd, Director, European Energy Ventures Ltd

Revd. David Primrose, Non-Executive Director, Trustee, Winston's Wish, Chair, Gloucestershire Family Mediation

Financial Review

Given the local health community's financial position for 2001/02 only limited new funding was available for developments. In conjunction with this the pressures on the services provided continued to grow in terms of increased activity and hence a higher level of cost pressures. This resulted in the necessity for discussions with local health community partners and the Regional Office; the outcome of which was an agreed financial package aimed at ensuring achievement of year end targets. This enabled the Trust to achieve its core financial duties, as follows:-

- A surplus of £24,000 on the Income and Expenditure Account
- Financing activities within the External Financing Limit of -£6,183,000
- A Capital Cost Absorption Rate of 6.1% against a target rate of 6.0%
- The Trust's total income and resultant surpluses achieved on the Income and Expenditure Account over the last five years are as follows:

Year	Income £000	Retained Surplus (Deficit) £000
1997/98	77,821	(38)
1998/99	83,149	900 *
1999/00	101,872	(316) *
2000/01	101,580	(27)
2001/02	110,954	24

- * After required Prior Period Adjustments relating to the provision of back to back arrangements with commissioning bodies for clinical negligence costs (previously £163,000 deficit for 1998/99) and the effects of FRS 11 on fixed asset impairments (previously £33,000 deficit for 1999/2000).

Attention is drawn to the following issues which are covered in the notes to the Summary Financial Statements:-

- Details of Directors' Remuneration (*Note 1*)
- The Trust's management costs, based on Audit Commission definitions (*Note 2*), which were within the target set by the NHS Executive.
- Details of a measure of Trust compliance with the CBI prompt payment code which requires that the Trust works toward paying at least 90% of all invoices within 30 days of receipt (*Note 3*).

Summary Financial Statements

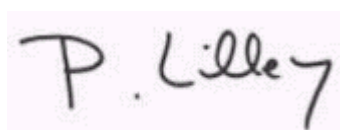
The financial statements which follow are a summary of the Trust's annual accounts for the year ended 31 March 2002, which have been prepared under section 98 (2) of the National Health Service Act 1977 (as amended by Section 24 (2), Schedule 2 of the National Health Service and Community Care Act 1990) in the form which the Secretary of State has, with the approval of the Treasury, directed.

Directors' Statements

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.



P Lilley
Chief Executive, 26 July 2002

Statement of Directors' responsibilities in respect of the accounts

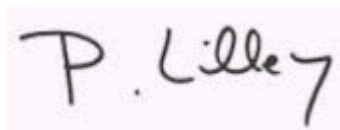
The Directors are required under the National Health Services Act 1977 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure of 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 confirm they have complied with the above requirements in preparing 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.

By order of the Board



P Lilley
Chief Executive, 26 July 2002



T D Smith
Finance Director; 26 July 2002

Statement of Directors' responsibilities in respect of internal control

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

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

- Governance
- Financial Management
- Risk Management [Risk Management System standard for 2001/2002]

This organisation ceased to exist on 31 March 2002 and the system of internal control had not been fully embedded at that time.

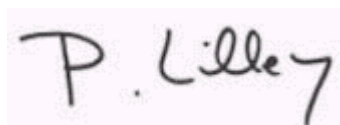
The actions taken included:

- The organisation had undertaken a self-assessment exercise against the core Controls Assurance standards set out above. An action plan had been developed and implemented to meet any gaps.
- The organisation had in place arrangements to monitor, as part of its risk identification and management processes, compliance with other key standards, including relevant Controls Assurance standards covering areas of potentially significant organisational risk.
- The identification and management of risks associated with the dissolution of the organisation.

I had also taken steps to ensure that ongoing key risks were documented, and this information was made available to the successor organisation.

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

By order of the Board



P Lilley
Chief Executive, 26 July 2002

Independent Auditors' Report to the Directors of the Board of Gloucestershire Royal NHS Trust on the Summary Financial Statements

We have examined the summary financial statements set out on pages 58 to 68.

Respective responsibilities of the directors and auditors

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

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6 'The auditor's statement on the summary financial statements' issued by the Auditing Practices Board for use in the United Kingdom.

Health Community Support Package

In forming our opinion, we have considered the adequacy of the disclosures in notes 4 and 5 of the summary financial statements regarding the financial support amounting to £2.6 million provided to the Trust in order to meet its break-even duty. In view of the significance of this transaction and some degree of uncertainty about repayment, we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

Opinion

In our opinion the summary financial statements are consistent with the statutory financial statements of the Trust for the year ended 31 March 2002 on which we have issued an unqualified opinion.

Stephen Malyn
District Auditor
32 South Court
The Courtyard
Woodlands
Bradley Stoke
Bristol
BS32 4NH

5th September 2002

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED
31 March 2002**

	2001/02 £000	2000/01 £000
Income from activities:		
Continuing operations	103,113	93,182
Other operating income	7,841	8,398
Operating expenses:		
Continuing operations	<u>(107,515)</u>	<u>(98,040)</u>
OPERATING SURPLUS		
Continuing operations	3,439	3,540
Exceptional gain: on write-out of clinical negligence provisions	7,424	0
Exceptional loss: on write-out of clinical negligence debtors	(7,424)	0
Profit (loss) on disposal of fixed assets	<u>(147)</u>	<u>(0)</u>
SURPLUS BEFORE INTEREST	3,292	3,540
Interest receivable	122	130
Other finance costs	<u>(0)</u>	<u>(17)</u>
SURPLUS FOR THE FINANCIAL YEAR	3,414	3,653
Public Dividend Capital dividends payable	<u>(3,390)</u>	<u>(3,680)</u>
RETAINED SURPLUS FOR THE YEAR	<u><u>24</u></u>	<u><u>(27)</u></u>

**BALANCE SHEET AS AT
31 March 2002**

	31 March 2002 £000	31 March 2001 £000
FIXED ASSETS		
Intangible assets	514	278
Tangible assets	63,484	60,406
	63,998	60,684
CURRENT ASSETS		
Stocks and work in progress	1,303	1,251
Debtors - due within one year	4,735	22,034
- due after more than one year		
Cash at bank and in hand	315	272
	6,353	23,557
CREDITORS : Amounts falling due within one year	(9,469)	(18,551)
NET CURRENT ASSETS (LIABILITIES)	(3,116)	(5,006)
TOTAL ASSETS LESS CURRENT LIABILITIES	60,882	65,690
CREDITORS: Amounts falling due after more than one year	0	0
PROVISIONS FOR LIABILITIES AND CHARGES	(273)	(8,408)
TOTAL ASSETS EMPLOYED	60,609	57,282
FINANCED BY:		
CAPITAL AND RESERVES		
Public dividend capital	40,692	39,116
Revaluation reserve	25,414	23,383
Donated Asset reserve	582	603
Government grant reserve	0	0
Other reserves	0	0
Income and expenditure reserve	(6,079)	(5,820)
TOTAL CAPITAL AND RESERVES	60,609	57,282

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED
31 March 2002**

	2001/02 £000	2000/01 £000
Surplus for the financial year before dividend payments	3,414	3,653
Unrealised surplus on fixed asset revaluations/indexation	1,762	1,626
Increases in the donation reserve due to receipt of donated assets	127	321
Reduction in the donation reserve due to the depreciation of donated assets	(161)	(114)
	<hr/>	<hr/>
Total recognised gains and losses for the financial year	5,142	5,486
Prior period adjustment	0	(283)
	<hr/>	<hr/>
Total gains and losses recognised in the financial year	<u>5,142</u>	<u>5,203</u>

**CASH FLOW STATEMENT FOR THE YEAR ENDED
31 March 2002**

	2001/02	2000/01
	£000	£000
OPERATING ACTIVITIES		
Net cash inflow from operating activities		14,297
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE:		7,661
Interest received	122	130
Interest paid	0	0
Interest element of finance leases	0	0
Net cash inflow/(outflow) from returns on investments and servicing of finance		122
		13
CAPITAL EXPENDITURE		
Payments to acquire tangible fixed assets	(4,884)	(4,446)
Receipts from sale of tangible fixed assets	0	1,075
Net cash inflow/(outflow) from capital expenditure		(4,884)
		(3,371)
DIVIDENDS PAID		(3,390)
		(3,680)
Net cash inflow/(outflow) before financing		6,185
		740
FINANCING		
Public dividend capital received	3,150	0
Public dividend capital repaid (not previously accrued)	(1,575)	(721)
Public dividend capital repaid (accrued in prior period)	(7,717)	0
Net cash inflow from financing		(6,142)
		(721)
Increase in cash		43
		19

Note 1

Board Directors' remuneration

The remuneration of the Chair, Chief Executive, and highest paid director, was as follows:

	Salary £000	Pension contributions £000	Other remuneration £000	Benefits in kind ** £000	Total £000	2000/01 £000
Chair	20	0	0	0	20	20
Chief Executive (1)	33	2	0	5	40	80
Chief Executive (2)	<u>36</u>	<u>2</u>	<u>0</u>	<u>1</u>	39	0
Total	69	4	0	6	79	80
Highest paid Director (3)	80	5	0	7	92	77

- (1) The Chief Executive left the Trust on 31st August 2001
- (2) With effect from 10th September 2001, the Chief Executive of East Gloucestershire NHS Trust also fulfilled the role of Acting Chief Executive of this Trust. The costs above only include this Trust's share.
- (3) This excludes a recharge to another Trust for £36,000.
- (4) Benefits in kind relate to the taxable benefit arising from lease car use or the payment of a regular user allowance.

