St Helens and Knowsley Teaching Hospitals
NHS Trust

Annual Report & Accounts
2010-2011

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St Helens and Knowsley Teaching Hospitals NHS
NHS Trust

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Foreword from the Chair and Chief Executive

Welcome to the 2010-2011 Annual Report for St Helens and Knowsley Teaching Hospitals NHS Trust. This year the report includes the Quality Account, which details a number of improvements in the quality of care, patient safety and clinical effectiveness.

The Annual Report offers a detailed outline of activity and performance across the Trust throughout this busy year. During this time, the Trust has settled into the state of the art facilities of the new Whiston Hospital, whilst continuing to maintain a high standard of patient care.

The Trust has implemented a range of measures to further improve patient safety, whilst continuing to keep waiting times short, ensuring that patients get faster access to treatment. It has also made further improvements in productivity, efficiency, quality of care and service delivery.

The Trust has seen demand for its high quality services increase and patients have easy and direct access to a wider range of diagnostic and therapeutic procedures, closer to their homes.

The Trust continues to support innovation, and staff are at the forefront of pioneering new techniques to provide patients with better outcomes and improved quality of life.

The Trust is the only acute Trust in the country to have performed above the national average in every indicator for quality of services and care in the Care Quality Commission (CQC) assessment. In addition the Trust received a maximum overall score in the latest Auditor's Local Evaluation (ALE) for use of its resources for the third year running. In the Patient Environment Action Team (PEAT) assessment, the Trust achieved the top rating of 'Excellent' in each category for both St Helens and Whiston hospitals for the fifth year running.

All this underlines the continued high standards of care that our staff are committed to providing to patients.

On behalf of the Trust Board, we would like to thank all our staff for the hard work and the dedication they have shown throughout the year and for the high quality service they continue to deliver to patients.

Les Howell
Chairman

Ann Marr
Chief Executive

Introduction to the Trust

St Helens Hospital

The Trust provides the full range of acute healthcare services at St Helens Hospital and Whiston Hospital.

The Trust provides a high standard of care to a population of approximately 350,000 people across the boroughs of St Helens, Knowsley and Halton, South Liverpool and further afield. In addition, the Mersey Regional Burns and Plastic Surgery Unit at Whiston Hospital provides treatment for patients from across Merseyside, Cheshire, North Wales, the Isle of Man and parts of the North West, serving a population of over four million people.

The Trust's annual budget is £252.6 million and it employs over 4,000 members of staff. In addition to this, the Trust is the Lead Employer, on behalf of the Mersey Deanery which is responsible for the 2,000 trainee specialty doctors based in hospitals and GP practice placements throughout Merseyside and Cheshire. The Trust opened the new Whiston Hospital in 2010, six months ahead of schedule and within budget. This follows the opening of the new St Helens Hospital in 2008 as part of a combined £338 million investment to provide world class healthcare facilities to the local community.

Whiston Hospital

Services provided by the Trust:

Medical Specialties
Cardiology, Department of Medicine for Older People, Dermatology, Diabetes, Endocrinology, Gastroenterology, General Medicine, Haematology, Medical Oncology, Palliative Care (acute), Respiratory Medicine, Rheumatology, Sexual Health Clinic, Sleep Studies, Stroke Care.

Surgical Specialties
Breast Surgery, Burns and Plastic Surgery, Colorectal Surgery, Ear Nose and Throat, General Surgery, Ophthalmology, Oral Surgery and Orthodontics, Prosthetics, Trauma and Orthopaedics, Urology, Vascular Surgery.

Women and Children
Gynaecology, Maternity (Antenatal, Postnatal, Neonatal), Paediatrics.

Critical Care
Coronary Care, High Dependency, Intensive Care, Pain Management, Special Care Baby Unit.

Emergency Services
Accident and Emergency, Acute Medical Unit, Emergency Assessment Unit, GP Assessment Unit.

Clinical Support Services
Audiology, Clinical Psychology, Cold Decontamination, Dietetics, EBME, Imaging, Medical Photography, Neurophysiology, Occupational Therapy, Orthoptics, Orthotics, Pathology, Pharmacy, Physiotherapy, Speech and Language Therapy.

Non-Clinical Support Services
Complaints, Contracts and Facilities Management, Finance, Governance, Health Informatics, Health, Work and Wellbeing, Hotel Facilities, Human Resources, Learning & Development, Legal Services, Marketing, Media Public Relations and Communications, Patient and Public Involvement and Patient Advice and Liaison Service (PALS), Pay and Staff Services, Purchasing and Supplies, Spiritual Care.

Host Services at Whiston Hospital
Mental Health: 5 Boroughs Partnership.

Host Services at St Helens Hospital
Dialysis Unit: Royal Liverpool and Broadgreen University Hospitals NHS Trust, Fresenius Medical Care Renal Services Ltd.

GP Practices: Sherdley Medical Centre, and Elder Care Home - Visiting Practice.

Visiting Consultants
Clinical Oncology, Nephrology, Neurology, Oral Surgery, Paediatrics, Vascular Surgery.

"The incredible staff are a credit to the Trust, the NHS and the country as a whole. Thanks to them my experience was positive and made me proud that we have such amazing healthcare here in Great Britain."

David McMillan, former patient on Ward 3B

The Board

Les Howell
Chairman
Appointed: June 2008

Ann Marr
Chief Executive
Appointed: January 2003

Anne-Marie Stretch
Director of Human Resources and
Deputy Chief Executive
Appointed: July 2003

Mike Lynch
Medical Director
Appointed: April 2007

Gill Core
Director of Nursing, Midwifery and Governance
Appointed: February 2009

Damien Finn
Director of Finance
Appointed: January 2010

Rod Hill
Non-Executive Director
and Vice Chairman
Re-appointed: December 2009

David Bradbury
Non-Executive Director
Re-appointed: June 2008

Roy Swainson
Non-Executive Director
Re-appointed: November 2010

Alison Close (not pictured)
Non-Executive Director
Appointed: November 2008

Bill Hobden
Non-Executive Director
Appointed: June 2009

Our Vision

The Trust aims to provide every patient with '5 Star Care'. This means delivering care that is consistently high quality, well organised, meets best practice standards and provides the best possible experience of healthcare for our patients and their families.

Delivering this standard of care depends upon embedding a culture of safety improvement that reduces harm, improves outcomes, enhances patient experience and uses patient feedback to enhance the delivery of care.

It requires the Trust to respect the privacy, dignity and individuality of every patient. The Trust must be open and inclusive with patients and provide them with information about their care in a way they understand.

Patient pathways must be designed to reduce variations in care and improve outcomes, whilst recognising the individual needs of each patient.

Finally, providing '5 Star Care' means delivering systems that are efficient, patient-centred, reliable and fit for purpose.

Each of the steps towards our vision is outlined in the Trust's corporate objectives and illustrated in the star chart below:

"Throughout my stay in hospital I was treated as an individual and with the utmost respect and dignity. This level of care together with the positive attitude of the staff really made a difference and helped to keep my spirits up throughout my recovery."

Sarah Griffiths, former patient on Ward 3E

Key Performance Overview

The Trust continues to maintain high standards of care and its performance is consistently among the top performing acute Trusts in the country.

Care Quality Commission

The quality of services and care at each Trust across the country is benchmarked against the indicators listed in the table below. A score of 0 is the 'expected' score and forms the national benchmark for each indicator. Any score above this is better than 'expected' and above the national average. The Trust was the only acute NHS organisation to perform above the national average in all of the indicators.

Auditor's Local Evaluation

For the third consecutive year, the Trust received the maximum overall score for the use of its resources in the Auditor's Local Evaluation, carried out by the Audit Commission. This confirms that the Trust has the highest standards of financial management, and delivers value for money in the services it provides.

Achieving Objectives

The corporate objectives for 2010/2011 were focused on improving patient safety, quality of care, productivity and performance in line with a national programme to improve quality whilst making efficiency savings that can be reinvested in the service.

In achieving its objectives the Trust has:

- Progressed with the patient safety agenda (as detailed in the Quality Account)
- Continued to deliver high quality services
- Improved efficiency through innovation and productivity
- Achieved its financial targets
- Continued to value and develop its staff nurturing their talents
- Successfully moved into the new Whiston Hospital

All of this has been achieved during a challenging national economic climate.

Key Performance Indictors

The table below illustrates the Trust's performance in a number of key areas:

Target	Result
18 week referral to treatment	Achieved
4 hour Accident & Emergency waiting times	Achieved
Cancer targets	Achieved
Infection targets: - CDT	Achieved
- MRSA	Not achieved
Financial targets	Achieved
Cancelled operations targets	Achieved

More detail on performance indicators is available in the Quality Account.

Activity

The Trust has managed significant increases in activity, whilst continuing to maintain high quality services. The table below highlights areas of increased activity.

GP referrals	Increased by 3.9%
Outpatient attendances (overall)	Increased by 4.1%
First appointment (outpatients)	Increased by 8.6%
Follow-up appointment (outpatients)	Increased by 2.2%
Planned procedures	Increased by 5.4%
AED attendances	Increased by 7.9%
Emergency admissions	Increased by 3.9%

Patient Environment Action Team

The Trust continues to be one of the top performers in the Patient Environment Action Team (PEAT) assessment. Both St Helens and Whiston hospitals achieved the top score of 'Excellent' in the each category for the fifth consecutive year.

Food	Excellent
Cleanliness	Excellent
Infection Control	Excellent
Patient Environment	Excellent

"The care has been excellent, the fabulous staff have really gone out of their way for me. They have made my stay very easy. The hospital is very bright and modern, which helps put me at ease and makes me feel comfortable."

Edward Sampson, patient in the Accident and Emergency Department.

Highlights of the Year

It has been an outstanding 12 months at the Trust, with the complex move into the new Whiston Hospital, the first Royal visitor to St Helens Hospital and a number of high-profile events that took place throughout the year.

April – June

Midwives deliver the first baby; Callum James Taylor and the first set of twins; Lilly-Mae and Harrison Doyle, at the world class new Whiston Hospital. Staff bid their final farewells to the old hospital as demolition begins on the Victorian buildings.

The Trust celebrates the hard work of its nursing staff for International Nurses Day. Staff hold a special event with the theme: "New Hospital – New Nursing Innovations", which showcases a wide range of new initiatives aimed at further improving the quality of care.

Both St Helens Hospital and Whiston Hospital are ranked among the top 40 hospitals in the country by CHKS, the UK's leading independent provider of healthcare intelligence and quality improvement services.

Ann Marr is awarded 'Outstanding Chief Executive' in the NHS North West Leadership Academy Awards. This award recognises Ann's exceptional leadership qualities in steering the Trust to becoming one of the country's top performers.

The Trust hosts the first public reporting of data from the Advancing Quality programme, which is launched by the Secretary of State for Health, the Rt. Hon. Andrew Lansley MP.

For the fifth year running, the Trust achieves the highest rating of 'Excellent' in every one of four categories of its Patient Environment Action Team (PEAT) assessment for both St Helens and Whiston hospitals.

His Royal Highness the Duke of York, KG officially opens St Helens Hospital. The Duke visits some of the hospital's departments and chats with patients and staff before unveiling a commemorative plaque.

July- September

The dedication and hard work of outstanding members of staff is recognised by the Trust at the 6th Annual Staff Awards Presentation Evening, which celebrates excellence in patient care.

Over 800 staff and special guests attend this event at the Liverpool Arena, which was held at no cost to the NHS.

The Trust holds a Work and Wellbeing Open Day to promote healthier lifestyles and support the wellbeing of staff. Visitors include St Helens Rugby League star Scott Moore and Saints mascot 'Boots'.

Muslim members of staff are joined by senior managers, the Mayor and Mayoress of St Helens and the Mayor of Whiston to celebrate Eid, marking the end of Ramadan.

The Trust holds its second national conference on dementia care in hospitals, featuring guest speakers renowned for their commitment to caring for people with dementia and attracting healthcare professionals from across the country.

The Trust's Annual General Meeting is held at St Helens Hospital for the very first time. This public event is attended by representatives from the local community along with staff from across the Trust.

The Trust opens a new catheter laboratory at Whiston Hospital to provide patients with angiography and other essential heart services closer to their homes.

October - December

The Burney Breast Unit launches Breast Awareness Month with a fashion show involving brave patients modelling the latest fashions.

The event celebrates the experiences of patients and highlights the positive outcomes that modern breast cancer care can achieve.

The Trust celebrates its second annual Training Awards, recognising the learning achievements of members of staff and highlighting the Trust's commitment to the Skills Pledge.

The President of the Royal College of Physicians, Sir Richard Thompson visits Whiston Hospital and is impressed by the facilities and quality of service.

The Trust holds a coffee morning for its 200 hospital volunteers in recognition of their commitment and to thank them for the support they provide to patients, visitors and staff.

The Trust's continued high standards of care are highlighted in the Care Quality Commission (CQC) assessment, where it is the only acute Trust in the country to have performed above the national average in every indicator for quality of services and care.

Excellent financial management at the Trust is recognised in the Auditor's Local Evaluation (ALE) for 2009/10 (reported in 2010/11), as the Trust receives a maximum overall score for the third year running.

The Trust is selected by the Mersey Deanery to be the lead employer for all specialty trainee doctors across Cheshire and Merseyside. Under this unique programme the Trust employs all specialty trainees based in hospitals and GP practice placements and welcomes over 2,000 new members of staff.

Sir David Nicholson, Chief Executive of the NHS visits the award-winning Lilac Centre and presents staff with the 'Macmillan Quality Environment Mark'. The Lilac Centre is the first cancer care centre within the Merseyside and Cheshire Cancer Network to achieve this new quality standard.

The Trust's Health Informatics team wins the 'Healthcare IT Award' in the Health Business Awards 2010 and 'Public Sector Project of the Year' in the UK IT Industry Awards 2010, for their work with the Electronic Document Management System (EDMS). This system has allowed the Trust to stop using paper health records in clinical practice.

Local religious leaders of a mixture of faiths from across the region join the Spiritual Care team to dedicate the Sanctuary at Whiston Hospital for the use of patients, relatives and staff of all faiths and none.

Together with Vinci FM, the Trust wins the 'Partners in Healthcare Award' from Premises and Facilities Management Magazine, for their combined achievements throughout the redevelopment of St Helens and Whiston hospitals.

Players from St Helens Rugby League Club visit poorly children being cared for at Whiston Hospital and readers of the St Helens Star kindly donate Christmas gifts to young and elderly patients who are in hospital over the festive period.

On Christmas Eve, Herbert of Liverpool, the Trust's Ambassador for Dignity in Care kindly visits and spends time with every patient on the Department of Medicine for Older People wards, giving gifts donated from his late mother's charity; 'Queenie's Christmas'.

Children from Robins Lane Community Primary School and Whiston Willis Community Primary School take part in Christmas Carol concerts at St Helens and Whiston hospitals.

January – March

The Trust achieves the highest staff flu vaccination rate of any acute trust in the North West with an amazing 85% of staff receiving their flu jab.

The Trust and Liverpool John Moores University enter into a new partnership that will help improve patient care through joint education and research, bringing together the experience and talents of both organisations.

The hidden talents of members of staff are showcased at the 'Trust's Got Talent' show in front of an audience of 700 people at the Theatre Royal, St Helens. The competition is won by Trainee Doctor, Chris Walsh.

The Trust reaches the finals of the Patient Safety Awards for its development of an electronic drug library on Volumetric Infusion Pumps. This is used to safely administer medication, blood products and fluids to patients and is highly commended by industry professionals.

Whiston Hospital

The new Whiston Hospital opened 6 months ahead of schedule and within budget. In just 6 weeks, over 120 wards and departments were successfully transferred into the new Whiston Hospital from the old Victorian buildings.

From Old to New

This complex transfer followed months of meticulous planning and hard work from staff across the Trust. To ensure a smooth transition, clinical departments that work closely together were transferred at the same time. General inpatient wards and departments moved once key areas such as; Operating Theatres, Radiology, Accident & Emergency and Critical Care were in place in the new hospital.

The carefully planned transfer of the Accident and Emergency Department was achieved over one night. This successful move involved the hard work of nurses and medical staff along with support staff across both the new and old accident and emergency departments, which worked in tandem to provide a service throughout the night. For a short period of time, a prearranged ambulance divert was put into action, in conjunction with the local ambulance service and neighbouring Trusts.

The move into the new hospital attracted widespread media interest with BBC North West Tonight broadcasting a unique two night special report showcasing the new hospital and delving into the hospital's history. Granada Reports visited the new Children's and Young People's Department to report on the new artwork, which was designed by local school children.

Demolition and Redevelopment

The next phase of the redevelopment at Whiston Hospital was to prepare the old buildings for their removal. A controlled demolition programme was undertaken which saw the former Victorian workhouse and maternity unit knocked down. Over the coming year, the area left by these buildings will be landscaped and redeveloped as car parking, gardens and a new main entrance route to the hospital.