Other Directors remuneration (excluding pension contributions) fell within the following ranges:

	2001/02 Number	2000/01 Number
£0 - £5,000	1	1
£5,001 - £10,000	4	4
£15,001 - £20,000		1
£20,001 - £25,000	1	0
£35,001 - £40,000		
£55,001 - £60,000		2
£60,001 - £65,000	2	1
£65,001 - £70,000	<u>1</u>	
	<u>9</u>	<u>9</u>

The Remuneration Committee awarded annual pay rises for Executive Directors in line with those for other staff within the Trust. In addition, part of the savings due to senior manager vacancies in the exceptional period leading up to the merger were used to make non-recurring bonus payments in recognition of the additional merger related workload.

Note 2

Management costs

The information below is collected using the Audit Commission definition for management and administrative costs. The target set by the NHS Executive for Management costs was £3,839,000. We have succeeded in keeping our management and administration costs below this target.

	2001/02 £000	2000/01 £000
Management costs	3,828	3,817
Income	110,954	102,580
Management costs as % income	3.5%	3.8%

Note 3

Better Payment Practice Code

	2001/02		2000/01	
	No.	£000	No.	£000
Total bills paid in the year	43,944	37,135	41,071	28,175
Total bills paid within 30 days	30,175	26,811	31,175	22,217
Percentage of bills paid within 30 days	68.67%	72.20%	75.91%	78.85%

Note 4

Financial Performance Targets

Breakeven performance

The trust's breakeven performance for 2001/2002 is as follows:

	1997/98	1998/99	1999/00	2000/01	2001/02
	£000	£000	£000	£000	£000
Turnover	77,821	83,149	101,872	101,580	110,954
Retained (deficit)/surplus for the year	(38)	(163)	(33)	(27)	24
Adjustment for:					
- Timing/non-cash impacting distortions					
- Use of pre - 1.4.97 surpluses	0	0	0	0	0
- 1999/2000 Prior Period adjustment relating to 1997/98 and 1998/99	0	0			
- 2000/01 Prior Period adjustment relating to 1997/98, 1998/99 and 1999/2000	0	1,063	(283)		
- 2001/02 Prior Period adjustment	0	0	0	0	
Break-even in-year position	(38)	900	(316)	(27)	24
Break-even cumulative position	(38)	862	546	519	543
Materiality test:					
- Break-even in-year position	-0.05%	1.08%	-0.03%	-0.31%	0.02%
- Break-even cumulative position	-0.05%	1.04%	0.54%	0.51%	0.49%

Gloucestershire Health allocated additional income in 2001/02 of £2,600,000 to offset a projected I&E deficit. This was received in March. (see note 5)

Note 5. Health Community Support Package

As a result of discussion between all Gloucestershire health community organisations, a financial package was agreed, with the objective of enabling Gloucestershire Royal NHS Trust to break even on Income & Expenditure account in 2001/02. This package provision of an additional £2.6m funding, sourced as follows:

- (i) £1.5m from the Regional Office
- (ii) £1.1m from East Gloucestershire NHS Trust, of which £0.3m related to in year underspending on NICE drug budgets and £0.8m to the receipt of additional Capital Resource Limit, enabling equivalent backlog maintenance expenditure to be charged to capital rather than revenue.

The accounts have been prepared on our understanding that this additional funding is not repayable. If any repayment is required, then the details would need to be discussed within the local health community, where it is our understanding that there is support for a 'whole community' solution.

As part of the overall support package, the Trust also received an additional £2.1m cash in March 2002. Again a repayment, if any, would need to be funded within the local health community as a whole.

The Annual Report, 2001 – 2002

of

East Gloucestershire 
NHS Trust

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Our Vision

High quality treatment and care delivered equitably and efficiently by valued staff.

About the Trust

East Gloucestershire NHS Trust was established in 1991 and dissolved on March 31st 2002. It was a combined Trust providing the full range of NHS hospital and community services in the East of Gloucestershire, from Moreton-in-Marsh in the North to Cirencester in the South. The main acute Hospital being Cheltenham General Hospital in Cheltenham.

As explained on Page 76, the Trust merged on April 1st 2002 with Gloucestershire Royal Hospital NHS Trust to form Gloucestershire Hospitals NHS Trust.

Directors of the Trust

The Trust Board included a Chair, a Chief Executive, five non-executive directors and four other executive directors who had specific areas of responsibility. Day to day clinical management of the Trust was organised into 13 clinical directorates, led by a team made up of consultants, senior nurses and senior staff in the Allied Health Professional field.

Non-Executive Directors

Mrs Penny Bennett, Chair
Mr Chris Whittard, Vice Chair
Ms Ruth FitzJohn, Vice Chair
Dr Alan Howes
Mrs Pat Thomas
Mr John Henry

Executive Directors

Mr Paul Lilley, Chief Executive
Mr Terry Smith, Director of Finance
Mrs Maggi Lewis, Director of Nursing
Dr Stuart Evans, Director of Operations
Dr Peter Roscoe, Medical Director

Our Performance 2001/02

Three Star Ratings

The TOP Star Rating of 3 Stars was awarded to both Gloucestershire Royal Hospital and to East Gloucestershire NHS Trusts in July 2002.

The news was enthusiastically welcomed by the Board of Gloucestershire Hospitals NHS Trust which thanked its staff for their commitment and the local community for its support. It covers the period in which there was a new Chief Executive at Gloucestershire Royal, the merger of two large hospitals and substantial changes to the NHS in Gloucestershire.

The Stars are based on how well the former Trusts of East Gloucestershire NHS Trust and Gloucestershire Royal NHS Trust performed on several key indicators during the financial year 2001 – 2002.

Chief Executive Paul Lilley said: “Our hospitals have been under pressure and it has not been easy. I am delighted to see recognition from Government that our staff here in Gloucestershire have produced an overall performance which is amongst the very best in England.

“The 3 Stars show that the two former trusts were already working very well together in the months before the April 1st merger. We know that since the merger our clinical teams and their patient services have continued to strengthen. There is a lot of hard work to do but there is a great sense of optimism for the future.”

Mr Lilley added: “We can never become complacent and there are inevitably some areas where the indicators show that we need to step up our efforts. We are already working out how we can do this and will seek every year to provide more and better services for our patients.”

Key Targets

The figures below are for the year 2001 – 2002.

Both Trusts did exceptionally well in eight of the nine key target areas set by Government. This meant that the Trusts had:

- No 18 month inpatient waits
- No 15 month inpatient waits
- No 26 week outpatient waits
- Only one 12 hour trolley wait
- Over 99% of urgent cancer consultations seen within 2 weeks
- Improved the working lives of staff
- A good level of hospital cleanliness
- An acceptable financial position

How we fared against the targets set – the details:

Thanks to the hard work of staff the Trust performed well against the Government targets, which aim to provide a better service to patients. The figures below are for the financial year 2001 – 2002.

The Targets

- After being referred by their GP, 80% of our out patients were seen within 13 weeks.
- The Inpatient waiting list target was 3,678, we achieved the lower figure of 3,669.

- The Accident and Emergency Department performed well against two milestones. The first states that 75% of patients attending A&E should wait 4 hours or less from arrival to admission, discharge or transfer. The Trust achieved 94%.
- The second A&E milestone is that patients admitted to hospital through A&E should be found a bed within 4 hours of the decision to admit. The Trust achieved 98%.
- Unfortunately patients sometimes have their operations cancelled at short notice. Usually because of the sudden arrival of an emergency patient, equipment failure or staff sickness. The target here states that if a patients' surgery is cancelled on the day of the operation for non-clinical reasons, the patient should be offered another date within 28 days. In 2001 – 2002 we offered another date to 99.9% of those who were cancelled at the last minute.

The number of people we treated

- Accident and Emergency staff dealt with 77,581 attendances
- There were 7,878 planned inpatient admissions
- Emergency inpatients totalled 24,183
- Pathology received more than 675,000 requests for tests
- There were 27,570 day case operations
- There were 61,368 attendances to the Physiotherapy Department
- There were 122,954 radiology examinations.
- There were 2,600 births
- There were over 25,000 new patients referred to the district nursing and health visitor service
- There were over 1,300 new patients referred to the speech and language service
- There were more than 4,700 new patients referred to our occupational therapists
- There were 32,000 contacts with community psychiatric nurses
- There were 4,142 new referrals to the mental health service.

Organisational Development in Gloucestershire

The Government's plans to modernise the NHS were set out in the National Plan. This set challenging targets for improving the range and quality of health services. In order to achieve these targets, the NHS in Gloucestershire needed to reorganise its services. As part of these changes the former trusts of East Gloucestershire and Gloucestershire Royal NHS Trusts joined forces to form the Gloucestershire Hospitals NHS Trust on April 1st 2002.

The Mental Health and Learning Disability Elements of the former East Gloucestershire Trust became part of the Gloucestershire Partnership NHS Trust and community staff became part of Primary Care Trusts.

A comprehensive programme of public and staff consultation began in July 2001 when the options for change were outlined. A series of public meetings followed, featuring partners from all health organisations in Gloucestershire.

Many staff contributed significantly to the development of the new trusts, which was a complicated task, at the same time as carrying out their day to day work providing health services to local people.

Chief Executive of East Gloucestershire NHS Trust, Paul Lilley, became acting Chief Executive of Gloucestershire Royal Hospital NHS Trust in September 2001 and began a programme of closer working between the trusts, in preparation for the merger. The result has been a better countywide service for people in the county.