Introducing 'Nightingale House'

The former Accident and Emergency Department and Burns & Plastic Surgery Unit are being renovated as part of the second phase of the redevelopment programme at Whiston Hospital. This new building will be called 'Nightingale House' and will open in summer 2011.

Nightingale House will contain:

- New education and training facilities, with a 200 seat lecture theatre, dedicated skills labs, mock clinical areas, simulation rooms, IT training suites, a library and additional training rooms
- A new pathology laboratory
- A new mortuary and bereavement centre
- Office accommodation for administrative departments and switchboard
- On call staff rooms
- Staffside offices

Special Events at Whiston Hospital

Local dignitaries including the Mayors of Knowsley, St Helens, Whiston, Halton and Prescot attended the open week at the new hospital along with members of staff past and present, healthcare partners and commissioners and the people who had been involved in the planning and redevelopment of the hospital.

As one of the top providers of high quality patient care, the Trust hosted the first public reporting of data from the Advancing Quality programme, which was launched at Whiston Hospital by the Secretary of State for Health, the Rt. Hon. Andrew Lansley MP. This unique and prestigious event was also attended by Mike Farrar, Chief Executive of NHS North West, together with senior NHS clinicians and executives from across the region.

Speaking at the launch Mr Lansley said: "Advancing Quality highlights how getting the quality of patient care right is the most efficient way of delivering healthcare."

The President of the Royal College of Physicians, Sir Richard Thompson KCVO DM visited Whiston Hospital and met with clinicians and junior doctors in training. In a brief tour of some of the world class facilities, Sir Richard visited the Coronary Care Unit, the new Catheter Laboratory, the Endoscopy Suite, the Medical Assessment Unit and the Stroke Unit.

He said: "The new Whiston Hospital is very impressive and staff deliver a high quality service that is making a difference to the lives of its patients."

St Helens Hospital

It has been another successful and busy year at St Helens Hospital. The hospital has hosted a number of engagement events for patients, staff and healthcare professionals and welcomed some very important visitors.

Royal Visit

The Trust received its first ever Royal visit as HRH The Duke of York KG came to officially open St Helens Hospital on 25th June 2010.

His Royal Highness was given a brief presentation on the redevelopment of St Helens Hospital. He then chatted with members of the Macmillan Cancer Care Support centre, patients and retired staff, before visiting the Lilac Centre. Here the Duke spoke at length to patients about the benefits of receiving their treatment for cancer closer to their home. He then visited the Radiology Department where the Duke was shown the state of the art MRI and CT scanning equipment. His Royal Highness then visited the Cardio-Respiratory Department to see the latest diagnostic facilities in action.

After the tour, His Royal Highness unveiled a commemorative plaque to mark the official opening of St Helens Hospital.

His Royal Highness said: "I have spoken to many patients who are clearly impressed with the high standard of care they are receiving. This is an innovative hospital, which is absolutely fantastic."

NHS Chief Executive Visit

Sir David Nicholson, Chief Executive of the NHS visited the hospital to meet with members of the Merseyside and Cheshire Cancer network and present Lilac Centre staff with their 'Macmillan Quality Environment Mark'.

The award winning Lilac Centre is the first cancer care centre across the network to receive this new standard. The Macmillan Quality Environment Mark measures the quality of service, the quality and cleanliness of facilities, the provision of healthy meals and how patients' views are included in their care. Sir David Nicholson said: "My visit to the Trust was particularly rewarding, especially seeing the hard work, dedication and commitment to quality of care in the Lilac Centre, which was echoed by the patients that I met."

Special Events at St Helens Hospital

The hospital has hosted a number of exciting events to actively engage with patients, healthcare professionals and the local community.
The world renowned Burney Breast Unit launched Breast Awareness Month (October) in style with a sensational fashion show. Courageous patients took to the catwalk, to model the latest designer ranges donated by local fashion outlets. The event promoted 'Life after Breast Cancer" by celebrating the experiences of patients and highlighting the positive outcomes that modern breast cancer care can achieve. There were also informative exhibitions on local breast cancer services and the support available to patients.

The Diabetes Centre held an informative open day, which provided local people with the opportunity to find out more about diabetes and the wide range of pioneering treatments being provided at the centre. Members of the expert Diabetes Team were available to answer questions and a short film, produced by patients at the centre was shown throughout the day. A number of these patients were also available to share their experiences of managing the condition.

The Dermatology Department had the honour of hosting a meeting of the North of England Dermatological Society. This prestigious event attracted around 120 Dermatologists from across the region and was chaired by the society's President Dr Robert Chalmers, who said "the afternoon was a fitting tribute for the centenary of the Society".

The Ophthalmology Department invited local GPs and other healthcare professionals to an open evening to promote its high quality services for patients with Age-Related Macular Degeneration (AMD). This evening was extremely well attended and the feedback provided from GPs was excellent.

Eddie Dolan, Optometrist at Specsavers in St Helens said: "This event was a great opportunity to see the journey my patients take through the Hospital AMD Service. The staff are excellent, very enthusiastic and caring. The presentations were fantastic and encouraging, and it was great to learn about the new technology and treatments available to save the sight of our patients. This is a great service!"

Our Staff

The Trust continues to invest in the health, wellbeing and development of its staff to help improve their working lives and help them lead healthier lifestyles, as this enables our staff to feel motivated at work to provide excellence in patient care.

During 2010/11 the Trust achieved the following:

Health, Work & Wellbeing

The Trust has met national targets to speed up access to occupational health services, improve the quality of information available on staff attendance and agree a target for the improvement of absence. To assist in greater work-life balance, the Trust piloted a 24 hour employee assistance programme which offers counselling and support to staff.

Voluntary health assessments have been extremely well received by staff. This has enabled the Trust to align services to staff needs and a range of health programmes have been delivered to support; weight management, smoking cessation, alcohol awareness and stress management. To further promote fitness, the Trust has re-launched the cycle to work scheme and installed secure bike storage facilities.

Engaging Staff

In line with national trends, the findings for the Trust in the annual NHS Staff Survey have shown a slight decline on the previous year's excellent results. However the Trust has retained many positive ratings such as:

- The percentage of staff that had received appraisals, personal development reviews and health and safety training was significantly higher than the national average, maintaining last year's high standard
- The percentage of staff that had received training in infection control was also above the national average and had increased since the previous year
- Staff agreed/strongly agree that they had clear planned goals and objectives
- Staff agreed that they are able deliver the standard of care they aspire to
- Staff agreed that senior managers act on staff feedback
- Staff were satisfied with the level of responsibility that they are given

Investor in People

The Trust retained its Investors in People Practice Plus status following assessment against new standards. In addition, the Trust has signed up to the 'Charter for Employers who are Positive About Mental Health' and has been awarded "Mindful Employer" status in recognition of its commitment to supporting staff.

Staff Development

The Learning and Development Team continues to offer a wide range of development opportunities to staff, focusing on supporting the Trust in meeting its objectives. The safety of our patients and staff is paramount and there has been an intense effort to ensure that all staff fulfil their mandatory training requirements. The Trust has supported and delivered a wide range of training and development options to help staff to meet their personal development plans through funding, partnership working with local educational providers or by accessing training at accredited centres. These opportunities have allowed staff to develop their clinical and leadership skills and for those without a professional qualification, it has helped them to achieve NVQs, foundation degrees, basic skills and management qualifications in line with the Skills Pledge.

Staff appraisal and personal development planning processes have been improved with training for appraisers to ensure the appraisal experience is a positive and productive one. Alongside this, revised systems for supported study have been set up to ensure that educational funding is distributed appropriately and transparently.

Simulation training

This form of training is purposely designed to provide advanced education for managing medical emergencies. Simulation training is an increasingly important aspect of multi-professional healthcare education, allowing cutting-edge techniques to be practiced in a safe environment, reducing risk and significantly improving patient care.

The Trust is proud of the work undertaken by the Post Graduate Centre Team to introduce this and further develop this opportunity within the Trust. Combined with the existing clinical skills laboratories, the opportunities provided to pre-registration nursing students, undergraduate medical students, postgraduate trainees and Trust employees have led to important benefits for patient care.

Annual Training Awards Ceremony 2010

The Learning & Development Team hosted a training awards ceremony, which recognised the important commitment made by individual staff to their development and its importance to the continued provision of a high quality patient experience. This year over 160 staff completed training courses including NVQ Levels 2 and 3, Post Qualification Framework (PQF) and Skills fort Life qualifications.

Entry to employment

The Trust provides a range of initiatives aimed at supporting access to future employment in the health service and beyond. Working in partnership with other agencies including the Skills Academy for Health, the Trust has recruited trainees to a range of roles, including clinical support workers and administrative staff through initiatives such as Cadetships and Ambition for Health. These not only offer the participants the opportunity of a route into work, but also provide access to a recognised qualification.

Training the professionals of the future

The Trust continues to work with the Universities of Liverpool, Liverpool John Moores and Edge Hill to train the next generation of healthcare professionals in many specialisms including nursing, midwifery, medicine, clinical sciences and radiography.

Executive Team Awards

Two members of the Trust's Executive Team won awards for their achievements. Ann Marr, Chief Executive won the 'Outstanding Chief Executive' award in the NHS North West Leadership Academy Awards and Anne-Marie Stretch, Deputy Chief Executive and Director of Human Resources won the NHS Constitution, Embedding Staff Pledges award at the NHS North West HRD Conference.

Flexible Workforce

The commitment, dedication and flexibility of staff at all levels, were called upon when increase in demand on services started even earlier this year. Unusually bad weather from late November and cases of flu had a huge impact on both the general public and the Trust's workforce.

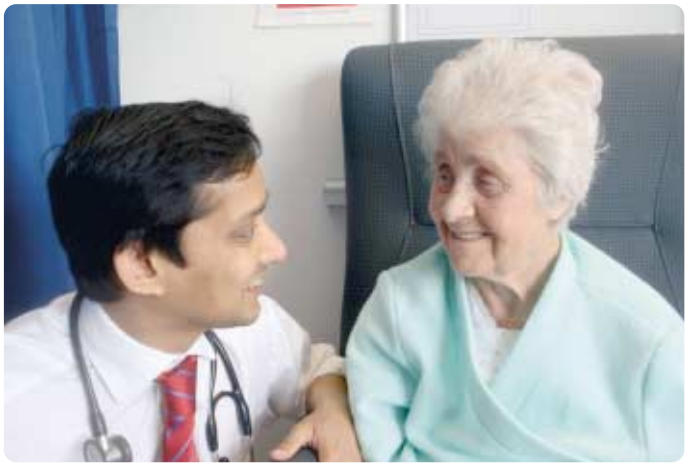
The Trust's emergency human resources plans were put into action during the winter snow storms and despite widespread transport problems due to icy roads, staff at both St Helens and Whiston hospitals managed to maintain essential, life-saving services and minimise disruption to patients.

Many staff worked additional shifts, postponed leave and moved flexibly to different roles and departments around the Trust to ensure that the usual high quality of care provided to patients was upheld, and the Trust Board is extremely grateful for their commitment and support.

Equality and Human Rights

The Trust has embraced the new Equality Act (2010) and is working with staff, patients, carers and patient representatives to ensure that it delivers services in a way that complies with the new legislation. The Trust has continued its work to improve patient experience by seeking feedback through patient satisfaction surveys.

The Trust is re-launching its Respect at Work and Zero Tolerance policies to demonstrate its ongoing support to valuing our workforce by ensuring that the Trust remains an employer of choice with a reputation of being a good place to work.



As part of the implementation of the new Equality Act 2010, the Trust includes information as to how we support employees with disabilities within the Equality & Diversity Statement.

The Trust recognises that discrimination is unacceptable and is committed to a policy of equal opportunity. The purpose of this policy is to ensure that there is no unlawful or unfair discrimination on any grounds.

The Trust recognises that everyone is different and that as an organisation we must value and respect this diversity in order to ensure that staff are encouraged to realise their full potential. Capitalising on the knowledge and skills of its staff this will enable the Trust to maximise efficiency and ensure delivery of a first class service to all patients.

The Trust recognises the importance of developing and retaining a workforce that is representative of the community that it serves in order to ensure that the diverse needs of different groups and individuals are met.

It is Trust policy to provide employment equality for all and no applicant, employee or worker will receive less favourable treatment on the grounds that they possess a "protected characteristic" as defined by the Equality Act 2010 or any other individual characteristic, for example, social class or carer status.

The protected characteristics are as follows:-

- Gender
- Race
- Disability
- Age
- Sexual orientation
- Religion or belief
- Gender reassignment
- Marriage or civil partnership
- Pregnancy and maternity

The Trust will ensure that all its policies are compliant with the Equality Act 2010 as they review over the next 12 months. The Trust opposes all forms of unlawful and unfair discrimination and recognises the right of all employees to be treated with dignity and respect in all working relationships.

Transferring into the new Whiston Hospital

The Trust embraced the principles of the NHS Staff Constitution in its approach to staff engagement, communication and close partnership working with Staff Side colleagues during the move to the new Whiston Hospital. A major programme of staffing reconfiguration was undertaken to ensure that existing staff with the right skills were allocated to the right wards, departments and specialist areas.

Recognising Staff Achievements

The Trust recognises the achievements and hard work of staff in a number of ways. The Trust has an Employee of the Month scheme, where staff members nominate their colleagues who have achieved an exceptional level of performance. Each Employee of the Month receives a certificate from the Chairman and is featured in the staff newsletter; News 'n' Views.

They are also entered for Employee of the Year in the Trust's Annual Staff Awards Presentation Evening. Currently in its 6th year, this presentation evening is the biggest NHS Trust staff awards event of its kind. It is attended by over 800 members of staff and guests and thanks to the kind donations of partner organisations and local businesses, this event is held at no cost to the NHS. The Trust also recognises those staff who have provided the Trust with continuous service for 25 and 40 years at the annual Long Service Awards Ceremony.

Lead Employer

The Trust has welcomed over 2,000 new specialty trainee doctors as part of a unique employment programme where the Trust is the single lead employer for all medical trainees. Previously these trainees were employed by 6 other local trusts. The Mersey Deanery, who are responsible for the training programmes of doctors in the region, selected the Trust as the employer for all specialty trainees across Merseyside and Cheshire. This means that all specialty trainee doctors based in hospitals across the region and GPs in practice placements are now employed by the Trust.

Governance

The Governance Team has had a busy year responding to changes in both the Care Quality Commission approach to regulation assessment and new standards produced by the NHS Litigation Authority. The work of the Governance Board and its three supporting councils has increased in order to be able to demonstrate a culture of learning lessons and collating evidence to support the way the Trust works.

Safety Initiatives

The team have been actively involved in national projects to further improve patient safety. These include:

- **The Leading Improvement in Patient Safety (LIPS) programme**, which is hosted by the Institute for Innovation and Improvement and attended by representatives from clinical staff, quality leads and members of the Executive Team.

- **Safety Express**, which is a national safety improvement programme to reduce pressure ulcers, serious harm from falls, catheter acquired urinary tract infections and venous thromboembolism (VTE), whilst driving service reliability and improvements in productivity.

Detail on the Trust's involvement with these safety initiatives is on page 14 of the Quality Account.

Emergency Planning

The Trust has updated its major incident plans following a successful full scale major incident exercise involving multiple agencies.

Among these updated plans is an overall Major Incident Policy, Command & Control Plan, an Executive Action Pack, an Operational Major Incident Plan for the Accident and Emergency Department plus other specific plans for services such as Radiology and Burns & Plastics.

Staff members have also taken an active part in other multi-agency Major Incident exercises including "Exercise Childsplay", a regional paediatric exercise, "Exercise Neptune", an exercise based on the idea of a plane crash on the Mersey and the Medical Emergency Response Incident Team (MERIT) took part in "Exercise Orion", a Europe wide multi-agency live exercise to assess the response to a major earthquake. This provided MERIT with an opportunity to train with the teams from Aintree Hospital plus all the emergency services including the new ambulance service Hazardous Area Response Teams (HART), the RAF and other rescue services.

Prior to the move into the new hospital the Trust had completed extensive planning for pandemic flu and business continuity planning. These plans came to the fore during December and January when extreme winter weather resulted in unprecedented numbers of trauma cases and a rapid increase of Flu and Norovirus cases (winter vomiting infection) significantly increased demand on services.

The dedication of staff, combined with dynamic emergency management and excellent partnership working with community services ensured that the Trust continued to provide high quality care throughout this difficult period.

Handling Complaints

The Trust's complaint handling process reflects the Parliamentary and Health Service Ombudsman's Principles for Remedy. Learning from complaints is a powerful way of helping to develop and improve services and getting it right, in turn increases trust among service users.

The Trust aims to get it right by quickly acknowledging and putting right cases of poor service and maladministration considering all relevant factors, to achieve an appropriate remedy whilst ensuring fairness for complainants. The Trust is patient focused, it deals with people sensitively and professionally, taking into account individual circumstances at all times.