In preparation for the new Trusts, Chairs were appointed in December 2001 and Non-Executive Directors were appointed in February 2002. Also in February the Chief Executive was appointed and following that, clinical and non-clinical teams were developed across the county's acute trust.

Developments within East Gloucestershire NHS Trust 2001/02

- **Pathology Extension**

Work began on the new £900,000 extension to the Pathology Department at Cheltenham General Hospital. The charity LINC raised £340,000 towards the building. The charity supports chemotherapy patients at the Three Counties Cancer Centre.

- **Jockey opens fracture clinic**

Jockey Peter Scudamore opened a new £700,000 Fracture Clinic and Orthopaedic Clinic. The scheme doubled the clinic area, provided two consulting suites, a larger plaster room, pre-admission clinics and children's waiting area.

- **Staff in Art**

Staff at Cheltenham General Hospital were immortalised in paint when artist in residence John Whiskerd produced an exhibition "The Supporting Cast" of staff from behind the scenes. The exhibition was part of the Arts in Trust programme, it received substantial coverage in the media and it is hoped that another exhibition will take place next year featuring other groups of staff.

- **NHS Week 2001**

This week saw considerable success for the NHS in Gloucestershire. The Physiotherapy Staff Self Referral Scheme won a regional award in the Improving Working Lives category and the Diabetic Retinal Screening Service won the National Modernisation award in the Health and Social Care Awards.

- **St Luke's Officially Opened**

In February the new £6.4million St Luke's Wing was officially opened by Mark Alleyne, Gloucestershire County Cricket Captain. The wing contains a six-bed Coronary Care Unit, a 34-bed medical ward including stroke unit and Knightsbridge Ward for private and NHS patients.

- **Baby Friendly Initiative**

The Maternity Unit at Cheltenham General Hospital has a specialist breast feeding co-ordinator and the Trust has been working towards the Baby Friendly Initiative. This prestigious accreditation encourages mothers to breast feed with support groups, facilities and education. Work is on-going across the county to develop good facilities for breast-feeding mothers.

Joint developments within the former Gloucestershire Royal Hospital and East Gloucestershire NHS Trusts 2001/02

- **New funds for heart treatment**

In October the county benefited from the Government's announcement of new investment in cardiac facilities. The £1.2m funding will be used to begin a new coronary angioplasty service, based at Cheltenham General Hospital for patients with heart problems. The new local service, only previously provided at specialist centres in Oxford and Bristol, uses a state of the art digital catheter laboratory and the treatment involves the insertion of a balloon catheter into the coronary artery to 'squash' fatty deposits to restore blood flow. This is a major new development for the Hospitals Trust.

- **PALS launched**

The Patient Advisory Liaison Service (PALS) was launched across the acute hospitals in Gloucestershire. The PALS can provide help and advice to patients and their families or carers regarding worries about the service they receive in hospital. The service has central offices at Cheltenham General and Gloucestershire Royal Hospitals.

- **Maternity Modernisation Funds**

In October Cheltenham General Hospital and Gloucestershire Royal Hospitals received Modernisation Funding for Maternity Services. The St Paul's Maternity Unit at Cheltenham received £400,000 and Gloucestershire Royal £526,000 which has been used to upgrade the maternity facilities at Gloucester and to upgrade the bereavement room at Cheltenham General Hospital. It is also being used to provide more equipment for mothers and babies, temporary beds for fathers staying overnight, special cots for mothers with disabilities and scanning equipment.

- **Cranfield University Links**

The links between Cranfield University, Gloucestershire Royal Hospital and East Gloucestershire NHS Trust were strengthened when Andrew McNaught, an ophthalmology consultant based at Cheltenham, was appointed as a visiting professor to Cranfield University. Research carried out by him used military technology to develop equipment which improves the ability to view the retina.

- **Gloucestershire Arthritis Trust**

The Gloucestershire Arthritis Association made several donations of equipment totalling several thousand pounds to help patients with arthritis at Cheltenham General Hospital, Gloucestershire Royal Hospital, Winchcombe Hospital, Cirencester Hospital and Standish Hospital.

- **Clean Hospitals**

The Government's Patient Environment Action Teams (PEAT) gave hospitals within both Gloucestershire Royal Hospital and East Gloucestershire NHS Trusts a green light, the best measure of cleanliness, quality of food and other environmental considerations. Other hospitals which received a visit from PEAT were Cirencester, Tewkesbury, Winchcombe, Delancey, Moore Cottage in Bourton-on-the-Water and Moreton District Hospital in Moreton-in-Marsh also Fairford Hospital and the Charlton Lane Unit.

- **Get the Right Treatment**

In November the countywide health community began its Get the Right Treatment campaign in earnest. It encourages patients to go to different places and people for help, depending on their ailment. The campaign featured advertisements on buses, features and advertising in local newspapers and leafleting busy places such as GP surgeries and libraries.

- **National Inpatients Survey**

Patients from both Gloucestershire Royal and East Gloucestershire NHS Trusts took part in the first National Inpatients Survey. 850 randomly chosen people who were in hospital at the end of 2001 were asked for their views on their experience, including their views about staff, their surroundings, privacy, clarity of information and other important aspects. The results were positive overall and were reported as part of the announcement of Star Ratings in July 2002.

- **Specialist MS Nurse**

A Specialist Multiple Sclerosis Nurse was appointed for Gloucestershire. Based in the Neurology OPD at Gloucestershire Royal Hospital the specialist nurse position is funded partly by Trust and partly by the MS Society. His role is to help to support patients, improving quality of life and educating staff and the public.

- **Digital Hearing Aids**

There was success for a £200,000 bid by the county for digital hearing aids to be made available to more people in Gloucestershire.

- **Charitable Funds for Cancer**

The Gloucestershire Oncology Centre, based at Cheltenham General Hospital, has a charitable fund, FOCUS (Fund for Oncology Centre Users and Supporters) which is going from strength to strength, with £155,335 donated in the financial year 2001/02. The fund is used to provide extra facilities for people receiving treatment at the Oncology Centre, who are from Gloucestershire, Herefordshire, Worcestershire and parts of Wales.

Key developments after April 1st 2002 within acute hospital services

- **Our New Gloucestershire Royal**

Financial close for the Gloucester Healthcare Partnership scheme to redevelop GRH was achieved in mid-April. The full business case for Gloucestershire Royal Hospital's £30 million new development was also approved by the Secretary of State and in May 2002 the first turf was turned to mark the start of this two year Public Private Partnership project. At the end of the project the Royal will have hugely improved facilities including a new Accident and Emergency Department and a new Children's Centre. The scheme should be completed in the summer of 2004.

- **New MRI scanner**

A new MRI scanner was officially opened at Gloucestershire Royal Hospital to replace the mobile scanner which had until then been the hospital's only access to MRI. A dual system was operated for several months, using the new scanner and the mobile scanner, to reduce waiting times.

- **More staff**

Six extra beds and seven qualified nurses were added to the Medical Admissions Unit at Gloucestershire Royal Hospital at a cost of £123,000 this was a key element in the overall strategy to reduce pressures on beds and staff at the Royal.

- **Radiotherapy staff and equipment**

National funding of £500,000 was received to replace a radiotherapy simulator within the Oncology Centre based at Cheltenham General Hospital. Nurse staffing in the Radiology Department at Gloucester was boosted to the tune of £38,000.

- **Maternity Security**

Maternity Unit security was enhanced, bringing together the best of measures previously used in the units at Cheltenham General and Gloucestershire Royal Hospitals. The need for a review of security, involving a security guard, cot security measures and enhanced staff vigilance was brought about following the abduction of a baby in Stourbridge.

Customer and staff relations

Equal Opportunities

The Trust continued to apply its Equal Opportunities policies and practices in what was a year of consolidation. In the previous year ie. 2000/01 a Racial Incident Reporting Procedure was introduced, the Trust achieved the employment services ✓✓ Disability Standard and the Harassment and Bullying Procedure was revised in consultation with staff representatives.

In 2001/02 there were no major reported racial incidents. However anecdotally some staff still have to respond to unacceptable comments particularly from patients and visitors. This remains a key concern and an area in which further progress needs to be made.

The revised Harassment and Bullying Procedure has been applied and the Trust continues to learn the lessons from dealing with these very difficult issues. Most complaints of harassment and bullying were dealt with through the informal procedure. Three were referred to the formal procedure with decisions taken as appropriate based on a thorough investigation of the circumstances.

A county Managing Diversity Policy was introduced following collaborative work by all the NHS organisations in the county. Following on from that policy approximately 90 Directors and Senior Managers throughout the Trust received training in equality and diversity. It is likely that that training will need to be cascaded further down the organisation in the newly merged Gloucestershire Hospitals Trust.

In 2002 policy and practice will need to be developed to meet the new requirements to promote racial equality in both services and employment arising from the Race Relations Amendment Act. In addition the new organisations in the county will need to harmonise practice and policy on equality and diversity and ensure that we are making further progress.

Informing and Consulting Staff

The Trust continued to use its established mechanisms to involve, communicate and consult with staff. There is no doubt that the biggest single challenge in the year was provided by the county organisation development programme which necessitated new mechanisms across organisational boundaries.

A number of initiatives were taken including “Meeting the Challenge” a newsletter sent to all staff in the county updating them on progress with the organisational development programme. There were also a number of cross organisation service review groups involving the key clinicians and health professionals and a new county HR forum to deal with the many HR issues arising from the change programme.

This was a mammoth effort involving Directors, Managers, Clinicians, Staff Representatives and staff. The Trust would like to thank all those who were involved in the process for their hard work and commitment.