The Trust apologises for poor service, whenever this occurs and provides detailed explanations for any maladministration and of the treatment given. The Trust considers fully and seriously all forms of resolution, it acknowledges our responsibilities and details changes in practice. These changes can include retraining staff, additional supervision, and amendments to policies, procedures and systems.

Throughout the complaints process the Trust is dedicated to being open and accountable when the service provided has fallen below its expected standard.

The Trust considers the most appropriate remedy and provides a clear outline of actions to be taken. The Trust works openly with complainants on how decisions are made and provides remedies that are fair, reasonable and proportionate.

Part of the remedial action taken is to continuously seek improvements by learning lessons and ensuring these lessons are put into practice to prevent recurrent failures.

From the 1st April 2011, the Trust has introduced a new electronic Risk Management system, to enable accurate recording, analysis, and reporting on the outcomes of complaints and remedies; enabling us to collate information to support and measure improvements in patient experience.

"The staff really went out of their way to provide such a high standard of care to the children. I felt really confident that my children were receiving the very best quality of care."

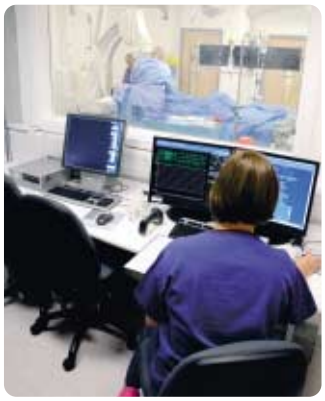
Sue Ellison mum of Kieron aged 12 and Ryan aged 5, who have both been cared for at the Trust.

Medical Care Group

Patients continue to benefit from easy and timely access to a range of excellent services and high quality care, provided throughout departments in medical care.

Cardiology

The Trust has developed new care pathways for patients suffering from heart attack and other serious heart conditions. Patients have easy access to diagnostic treatment and cardiology services within the same location at Whiston Hospital. This new pathway has helped to further improve the patient experience and efficiency of the service.



The Trust has also established a Catheter Laboratory at Whiston Hospital. This state of the art facility ensures that patients are benefiting from having access to a range of angiography and other essential cardiac services closer to home.

Children & Young People

The dedicated and highly skilled team provided excellent care to around 5,000 children, young people and their families. The purpose built new unit at Whiston Hospital has 25 inpatient beds plus a dedicated Paediatric High Dependency Unit with 2 beds and 12 short stay beds on the Children's Observation & Day Surgery Unit. Each year the expert surgical team at the Trust undertake around 700 routine operations on children aged between 1 year and 18 years old.

The quality of care delivered by the unit was highly commended following independent reviews of services for young Cystic Fibrosis patients undertaken by the Cystic Fibrosis Trust and a review of Paediatric General Surgery across the North West, led by the President of the Royal College of Paediatrics. The Trust performed above the national average in the majority of areas in the National Neonatal Audit Programme (NNAP). This outlines the excellent care being provided to vulnerable newborn babies by staff on the Special Care Baby Unit.

The Trust continues to improve access and expand its range of services to children and young people. These include establishing outreach clinics in Huyton and Halewood, in partnership with NHS Knowsley, and developing services to those with epilepsy, increasing the number of children's cardiac clinics and diabetes clinics and introducing one-stop heart murmur clinics. The Trust has also developed a new dental service in partnership with local dentist surgeries. This service is provided in a designated dental suite within the outpatient department at Whiston Hospital and provides treatment to around 60 children and young people a week, with anaesthetic support provided by the Trust.

Safeguarding Children

The Trust has been involved in 2 serious case reviews which were evaluated by OFSTED and the Care Quality Commission, along with 2 serious incident reviews through local safeguarding children's boards. OFSTED highlighted the Trust as 'Good with potential to be outstanding.'

These have led to systems reviews of incidents to learn lessons that will further enhance our robust safeguarding polices as a statutory requirement of 'Working Together to Safeguard Children. A guide to inter-agency working to safeguard and promote the welfare of children' (March 2010, Department for Children, Schools and Families).

Recommendations that the Trust has implemented include:

- Promoting closer working relationships with local colleagues to implement safeguarding measures to help protect young patients in the community.
- Devising a 'Parenting Skills Assessment Tool Kit' for midwives and neonatal and paediatric nursing staff to assess the parenting skills of suspected at risk patients.

Department of Medicine for Older People

The team held the Trust's 2nd National Conference for caring for patients with Dementia, titled: "Making Sense – Improving the quality of care of people with dementia in acute hospitals". The conference provided healthcare professionals from across the country with several perspectives and guest speakers included England's first Dementia Tsar; Professor Alistair Burns and Dr David Sheard, Director of Dementia Care Matters, along with the Trust's own experts in caring for elderly patients. A third national conference to be hosted jointly with the Royal College of Nursing is planned for the coming year.

Members of the team have also produced a video outlining the issues that are faced by patients and carers of patients who suffer with dementia. This has been recognised by the Department of Health as an excellent training and information resource. The department have provided funding for copies of the film to be produced and distributed to every acute hospital in the country.

In recognition of their excellent progress in dementia care the team won the Trust's 'Team of the Year' Award at the annual staff awards ceremony.

Dermatology

The Trust now provides an extensive Dermatology service for all patients within St Helens, Halton and Knowsley across four hospitals; St Helens, Whiston, Newton and Halton.

In addition, specialised services for children and skin cancer referrals from patients throughout these three areas are provided at St Helens Hospital. All skin cancer referrals are managed within the multi-disciplinary team at St Helens Hospital. This specialist skin cancer service works closely between Dermatology, Plastics, Oncology and Radiology and Pathology departments, to ensure that patients get the benefit of all the available expertise.

In November, the Trust had the honour of hosting the North of England Dermatological Society meeting for the first time. The meeting was chaired by the President of the North of England Dermatological Society; Dr Robert Chalmers and around 120 dermatologists from across the region attended the event. At the meeting the Trust's expert dermatologists were able to share expertise and review complex cases with a wider group of skilled professionals.

Diabetes

The Diabetes Centre won the 'People's Choice' award in the Trust's annual staff awards, after they were nominated by local people. The award-winning team continue to deliver a range of services to enable patients to successfully manage their diabetes by empowering them with the knowledge and confidence they need.

The team have supported patients from the Diabetes User Group who produced a DVD about living with diabetes. The DVD, titled 'Diabetes - A Shared Journey' featured a number of patients talking about their positive experiences of living with diabetes along with members of the team offering their expert knowledge and guidance. The DVD is available free from the Diabetes Centre at St Helens Hospital.

The Trust provides fast access to outpatient clinics in endocrinology with waiting times for GP referred patients at less than 5 weeks all year. Those requiring diagnostic investigations for endocrine conditions do so as inpatients at Whiston Hospital and these tests are provided within just 6 weeks of referral. Patient feedback illustrates high satisfaction with the excellent service being delivered by staff on the ward.

Emergency Access

The Trust has one of the busiest emergency services in the region. Accident and emergency attendances increased by 7.9% and emergency admissions increased by 3.9% since the department moved into its new state of the art environment. The department also managed unprecedented levels of demand throughout winter, whilst ensuring that patients continued to receive high quality care. The Trust has provided the department with 10 new defibrillators providing patients suffering from heart attack with increased access to lifesaving equipment.

The Acute Medical Unit provides direct access for GP referrals so patients no longer need to be admitted through Accident and Emergency.

This means that patients referred by their GP can receive treatment sooner and it helps to keep waiting times in Accident and Emergency low for other patients.

The Medical Emergency Response Incident Team (MERIT) took part in Exercise Orion; a fully integrated major emergency response training event. This multi-disciplinary team are specially trained in pre-hospital care and work alongside colleagues in the paramedic, police, fire and rescue services at the scene of a major emergency incident in the area.

Gastroenterology and Endoscopy

The Gastroenterology team have made improvements to working practices in order to improve efficiency and productivity following the move into the new Whiston Hospital. New work patterns have enabled the team to provide daily consultant ward rounds.

The new endoscopy suite at Whiston Hospital has state of the art equipment within a purpose built unit and staff are committed to ensuring patients have a comfortable environment and an excellent patient experience. Local patients have easy access to a range of diagnostic and therapeutic endoscopic procedures at both St Helens and Whiston hospitals.

The decontamination of equipment in the Endoscopy Unit is now performed in a dedicated unit on-site that meets all current Health and Safety guidelines and complies with current legislation regarding cleaning and decontamination of equipment used in invasive procedures.

Haematology

The Trust provides an acute chemotherapy service to inpatients, along with a day case service providing diagnostic and specialist haematology support for patients on Ward 2A at Whiston Hospital. Patients benefit from having easier access to these services closer to home and this dedicated unit is enabling earlier discharge, helping to reduce the length of time these patients need to stay in hospital.

The Trust has made further improvements in the safe care of patients at risk of developing blood clots, with the introduction of a new risk assessment methodology for all admitted patients to examine the potential of them developing blood clots. The assessment is made in accordance with NICE guidelines and patients who are found to be at risk of developing a clot whilst in hospital are given preventative treatment.

In addition, the anti-coagulation team continue to provide a high quality service to all inpatients and community patients who are on blood thinning medication, to ensure their treatment remains therapeutic and safe.

Outpatient Services

Following the successful implementation of a national programme to enhance productivity on the wards at the Trust, outpatient departments have implemented the initiative leading to similar improvements in efficiency. Patient waiting times across the main outpatient areas have been reduced and improved productivity has meant more patients are seen in clinics, which has helped to reduce patient waiting times even further.

Additionally the Choose and Book performance for outpatient services has been improved. Since December, the Trust has consistently achieved and even exceeded local targets for direct GP referrals.

Rheumatology

The unit has maintained its Customer Service Excellence award and it continues to extend the services and enhance the quality of care it provides to patients. The unit is meeting the 18 week referral to treatment target and waiting times for new patients continue to be under 5 weeks with urgent appointments available for those with identified inflammatory arthritis.

A dedicated early arthritis clinic for patients who are diagnosed with Rheumatoid Arthritis (RA) has been established on a monthly basis. In accordance with guidance from the National Institute for Health and Clinical Excellence (NICE), the clinic provides patients with easier access to expert care if their medication needs to be increased in order to alleviate the painful symptoms caused by RA and to stabilise their condition. Staff at the unit supported the launch of a local group of the National Rheumatoid Arthritis Society.

The unit is taking part in ongoing national research projects that will influence the way that care will be provided to rheumatology patients in the future. These include a national study looking at use of statins in patients with RA and a large national study monitoring the safety of anti tumor necrosis factor therapies. These highlight how the unit is involved with supporting research to direct best quality, evidence based practice in the future.

Respiratory

The Knowsley Community Chronic Obstructive Pulmonary Disease (COPD) Service won the prestigious North West Respiratory Best Practice Award 2011. Patients benefited from a nurse led, rapid response service providing home assessment 24 hours a day, 7 days a week. The service has helped provide greater quality of life for patients, reduce hospital admissions and re-admissions.

The diagnostic sleep clinic is providing patients suspected of having sleep apnoea syndrome with easy access to diagnostic services closer to home. Improvements made to the patient pathway to ensure that investigations take place before clinic, means patients are referred to treatment faster, making it a more efficient and convenient service.

Respiratory wards have taken part in a national innovation and productivity programme, which includes implementing expected date of discharge. The programme is helping to reduce length of stay and develop more efficient patient pathways to provide prompt assessment and treatment along with early discharge for patients.

The department continues to achieve the 2 week referral target for patients with a shadow on their lung.

Sexual Health

The team at the Sexual Health Clinic in St Helens Hospital continue to provide patients with a professional and compassionate service and all patients are seen by a clinician within 48 hours of referral.

The clinic provides both contraception services and genito-urinary medicine and the team are helping to reduce unwanted pregnancies and sexually transmitted infections in the local area.

A team of experts from the clinic attended special drop in clinics across Merseyside to promote rapid HIV testing for World Aids Day. These rapid tests, which were pioneered locally by the Trust are provided at St Helens Hospital all year round. Test results are provided to the patient in just 60 seconds, reducing the patient's anxiety, providing them with follow up care as soon as possible and helping to reduce HIV infection in the community.

The Sexual Health Clinic is also using the social networking website Facebook to raise awareness of its services among hard to reach groups.

Stroke Care

The dedicated Stroke Specialist team continue to deliver high standards of stroke care ensuring prompt assessment, diagnosis and treatment for patients suffering from a stroke or transient ischaemic attack (TIA), a mini-stroke where the blood supply to the brain is disrupted.
The Trust has invested in providing patients with a robust stroke care service with the appointment of an additional consultant and more nurse specialists in stroke care. This enhanced team will support the implementation of Whiston Hospital as a hyper acute stroke unit, providing specialist stroke services 7 days a week, 24 hours a day.

The stroke unit (Ward 1A) continues to deliver integrated acute and rehabilitation services. This provides patients with greater continuity of care through a seamless transition from acute care to rehabilitation.

Care Group Summary

The Medical Care Group continues to meet its targets as services have transferred into the new Whiston Hospital, whilst maintaining high quality patient care.

The rise in non-elective admissions has seen a huge demand placed upon services, as with other NHS Trusts within the North West region. Additionally, the impact of the influenza virus led to an increase in those patients who have required critical care intervention.

The Medical Care Group has also successfully tendered for the Sexual Health Service for the patients of Halton and St Helens and this is a great achievement.

Surgical Care Group

The care group continues to provide patients with high quality, efficient services and access to the most up to date facilities. It has extended the range of surgical procedures available in a number of specialties and increased productivity to enable more patients to receive their treatment at the Trust.

Anaesthetics and Theatres

A review of acute pain services at the Trust highlighted that the development of a robust pathway has enabled a more efficient and productive, high quality service that patients are extremely satisfied with.

The Trust has taken part in the Department of Health's 'Productive Theatres' programme to further improve the efficient running of theatres. The Trust has improved both its start times and turnaround times for theatre sessions, enabling more patients to be operated on per theatre list.

The opening of a same day admissions ward at Whiston Hospital enables patients to be admitted on the same day as their elective surgery. This has helped to further streamline theatre admissions, improve efficiency and reduce the length of stay for patients. This new pathway has made a positive impact on patient experience and has enabled the Trust to provide the service to larger numbers of patients with improved quality and productivity.

Burns & Plastic Surgery

This specialist team are actively involved in research into skin cancer, burn care and hand surgery at The University of Liverpool and Liverpool John Moores University. The department has educational and research relationships with universities across the country and team members have produced numerous publications and presentations, highlighting a commitment to achieving evidence based, best practice standards.

The Trust is the Supra Regional Centre for skin cancer management, and runs a weekly specialist skin multi-disciplinary service for Cheshire & Merseyside and also Wigan, Leigh, North Wales and the Isle of Man. Peripheral clinics are also held at local hospitals across Merseyside and North Wales. This best practice based service includes sentinel lymph node biopsy for patients with melanomas 1mm thick or more. Surgery to remove lymph nodes in both the groin and pelvis, for patients with more aggressive cancers, is also provided with a procedure called 'ileo-inguinal dissection'. In addition, the Trust is the first in the North West to provide electrochemotherapy for treating advanced skin cancers and a new nurse support outreach service for patients with skin cancer is improving the quality of care and efficiency of the service they receive.

The Plastic Surgery Trauma Team care for around 2,000 patients annually. The most common trauma they deal with is hand injuries and to further enhance the service, a Hand Multi Disciplinary Team (incorporating experts in plastic surgery and physiotherapy) meet once a month to review complicated cases.

The paediatric hand service has been enhanced with a monthly specialist hand clinic for young patients, with physiotherapy support.

There has been a significant increase in referrals, from across all areas of the North West and North Wales, for DIEP flap breast reconstruction following a mastectomy. This innovative form of surgery has been pioneered in the UK by the department's expert team of plastic surgeons.

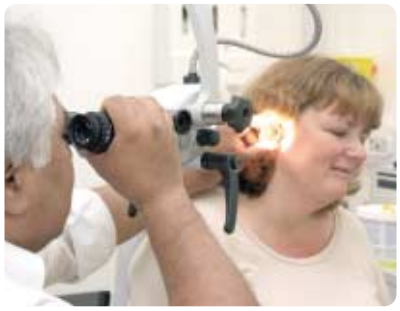
The Trust continues to meet national standards for the management of severe lower limb injuries and has seen increased activity in lower limb reconstruction. The continued provision of free flap lower limb reconstruction for severe trauma, is helping to save limbs and preventing the need for amputation. The Merseyside Orthoplastic Group has been established to improve the management of lower limb trauma in line with national standards.

Day Case Surgery

A full patient pathway review of Day Case Surgery has led to significant improvements in efficiency. Overnight admissions have been reduced and more patients are being operated on per operating theatre list.

In addition the Trust now provides a wider range of day case procedures which include laparoscopic cholecystectomies, mastectomies and septoplasties. Most day case surgical procedures are carried out on a dedicated unit at St Helens Hospital, whilst overnight surgical beds are available at Whiston Hospital.

ENT



The Ear, Nose and Throat service continues to make improvements in productivity enabling it to treat over 700 more outpatients at St Helens Hospital each year.

The department is also establishing further links with neighbouring colleagues at the Walton Neurological Centre and Aintree University Hospital, which allows patients to attend specialist clinics at St Helens Hospital and provides them with access to services closer to home.

General Surgery

The Trust has launched an enhanced recovery service for colorectal patients that is helping to reduce anxiety and length of stay, along with improving the outcomes for patients.

As part of this improved service patients visit the ward and meet the team prior to their surgery and information is provided to help them prepare. Patients are also provided with nutritional supplements to take before their procedure to help them recover better following their operation. Patients are encouraged to record a diary of their treatment and provide feedback.

This best practice based, quality initiative is one of four enhanced recovery programmes that the Trust is implementing and is supported by a multi-disciplinary team to help standardise care throughout the process.

Another new initiative called a 'Complex Patient Review' has been launched. These weekly reviews involve surgeons, matrons and ward managers meeting with the clinical director to discuss complex cases, share expertise and ensure that patients receive the best standard of care.

Obstetrics and Gynaecology

The Maternity Unit has retained Level 2 status following its assessment against a new set of CNST (Clinical Negligence Scheme for Trusts) Maternity Standards. This assessment provides assurance to the NHS Litigation Authority and will save the Trust around £300,000 in insurance premiums.

The department continues to promote initiatives aimed at smoking cessation and breastfeeding for pregnant women. Two new specialist public health midwives have been appointed providing improved access to maternity services for mothers with specialist public health needs such as weight management and smoking cessation.

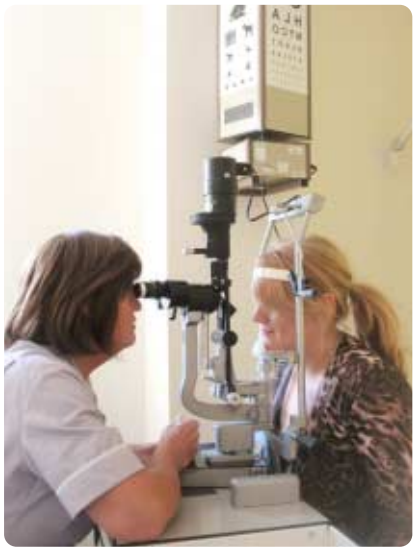
New 'Early Bird Pregnancy Sessions' have been launched at Whiston Hospital aimed at women who are 6 to 12 weeks into their pregnancy. Women are provided with advice and information on a range of important issues along with the opportunity to view the delivery suite's facilities and meet with staff.

The department has developed a new tracking system to enhance collaborative working between midwives and local safeguarding children teams, which has improved multi-agency communications and working practices.

The department has enhanced its research capabilities with the appointment of a part-time Reproductive Health Research Facilitator. This has enabled the Trust to contribute to a number of important trials and studies including the 'Birthplace in England Study', aimed at improving patient experience and the safety and quality of care across the country.

Ophthalmology

Further improvements in productivity have been made by the Ophthalmology Department, which has meant an increasing number of patients are now seen and treated within 18 weeks of referral, with the average wait for patients of just 2 weeks.



Outpatient waiting times have also been reduced and more patients are now being operated on per list. These improvements have enhanced the overall quality of the service and improved patient experience.

Oral Surgery and Orthodontics

The department has seen a significant increase in the number of patients being treated throughout the year. The team worked closely with colleagues at the Regional Maxillofacial Unit, sharing expertise across both facilities.

The Trust has introduced one of the first nurse led services in the country for fitting bite raising appliances, which realign the jaws of patients who suffer from teeth grinding which can cause severe dental problems.

This service has helped to improve access for patients, reducing waiting times and has seen an increase in the number of patients seen and treated within 18 weeks.

The department plans to be one of the first in the North West (outside major dental hospitals) to introduce a new sedation service. This further improvement will mean patients can undergo oral surgery without the need for a general anaesthetic or having to travel outside the community.

Trauma and Orthopaedic

The 'Joint School' for patients undergoing hip and knee replacement surgery that was implemented last year, has helped to significantly improve the quality of care they receive with faster access to surgery.

Under national guidelines, hospitals aim to operate on hip fracture patients within 36 hours of admission to Accident and Emergency. The team at Whiston Hospital aim to perform this surgery within 24 hours, providing the patient is medically fit and in the overwhelming majority of cases this is achieved. The team are all committed to ensuring these patients get the right care at the right time and have developed a multidisciplinary, patient focused approach, using the skills and expertise of orthopaedic surgeons, anaesthetists, theatre and ward staff.

Urology

The Trust provides a one-stop Urological service which includes vasectomy, hydrocelectomy, circumcision and minor operations, offering patients full treatment and after care within state of the art surroundings.

The department also offers a comprehensive range of alternatives to open surgery in the management of all urinary tract renal calculi (kidney stones) such as extra-corporeal shock wave lithotripsy, endoscopic lasertripsy (camera and laser treatment) and percutaneous nephrolithotripsy (needle and laser treatment).

"The staff are absolutely fabulous, they just couldn't do enough for me and have made my stay enjoyable. I'm glad I chose Whiston Hospital to have my twins and will definitely come back if I have any more children in the future"

Emma Noonan, patient on Ward 2E

Further improvements to the quality of care and outcomes for patients have been achieved with the introduction of a range of new services available closer to home. These include establishing laser and bipolar prostatectomy for prostate treatments. A full range of laparoscopic (keyhole) surgery and injection therapy into the bladder wall for the treatment of incontinence.

Care Group Summary

The Surgical Care Group has successfully transferred and established services into the new Whiston Hospital, whilst continuing to meet its targets and maintain high quality service provision for patients. This achievement is testament to the planning and teamwork of all within the care group who have worked together to ensure that excellent patient care was maintained.

As with all other NHS Trusts across the region, non-urgent elective procedures were postponed to meet unprecedented demand on services during the winter.

The group has been proactive in developing networks with local primary care trusts and GP consortia and has successfully tendered to provide Muscular Skeletal (MSK) services in collaboration with Knowsley Integrated Provider Services after developing a new pathway for patients with MSK.

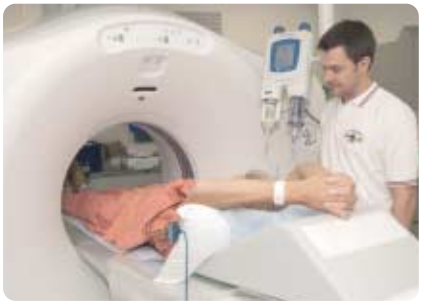
Clinical Support Services

The Trust has invested in the very latest technology to ensure that patients have access to state of the art facilities closer to their home. In Clinical Support Services patients are provided with faster access to a wide range of diagnostic tests and procedures.

Radiology

Waiting times in radiology are among the shortest in the region and the Trust has invested in the very latest imaging technology with two state of the art CT scanners, which has improved image quality and helped improve diagnostic analysis.

This investment has enabled the Trust to develop new services in cardiac CT, calcium scoring and CT coronary angiography for patients with heart problems. This new technology is also used to support patients in accident and emergency and those suffering from trauma and stroke.



In addition, the Trust has opened new facilities providing cardiac catheter and general vascular services. The new vascular service is delivered in collaboration with local healthcare partners, to provide patients with vascular imaging and selected surgical procedures closer to their home, providing a more convenient service for patients.

The Trust has invested in the very latest ultrasound equipment which provides a new level of dynamic imaging, which is ideal for patients requiring investigations for conditions relating to Muscular Skeletal (MSK), trauma, orthopaedics and chronic rheumatology.

The introduction of digital radiology for inpatient and trauma imaging has greatly improved efficiency with shorter examination times. This service is available at both St Helens and Whiston hospitals and the Trust is one of the first in Cheshire and Merseyside to introduce new 'image stitching' software. This allows digital images of a patient taken separately to be combined providing a detailed view over a larger area of the patient's body. This enables clinicians to gain a greater view of the area they need to treat.

The Trust has developed a CT colonography service as an alternative to a barium enema. This new service will help to enhance patient safety especially when examining elderly patients who are especially vulnerable to complications.

Pathology

The Trust has introduced MRSA screening for all elective patients and emergency cases in line with Department of Health guidelines.

The Pathology team's continuous development in cytology services in partnership with healthcare partners in North Cheshire has resulted in the service exceeding national targets.

Other service developments include the appointment of a skin histopathologist to support the Trust's specialist skin centre, and the department has continued to help phlebotomy services develop in the community to improve local access to phlebotomy services. Additionally a project targeted around patients attending Accident and Emergency services is achieving faster turnaround times for blood tests.

Beverley Duffy Senior Bio-Medical Scientist won Lean Champion of the Year in the National Annual Lean Healthcare Academy Awards. This award recognises the ongoing work of Beverley and her colleagues at the Trust to improve efficiency and productivity by adopting lean principles. It also acknowledges the work Beverley has undertaken in promoting lean principles and techniques to other organisations including presenting at international conferences.

The department has provided work experience placement opportunities for A-Level science students at Rainhill Sixth Form Centre. Participating students observed a variety of scientific tests being carried out in the Pathology Laboratory and learnt how these tests are used to diagnose illnesses.

Clinical Psychology

A survey of patients attending for assessments and support from Clinical Psychologists reported high levels of satisfaction. Clinical Psychologists were seen to understand the difficulties associated with living with chronic pain, HIV, cancer and stroke. All patients surveyed commented positively on the privacy and comfort of the Clinical Psychology department, finding it conducive to the discussion of personal, emotional and upsetting issues. Patients also reported that the reassuring welcome provided by staff put them at ease, especially on their first visit.

Neurophysiology

Advanced Practitioner in Neurophysiology, Sharon Edwards reached the finals of the North West Academy Leadership Awards for 'Service Improvement Through Leadership'.

Sharon was shortlisted for her pioneering work in establishing the first GP referral clinic in the country for diagnostic carpal tunnel syndrome on a Choose and Book basis.

This groundbreaking new service has fundamentally changed the way patients receive their treatment providing them with faster referral and greater access to care. This change in service has made a profound difference to patient care by providing treatment more rapidly and it has helped GPs and consultants reduce their case load by allowing them to refer carpal tunnel syndrome patients more efficiently.

Cancer Services

The Lilac Centre at St Helens Hospital, which provides day care to patients with cancer, became the first unit across the Merseyside and Cheshire Cancer Network to achieve the Macmillan Quality Environment Mark. This new quality standard examines how well a centre supports the care that people affected by cancer receive.

In addition, following a peer review of the Trust's processes in cancer services it was the first in Merseyside and Cheshire to achieve the status of 'earned autonomy'. This means the Trust can now self audit cancer services and further highlights the high standard of care being provided to patients.

The Trust has introduced clinical nurse specialist services to head and neck and pancreatic cancer patients to facilitate greater individual care, providing a better quality of care and better patient experience.

"The Lilac Centre is absolutely brilliant! The centre is always very clean and the staff are welcoming and friendly. My cancer treatment doesn't feel like a 'battle' and that is partly due to this excellent facility."

Mary Foley, a patient at the Lilac Centre

Physiological Measurement

The Trust has opened a new catheter laboratory at Whiston Hospital equipped with the very latest state of the art facilities. Patients now have access to angiography services along with implanting and follow-up for cardiac pacemakers and loop recorders within the local area. Patients no longer have to travel outside their locality for these services and they also benefit from more flexible appointment dates and shorter waiting times.

In addition, most procedures at the catheter laboratory are available as day cases, meaning patients can be home the same day as receiving their treatment.

Since opening in June, around 600 patients have had their angiograms performed at the new catheter laboratory. Feedback from patients benefiting from this new service has been extremely positive. All the patients surveyed rated the quality of service as 'excellent' or 'good' and 98% of the respondents said they would recommend the service to others.

Pharmacy

Increasing numbers of patients have access to the latest National Institute for Health and Clinical Excellence (NICE) recommended high technology drugs and severe conditions, which are resistant to older therapies, can now be treated at the Trust. These include rheumatoid arthritis, psoriasis, Crohn's Disease, ulcerative colitis and many haematological malignancies (eg. leukaemia).

The Trust's Hospital Drug and Therapeutics Committee is working closely with local healthcare partners in the Mid-Mersey Medicines Management Board (4MB), to review new and existing medicines to ensure value for money is balanced with safety and efficacy. This work is widely acknowledged as one of the most successful local Quality, Innovation, Productivity and Prevention (QIPP) initiatives to date.

The opening of the Pharmacy in the new Whiston Hospital saw the merging of stocks from the main dispensary and the old pharmacy stores. These stocks were then managed through implementing an expanded automated dispensing system. For this challenging project, the Pharmacy department worked closely with the dispensing system's manufacturer; 'RoboPharma' to develop their first automated ward stock picking system.

Service improvements are helping to minimise outpatient waiting times and the need for patients to return for completed prescriptions. More patients are provided with blister packs on discharge, making it easier to maintain complicated prescription regimens.

Pharmacy departments at both hospitals are registered with the General Pharmaceutical Council, providing additional assurance of the quality of dispensing services. The Medicines and Healthcare products Regulatory Agency awarded a 'Specials Manufacturing Licence' to the Aseptic Dispensing Unit, demonstrating how the Trust is meeting the highest national standards. The unit is now able to manufacture sterile products such as injections and infusions and supplies an increased number of ready-made injections to clinical departments and wards. More products are now being sold to other hospitals.

Infection Control

The Trust has put into process a robust programme to reduce and prevent infection at its hospitals. This includes a comprehensive range of measures to monitor and report on infection and improve the Trust's performance relating to hospital acquired infections.

Full details on reducing infection can be found on page 23 of the Quality Account.

These measures are outlined below:

Antimicrobial Management Team

An expert team of Microbiologists has been established to ensure that antibiotic medicines are prescribed appropriately. The team lead regular ward rounds focusing on high risk patients to audit the prescribing of antibiotics and provide feedback to clinicians highlighting good practice and make recommendations on where improvements can be made.

Sustaining Infection Control

The Infection Control Team are providing ongoing training for clinical staff and are auditing everyday practice in wards and departments to ensure that best practice in infection control and prevention continues to be followed.

Executive Dashboard

The Trust has invested in an IT solution to greater monitor its performance against key performance indicators in infection control. This 'Executive Dashboard' will keep a track of performance across all wards and departments and highlight any issues to Matrons, the Executive Team and the Infection Control Team.

IV Access Training

The Trust's Intravenous (IV) Access Team continue to deliver training to staff and have succeeded in halving the rate of peripheral line infection in just 2 years.

The team has helped ward staff to achieve a reduction in;

- Line related blood stream infections by 82%
- Central line local infections by 59%
- Peripheral line infections by 24%

Reducing Caesarean Section Infections

The Trust took part in a pilot study supported by the Health Protection Agency, involving 14 other hospitals and rates at the Trust for Caesarean section surgical site infection were lower than average, with only superficial infections occurring.

Informatics

The Informatics Team provide a range of Informatics and Information Communications Technology (ICT) services to over 25,000 staff across the local health economy, which includes primary care trusts, GP surgeries, community services, 5 Boroughs Partnership Mental Health Trust and Willowbrook Hospice.

This shared service provides a Community of Interest Network (COIN) for all data and voice networks using a digital phone system that allows information to be shared safely between organisations throughout the whole health economy along with free phone calls made within the network.

Over the last year the Informatics Team have developed a range of service improvements to help the Trust to increase productivity and further enhance the quality of care provided to patients.

These include:

Storage Area Network

The Trust has upgraded its data storage to provide increased capacity, faster access and better management functions. This upgrade provides an even more robust system for business continuity and recovery of data in the event of a disaster. This helps to further safeguard patient information held by the Trust.

Electronic Document Management System (EDMS)

The Trust is the first in the NHS to stop using paper health records in clinical practice, following the creation of this revolutionary new system. Fracture clinic cards and physiotherapy records have been included into this new system. Currently around 180,000 patient records have been added to the EDMS providing staff with fast access to patient records online as and when they are required.

Single Username and Password

The team have integrated security settings for the main patient data systems used by staff so that they only need to apply one username and password to sign in to each system. This helps to improve efficiency by allowing staff to securely access information with greater ease.

Barcode Readers

The Trust has introduced bar-coding reading technology to further enhance patient safety when tracking the use of blood products. Patients are all issued with individually bar-coded wrist bands and staff on the wards now have hand held bar code readers, that are used as a failsafe check when matching patients with blood products.

New Risk Management System

A new DATIX system for recording and reporting patient safety incidents has been implemented at the Trust. This new system will allow for more accurate national benchmarking of reports and further underlines the Trust's commitment to promoting a culture of reporting among members of staff.