Internal and external communication is an on-going priority for the Trust and below are some examples of how we communicate with staff, patients and the public.

- The monthly staff newsletter Trustline, the staff side committee, Board Reports, Team Brief, departmental meetings and the staff surveys were all well-used methods of communicating with staff.
- The rolling programme of giving all staff access to email and the Trust Intranet has continued, giving more staff than ever access to this valuable source of information.
- In preparation for the changes to the NHS in Gloucestershire a countywide newsletter was developed, ‘Meeting the Challenge’ which was distributed to every member of staff. This

regular newsletter provided information and provided considerable feedback from staff by means of a tear-off section, on the proposals to change the NHS in Gloucestershire.

- There was a Meeting the Challenge website and Intranet page, also with interactive feedback pages.
- In preparation for both the site redevelopment and the merger with Gloucestershire Royal Hospital NHS Trust, we have worked closely with the staff side to reach decisions.
- During the past year the methods of communication used within the former Gloucestershire Royal Hospitals NHS Trust and East Gloucestershire NHS Trust were combined and the best elements have been taken forward into the new Hospitals Trust.
- Staff were consulted and voted on decisions about their new monthly staff newsletter and chose the name themselves, Acute Angle, the same process was used to help staff chose the name of the new acute Trust.
- A Gloucestershire Health Services portal website was developed, giving access to the individual websites of each NHS Trust from a single front page, making it easier for the public to navigate the local NHS sites.

Improving Working Lives

The new Gloucestershire Hospitals NHS Trust is working hard to build on the progress of the former East Gloucestershire and Gloucestershire Royal Trusts to achieve Improving Working Lives (IWL) accreditation.

- IWL is a series of Government standards which, when achieved, aim to provide a better balance between home and work for all employees.
- The standards look at areas such as staff involvement and consultation, child care, flexible working, training and development and communication.
- Staff from across the Trust are involved in making the IWL programme a reality for our 5,500 full time equivalent staff.

Local Pay Bargaining

Due to the trend towards national pay and conditions, there has been a decline in the need for local pay bargaining. It has only been appropriate for those staff employed on Trust terms and conditions of service, who have been awarded the same pay increases as other health professionals.

Learning from Complaints

Throughout the year, the Trust encourages patients and relatives to give feedback on their experiences of treatment and the hospital environment. Patients and relatives have a statutory right to complain, and the Trust makes its complaints personnel available to them if they wish to write, call or meet.

In the year 2001 – 2002, 219 formal complaints were received, compared with 233 during the previous year. The first quarter of the year showing a low receipt of 43 complaints but the final three quarters being more consistent with previous averages.

42% of complaints during the year related to aspects of clinical treatment, and were largely consistent as a proportion of the total throughout the year. Complaints about Out Patient appointment delays or cancellations, while making up 15% of the years complaints, fell to the lowest point during January to March 2001 when they recorded 10% of all complaints.

There has been a large decrease in the number of complaints about admission, transfer and discharge, which made up only 2% of the total complaints. Attitudes of staff have been complained about in all quarters, rising to 21% of all complaints in January to March of this year, although making up only 13% of complaints overall.

The Trust continues to learn from complaints and action during the year 2001 – 2002 focused on emphasising communication with patients and their relatives. In particular we have tried to

emphasise the importance of keeping information accurate and avoiding creating expectations about services that are not realistic.

In many cases, investigations have resulted in changes in hospital policies and clinical practice or the need for new or 'refresher' training has been identified.

During the year, one request for Independent Review was made. However this was referred back to the Trust for further local investigation.

Joint Clinical Governance Report

Clinical Governance is a framework through which NHS organisations are accountable for continuously improving the quality of their services and safeguarding high standards of care by creating an environment within which excellence in clinical care will flourish.

Both Trusts had structures within which clinical governance was managed. Clinical Governance Committees, sub-committees of the Main Boards of East Gloucestershire and Gloucestershire Royal Hospitals NHS Trusts, had the role of overseeing the clinical governance agenda.

Also, each clinical directorate or department had a clinical governance committee. The clinical governance co-ordinators worked with staff groups to ensure that important governance and quality issues relating to their particular specialty were looked at in detail.

Considerable progress was made in the year 2001 – 2002 towards achieving the Clinical Governance agenda of both Gloucestershire Royal Hospital NHS Trust and East Gloucestershire NHS Trust.

The former Trusts carried out their individual clinical governance programmes, including clinical audits, staff surveys and patient surveys, and at the same time began to work in ever closer collaboration in preparation for organisational redevelopment, harmonising clinical governance work

At Gloucestershire Royal Hospital NHS Trust the report from the Commission for Health Improvement review of clinical governance identified a number of key areas for further development. The action plan focused the Trust's Clinical Governance development plan for the remainder of the year and has been monitored by the Regional Office.

Both Trusts have continued to develop systems for reporting Adverse Clinical Incidents with an emphasis on an open and learning culture. A new system, which incorporates available recommendations, will be introduced for the new Trust.

Progress was made on a number of Human Resources processes that underpin Clinical Governance within both Trusts. These include staff appraisal and personal development planning, consultant appraisal and the development of nurse practitioners, nurse consultant roles, physiotherapy triage as well as the on-going training and development of all staff.

A joint Patient Advice and Liaison Service was set up between the former Trusts which provided a smooth transition during the merger period. Jointly, the Trusts took part in the first National Inpatients Survey, which provided valuable patient feedback about their experience of hospital.

Both former trusts were, prior to April 1st 2002, working towards the Clinical Negligence Scheme for Trusts Level Two standard. It was decided that, due to the imminent merger of acute services, the new trust would take forward that work as a single organisation.

Looking to the future, further development of single systems and the improvement of patient and public involvement processes are likely to be key areas for change in the next financial year.

The Organisation

Corporate Governance

The Trust has complied throughout the year with the Code of Conduct and Accountability for NHS Trust boards. The Trust had an audit committee consisting of at least three Non-Executive Directors. The members were: Mr Chris Whittard Chair (from 12 July, previously it was Ms Ruth FitzJohn), Mr John Henry, Mrs Pat Thomas, Ms Ruth FitzJohn, Mr Terry Smith, the Trust's Director of Finance, also representatives of the Trust's external auditors, RSM Robson Rhodes and the internal auditors Deloitte and Touche.

Remuneration Committee

The Trust had a Remuneration and Terms of Service Committee which comprised the Chair and Non-Executive Directors of the Trust.

Mrs Penny Bennett, Chair

Mr Chris Whittard, Vice Chair

Ms Ruth FitzJohn, Vice Chair

Dr Alan Howes, Non Executive Director

Mrs Pat Thomas, Non Executive Director

Mr John Henry, Non Executive Director

Compliance Statement on Managers Pay

The Trust has complied with the NHS Executive's Chief Executive's letter of April 9th, 2001 to Chief Executives requesting that the individual pay rises for Board and Senior Management colleagues did not exceed 3.7% in year effect for 2001/2002.

Controls Assurance Statement

Statement on Internal Control for organisations ceasing to exist

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

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

- Governance
- Financial Management
- Risk Management [Risk Management System standard for 2001/2002]

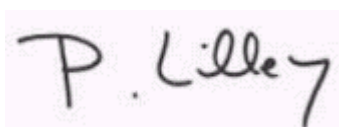
This organisation ceased to exist on 31 March 2002 and the system of internal control had not been fully embedded at that time.

The actions taken included:

- The organisation had undertaken a self-assessment exercise against the core Controls Assurance standards set out above. An action plan had been developed and implemented to meet any gaps.
- The organisation had in place arrangements to monitor, as part of its risk identification and management processes, compliance with other key standards, including relevant Controls Assurance standards covering areas of potentially significant organisational risk.
- The identification and management of risks associated with the dissolution of the organisation.

I had also taken steps to ensure that ongoing key risks were documented, and this information was made available to the successor organisation. These risks were continued in a Due Diligence report.

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



P Lilley
Chief Executive, 26 July 2002
(on behalf of the board)

Non Medical Education and Training (NMET)

East Gloucestershire NHS Trust is part of the Avon, Dorset, Gloucestershire and Wiltshire Workforce Development Confederation. A Gloucestershire Workforce Development Group has been set up in order to co-ordinate workforce development issues and link with the confederation. The confederation promotes and supports the continuing education of nurses and Allied Health Professionals within the Trusts.

Register of Interests

Board members are asked to declare interests which are relevant and material to their membership of the Trust Board. The following details are held in the Register of Interests:

Dr Peter Roscoe, Medical Director, Consulting Physician and Chairman of Medical Committee, the Cheltenham Ladies' College; Chief Medical Officer, Allied Dunbar; Chief Medical Officer, Lincoln Life Assurance.

Mr Chris Whittard, (until July 2000) Joint Vice Chair, Non-Executive Director, Kingston and Co (Ltd) Alvechurch, Bardesley Hall, Birmingham. Resigned as NED, Kingston & Co in August 2000, thereafter had no relevant interests to declare.

Mr John Henry, Non-Executive Director, Chairman of Trustees of Holst Birthplace Museum; Chairman of Cheltenham Civic Society.

Financial Review

Given the local health community's financial position for 2001/02 only limited new funding was available for developments. In conjunction with this the pressures on the services provided continued to grow in terms of increased activity and hence a higher level of cost pressures. It is once again pleasing to be able to report, however, that the Trust achieved its core financial duties, as follows:-

- A surplus of £45,000 on the Income and Expenditure Account
- Financing activities within the External Financing Limit of £2,915,000
- A Capital Cost Absorption Rate of 6.1% against a target rate of 6.0%
- The Trust's total income and resultant surpluses achieved on the Income and Expenditure Account over the last five years are as follows:

Year	Income £000	Retained Surplus £000
1997/98	97,455	472 *
1998/99	104,087	529 *
1999/00	115,314	81
2000/01	125,189	41
2001/02	137,051	45

* After required Prior Period Adjustments relating to the provision of back to back arrangements with commissioning bodies for clinical negligence costs (previously £339,000 for 1997/98 and £305,000 for 1998/99).