Trust-wide Digital Dictation

The Informatics team have implemented new technology that allows clinicians to record their notes following patient consultation directly onto their computer. This is then accessed by medical secretaries to type up patient letters. This system provides greater security for confidential patient information and reduces the time and cost of producing patient notes.

Transition into the new Whiston Hospital

Throughout the transfer of wards and departments into the new Whiston Hospital from the previous building, the Informatics Team played a vital role in establishing the safe and secure transfer of IT systems and hardware. The team transferred and installed around 2,000 phones and computers, ensuring they were fully integrated with existing data systems. This enabled a seamless transfer of wards and departments so they were fully functional in their new state of the art surroundings with no disruption to patient services.

In addition, the Informatics Department implemented a new improved bleep system, a secure wireless network that can be accessed by staff and mobile devices throughout the hospital and a new switchboard system in the new hospital.

Information Governance

The Trust adheres to robust policies for data quality and security that are in line with national guidelines for safeguarding patient information and information governance. There were no serious untoward incidents involving data loss or breaches of confidentiality record at the Trust.

The Trust is committed to making the maximum amount of information readily available at minimum inconvenience and cost to the public. The Trust reserves the right to make charges for certain information, subject to a charging regime specified by Parliament. Charges may be made for actual disbursements incurred such as:

- Photocopying
- Postage and packaging
- The costs directly incurred as a result of viewing information

Charges may also be made for information provided under the Trust's publication scheme where legally authorised. If a charge is to be made, confirmation of the payment due will be given before the information is provided. Payment may be requested prior to provision of the information.

Information that is held by the Trust but is not published on its website can be requested in writing. Provision of this information will be considered in accordance with the Freedom of Information Act.

Full range of services provided by Health Informatics:

- IT Helpdesk
- IT Development
- IT Network
- Project Management
- Training
- Data Quality
- Systems Administration
- Library and Knowledge Services
- Web Services
- Data Warehouse
- Health Records
- Switchboard
- Information Governance

Improving Quality and Efficiency

The Trust has established a team of specialists in operational management to develop patient focused initiatives that will improve productivity, deliver cost efficiencies and further enhance the quality of care.

The Innovation and Productivity Team have been involved in helping to improve patient flow and the way staff work across the Trust, focusing on the following key areas:

Non-Elective and Elective Patient Journeys

For the departments that deliver non-elective and elective patient procedures the team have worked alongside staff to make improvements to current practices that are enabling them to deliver greater cost efficiencies. The team have adapted techniques used in industry, such as the 'quality management methodology six-sigma', to support departments in highlighting and assessing opportunities for improvements. Over the course of the year this has developed into a successful continuous improvement programme.

The length of time patients need to stay in hospital has been reduced, through the improvements made to the way in which departments work when caring for patients undergoing elective and non-elective procedures. The Trust performance for risk adjusted length of stay when compared against peers was already better than expected for non-elective patients; this has further improved from an average of 4.5 days to 4.2 days.

Elective length of stay has also improved from an average of 3.5 days to 3.2 days and exceeds comparative benchmarks.

Productivity improvements have led to greater use of operating theatres and outpatient sessions. This enables the Trust to maximise activity whilst minimising patient waiting times and improving patient experience.

Productivity Management and Capacity & Demand

For productivity management and also capacity and demand, the team have been researching methods used in other industries to better align demand for services with available capacity. The team are developing a programme which focuses on how to apply forecasting, scheduling and resource management to drive further

productivity improvement at the Trust.
The team have also started to incorporate mathematical modelling to support process improvements. This allows departments to quickly identify the right solutions to use and how to measure their success.

Systems Analysis and Process Engineering

The Innovation and Productivity Team collect, analyse, interpret and report on data to describe problems, evaluate opportunities, establish root causes, develop potential solutions and demonstrate cause and effect. They then recommend improvement actions and approaches to senior managers.

This process involves:

- Using advanced statistical analysis techniques
- Using operational research methods
- Focusing on defect elimination using quality approach (Six Sigma)
- Focusing on building process capability
- Working with cross-functional teams

Training and Support

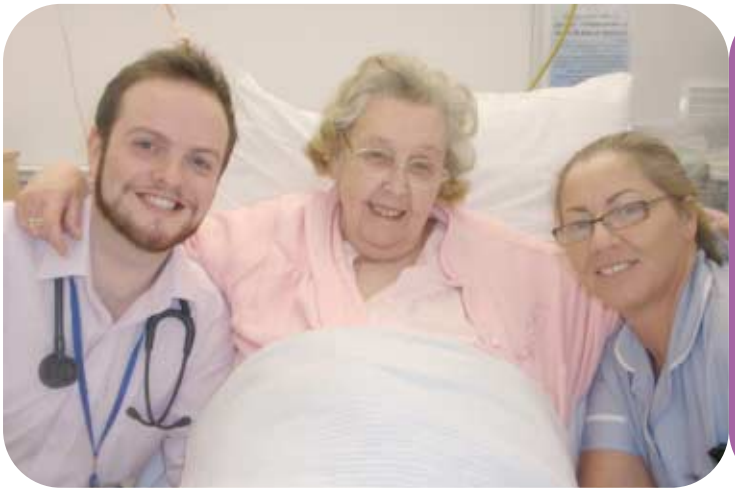
The Innovation and Productivity Team helps departments to deliver a better and more efficient service by providing training, mentoring and strategic advice. They work with improvement teams to structure projects and advise on the approach and tools to use. The team produce plans, critical paths, key milestones and key performance indicators for programmes and assist with monitoring progress.

The team also provide internal training, mentoring and development to staff in problem solving skills and lean management techniques to improve performance and productivity.

This training enables staff to design, implement and maintain programmes to deliver improvements and to train and mentor new staff. This training has been embedded in the recently launched Leadership and Management Development Initiative (LAMDI) programme.

Improving Cost Efficiency

Two high value cost improvement opportunities totalling £5.639m (55% of the total required saving Cost Improvement Productivity Plan target) were supported by the Innovation and Productivity Team, using the Managing Successful Programmes process (MSP) and Projects In Controlled Environment (PRINCE II) principles. The approach and processes have been embedded, contributing to the "Significant Assurance" rating awarded by the Mersey Internal Audit Agency for the cost improvement programme.



"The staff have all been fantastic and I'm feeling much better thanks to their care. I feel like I'm staying in a 5 star hotel."

Kathleen Murray, patient on Ward 4C

The Ideas Bank

The Trust has launched a new initiative to engage with members of staff, patients and visitors to find out their ideas for improving the service it provides.

The Ideas Bank has been a huge success in generating new ideas on how the Trust can improve patient care, increase productivity, save money and provide a more efficient service. The winning ideas included:

Rick Ingham, Staff Nurse Urodynamics

Purchasing sterile gallipots and kidney dishes at a significantly reduced cost than having them sterilised off-site. It is estimated that this will save the Trust approximately £30,000 a year.

David Dawson, Staff Nurse, Rheumatology

Buying a drug used to treat rheumatology patients in different size vials to reduce waste and save money. It has been estimated that this will save the Trust 58p per injection, which works out at over £700 a year.

Greg Barton, Specialist Clinical Pharmacist

Setting all printers to default to 'duplex', meaning they print on both sides of the page. This reduces paper and cost and has now been implemented on all multi-function printers in the Trust. For other printers, staff are asked to consider adjusting the settings to print on both sides of the paper or printing more pages per sheet of paper, to help make further cost savings.

Natalie Allen, Receptionist Main Reception Whiston Hospital

Introducing a coin operated 'locking system' for wheelchairs, similar to those used for super market trolleys. This has improved access and storage of wheelchairs to ensure they are readily available in key locations for patients to use.

Innovation

The Trust is committed to supporting innovation to ensure that patients benefit from improvements in productivity, best practice standards and the latest developments in healthcare. Departments and individuals at the Trust have been involved in a number of ground-breaking innovations that are transforming healthcare systems and providing improved outcomes and experience for patients.

Research & Development Partnership with LJMU

The Trust has further strengthened its relationship with Liverpool John Moores University by entering into a new partnership that will help improve patient care through education and research.

Plans for the new partnership include:

- Undertake joint research
- Hold joint educational events
- Share learning
- Bring together the experience and talents of our respective experts – including our patients

'The Pidikit' – Bringing More Power to Your Elbow

Prasad Pidikiti, Consultant Orthopaedic Surgeon at the Trust has designed a new surgical jig instrument and kit that could revolutionise the repair of radial head and radial neck bones, which are parts of the elbow joint.

When these bones suffer a serious and complex fracture, surgeons may need to remove them altogether and use a replacement joint. This new joint will need replacing after 5 to 8 years and the patient must have another operation, incurring further cost to the NHS.

This new surgical instrument – 'the Pidikit', allows greater control when fixing the radial head and radial neck bones, which enables surgeons to use more of the patient's bone when fixing the fracture rather than replacing the whole joint.

This new technique provides patients with better movement, strength and function in their elbow. It also means they do not have to come back for more surgery on a replacement joint years later, which could save the NHS thousands of pounds.

Innovations in Paediatric care

The Trust has developed an innovative service for young Cystic Fibrosis patients that has been highly commended by the Cystic Fibrosis Trust. This service includes a ground-breaking Child and Adolescent Mental Health Service (CAMHS) nursing team, linking nursing and psychological/emotional support for patients and their families. A review by the Cystic Fibrosis Trust stated: 'this type of support provided by the Trust should be the standard to which other services aspire.'

The review also highlighted the excellent standard of care being delivered by a professional, hard working and dedicated team.

The panel were impressed that there was appropriate medical cover at all times and regarded the new Whiston Hospital as providing excellent accommodation with state-of-the-art facilities. This enabled excellent cross-infection management, both in the outpatient and inpatient setting.

A North West review of Paediatric General Surgery led by Sir Alan Craft, President of the Royal College of Paediatrics and Child Health, highlighted measures implemented by the Children's Surgical Committee, to be good practice in providing an effective, safe service to children. These include ensuring that all staff involved in undertaking surgery on children, receive specialist training in safeguarding children, paediatric life support and paediatric pain management.

One of the recommendations following this review, was that a regional task force be established to agree children's surgical and anaesthesia standards, which are then to be audited by a peer review process. This is now one of the North West Advancing Quality Alliance (AQuA) workstreams undertaken with the North West Paediatric General Surgery network established in December 2010, which the Trust takes an active role in.

As an active member of the regional neonatal managed clinical network, the Trust has been involved in successfully establishing a 24 hour specialist service for the transfer of critically ill babies from acute hospitals across the region to specialist centres. The North West Transfer Scheme (NWTS) is the only transport service dedicated to the transfer of critically ill children outside London. This service benefits any critically ill child requiring intensive care at a regional centre and also ensures that children can be easily transferred back to the Trust for high dependency care closer to their homes.

Electronic Drug Library

The Trust has successfully implemented a new and innovative technical solution in the use of volumetric infusion pumps to safely administer medication, blood products and fluids to patients.

The Trust has customised the electronic library used on volumetric pumps to provide clinical staff with accurate information based on best practice recommendations. Introducing these system safeguards, facilitates the correct administration of medication, blood products and fluids to improve patient safety and limit the risk of errors.

The library was developed through the diligent multi-disciplinary work of the Medical Device Training Co-ordinator and staff in pharmacy. Through consultation and collaboration with nursing and clinical departments, a bespoke library was created to reflect practice at this Trust.

A number of other Trusts have been so impressed that they adopted this solution and it has been highly commended by industry professionals. This innovation also reached the finals of the Patient Safety Awards 2011.

Prosthetics

The Prosthetic Department is pioneering the use of computer aided design to tailor-make chest implants for patients with chest wall defects. These are based on anatomically accurate models to ensure that the implants fit perfectly.

The department is also involved in producing innovative training materials to provide lifelike models for NHS staff.
These include creating prosthetic tendons which

have been customised for use within in-house training delivered by consultant plastic surgeons to trainee surgeons. This innovative training method is also being used as part of a research project for a medical doctorate.

In addition the Prosthetic Team have developed scale models of newly born babies' stomachs at day one and at seven days after birth that are used to encourage mothers to breast feed. These models demonstrate the tiny size of the stomachs and help the Infant Breast Feeding Team explain to mothers that newly born babies only require a small amount of breast milk so that they don't resort to using milk formula.

Pioneering Breast Reconstruction

The Trust's experts in Plastic Surgery Breast Reconstruction continue to develop the latest surgical techniques for women who require reconstruction following surgery for breast cancer. Their ground-breaking work is ensuring that women have faster recovery times, better cosmetic results and improved manoeuvrability following their surgery.

Surgeons at the Trust pioneered the use of the DIEP flap in this country. With this procedure, tissue is taken from the patient's abdomen and used to create a new breast mound. The Trust is also the only one in the North West that offers the buttock flap reconstruction as an alternative to the DIEP flap.

The team has pioneered a new technique for breast reconstruction using tissue from the lower shoulder area but sparing the muscle, known as muscle sparing latissimus dorsi flap. This technique allows for enhanced shoulder function and faster recovery with reduced complications.

Additionally, the Trust is one of the first in the country to train breast reconstruction care nurses and has two Breast Reconstruction Nurse Specialists. These nurses provide direct one-to-one access for patients providing care and support throughout their journey. Also, as the Trust is a regional centre for breast reconstruction, these nurses liaise with Breast Care Nurses across the region along with those at the Trust's Burney Breast Unit to co-ordinate the care for patients having reconstruction following surgery for breast cancer.

"Words can not describe how glad I am that I chose to have my breast reconstruction surgery at Whiston Hospital. I could not have picked a better team, they saved my life."

Lisa Hurworth, patient (pictured alongside with her mum Suzanne Jones)

Sustainability

Both St Helens and Whiston hospitals have been designed to be highly energy efficient and will deliver far greater energy efficiency than the previous hospital buildings.

New Targets for Sustainability

In accordance with the Quality, Innovation, Productivity and Prevention (QIPP) initiative, the Trust has been targeted to make £4m of cost savings over the next 4 years by using its estate more effectively. This includes savings targets against premises, energy and the Facilities Management Services required for the hospital buildings.

Building Management System

The key component in this cost saving programme is the building management system. This innovative system regulates heating, lighting and air conditioning automatically to ensure that energy use is controlled across the hospitals. For example, temperatures in all areas are regulated and infra-red sensors inside the hospital are set to automatically turn off lights outside peak hours if the sensors detect that there is nobody in the room.

Waste Management

The Trust is taking increasing steps to segregate waste (paper, confidential, general waste) in order to reduce land fill costs, as part of ongoing initiatives to improve waste management.

The Trust is implementing a waste awareness programme to educate staff in better waste management techniques and encourage them to dispose of waste in the appropriate ways.

Reducing Old Accommodation

Departments are being encouraged to maximise the utilisation of the new hospital buildings to ensure that all available space is used. An initiative to assess room utilisation across the Trust will commence in the coming year, which should ensure that accommodation is appropriately used. At the same time some 10,000 square metres of old accommodation, which was previously planned to remain following completion of the new hospitals, has been cleared and will shortly be demolished providing savings on running costs. This includes the Eccleston Centre at St Helens Hospital and staff residencies.

'Greener' Demolition

As part of the demolition programme of the old buildings of St Helens Hospital and Whiston Hospital, as much stone and concrete as possible has been recovered to be used in the landscaping of both new hospital estates. This recycling process is quite unique and has helped to reduce the cost and impact on the environment which would have resulted from clearing materials from the sites, or procuring additional materials.

Financial Review

The Trust is extremely pleased to announce that 2010/11 has been another very successful year in terms of finance.

The Trust has been able to deliver on all its required statutory financial duties as summarised below:-

- Achieve at least a break-even position on income and expenditure
- To manage capital expenditure within a preset limit
- Achieve a capital cost absorption duty of 3.5%
- Comply with the better payments practice code
- Production of a set of annual accounting statements in the formal required.

By the end of March 2011 the Trust generated £253m of income which allowed it to post a surplus of £296k, which was broadly in line with its original plans. This performance was delivered in the first full year of the new Whiston Hospital being operational, which is an excellent achievement.

One of the key financial areas of management was the delivery of its Cost Improvement and Productivity Programme (CIPP). To ensure financial targets were met the Trust was required to reduce costs and improve its productivity to the equivalent of £10.2m. The Trust has successfully delivered this cost and productivity improvement whilst maintaining the highest standards of care, quality and safety to patients.

The Trust has had capital resources of £56.4m. This has been spent completing the final phase of the Whiston Hospital build, purchasing new medical equipment and replacing other equipment that had reached the end of its useful life. These investments were managed within the agreed cash and external borrowing limits.

Independent scrutiny of the financial performance and reporting is conducted by two main organisations. Mersey Internal Audit Agency (MIAA) provides the Trust with independent assurance that our risk management, governance and internal control processes are operating effectively. For this year once again the Trust obtained a MIAA Head of Audit opinion of "significant assurance".

Audit Performance

Our external auditors are the Audit Commission who provide an opinion on the submitted year end financial statements. They also review the Trust on its use of resources by conducting an assessment known as Auditors Local Evaluation (ALE). In 2010/11 the Trust received the highest score again for its ALE review of 4 (assessment of 2009/10 financial operations). This was the last year of the ALE assessment process but the Trust has continued to ensure that best practices are followed in the management of its resources.

The Trust and the local health economy have proactively commissioned independent external expertise to support the medium term CIPP. At the Trust 14 areas of practice were examined to a forensic level of detail with savings opportunities identified spanning a 3 year period. The report concluded that the Trust was a "strong performer amongst its peers as well as nationally, recording above average performance for many of the areas reviewed." The Trust is actively working with its local commissioner to identify and deliver savings over a wider footprint involving both primary care and other local heath care providers.

Reporting Standards

The Trust, in line with national requirements, has prepared its accounts in line with International Financial Reporting Standards (IFRS). The Trust has met all of the Strategic Health Authority and External Audit requirements. The Trust's remuneration figures and pension benefits are detailed in the appendices.

Economic Outlook and Operating Environment

The financial year 2010/11 was challenging for the Trust. It required balancing its commitment to ensuring value for money, through the delivery of the highest cost and productivity improvement in a single year and managing significant operational pressures, following a particularly cold winter in which flu affected both staff and patients.

Challenging Economic Environment

Like all parts of the economy, the NHS and the Trust are faced with an ever more challenging year ahead. Cost and productivity improvements will need to be higher than ever before and these will need to be delivered during a period of significant change for the NHS.

The Trust must continue to enhance the quality of services to patients by improving safety, effectiveness and patient experience. In achieving these improvements the Trust must also steer a course to a resilient, sustainable and strong financial future.

Impact on Stakeholders

It is proposed that two key stakeholders, Strategic Health Authorities and Primary Care Trusts (PCT), will be abolished in the near future. They are to be replaced by GP Consortia with PCT clusters managing this transition in the medium term. The Trust must maintain clear accountability lines and support its local health economy organisations in this period of change. This is a complex and mutli-organisational change that will require clear communication and management leadership from all organisations effected.

Future Foundation Trust Status

The Trust's desire to become a Foundation Trust (FT) also moved a step further with its initial application of intention being acknowledged by the regional SHA. This is the first step on a timeline that will establish the Trust as a Foundation Trust by March 2014.

The Trust fully appreciates it is one of many NHS organisations required to manage difficult financial and operational challenges into the future. The Trust has an excellent track record of exceeding required performance, has sound and robust internal systems and processes and clear understanding of the future challenges. The Trust will work closely with its partners to ensure all local health services are delivered safely, efficiently and within available resources.

Longer Term Vision

The Trust has a longer term vision to deliver 5 star care to the local community through placing patients at the centre of all that we do.

The Trust's core values are captured through;

Delivering care which is:

- High quality
- Best practice
- Evidenced based

Communicating:

- Respectfully
- Openly
- Inclusively

Developing systems which are:

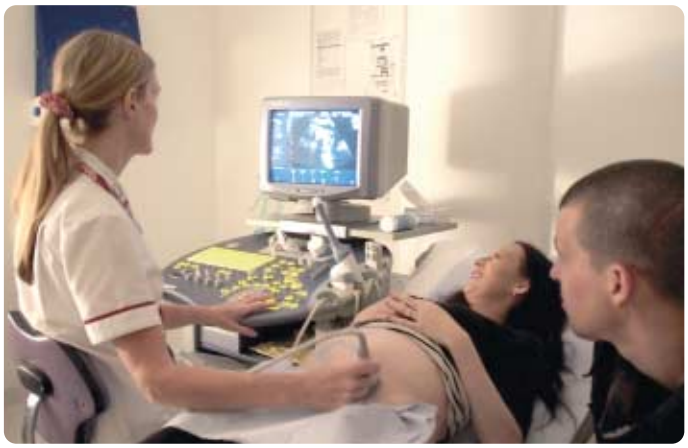
- Patient centred
- Reliable
- Efficient

Embedding pathways of care which are:

- Personalised to each patient's needs
- Planned in an efficient and effective way
- Delivered consistently

Providing care in an environment which is:

- Welcoming
- Safe
- Infection free



Complementing the development of world class facilities, the Trust has set up a joint Clinical Quality Board with PCT and Primary Care Commissioners (PBC'S) to advise and monitor the agreed Clinical Quality Strategy, with emphasis on the Clinical Quality and Innovation Performance (CQUIN). The Clinical Quality Board includes medical directors, nursing directors, quality leads and other senior clinical and managerial representation.

Whilst the Trust's strategic vision is underpinned by its values described above, shaped by its clinical leaders, it is also supplemented through engagement with local people through a range of forums. A key forum for local engagement is the Trust's Shadow Board of Governors. This is a group of elected individuals from all parts of the communities the Trust serves, who are actively engaged in a range of work streams from infection control issues to marketing issues and whose work is overseen and managed by the Chairman and the Trust Board.

The blend of ideas from these strategic groupings ensures that our future direction is aligned to what service users want and what clinicians are able to deliver within the framework of the operating models of the NHS.

The Trust's vision is detailed in its Corporate Objectives for 2011-12, overleaf.

Corporate Objectives 2011-2012

5 STAR PATIENT CARE

• Care

We will deliver care that is consistently high quality, well organised, meets best practice standards and provides the best possible experience of healthcare for our patients and their families.

- Enhance the levels of respect and dignity accorded to all of our patients.
- Deliver the national High Impact Actions from the Chief Nursing Officer, e.g. reducing inpatient falls, reducing pressure sores and reducing nursing staff sickness.
- Improve ward performance in relation to infection control, complaints, training and appraisal.

• Safety

We will embed a culture of safety improvement that reduces harm, improves outcomes, enhances patient experience and protects against hospital-acquired infection. We will learn from mistakes and near-misses and use patient feedback to enhance delivery of care.

- Improve the Trust's performance relating to hospital acquired infections.
- Implement the revised patient safety system (DATIX).
- Introduce the Medical Emergency Team (MET).
- Implement actions from National Safety Programmes such as Leading Improvement in Patient Safety Programme (LIPS) and Safety Express.
- Improve adherence to the Medical Early Warning System (MEWS) policy.

• Communication

We will respect the privacy, dignity and individuality of every patient and we will increase time nurses spend with patients by improving organisation and delivery of care. We will be open and inclusive with patients and provide them with more information about their care. We will seek the views of patients, relatives and visitors, and use this feedback to help us improve services.

- Expand the use of patient surveys and implement actions to respond to patient feedback.
- Develop a patient communication strategy that ensures patients are included in decisions that affect them.
- Improve the quality of complaints handling and response times.
- Continue to develop the Productive Ward Programme to enable nursing staff to spend more time with the patients.
- Improve the availability of patient information.
- Ensure that patients are involved and fully informed in their care.

• Pathways

As far as is practical and appropriate, we will reduce variations in care pathways to improve outcome, whilst recognising the specific, individual needs of every patient.

- Expand the range of disease specific pathways within the Emergency Department.
- Improve the pathway for emergency surgical patients.
- Increase range of procedures undertaken as day cases.
- Improve the stroke pathway so that patients spend a greater proportion of time on the stroke unit.

• Systems

We will improve Trust systems and processes, drawing upon industry best practice to deliver systems that are efficient, patient-centred, reliable and fit for their purposes.

- Develop forecasting and scheduling system to support capacity planning.
- Implement an enhanced real-time ADT system.
- Complete the implementation of integrated systems projects, e-discharge and order communications.
- Introduce direct data entry enhancements to EDMS.
- Continue with the co-ordinated approach to innovation programmes focussing on pathway efficiency and capacity utilisation.

DEVELOPING ORGANISATIONAL CULTURE AND SUPPORTING OUR WORKFORCE

- We will develop a management culture and style that empowers, builds teams and recognises and nurtures talent through learning and development. We will be open and honest with staff, provide support throughout organisational change and invest in health and well being. We will promote standards of behaviour that encourage a culture of caring, kindness and mutual respect.

- Develop a Trust wide organisational development framework that supports the Trust's corporate objectives.
- Launch and monitor a set of behavioural standards.
- Support staff and managers through periods of organisational change by being honest and open about change required.
- Embed the Health and Well Being Strategy to support improved workforce attendance.
- Implement the requirements for Medical Revalidation.
- Ensure staff receive a high quality appraisal and personal development plan.

FINANCIAL PERFORMANCE, EFFICIENCY AND PRODUCTIVITY

- We will achieve statutory and administrative financial duties within robust financial governance framework, delivering improved productivity and value for money.

- Deliver the Trust's required Cost Improvement Programmes through productivity and efficiency gains.
- Protect front line services whilst embracing a culture of reduced waste and increased throughput across the whole of the Trust.
- Review 'back office' functions to ensure opportunities for increased efficiency have been optimised.
- Collaborate with partners to ensure procurement savings are delivered through improved purchasing.
- Utilise clinical data information to inform areas for improvement through service level reporting.
- Improve the Trust's level of sickness absence which is higher than other hospitals locally and nationally.

OPERATIONAL PERFORMANCE

- We will meet and sustain national and local performance standards.

Achieve national quality improvements in:

- Waiting times
- A&E performance
- Hospital acquired infection
- Eliminating mixed sex accommodation
- End of life care
- Cancer reform and screening
- Stroke
- Safeguarding children

BUSINESS SUSTAINABILITY

- We will work closely with partners and stakeholders to develop a sustainable business strategy which enables the Trust to progress towards foundation trust status.

- Participate in joint work with the provider development functions at the DoH and the SHA to address PFI funding issues which currently are barriers to achieving FT status.
- Identify opportunities to develop services and repatriate activity.
- Further enhance relationships with emerging GP consortia to ensure the coordination of complementary services.

St Helens and Knowsley Teaching Hospitals NHS
NHS Trust

Annual Accounts

FOR THE YEAR ENDING 31 MARCH 2011

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GLOSSARY OF TERMS AND ABBREVIATIONS

PDC	Public dividend capital
Payables	Amounts owed to suppliers, etc (creditors)
Receivables	Amounts owed by customers, etc (debtors)
PDC dividend	Public dividend capital dividend payable by the Trust to the Department of Health, based on 3.5% of the Trust's net relevant assets.
Statement of Financial Position (SOFP)	Formerly known under UK GAAP as the Balance Sheet
PFI	Private Finance Initiative
UK GAAP	Generally Accepted Accounting Practice in the United Kingdom
IFRS	International Financial Reporting Standards
IFRIC	International Financial Reporting Interpretations Committee
IAS	International Accounting Standard
MEA	Modern equivalent asset basis, a basis on which to value land and property assets
PPE	Property, plant and equipment
R&D	Research and development
Non-current assets/liabilties	Assets or liabilities due to be received/paid over after one year from the SOFP date. In terms of property, plant, equipment and intangible assets this would indicate assets from which would ensue a financial benefit beyond one year.
Current assets/liabilities	Assets or liabilities due to be received/paid over within one year of the SOFP date.
Statement of Changes in Taxpayers' Equity (SOCITE)	Formerly known under UK GAAP as Movements on Reserves.
Statement of Comprehensive Income (SOCI)	A combination of the Income and Expenditure Account and Statement of Total Recognised Gains and Losses shown under UK GAAP.

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 are set out in the Accountable Officers' Memorandum issued by the Department of Health. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money is achieved from the resources available to the Trust;
- the expenditure and income of the Trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State with the approval of the Treasury to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, recognised gains and losses and cash flows for the year.

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.

A Marr, Chief Executive Officer
1st June 2011

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure, recognised gains and losses and cashflows for the year. In preparing those accounts, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

By order of the Board

A Marr, Chief Executive Officer
1st June 2011

D Finn, Director of Finance , Information and Commercial Services
1st June 2011

ST HELENS AND KNOWSLEY TEACHING HOSPITALS NHS TRUST

STATEMENT ON INTERNAL CONTROL FOR THE YEAR ENDED 31 MARCH 2011

1. Scope of Responsibility

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

The Trust recognises the importance of working constructively with NHS North West, local residents and partner organisations within the local health economy, not only to develop services which meet the health and social needs of the population, but also to manage the risks associated with achievement of our strategic objectives.

Additionally, and critical to the Trust's success, is the relationship with New Hospitals, the special purpose vehicle established to deliver the Private Finance Initiative (PFI) development. To support these relationships and delivery of strategic objectives the Trust and its partners have a range of meetings and performance frameworks established. Amongst these are:

- Quarterly Chief Executive and Director of Finance meetings giving consideration to strategic issues and the risk management of these economy wide issues
- Strategic workshops with key primary care trust partners
- Fortnightly health economy Director of Finance meetings to ensure in-year and future year issues are identified early and managed on an economy wide basis.
- Quarterly Executive Team to Executive Team meetings between the Trust and PCT counterparts.
- An annual Board to Board meeting between the Trust and its main Commissioning PCT.
- Chief Executive and Executive Director 'one to ones' with NHS North West and PCT counterparts.
- Fortnightly liaison meetings between the Trust and key members of New Hospitals project team.

In addition, the Trust continues to embed its performance management systems to ensure delivery of objectives with an increasing emphasis on risk management. These arrangements have been specifically supplemented by the appointment of risk management staff within the clinical care groups of the organisation.

The Trust's principal partner organisations are NHS Halton and St Helens and NHS Knowsley and a series of arrangements are in place relating both to their role as commissioner and co-provider of services. In the current year both PCT's have developed their Commissioning Strategic Plans and all organisations have been engaged in discussions on the current and future implications of these proposals, specifically a series of strategic workshops have been held to explore these proposals further. Contractual commitments between provider and commissioner are regulated via an annual service level agreement. Joint performance review mechanisms are in place, focusing key quality and contract deliverables and NHS Plan target delivery. Central to the organisation's strategic management of risk identification and control is the business planning process which identifies risks and opportunities from a business perspective and how these issues will be managed. In addition, performance monitoring and management of the Trust's strategic objectives including national and local priorities, is regularly reviewed by the Trust Board and supported through sub-committees.

Furthermore, the Trust's Corporate Objectives continue to be reflected in Executive Directors' personal objectives agreed on an annual basis and cascaded through the organisation within individual objectives, appraisals and personal development plans.

Supporting the overall governance and internal control system, the following processes have been applied during the year:

- Independent audits undertaken by Mersey Internal Audit Agency of governance functions such as Board Assurance Framework, policy implementation and process implemented to ensure compliance with the CQC registration standards.

- Awareness raising for staff across a range of corporate risk/control issues e.g. fraud awareness, accreditation systems and outcome evidence.

- A specific Risk Register for the Trust's PFI development which informs the Trust's overall risk position and which is reviewed every month by both Executives and the Trust Board.

- Risk Management specific actions
  - Assurance Framework action plans progress reports
  - Clinical Governance Updates
  - Provision of minutes from all governance committees including Governance Board and Audit Committee.

- Review of Corporate Governance Manual

Through these established systems, enhancement to these systems and focused reviews of specific areas the Trust supports the delivery of its corporate objectives within an internal control framework cognisant of risks faced.

2. The purpose of the system of internal control

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

- Identify and prioritise the risks to the achievement of the organisation's policies, aims and objectives.

- Evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place at St Helens and Knowsley Teaching Hospitals NHS Trust for the year ended 31st March 2011 and up to the date of the approval of the annual report and accounts.

3. Capacity to handle risk

The Trust already has a comprehensive governance framework, which brings together all aspects of corporate governance. This is performance managed on behalf of the Trust Board by the Trust Governance Board.

Supporting the work of the Trust Governance Board, which is chaired by the Trust's Chief Executive and attended by the Trust Chair and has PCT representation, are three Governance Councils. Each council is chaired by an Executive Director and has Non-Executive Director representation. Senior leadership of each council ensures that issues raised are managed effectively to embed the governance culture.

There are three governance councils reporting to the Trust Governance Board, covering Clinical Performance, Patient Safety and Experience and Human Resources, all other Trust committees report through the governance councils. The structure was reviewed and revised during 2009-10 and these changes have been embedded this year. Each council is now undertaking annual review of performance against the council terms of reference which will be reported through the governance board and the Trust audit committee. The Trust Policy for Control of Documents has recently been revised and a review of all Trust policies has been undertaken to ensure that policy management is effective and supports the governance infrastructure.

Overall responsibility for ensuring compliance with the CQC outcome standards lies with the Governance Board as a Trust Board sub group. Each of the three councils has a role in developing the evidence needed to assure compliance against a range of relevant standards. Governance leads have been undertaking evidence reviews against each of the

CQC outcomes which will result in a completed Provider Compliance Assessment for each outcome. The Trust receives regular updates to the CQC Quality Risk Profile provided to the Trust, each of the outcome standard indicators are risk assessed and graded based on information drawn from a number of sources. Any risk rated red, which signals a performance worse than expected, is subject to remedial action planning and further evaluation.