Attention is drawn to the following issues which are covered in the notes to the Summary Financial Statements:-

- Details of Directors' Remuneration (*Note 1*)
- The Trust's management costs, based on Audit Commission definitions (*Note 2*), which were within the target set by the NHS Executive.
- Details of a measure of Trust compliance with the CBI prompt payment code which requires that the Trust works toward paying at least 90% of all invoices within 30 days of receipt (*Note 3*).

Summary Financial Statements

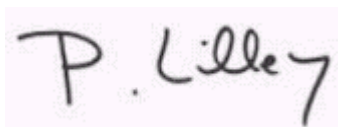
The financial statements which follow are a summary of the Trust's annual accounts for the year ended 31 March 2002, which have been prepared under section 98 (2) of the National Health Service Act 1977 (as amended by Section 24 (2), Schedule 2 of the National Health Service and Community Care Act 1990) in the form which the Secretary of State has, with the approval of the Treasury, directed.

Directors' Statements

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.



P Lilley
Chief Executive, 26 July 2002

Statement of Directors' responsibilities in respect of the accounts

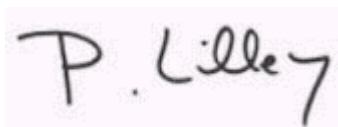
The Directors are required under the National Health Services Act 1977 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure of 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 confirm they have complied with the above requirements in preparing 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.

By order of the Board



P Lilley
Chief Executive, 26 July 2002



T D Smith
Finance Director, 26 July 2002

Statement of Directors' responsibilities in respect of internal control

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

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

- Governance
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This organisation ceased to exist on 31 March 2002 and the system of internal control had not been fully embedded at that time.

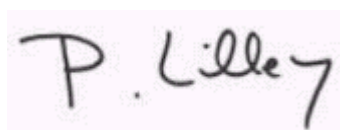
The actions taken included:

- The organisation had undertaken a self-assessment exercise against the core Controls Assurance standards set out above. An action plan had been developed and implemented to meet any gaps.
- The organisation had in place arrangements to monitor, as part of its risk identification and management processes, compliance with other key standards, including relevant Controls Assurance standards covering areas of potentially significant organisational risk.
- The identification and management of risks associated with the dissolution of the organisation.

I had also taken steps to ensure that ongoing key risks were documented, and this information was made available to the successor organisation.

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

By order of the Board



P Lilley
Chief Executive, 26 July 2002

Independent Auditors' Report to the Directors of the Board of East Gloucestershire NHS Trust on the Summary Financial Statements

We have examined the summary financial statements set out on pages 88 to 97.

Respective responsibilities of the directors and auditors

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

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6 'The auditor's statement on the summary financial statements' issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

In our opinion the summary financial statements are consistent with the statutory financial statements of the Trust for the year ended 31 March 2002 on which we have issued an unqualified opinion.

RSM Robson Rhodes
10 Queen Square
Bristol
BS1 4NT

August 2002

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED
31 March 2002**

	2001/02 £000	2000/01 £000
Income from activities:		
Continuing operations	123,377	112,955
Other operating income	13,674	12,234
Operating expenses:		
Continuing operations	<u>(130,409)</u>	<u>(118,831)</u>
OPERATING SURPLUS		
Continuing operations	6,642	6,358
Exceptional gain: on write-out of clinical negligence provisions	3,769	0
Exceptional loss: on write-out of clinical negligence debtors	(3,769)	0
Cost of fundamental reorganisation/restructuring	0	0
Profit (loss) on disposal of fixed assets	<u>(22)</u>	<u>(21)</u>
SURPLUS BEFORE INTEREST	6,620	6,337
Interest receivable	265	339
Interest payable	0	0
Other finance costs	<u>(30)</u>	<u>(21)</u>
SURPLUS FOR THE FINANCIAL YEAR	6,855	6,655
Public Dividend Capital dividends payable	<u>(6,810)</u>	<u>(6,614)</u>
RETAINED SURPLUS FOR THE YEAR	<u><u>45</u></u>	<u><u>41</u></u>

**BALANCE SHEET AS AT
31 March 2002**

	31 March 2002 £000	31 March 2001 £000
FIXED ASSETS		
Intangible assets	110	60
Tangible assets	125,129	118,284
	<hr/> 125,239	<hr/> 118,344
CURRENT ASSETS		
Stocks and work in progress	1,323	1,234
Debtors	5,427	7,055
Investments	0	0
Cash at bank and in hand	128	119
	<hr/> 6,878	<hr/> 8,408
CREDITORS : Amounts falling due within one year	(7,809)	(6,968)
NET CURRENT ASSETS (LIABILITIES)	<hr/> (931)	<hr/> 1,440
TOTAL ASSETS LESS CURRENT LIABILITIES	<hr/> 124,308	<hr/> 119,784
CREDITORS: Amounts falling due after more than one year	0	0
PROVISIONS FOR LIABILITIES AND CHARGES	(56)	(1,792)
TOTAL ASSETS EMPLOYED	<hr/> 124,252 <hr/>	<hr/> 117,992 <hr/>
FINANCED BY:		
CAPITAL AND RESERVES		
Public dividend capital	69,559	66,644
Revaluation reserve	38,655	35,948
Donated Asset reserve	6,666	6,209
Government grant reserve	0	0
Other reserves	0	0
Income and expenditure reserve	9,372	9,191
TOTAL CAPITAL AND RESERVES	<hr/> 124,252 <hr/>	<hr/> 117,992 <hr/>

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED
31 March 2002**

	2001/02	2000/01
	£000	£000
Surplus for the financial year before dividend payments	6,855	6,655
Fixed asset impairment losses	0	0
Unrealised surplus on fixed asset revaluations/indexation	2,942	1,184
Increases in the donated asset and government grant reserve due to receipt of donated and government grant financed assets	1,119	2,665
Reductions in the donated asset and government grant reserve due to the depreciation, impairment and disposal of donated and government grant financed assets	(761)	(563)
Additions/(reductions) in "other reserves"	0	0
Total recognised gains and losses for the financial year	10,155	9,941
Prior period adjustment	-	(594)
Total gains and losses recognised in the financial year	10,155	9,347

**CASH FLOW STATEMENT FOR THE YEAR ENDED
31 March 2002**

	2001/02	2000/01
	£000	£000
OPERATING ACTIVITIES		
Net cash inflow from operating activities		10,952
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE:		
Interest received	270	335
Interest paid	0	0
Interest element of finance leases	<u>0</u>	<u>0</u>
Net cash inflow/(outflow) from returns on investments and servicing of finance		270
CAPITAL EXPENDITURE		
Payments to acquire tangible fixed assets	(7,318)	(4,972)
Receipts from sale of tangible fixed assets	0	1
(Payments to acquire)/receipts from sale of intangible assets	<u>0</u>	<u>0</u>
Net cash inflow/(outflow) from capital expenditure		(7,318)
DIVIDENDS PAID		
		(6,810)
Net cash inflow/(outflow) before management of liquid resources and financing		(2,906)
MANAGEMENT OF LIQUID RESOURCES		
Purchase of investments	0	0
Sale of investments	<u>0</u>	<u>0</u>
Net cash inflow/(outflow) from management of liquid resources		0
Net cash inflow/(outflow) before financing		(2,906)
FINANCING		
Public dividend capital received	2,915	0
Public dividend capital repaid (not previously accrued)	0	0
Public dividend capital repaid (accrued in prior period)	0	0
Loans received	0	0
Loans repaid	0	0
Other capital receipts	0	0
Capital element of finance lease rental payments	0	0
Cash transferred from/to other NHS bodies	<u>0</u>	<u>0</u>
Net cash inflow from financing		2,915
Increase in cash		9

Notes to the accounts

1. Salary and Pension entitlements of senior managers

The remuneration of the Chair and the Chief Executive, who was the highest paid director, was as follows:

	Salary	Pension contributions	Other remuneration	Benefits in kind **	Total	2000/01
	£000	£000	£000	£000	£000	£000
Chair	20	0	0	0	20	20
Chief Executive*	82	5	0	5	92	105

* With effect from 10th September 2001, the Chief Executive also fulfilled the role of Acting Chief Executive of Gloucestershire Royal NHS Trust. Any costs relating to those responsibilities are shown in the accounts of that organisation and are not included above.

** Benefits in kind relate to the taxable benefit arising from lease car use or the payment of a regular user allowance.

The remuneration of other Directors (excluding pension contributions) fell within the following ranges:

	2001/02 Number	2000/01 Number
£0 - £5,000	1	1
£5,001 - £10,000	4	4
£10,001 - £15,000	1	0
£15,001 - £20,000	0	2
£20,001 - £25,000	0	1
£25,001 - £30,000	1	0
£30,001 - £35,000	2	1
	<u>9</u>	<u>9</u>

The Remuneration Committee awarded annual pay rises for Executive Directors in line with those for other staff within the Trust. In addition, part of the savings due to senior manager vacancies in the exceptional period leading up to the merger were used to make non-recurring bonus payments in recognition of the additional merger related workload.

2. Management costs

The information below is collected using the Audit Commission definition for management and administrative costs. The target set by the NHS Executive for management costs was £4,502,000. We have succeeded in keeping our management and administration costs below this target.

	2001/02	2000/01
	£000	£000
Management costs	4,502	4,306
Income	137,051	125,189
Management costs as % income	3.3%	3.4%

3. Public Sector Payment Policy

3.1 Better Payment Practice Code - measure of compliance

	2001/02		2000/01
	Number	£000	£000
Total bills paid in the year	62,741	48,631	44,281
Total bills paid within target	51,396	39,579	36,090
Percentage of bills paid within target	81.92%	81.39%	81.50%

3.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2001/02	2000/01
	£	£
Amounts included within Interest Payable arising from claims made by businesses under this legislation	0	0

How to contact us

To find out more about the NHS in Gloucestershire visit the Gloucestershire Health Services Website: www.gloshealthservices.org.uk

Gloucestershire Hospitals NHS Trust: www.gloshospitals.org.uk
Email your queries or suggestions to: Yvonne.wray@egnhst.org.uk

Acute hospital services are now provided by Gloucestershire Hospitals NHS Trust, the following hospitals are part of the Trust:

Headquarters

1 College Lawn
Cheltenham
Gloucestershire GL53 7AG
Tel: 01242 – 222222

Gloucestershire Royal Hospital

Great Western Road
Gloucester
GL1 3NN
Tel: 01452 - 528555

Cheltenham General Hospital

Sandford Road
Cheltenham
Gloucestershire
GL53 7AN
Tel: 01242 – 222222

Delancey Assessment and Rehabilitation Hospital

Charlton Lane
Cheltenham
Gloucestershire
GL53 9DQ
Tel 01242 – 222222

Standish Hospital

Stonehouse
Gloucestershire
GL10 3DB
Tel: 01242 - 822481

Tewkesbury Hospital

Barton Road,
Tewkesbury
Gloucestershire
GL20 5QN
Tel: 01684 – 293303

Winchcombe and District Hospital

Winchcombe
Gloucestershire
GL54 5NQ
Tel:01242 – 602341

The Annual Report, 2001 – 2002

of



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Introduction by Richard James, Chief Executive

This is the final Annual Report of the Severn NHS Trust which as an organisation was wound up on 31st March 2002. It seems strange to be present at the birth of an organisation and its demise 9 years later, but a community service organisation is largely about the people who work in it and for it. It has been a privilege for me to serve those staff; of course I will have considerable pride in the services that the Severn NHS Trust has given to its patients over the years. The organisation achieved a great deal: the redevelopment of mental health services, the closure of Coney Hill Hospital, the upgrade of all its community hospitals, which has left behind an NHS estate in pretty good condition. Of course there have been large numbers of service developments in many areas, though also, sadly, there had to be some service reductions to facilitate the county living within the finances available, but overall the growth in services far exceeded any decline.

Over the last year the amount of organisational change was overwhelming and imposed enormous stresses and strains on people throughout the organisation. They are to be commended for keeping the show on the road so wonderfully and continuing to provide such high quality care for their patients. It is very common that during periods of great upheaval the number of complaints rises. The small fall recorded is a real credit to everyone.

I believe that despite my antipathy towards organisational change, on this occasion the time was right. There will be fundamental changes in the nature of provision of healthcare over the coming years, and the new structures stand a much better chance of securing and maintaining strong, vibrant services in a community setting. Bringing together general practice and mainstream NHS community service is already beginning to bring significant benefits, and what was once almost impossible to achieve today seems relatively easy and straightforward. Of course there are new obstacles and boundaries that have to be managed and worked across, but I know that with the support of our communities and the first-class staff that work for the Health Service in Gloucestershire, there will be few obstacles that we cannot overcome. Can I thank you all for what you have done in the past, and what you are about to do in the future.



Richard James
Chief Executive

About the Trust

The Severn NHS Trust was one of the largest community Trusts in the country. It was established in April 1993 with the aim to promote, maintain and where possible restore the health and well being of those who used its services, in partnership with those who offered care and those who received it.

Its values were meeting individual needs in sensitive ways; working collaboratively and in teams; always improving quality, efficiency and effectiveness.

The Trust adopted as its standards selflessness, integrity and objectivity in conduct and decisions; accountability to patients, colleagues and the public; openness and honesty in all its communication; leading at all times by example.

The Trust provided a comprehensive range of community health services to approximately 320,000 people across an area of over 400 square miles stretching from Berkeley to Stroud, across to Gloucester City to the Forest of Dean and borders with Gwent. It employed more than 2,600 staff covering 1,970 whole time equivalent posts operating from over 80 different geographical sites. The Trust had a total of 394 beds, 150 in the four community hospitals in Stroud, Berkeley, Dilke and Lydney, 9 in the Maternity Hospital in Stroud, 149 in the Acute Mental Health Hospital in Gloucester and mental health sites across the county and 86 within the Trust's learning disability service. It had an annual income in excess of £56,700,000. The Trust also provided specialist health and social care to people with a learning disability and a wide range of services to mentally ill people within settings most suited to the individual.

Directors of the Trust

In the year April 2001 to March 2002, the Trust was chaired by Chris Weaver, and had five Non-Executive Directors: Robert Maxwell, Victoria Gould, Mark Hendry, Margaret Nolder and Kay Sandells.

There were five Executive Directors led by Chief Executive Richard James, David Coombs, Deputy Chief Executive and Director of Nursing, Kay Harrison, Director of Personnel, Jenny Groom, Director of Finance, Peter Roscoe, Medical Director and Graham Stephenson, Director of Planning and Performance Management. Graham retired in December 2001.

Indemnification

The Trust indemnified the Chairman and all Non-Executive Directors of the Trust who had acted honestly and in good faith that he or she will not have to meet out of his or her own personal resources any personal civil liability incurred in the execution or purported execution of his or her Board function, save where the person had acted recklessly.

Board Committees

All Non-Executive Directors were members of the Appointments and Remuneration committee, chaired by Chris Weaver. All Non-Executive Directors were members of the Audit committee and the Finance committee chaired by Robert Maxwell.

A Clinical Governance Committee, a sub-committee of the Board, met regularly under the chairmanship of the Vice Chairman, Robert Maxwell. Formal regular reports were received from the clinical directorates. The meetings were minuted and reported to the open session of the Board. Richard James, David Coombs and Peter Roscoe were also members of the Clinical Governance Audit committee.

The Trust had complied throughout the year with the codes of Conduct and Accountability for NHS Trust boards.

Register of Interests

Board members were asked to declare interests which are relevant and material to their membership of the Trust Board. The Register is kept at Trust Headquarters, Rikenel, Montpellier, Gloucester. GL1 1LY and can be accessed on request. All senior staff were also required to declare interests which were relevant and material to their employment with the Trust and this register is also available on request.

Management Costs

Within the overall cash envelope available for management cost, individual pay rises for Board and senior managers within the organisation were limited to a maximum of 3.25% in year effect. Management cost limits were exceeded in respect of Director of Finance maternity leave cover, additional External Audit mandatory work and increased Medical Director cover. The full impact of these costs was reduced by secondments that were covered by lower cost alternatives and structures.

Details of Directors Remuneration

Chairman	£18k
Chief Executive	£86k
£5,001 - £10,000	Six
£15,001 - £20,000	One
£35,001 - £40,000	One
£50,001 - £55,000	One
£55,001 - £60,000	Two
£60,001 - £65,000	One
£70,001 - £75,000	One
£80,001 - £85,000	One

Staff

Disabled Employees

The Trust had been awarded the "Two Ticks Symbol - Positive about Disabled People" and had also taken steps to ensure it was clear about the disability status of all its employees to inform future actions.

Informing and Consulting Staff

Internal and external communication was a priority for the Trust.

- The Trust continued its programme to roll out access to the intranet across the Trust. The new NHS Dental Surgeries and the GP surgery at Painswick were connected. The size of the network links were improved and consolidated. Every site had at least one user with an e-mail account while the larger sites had many users with e-mail accounts.
- The monthly Team Brief was issued to all staff with access via the email. Hard copies were sent to all sites and major departments.
- Trust Board Reports were published in the intranet and Board meetings were followed up by a report from the Board.
- Every member of staff received a copy of 12 updates of 'Meeting the Challenge' and were encouraged through a series of staff meetings across the Trust to comment on the proposals for the new organisations through tear off slips or on the Meeting the Challenge website.
- Communication Managers from across the health community met regularly and worked closely to ensure that messages to staff were consistent. A Gloucestershire Health Services portal website has been developed, giving access to the individual websites of each Trust from one front page.

Staff Involvement

The Trust had adopted a Staff Involvement Policy which was embraced by all parties. Joint working with Staff Side and managers continued to enhance the Trust's ability to improve service delivery and to work to develop the involvement of staff more generally.

Equal Opportunities Statement

The Trust's Equality Steering Group continued to oversee the implementation of the Trust's response to the '*Positively Diverse*' initiative. During the year the group supported the development and implementation of a county-wide Managing Diversity Policy, its aims being to integrate equality and diversity into service delivery and the treatment of staff. The benefits to staff and users of the Trust services including improving quality of service and our ability to recruit and retain the skills and experience necessary to deliver enhanced services within the health community.

The Trust also reviewed and developed an action plan to respond to a harassment survey undertaken and continued to run the mediation service specifically designed to support the resolution of personal difficulties between staff.

The progress made by the Severn NHS Trust will be built on by its successor organisations.