The Clinical Performance Council is responsible for ensuring high standards of clinical care are achieved and maintained by monitoring Trust clinical outcomes and benchmarking with local, regional and national standards. It is also responsible for ensuring the effective implementation of national quality standards e.g. National Institute for Health and Clinical Excellence (NIHCE), National Service Frameworks (NSF) and National Confidential Enquiries. The Council is also responsible for ensuring that the Trust has a comprehensive and effective clinical audit and research programme, which results in improved clinical service provision.

The Patient Safety and Experience Council ensures service compliance with national patient safety mandates, improve analysis and understanding of Trust adverse incidents and enable appropriate remedial action planning to improve performance. The Council will ensure that improved patient experience is achieved through monitoring of performance against a range of indicators from national surveys to local departmental initiatives.

The Human Resources Council is responsible for ensuring the effective achievement of best practice human resources standards and all aspects of learning and development, including staff training, staff survey, work and wellbeing initiatives. Risk management training is provided to all staff levels and functions. Additionally clinical staff receive specialist training in risk assessment and equipment usage. Best practice guidance is disseminated through the governance councils and sub groups.

The Trust has purchased a new risk management system and the preimplementation work has been completed. The new system will enable web based data entry and reporting at departmental level and provides improved data analysis and application. The system will go live with complaints, claims and incidents on April 1st and planned roll out to all wards and departments, enabling live data capture, will be completed within the next year. This will provide improved information at the point of care to inform risk assessment and improve risk management.

The Trust's monthly operational performance framework meetings specifically accommodate an update and review of governance issues to ensure the link between strategic goals, operational delivery and governance is maintained and enhanced. Enhancements to embedding risk management within clinical care groups have been made through the appointment of additional risk management staff within these areas.

Within the overall process, the Audit Committee has overarching responsibility, as delegated by the Trust Board, for ensuring that the governance system is operating effectively. In supporting the Audit Committee in reaching its opinion, standing agenda items for the Audit Committee include receipt of the Governance Board's Minutes, Governance Action Plan and review of the Trust's Assurance Framework, in addition to the Head of Internal Audit Opinion.

As the governance system becomes increasingly sophisticated, management of issues and risks is focused on delivery at the lowest appropriate level. This approach, to embed the governance system within all aspects of the Trust's care delivery, is supported through awareness raising, training and education at all levels with regards to identification and management of risk within the established frameworks. Generic awareness raising being through monthly Team Briefs, management briefings, training updates and regular induction programmes for new starters at which specific governance issues are highlighted and staff lunches.

Each of the Trust's three care groups has a Head of Quality, a senior managerial position, appointed during 2009, responsible for embedding and assuring governance systems and processes at patient care level.

4. The risk and control framework

The Trust recognises that it has a clear responsibility for delivering high quality patient care to the community and for creating a safe environment for patients, staff providing those services and visitors and third parties using the Trust's facilities. A robust Risk Management Strategy, supported by risk management systems and processes is in place, which ensures that risks to patients, visitors, staff and others are minimised as practically possible, with robust risk management policies and procedures to underpin this strategy.

The risk management systems and processes ensure staff are aware of their roles and responsibilities with regard to controlling risks and implementing improvement action. The Risk Management Strategy has been formulated and approved by the Trust Board and has been fully disseminated throughout the organisation and its existence communicated to key stakeholders including the Trust's PFI partner, NewHospitals.

Risks within the organisation are identified through various routes and at various levels across the organisation. All risks are identified and managed within the Trust's Integrated Risk Registers and Board Assurance Framework. The Board Assurance Framework document is regularly reviewed through several forums including Trust Executives, Audit Committee and the Trust Board. The Assurance Framework contains the major risks and controls in place. Changes and developments are noted following Board discussion. The Assurance Framework reflects each of the corporate objectives and includes both internal and external assurance.

Specific areas through which risks are identified include:

- The Trust's incident reporting system
- The Trust's Project Implementation Group specifically identifying and managing risks associated with the PFI development
- The Clinical Directors forum where all Clinical Directors meet to discuss and resolve relevant issues
- The use of a risk based approach in setting the Internal Audit, Local Counter Fraud and External Audit annual and strategic work programmes.

Once risks have been identified the Trust applies a structured "five by five" approach to grade potential risks by both impact and possibility, the higher the grading (up to a maximum of 25) the higher the risk is rated. Risks are then adjusted to reflect the processes in place to manage and monitor the risk. This review process then leaves a residual risk value which determines whether the risk is then within acceptable bounds or if there are other control mechanisms which are required or possible to further reduce risk.
The purpose of the approach is to ensure that all risks are identified and managed at the lowest and most appropriate possible level and that significant risks are consolidated into a structured framework to focus management priorities into those areas where greatest risk is identified, whilst maintaining a balanced view of the overall risk position.

In order to further develop the assurance framework and ensure that it is embedded within the organisation the following actions have been incorporated into the organisation's delivery:

- Continue with plans to embed the Assurance Framework/Risk Register Process at care group and corporate departmental level, specifically providing additional resource to deliver this
- Review the 'Assurances' to ensure achievement through the current committee structures.
- Enhance emergency planning activities, including participation in both internal and external emergency planning activities, to ensure that associated risks are identified and managed within Civil Contingencies legislation.

Arrangements are in place for the reporting of Serious Untoward Incidents to Halton St Helens PCT and others as appropriate through the Trust's Incident Reporting policy. The Trust links to the National Reporting and Learning System (NRLS) of the NPSA.

All three local LINKs and other patient bodies are represented on the Governance Councils and are actively engaged in monitoring and evaluation processes eg hand hygiene observation and PEAT assessments.

In addition the Trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with. An annual report is produced and the Trust Board receive quarterly reports on hospital estate performance including environmental sustainability and achievement of carbon reduction. The management of environmental issues is jointly managed with the Trusts PFI partners. A joint strategy is in place that encompasses social, energy, waste, water, procurement, ecology, and travel. An Energy Committee is established

which meets regularly to ensure compliance with national and local targets. The Trust has built a new hospital that is designed to achieve the maximum standards of energy efficiency, has demonstrated improvements during the year and is well placed to continue its obligations to reducing carbon emissions and improving the environment in the future.

The key ongoing risks faced by the Trust are related to the challenging financial environment. The combined impact of local commissioning intentions, national efficiency targets and cost pressures require the implementation of rigorous cost reduction programmes. The Trust also has the additional challenge of meeting the costs of the new PFI estate. In managing these risks the Trust is a member of a cluster of NHS organisations operating across the health economy all working to achieve level two and level three QIPP savings. Progress is monitored externally by the SHA and internally by the Finance Committee. During 2010/11 the Trust signed a tripartite formal agreement setting out its commitment to the achievement of Foundation Trust status before April 2014. The Trust is also engaged with the Department of Health looking at long term solutions for resolving the extra costs associated with PFI.

In recognition of these ongoing risks the Trust, in partnership with its main Commissioner, engaged with independent external consultants to undertake a diagnostic and financial review of the Trust. This has provided additional assurance that the Trust is delivering value for money and has good systems in place to deliver national efficiency requirements going forward.

The Trust is fully compliant with CQC essential standards of quality and safety and is registered without conditions.

Data Management

The principles of Information Governance require that all reasonable care is taken to protect patient information in NHS organisations. This is not only governed by the law, but also NHS Codes of Practice, Department of Health Guidance and Professional Codes of Conduct.

St Helens & Knowsley Teaching Hospitals Trust is continuously working to ensure compliance with NHS standards and in particular the protection and safe transfer of patient identifiable information.

The Trust has an Information Governance Steering Group which leads on the Information Governance agenda and is chaired by the Caldicott Guardian. The Group ensures that employees are aware of their responsibilities for all aspects of information. The Group has reviewed its membership and appointed a senior clinical representative to act as IT Clinical Risk Lead. All members have achieved Connecting for Health certification.

The Trust has been working with the Department of Health requirements to safeguard patient information held in its electronic systems and on portable devices. The Trust ensures data encryption software is mandatory for all portable devices, implemented e-mail encryption is available for all users and following thorough clinical engagement in 2010/11, the Trust will secure all computer and laptop USB ports to prevent the use of 'unencrypted' USB drives to further mitigate the risk of serious data breaches.

To supplement the Trust's commitment to the Information Governance Agenda a Senior Information Risk Owner who sits on the Executive Board continues to act as an advocate for information risk on behalf of the organisation.

The Trust ensures that the key principles of Information Governance are upheld by setting clear policies and guidelines for all NHS employees in relation to the requirements listed below:-

- Information Governance Management
- Data Protection and Confidentiality
- Information Security
- Clinical Information
- Secondary Uses
- Corporate Information

All NHS organisations are required to achieve level two compliance for each Toolkit requirement. In order to gain assurance the Trust undertakes an annual external assessment of compliance with Information Governance standards and its NHS Information Governance Toolkit submission, the latter audit being a mandatory requirement. Where standards were not being met action plans have been prepared and will be monitored to ensure improvement and compliance.

The Trust continues to implement new technological systems such as the Electronic Document Management System to improve the services it provides but also ensures that the Trust safeguards the confidentiality of patient information

The Trust ensures all incidents and risks are identified by security and data audits and reported to the IT helpdesk and the Governance Team. A risk assessment is performed on every incident. These are managed and resolved internally by the Information Governance Manager and IT security engineer. In addition, the creation and management of a specific IM&T risk register has been developed and incorporated into the assurance framework. This ensures appropriate visibility and regular review of IM&T risks within the IM&T management team and the Information Governance Steering group. During 2010/11 no information security incidents were reported.

All projects have a Privacy Impact Assessment (PIA) undertaken at the outset to maximise the security of the data included in these projects. The assessment highlights any particular areas in which the IG team may need to work with the project manager to ensure that data is managed in line with Trust and DOH Policy.

There is an action plan in place to ensure that information flow mapping occurs across the Trust in order that the key data transfers can be appropriately secured.

Compliance with NHS Pension Scheme regulations

The Trust can state that it complies with NHS Pension Scheme regulations and that "as an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the regulations."

Equality, Diversity and Human Rights

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

Specifically the Single Equality Scheme (2007 – 10) has been published and is updated on a yearly basis demonstrating key achievements and is regularly reviewed at the Equality and Human Rights Steering Group. This covers service provision and employment actions with responsible leads, timescales and completed actions. A quarterly update is provided to the HR Council which forms part of the Trust Governance structure and demonstrates progression and assurance for Standards for Better Health and NHSLA.

Equality Impact Assessments have been integrated as part of the ratification process for policies, procedures and service developments and are published on the Trusts website and regular training is provided to managers.

Equality and Diversity training is provided to all levels of staff on a regular basis and is included as an annual update for all executive and non executive board members.

5. Review of Effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My view is formed in a number of ways. The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the assurance framework and on the controls reviewed as part of internal audits work. Opinion for 2010/11 has stated that there is an overall significant level of assurance on Trust systems of risk management, control and governance, that they are being applied consistently and are designed to support the achievement of Trust objectives.

Executive Directors and managers within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance.

The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed.

My review has also been informed by:

- The Trust continuing to hold CQC Registration without Conditions.
- The Audit Local Evaluation (ALE) assessment for 2009/10 (reported in 2010/11) of the Trust's financial positioning by the Audit Commission
- Independent external financial review and diagnostic.
- Consistent delivery against all key access targets as reported through the Trust's performance framework and reviewed by the Trust Board.
- Delivery against internal key performance indicators aligned to the Trust's corporate objectives to achieve a higher level of performance than that nationally prescribed as the minimum required standard.
- Delivery of financial duties.
- Internal Audit concluded that the systems and processes in place regarding the Assurance Framework are designed and operated to meet the requirements of the SIC. They have also provided significant assurance regarding the systems and processes underpinning the CQC care outcome standards.
- The ongoing maintenance of the Trust's Risk Register to capture, report upon and monitor improvement against all key risk issues raised.
- Benchmarking results as provided in staff and patient surveys.
- The Trust Board being actively engaged in the governance and assurance process in identifying, quantifying, monitoring and preparing risk mitigation strategies to ensure identified risks are managed appropriately.
- Annual self-assessment using the NHS Information Governance Toolkit. The Toolkit provides assurances of the Trust's systems of information governance in protecting patient information through the principles of confidentiality, integrity and availability of patient information.

Assurances received through the governance structure

The Trust Board oversees the work of the Audit Committee and the supporting governance infrastructure (as described in section three) ensuring that governance is effective. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Audit Committee, the Governance Board and the Councils reporting to the Governance Board. Plans to ensure continuous improvement of systems are in place. Progress is continually monitored by the Trust Board.

Key senior managers are continually working on the collation of evidence to demonstrate the Trusts compliance with the new CQC standards. This will be reflected in a revision of the board assurance framework to reflect registration compliance which in turn will ensure continuous improvement of the internal control system that is in place.

The Board of Directors is committed to a plan to address weakness and ensure continuous improvement of the system in place.

My review confirms that St Helens and Knowsley Teaching Hospitals NHS Trust has a generally sound system of internal control that supports the achievement of its policies, aims and objectives.

1st June 2011

A Marr, Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF ST HELENS AND KNOWSLEY TEACHING HOSPITALS NHS TRUST

I have audited the financial statements of St Helens and Knowsley Teaching Hospitals NHS Trust for the year ended 31 March 2011 under the Audit Commission Act 1998. The financial statements comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and the related notes. These financial statements have been prepared under the accounting policies set out in the Statement of Accounting Policies. I have also audited the information in the Remuneration Report that is described as having been audited.

This report is made solely to the Board of Directors of St Helens and Knowsley Teaching Hospitals NHS Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 45 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010.

Respective responsibilities of Directors and auditor

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit the accounting statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Auditing Practice's Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trust; and the overall presentation of the financial statements. I read all the information in the annual report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on financial statements

In my opinion the financial statements:

- give a true and fair view of the state of St Helens and Knowsley Teaching Hospitals NHS Trust's affairs as at 31 March 2011 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the Statement on Internal Control on which I report to you if, in my opinion the Statement on Internal Control does not reflect compliance with the Department of Health's requirements.

Conclusion on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Trust's responsibilities

The Trust is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities

I am required under Section 5 of the Audit Commission Act 1998 to satisfy myself that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires me to report to you my conclusion relating to proper arrangements, having regard to relevant criteria specified by the Audit Commission.

I report if significant matters have come to my attention which prevent me from concluding that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. I am not required to consider, nor have I considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Basis of conclusion

I have undertaken my audit in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria, published by the Audit Commission in October 2010, as to whether the Trust has proper arrangements for:

- securing financial resilience; and
- challenging how it secures economy, efficiency and effectiveness.

The Audit Commission has determined these two criteria as those necessary for me to consider under the Code of Audit Practice in satisfying myself whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2011.

I planned my work in accordance with the Code of Audit Practice. Based on my risk assessment, I undertook such work as I considered necessary to form a view on whether, in all significant respects, the Trust had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Conclusion

On the basis of my work, having regard to the guidance on the specified criteria published by the Audit Commission in October 2010, I am satisfied that, in all significant respects, St Helens and Knowsley Teaching Hospitals NHS Trust put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2011.

Julian Farmer
Officer of the Audit Commission

2nd Floor Aspinall House
Aspinall Close
Middlebrook
Bolton BL6 6QQ

8 June 2011

FOREWORD TO THE ACCOUNTS

ST HELENS AND KNOWSLEY TEACHING HOSPITALS NHS TRUST

These accounts for the year ended 31 March 2011 have been prepared by the St Helens and Knowsley Teaching Hospitals 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.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 March 2011

	NOTE	2010-11 £000	2009-10 *As restated £000
Revenue			
Revenue from patient care activities	4	204,389	198,582
Other operating revenue	5	48,555	37,829
Operating expenses	7	(267,396)	(272,692)
Operating surplus/(deficit)		**(14,452)**	**(36,281)**
Finance costs:			
Investment revenue	12	44	49
Other gains and losses	13	0	0
Change in discount rate for pensions	33	152	0
Finance costs	14	(8,831)	(10,139)
Surplus/(deficit) for the financial year		**(23,087)**	**(46,371)**
Public dividend capital dividends payable		(2,526)	(3,385)
Retained surplus/(deficit) for the year		**(25,613)**	**(49,756)**
Other comprehensive income			
Impairments and reversals		(3,294)	0
Gains on revaluations		10,457	0
Receipt of donated/government granted assets		334	132
Net gain/(loss) on other reserves (e.g. defined benefit pension scheme)		0	0
Net gains/(losses) on available for sale financial assets		0	0
Reclassification adjustments:			
- Transfers from donated and government grant reserves		(330)	(140)
- On disposal of available for sale financial assets		0	0
Total comprehensive income for the year		**(18,446)**	**(49,764)**

The notes on pages 1 to 40 form part of these accounts.