Research and Development

Clinicians undertook research projects into such diverse areas as the

- Gloucester Caseload project
- Gloucester rehabilitation service research into 24 hour nurse care
- Clozaril Clinic patient information and education
- Implementation and outcome of clinical risk management
- Research trial into absconding
- Early predictors of response to ECT
- Participation in the “SOHO” schizophrenia antipsychotic trial

as well as contributing to 9 published articles and making conference presentations on the *Review of 24-hour nursed care* and *Research on bed usage*.

New Developments and Improvements this year

- Thanks to the generous offer of resources from the Friends of Lydney Hospital and a local business, the upgrade of the A&E Department went ahead. It was opened by Viscount Bledisloe in September 2002.
- Following a major review of the Wheelchair Service, an action plan was agreed to deal with the disparity between the services in the east and west of the county and to provide greater support for staff.
- £1300k was invested to improve the environment and services in our hospitals and other Trust facilities as part of the Clean Hospitals, Better Hospital Food initiative.
- All the clients and all the staff of St Mary's, Painswick were successfully moved to a modern and comfortable new home in Hucclecote, Gloucester. The residents are a group of 14 older people who have lived together at St Mary's for up to 45 years. Their ages range from 67 to 94 years old. They all have a learning disability requiring some degree of physical, social and clinical support. The staff group have worked with the residents for many years.
- A Government allocation of £86k was made to Stroud Maternity to upgrade the unit. The League of Friends contributed a further £100k to the project.
- Throughout the year managers and clinical staff worked hard to meet the 26 week waiting time target in the Child and Adolescent Mental Health Service. In March 2002 no one was waiting longer than 26 weeks, thanks to the truly exceptional efforts of staff.
- End of Trust celebrations were organised for staff, by staff in the three localities.

Policies adopted through the year

- ✓ The Equalities Steering Group approved an action plan to respond to Tackling Racial Harassment in the NHS.
- ✓ The Board endorsed the Waiting List Policy (In-Patients & Out-Patients) which set out goals to reduce inpatient and outpatient waiting times over time in line with national policy
- ✓ The Information Security Policy was ratified by the Board in July.
- ✓ The Security Policy to support managers, employees and patients to enhance their personal safety and security and Trust property.
- ✓ The Disciplinary Policy and Procedure was revised.

Quality

This year 99 written complaints received a response from the Chief Executive, two less than last year. Fifty nine other complaints were handled by front line staff and the Complaints Department, and were either quickly resolved or sent to the appropriate agency. Close working relationships were maintained with Social Services, the Community Health Council and other local NHS organizations. Investigations were to be shared where complaints involve other Trusts or Health Authorities.

Oral complaints continued to be regularly and effectively resolved by front-line staff. The Complaints Department attended team meetings, contributed to internal management training courses and spoke to other bodies whenever requested. Handling of complaints was addressed during the induction of all new staff.

Forty complainants received a written apology and of their complaints, seventeen identified areas where service delivery could be improved, each one providing valuable feedback. Expressions of dissatisfaction formed a very small part of patient contact. No complaints are outstanding.

Four requests for Independent Review were received. Two of these were resolved by further local resolution. The convenor involved a lay chair for the remaining two. These requests were turned down, and the complainants invited to approach the Ombudsman.

A non-executive director audited a sample of complaints each quarter. Quarterly reports with anonymised descriptions of each complaint were supplied to the Board.

Complaints leaflets were available in 10 different languages, in Braille and pictorially for people with communication difficulties.

A full copy of the 2001 – 2002 Annual Complaints Report is available on request from Trust Headquarters, Rikenel, Montpellier, Gloucester GL1 1LY.

Service improvements arising from complaints include

- Community Hospitals: procedures reviewed for pulling patients' notes prior to consultation in order to avoid providing the wrong notes for the wrong patients.
- Mental Health: air conditioning installed in communal areas of wards at Wotton Lawn Hospital to improve air quality and ventilation.
- Child Health: procedure for drawing up vaccines at mass vaccination sessions has been revised.

Performance Rating

The Government published NHS Performance Ratings in 2001 that applied to acute hospital services. For the first time this year, these were extended to Specialist Trusts and in this category the Severn NHS Trust were given a performance rating of 2 stars having achieved 6 out of the 6 key targets. The criteria for achievement of 3 stars was that services had undergone an external review and assessment by the Commission for Health Improvement (CHI) during the period September 2001 to July 2002. The Trust had not. The 2 star rating demonstrates an achievement of considerable strength. High scores were achieved for strong Care Programme Approach systems; establishing assertive outreach teams; improving working lives for staff; cleanliness in our hospitals and other clinical accommodation; and good financial management.

Key Developments after April 1st 2002

The Government's plans to modernise the NHS were set out in the National Plan. These set challenging targets for improving the range and quality of health services. In order to achieve these targets, the NHS in Gloucestershire needed to reorganise its services.

A comprehensive programme of public and staff consultation began in July 2001 when the options for change were outlined.

In April 2002 the Mental Health and Learning Disability services of East Gloucestershire NHS Trust, Social Care services for people of working age and Severn NHS Trust were united in the Gloucestershire Partnership Trust. The acute services of East Gloucestershire and Gloucestershire Royal NHS Trust joined forces to form the Gloucestershire Hospitals NHS Trust. The Cheltenham and Tewkesbury, Cotswold and Vale and West Gloucestershire Primary Care Trusts were established. Primary Care Trusts are independent local organisations, involving doctors and nurses in decisions to improve the health of their community, provide local health services and commission specialist services.

(Note Social Services)

Many staff contributed significantly to the development of the new Trusts while carrying out their day to day work providing health services to local people.

In preparation for the new Trusts, Chairs were appointed in December 2001 and Non-Executive Directors were appointed in February 2002. The Chief Executives of the new Trusts were also appointed in February.

Controls Assurance Statement

The Board of Severn NHS Trust acknowledges and accepts its responsibility for the organisation's system of internal control and for reviewing its effectiveness in providing reasonable assurance against material misstatement or loss.

I, as the Chief Executive of Severn NHS Trust, confirm for the period 1 April 2001 to 31 March 2002 that the Board has:

- Established a system to ensure compliance with Level 1 of the NHS Executive's standards and criteria for risk management and organisational controls (Note 1).
- Begun a process of self assessment involving the board and staff in identifying key strategic and operational risks
- Established a system of regular reporting to the Board in respect of the same
- Ensured that there are proper arrangements for the independent verification of the above by Internal Audit on a continuous basis.

During this period there have been no significant events or situations requiring disclosure.



Richard James – Chief Executive
26 July 2002

Note 1

Risk management	Infection control
Buildings, land, plant and non-medical equipment	Information management and technology
Catering and food hygiene	Medical equipment and devices
Contracts and contractor control	Medicines management
Emergency preparedness	Professional and product liability
Environmental management	Records management
Fire Safety	Security
Health and safety	Transport
Human resources	Waste management

Review of Financial Performance

Better Payments Practice Code

The national target is to pay 95% of non-NHS trade creditors within 30 days of receipt of goods or a valid invoice (whichever is the later) unless other payment terms have been agreed with the supplier. The Trust target was 80%. Details of compliance are given below:

	2001/2002 Number	2001/200 2 £000	2000/2001 £000
Total bills paid	46,773	16,610	13,097
Total bills paid within target	37,244	13,993	10,211
% paid within target	80%	84.24%	77.96%

Management and Administration Costs

	2001/2002 £000	2000/2001 £000
Management Costs	3219	3,035
Income	67,781	62,214
% of income	4.7%*	4.9%

Monthly financial reports were provided to the open Board.

Audit Committee and Charitable Fund Committee meetings also held and minutes report at the open Board.

All incidents of SFI waivers were also reported to the open Board.

The external auditor is District Audit.

Directors' Statements

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 of 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 NHS Executive.

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.



Richard James – Chief Executive
26 July 2002

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors are required under the National Health Services 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 requirement 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 they have complied with the above requirements in preparing the accounts.

By order of the Board



Richard James – Chief Executive
26 July 2002



Jenny Groom Director of Finance
26 July 2002

STATEMENT OF DIRECTOR'S RESPONSIBILITY IN RESPECT OF INTERNAL FINANCIAL CONTROL

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

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

- Governance
- Financial Management
- Risk Management

This organisation ceased to exist on 31 March 2002 and the system of internal control had not been fully embedded at that time.

The actions taken included:

- The organisation had undertaken a self-assessment exercise against the core Controls Assurance standards set out above. An action plan had been developed and implemented to meet any gaps.
- The organisation had in place arrangements to monitor, as part of its risk identification and management processes, compliance with other key standards, including relevant Controls Assurance standards covering areas of potentially significant organisational risk.
- The identification and management of risks associated with the dissolution of the organisation.

I had also taken steps to ensure that ongoing key risks were documented, and this information was made available to the successor organisation. These risks included the following:

- The need to undertake self-assessments against both the Risk Management and Governance Controls Assurance Standards and develop action plans to improve compliance with these standards.
- The need to undertake remedial actions in relation to the Trust's Asset Register as outlined within current District Audit reports.

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



Richard James - Chief Executive Officer
26 July 2002
(on behalf of the board)

INDEPENDENT AUDITORS' REPORT TO DIRECTORS OF THE BOARD OF SEVERN NHS TRUST

We have examined the summary financial statements set out pages 116 to 123.

Respective Responsibilities of Directors and Auditors

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

Basis of audit opinion

We conducted our audit in accordance with Bulletin 1999/6 'The auditor's statement on the summary financial statements' issued by the Auditing Practises Board for use in the United Kingdom.

Opinion

In our opinion the summary financial statements are consistent with the statutory financial statements of the NHS trust for the year ended 31 March 2002 on which we have issued an unqualified opinion.

A handwritten signature in blue ink that reads "P. Saunders" with a horizontal line underneath.

Peter Saunders
August 2002

Address: District Audit
32 South Court
The Courtyard
Woodlands
Bradley Stoke
Bristol
BS32 4NH

Forward to the Accounts

Severn NHS Trust

These accounts for the year ended 31 March 2002 have been prepared by the Severn NHS Trust under section 98 (2) of the National Health Service Act 1977 (as amended by section 24 (2), schedule 2 of the National Health Service and Community Care Act 1990) in the form which the Secretary of State has, with the approval of the Treasury, directed.

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED
31 March 2002**

	NOTE	2001/02 £000	2000/01 £000
Income from activities:			
Continuing operations	3	56,442	52,093
Other operating income	4	13,555	11,244
Operating expenses:			
Continuing operations	5-7	<u>(67,646)</u>	<u>(60,977)</u>
OPERATING SURPLUS (DEFICIT)			
Continuing operations		2,351	2,360
Cost of fundamental reorganisation/restructuring		0	0
Profit (loss) on disposal of fixed assets	8	<u>104</u>	<u>23</u>
SURPLUS (DEFICIT) BEFORE INTEREST		2,455	2,383
Interest receivable		147	165
Interest payable	9	<u>(16)</u>	<u>(21)</u>
SURPLUS (DEFICIT) FOR THE FINANCIAL YEAR		2,586	2,527
Public Dividend Capital dividends payable		<u>(2,540)</u>	<u>(2,511)</u>
RETAINED SURPLUS (DEFICIT) FOR THE YEAR		<u><u>46</u></u>	<u><u>16</u></u>

**BALANCE SHEET AS AT
31 March 2002**

		2001/02		31 March 2001
	NOTE	£000	£000	£000
FIXED ASSETS				
Intangible assets	10	124		34
Tangible assets	11	47,321		43,142
			47,445	43,176
CURRENT ASSETS				
Stocks and work in progress	12	104		87
Debtors after one year	13	4,506		4,936
within one year		0		0
Investments	14	0		0
Cash at bank and in hand	18	162		160
			4,772	5,183
			4,772	5,183
CREDITORS : Amounts falling due within one year	15		(5,728)	(4,702)
NET CURRENT ASSETS (LIABILITIES)			(956)	481
TOTAL ASSETS LESS CURRENT LIABILITIES			46,489	43,657
CREDITORS: Amounts falling due after more than one year	15		0	0
PROVISIONS FOR LIABILITIES AND CHARGES	16		(189)	(997)
TOTAL ASSETS EMPLOYED			46,300	42,660
FINANCED BY:				
CAPITAL AND RESERVES				
Public dividend capital			30,974	30,244
Revaluation reserve	17		13,110	10,340
Donation reserve	17		1,047	953
Realised donation reserve	17		0	0
Other reserves	17		0	0
Income and expenditure reserve	17		1,169	1,123
TOTAL CAPITAL AND RESERVES			46,300	42,660

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED
31 March 2002**

	<u>2001/02</u> <u>£000</u>	2000/01 £000
Surplus (deficit) for the financial year before dividend payments	2,586	2,527
Fixed asset impairment losses	0	0
Unrealised surplus (deficit) on fixed asset revaluations/indexation	2,780	426
Increase in the donation reserve due to receipt of donated assets	168	368
Reduction in the donation reserve due to depreciation, impairment (loss of economic benefits), and/or disposal of donated assets	(84)	(52)
Additions/(reductions) in "other reserves"	0	0
Total recognised gains and losses for the financial year	5,450	3,269
Prior period adjustment	0	(263)
Total gains and losses recognised in the financial year	5,450	3,006

External financing

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

	2001/02 £000	2000/01 £000
External financing limit set by the NHS Executive	730	163
Cash flow financing	855	389
Finance leases taken out in the year	0	0
Other capital receipts	<u>(127)</u>	<u>(227)</u>
External financing requirement	<u>728</u>	<u>162</u>
Undershoot (overshoot)	<u>2</u>	<u>1</u>

Related Party Transactions

Severn 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 Severn NHS Trust.

The Chairman of Severn NHS Trust is also the Chairman of a local registered Charity which provides hospice accommodation and a nursing service to patients homes. The Severn NHS Trust is contracted to run the payroll function for the charity which totalled £408,000 in 2001/02. The Chairman has not been involved in any negotiations or transactions between the Severn NHS Trust and the Charity, for either party.

The Department of Health is regarded as a related party. During the year Severn 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:

Gloucestershire Health Authority, Gwent Health Authority, Avon Health Authority, Dorset Health Authority, Hereford PCT, North Nottinghamshire Health Authority, Berkshire Health Authority, Worcestershire Health Authority, Gloucestershire Royal Hospital NHS Trust, East Gloucestershire NHS Trust, Gloucestershire Ambulance Service NHS Trust, North Bristol NHS Trust, Avon Ambulance Service NHS Trust, the NHS Litigation Authority; the NHS Logistics Authority; Other Health Authorities and Primary Care Trusts

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 Gloucestershire County Council and Gloucestershire City Council.

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 audited accounts of the Funds Held on Trust "Severn NHS Trust Charitable Fund" are available from the Finance Directorate.

**CASH FLOW STATEMENT FOR THE YEAR ENDED
31 March 2002**

	NOTE	2001/02 £000	2000/01 £000
OPERATING ACTIVITIES			
<u>Net cash inflow from operating activities</u>	18.1	3,699	4,288
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE:			
Interest received		150	161
Interest paid		0	0
Interest element of finance leases		<u>0</u>	<u>0</u>
<u>Net cash inflow/(outflow) from returns on investments and servicing of finance</u>		150	161
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets		(4,085)	(2,513)
Receipts from sale of tangible fixed assets		2,021	186
(Payments to acquire)/receipts from sale of intangible assets		<u>(100)</u>	<u>0</u>
<u>Net cash inflow (outflow) from capital expenditure</u>		(2,164)	(2,327)
DIVIDENDS PAID			
		(2,540)	(2,511)
<u>Net cash inflow/(outflow) before management of liquid resources and financing</u>		<u>(855)</u>	<u>(389)</u>
MANAGEMENT OF LIQUID RESOURCES			
Purchase of investments		(94,000)	(76,040)
Sale of investments		<u>94,000</u>	<u>76,040</u>
Net cash inflow (outflow) from management of liquid resources		0	0
<u>Net cash inflow (outflow) before financing</u>		<u>(855)</u>	<u>(389)</u>
FINANCING			
Public dividend capital received		730	160
Public dividend capital repaid (not previously accrued)		0	0
Public dividend capital repaid (accrued in prior period)		0	0
Loans received		0	0
Loans repaid		0	0
Other capital receipts		127	227
Capital element of finance lease rental payments		0	0
Cash transferred from/to other NHS bodies		<u>0</u>	<u>0</u>
<u>Net cash inflow (outflow) from financing</u>		<u>857</u>	<u>387</u>
<u>Increase (decrease) in cash</u>		<u>2</u>	<u>(2)</u>

Salary and Pension entitlements of senior managers

Name and Title	Age	Salary (bands of £5000)	Other remuneration (bands of £5000)	Golden hello/ compensation for loss of office	Benefits in kind	Real increase in pension at age 60 (bands of £2500)	Total accrued pension at age 60 at 31 2,002 (bands of £5000)
		£000	£000	£000	£000	£000	£000
Richard James Chief Executive		£80-85k	£0-5k	0	£0-5k	£2.5-5k	£30-35k
David Coombs Director of Nursing	Consent to disclose withheld						
Kay Harrison Director of Personnel		£60-65k	£0-5k	0	0		
Jenny Groom Director of Finance	Consent to disclose withheld						
Paul Dodd Acting Director of Finance	Consent to disclose withheld						
Peter Roscoe Medical Director	59	£50-55k	0	0	0	£0-2.5k	£20-25k
Graham Stephenson Director of Planning	56	£55-60k	0	0	0	£0-2.5k	£10-15k
Chris Weaver Chairman	59	£15-20k	0	0	0	N/a	N/a
Robert Maxwell Vice Chairman	67	£5-10k	0	0	0	N/a	N/a
Victoria Gould Non-Exec Director	38	£5-10k	0	0	0	N/a	N/a
Mark Hendry Non-Exec Director	45	£5-10k	0	0	0	N/a	N/a
Margaret Nolder Non-Exec Director	67	£5-10k	0	0	0	N/a	N/a
Kay Sandells Non-Exec Director	57	£5-10k	0	0	0	N/a	N/a
David Dungworth Locality General Manager	Consent to disclose withheld						
Julie-Ann Wales Locality General Manager	Consent to disclose withheld						
Barbara Ruthers Locality General Manager	Consent to disclose withheld						
Ted Quinn Locality General Manager		£40-45k	£0-5k				

Richard James: consent to disclose age withheld

Kay Harrison: consent to disclose withheld on age, golden hello/compensation for loss of office, benefits in kind and pension details

Ten Quinn: consent to disclose withheld on age, golden hello/compensation for loss of office, benefits in kind and pension details

Management costs

	2001/02	2000/01
	£000	£000
Management costs	3,219	3,035
Income	67,781	62,214

Public Sector Payment Policy

	2001/02		2000/01
	Number	£000	£000
Total bills paid in the year	46,773	16,610	13,097
Total bills paid within target	37,244	13,993	10,211
Percentage of bills paid within target	79.63%	84.24%	77.96%