** The figure for operating expenses for 2009/10, previously stated as £267,589,000, has been restated to £272,692,000 due to a change in national NHS accounting policy for economic impairments (see note 7). This has also affected the Statement of Taxpayers' Equity for 2009/10 (see page 3). The adjusted retained surplus as shown below is unaffected by these changes.*

Reported NHS financial performance position - Adjusted retained surplus/(deficit)

	2010-11 £000	2009-10 £000
Retained surplus/(deficit) for the year	**(25,613)**	**(49,756)**
IFRIC 12 adjustment	3,970	7,723
Impairments	21,939	42,258
Reported NHS financial performance position - adjusted retained surplus/(deficit)	**296**	**225**

A Trust's Reported NHS financial performance position is derived from its Retained surplus/(Deficit), but adjusted for the following:-
a) Impairments to Fixed Assets 2009/10 was the final year for organisations to revalue their assets to a Modern Equivalent Asset (MEA) basis of valuation. An impairment charge is not considered part of the organisation's operating position.
b) The revenue cost of bringing PFI assets onto the balance sheet (due to the introduction of International Financial Reporting Standards (IFRS) accounting in 2009/10) - NHS Trusts' financial performance measurement needs to be aligned with the guidance issued by HM Treasury measuring Departmental expenditure. Therefore, the incremental revenue expenditure resulting from the application of IFRS to PFI, which has no cash impact and is not chargeable for overall budgeting purposes, should be reported as technical. This additional cost is not considered part of the organisation's operating position.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2011

	NOTE	31 March 2011 £000	31 March 2010 £000
Non-current assets			
Property, plant and equipment	15	344,450	314,895
Intangible assets	16	954	882
Other financial assets	21	0	0
Trade and other receivables	20	1,636	1,681
Total non-current assets		**347,040**	**317,458**
Current assets			
Inventories	19	2,650	2,603
Trade and other receivables	20	9,599	9,087
Other financial assets	21	0	0
Other current assets	22	283	288
Cash and cash equivalents	23	3,951	2,670
		16,483	**14,648**
Non-current assets held for sale	24	0	0
Total current assets		**16,483**	**14,648**
Total assets		**363,523**	**332,106**
Current liabilities			
Trade and other payables	25	(21,764)	(18,385)
Other liabilities	27	0	0
Borrowings	26	(4,587)	(382)
Other financial liabilities	32	0	0
Provisions	33	(919)	(865)
Net current assets/(liabilities)		**(10,787)**	**(4,984)**
Total assets less current liabilities		**336,253**	**312,474**
Non-current liabilities			
Borrowings	26	(267,059)	(224,731)
Trade and other payables	25	0	0
Other financial liabilities	32	0	0
Provisions	33	(2,418)	(2,521)
Other liabilities	27	0	0
Total assets employed		**66,776**	**85,222**
Financed by taxpayers' equity:			
Public dividend capital		62,721	62,721
Retained earnings		(22,439)	(3,906)
Revaluation reserve		25,736	25,464
Donated asset reserve		599	728
Government grant reserve		159	215
Other reserves		0	0
Total taxpayers' equity		**66,776**	**85,222**

The financial statements on pages 1 to 5 were approved by the Board on 1st June 2011 and signed on its behalf by:

A Marr, Chief Executive Officer

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2010

	Public dividend capital (PDC)	Retained earnings	Revaluation reserve	Donated asset reserve	Gov't grant reserve	Other reserves	Total
	£000	£000	£000	£000	£000	£000	£000
Balance at 31 March 2009							
As previously stated	51,521	37,655	33,659	810	141	0	123,786
Prior period adjustment							0
Restated balance	**51,521**	**37,655**	**33,659**	**810**	**141**	**0**	**123,786**
Changes in taxpayers' equity for 2009-10							
Total comprehensive income for the year:							
Retained surplus/(deficit) for the year *		(49,756)					(49,756)
Transfers between reserves *		8,195	(8,195)	0	0	0	0
Impairments and reversals *			0	0	0		0
Net gain on revaluation of property, plant, equipment			0	0	0		0
Net gain on revaluation of intangible assets			0	0	0		0
Net gain on revaluation of financial assets			0				0
Receipt of donated/government granted assets				2	130		132
Net gain/loss on other reserves (e.g. defined benefit pension scheme)						0	0
Movements in other reserves							0
Reclassification adjustments:							
- transfers from donated asset/government grant reserve				(84)	(56)		(140)
- on disposal of available for sale financial assets			0	0	0		0
Reserves eliminated on dissolution		0	0	0	0	0	0
Originating capital for trust establishment in year	0						0
New PDC received	11,200						11,200
PDC repaid in year	0						0
PDC written off	0						0
Other movements in PDC in year	0	0					0
Balance at 31 March 2010	**62,721**	**(3,906)**	**25,464**	**728**	**215**	**0**	**85,222**

** These lines have been restated for 2009/10 as a result of a change in national NHS accounting policy for economic impairments. See also page 1 and page 18.*

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2011

	Public dividend capital (PDC)	Retained earnings	Revaluation reserve	Donated asset reserve	Gov't grant reserve	Other reserves	Total
	£000	£000	£000	£000	£000	£000	£000
Changes in taxpayers' equity for 2010-11							
Balance at 1 April 2010	**62,721**	**(3,906)**	**25,464**	**728**	**215**	**0**	**85,222**
Total comprehensive income for the year							
Retained surplus/(deficit) for the year		(25,613)					(25,613)
Transfers between reserves		7,080	(7,080)	0	0	0	0
Impairments and reversals			(3,105)	(189)	0		(3,294)
Net gain on revaluation of property, plant, equipment			10,457	0	0		10,457
Net gain on revaluation of intangible assets			0	0	0		0
Net gain on revaluation of financial assets			0	0	0		0
Receipt of donated/government granted assets				132	202		334
Net gain/loss on other reserves (e.g. defined benefit pension scheme)						0	0
Movements in other reserves							0
Reclassification adjustments:							
- transfers from donated asset/government grant reserve				(72)	(258)		(330)
- on disposal of available for sale financial assets			0	0	0	0	0
Reserves eliminated on dissolution		0	0	0	0	0	0
Originating capital for trust establishment in year	0						0
New PDC received	0						0
PDC repaid in year	0						0
PDC written off	0						0
Other movements in PDC in year	0						0
Balance at 31 March 2011	**62,721**	**(22,439)**	**25,736**	**599**	**159**	**0**	**66,776**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2011

	NOTE	2010-2011 £000	2009-2010 £000
Cash flows from operating activities			
Operating surplus/(deficit)		(14,452)	(36,281)
Depreciation and amortisation		11,820	8,030
Impairments and reversals		21,939	42,258
Net foreign exchange gains/(losses)		0	0
Transfer from donated asset reserve		(72)	(84)
Transfer from government grant reserve		(258)	(56)
Interest paid		(8,775)	(10,084)
Dividends paid		(2,498)	(3,236)
(Increase)/decrease in inventories		(47)	(341)
(Increase)/decrease in trade and other receivables		(416)	(1,984)
(Increase)/decrease in other current assets		152	0
Increase/(decrease) in trade and other payables/other		4,685	(525)
Increase/(decrease) in other current liabilities		0	0
Increase/(decrease) in provisions		101	(614)
Net cash inflow/(outflow) from operating activities		**12,179**	**(2,917)**
Cash flows from investing activities			
Interest received		46	49
(Payments) for property, plant and equipment		(7,502)	(16,735)
Proceeds from disposal of plant, property and equipment		117	0
(Payments) for intangible assets		(424)	(131)
Proceeds from disposal of intangible assets		0	0
(Payments) for investments with DH		0	0
(Payments) for other investments		0	0
Proceeds from disposal of investments with DH		0	0
Proceeds from disposal of other financial assets		0	0
Revenue rental income		0	0
Net cash inflow/(outflow) from investing activities		**(7,763)**	**(16,817)**
Net cash inflow/(outflow) before financing		**4,416**	**(19,734)**
Cash flows from financing activities			
Public dividend capital received		0	11,200
Public dividend capital repaid		0	0
Loans received from the DH		0	0
Other loans received		0	0
Loans repaid to the DH		0	0
Other loans repaid		0	0
Other capital receipts		132	2
Capital element of finance leases and PFI		(3,267)	(335)
Net cash inflow/(outflow) from financing		**(3,135)**	**10,867**
Net increase/(decrease) in cash and cash equivalents		**1,281**	**(8,867)**
Cash (and) cash equivalents (and bank overdrafts) at the beginning of the financial year		**2,670**	**11,537**
Effect of exchange rate changes on the balance of cash held in foreign currencies		0	0
Cash (and) cash equivalents (and bank overdrafts) at the end of the financial year	**23**	**3,951**	**2,670**

NOTES TO THE ACCOUNTS

1. Accounting Policies

The Secretary of State for Health has directed that the financial statements of NHS trusts shall meet the accounting requirements of the NHS Trusts Manual for Accounts, which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2010-11 NHS Trusts Manual for Accounts issued by the Department of Health. The accounting policies contained in that manual follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the NHS Trusts Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the trust for the purpose of giving a true and fair view has been selected. The particular policies adopted by the trust are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.2 Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

1.3.1 Critical judgments in applying accounting policies

The following are the critical judgments, apart from those involving estimations (see below) that management has made in the process of applying the Trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

- The Trust's PFI scheme (including the main PFI and Managed Equipment Service) is deemed to fall on the balance sheet as assessed independently under IFRIC 12.

1.3.2 Key sources of estimation uncertainty

The only key area of uncertainty, as at the balance sheet date, that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is provisions, ie. early retirements, permanent injury benefit awards, public and employer's liability claims, European Union Carbon Emissions Trading Scheme (EU ETS) and pay issues in respect of the staff and associate specialist contract.

1.4 Revenue

Revenue in respect of services provided is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable. The main source of revenue for the Trust is from commissioners for healthcare services. Revenue relating to patient care spells that are part-completed at the year end is not presently accounted for on the basis of materiality. This will be reviewed annually.

Where income is received for a specific activity that is to be delivered in the following year, that income is deferred.

The Trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid e.g. by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts.

1.5 Employee Benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the Trust commits itself to the retirement, regardless of the method of payment.

1.6 Other expenses

Other operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable.

1.7 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are measured subsequently at fair value.

Land and buildings used for the Trust's services or for administrative purposes are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

Until 31 March 2008, the depreciated replacement cost of specialised buildings has been estimated for an exact replacement of the asset in its present location. HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Until 31 March 2008, fixtures and equipment were carried at replacement cost, as assessed by indexation and depreciation of historic cost. From 1 April 2008 indexation ceased. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. This is a change in accounting policy from previous years where all impairments were taken to the revaluation reserve to the extent that a balance was held for that asset and thereafter to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Income.

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

1.8 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the trust; where the cost of the asset can be measured reliably, and where the cost is at least £5000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred.

Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible asset and use it
- the ability to sell or use the intangible asset
- how the intangible asset will generate probable future economic benefits or service potential
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it
- the ability to measure reliably the expenditure attributable to the intangible asset during its development

Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.9 Depreciation, amortisation and impairments

Freehold land, properties under construction, and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. This is specific to the Trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over their estimated useful lives.

At each reporting period end, the trust checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. This is a change in accounting policy from previous years where all impairments were taken to the revaluation reserve to the extent that a balance was held for that asset and thereafter to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

1.10 Donated assets

Donated non-current assets are capitalised at their fair value on receipt, with a matching credit to the donated asset reserve. They are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations and impairments are taken to the donated asset reserve and, each year, an amount equal to the depreciation charge on the asset is released from the donated asset reserve to offset the expenditure. On sale of donated assets, the net book value is transferred from the donated asset reserve to retained earnings.

1.11 Government grants

Government grants are grants from government bodies other than revenue from NHS bodies for the provision of services.

Revenue grants are treated as deferred income initially and credited to income to match the expenditure to which they relate. Capital grants are credited to the government grant reserve and released to operating revenue over the life of the asset in a manner consistent with the depreciation and impairment charges for that asset. Assets purchased from government grants are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations and impairments are taken to the government grant reserve and, each year, an amount equal to the depreciation charge on the asset is released from the government grant reserve to offset the expenditure.

1.12 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings. For donated and government-granted assets, a transfer is made to or from the relevant reserve to the profit/loss on disposal account so that no profit or loss is recognised in income or expenses. The remaining surplus or deficit in the donated asset or government grant reserve is then transferred to retained earnings.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

1.13 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The Trust as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in calculating the trust's surplus/deficit.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases. This is a change in accounting policy from previous years where leased land was always treated as an operating lease.

The Trust as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the trust's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.14 Private Finance Initiative (PFI) transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The Trust therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

a) Payment for the fair value of services received;
b) Payment for the PFI asset, including finance costs; and
c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

PFI Asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at cost and impaired immediately to fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS 16.

PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the PFI assets when they are introduced on-statement and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are normally capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value being the cost. However, taking into account the Trust's current estate valuer's approach to assessing asset lives of building assets (which assumes assets are being maintained to original standards), then it is more appropriate for the Trust to treat such expenditure on property assets as a charge to revenue as and when charged through the unitary payment. With regard to the managed equipment service element of the PFI, major lifecycle costs are capitalised.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

When lifecycle costs are capitalised and the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the Trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust's Statement of Financial Position.

Other assets contributed by the Trust to the operator

Assets contributed (e.g. cash payments, surplus property) by the Trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the Trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

1.15 Inventories

Inventories are valued at the lower of cost and net realisable value using the first-in first-out cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

1.16 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management.

1.17 Provisions

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rate of 2.2% in real terms. For pension and injury benefit provisions the discount rate used to calculate the provision required going forward has been amended as at 31 March 2011 to 2.9% as per HM Treasury guidance and the impact shown in the Statement of Comprehensive Income on the line "change in discount rate".

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Trust has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the Trust has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.18 Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the trust pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although the NHSLA is administratively responsible for all clinical negligence cases the legal liability remains with the trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 33.

1.19 Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to the NHS Litigation Authority and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses as and when they become due.

1.20 EU Emissions Trading Scheme

EU Emission Trading Scheme allowances are accounted for as government grant funded intangible assets if they are not expected to be realised within twelve months, and otherwise as other current assets. They are valued at open market value. As the NHS body makes emissions, a provision is recognised with an offsetting transfer from the government grant reserve. The provision is settled on surrender of the allowances. The asset, provision and government grant reserve are valued at fair value at the end of the reporting period.

1.21 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

1.22 Financial assets

Financial assets are recognised when the Trust becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are initially recognised at fair value.

Financial assets are classified into the following categories: financial assets at fair value through profit and loss; held to maturity investments; available for sale financial assets, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at fair value through profit and loss

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in calculating the trust's surplus or deficit for the year. The net gain or loss incorporates any interest earned on the financial asset.

Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications.

They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to surplus/deficit on de-recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques as appropriate.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the initial fair value of the financial asset.

At the end of the reporting period, the trust assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in expenditure and the carrying amount of the asset is reduced directly or through a provision for impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through expenditure to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.23 Financial liabilities

Financial liabilities are recognised on the statement of financial position when the trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Loans from the Department of Health are recognised at historical cost. Otherwise, financial liabilities are initially recognised at fair value.

Financial guarantee contract liabilities

Financial guarantee contract liabilities are subsequently measured at the higher of:

The premium received (or imputed) for entering into the guarantee less cumulative amortisation.

The amount of the obligation under the contract, as determined in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Financial liabilities at fair value through profit and loss

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the Trust's surplus/deficit. The net gain or loss incorporates any interest payable on the financial liability.

Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from Department of Health, which are carried at historic cost. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.24 Value Added Tax

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.25 Foreign currencies

The Trust's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses for either of these are recognised in the trust's surplus/deficit in the period in which they arise.

1.26 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. Details of third party assets are given in Note 39 to the accounts.

1.27 Public Dividend Capital (PDC) and PDC dividend

Public dividend capital represents taxpayers' equity in the NHS trust. At any time the Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received. As PDC is issued under legislation rather than under contract, it is not treated as an equity financial instrument.

An annual charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as public dividend capital dividend. The charge is calculated at the real rate set by HM Treasury (currently 3.5%) on the average carrying amount of all assets less liabilities, except for donated assets and cash balances with the Office of the Paymaster General. The average carrying amount of assets is calculated as a simple average of opening and closing relevant net assets. Prior to 2009/10 the PDC dividend was determined using forecast average relevant net assets and a note to the accounts discloses the rate that the dividend represents as a percentage of the actual average carrying amount of assets less liabilities in the year. From 1 April 2009, the dividend payable is based on the actual average relevant net assets for the year instead of forecast amounts.

1.28 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

1.29 Subsidiaries

Material entities over which the Trust has the power to exercise control so as to obtain economic or other benefits are classified as subsidiaries and are consolidated. Their income and expenses; gains and losses; assets, liabilities and reserves; and cash flows are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the Trust's or where the subsidiary's accounting date is before 1 January or after 30 June.

Subsidiaries that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'

For 2009-10 and 2010-11 in accordance with the directed accounting policy from the Secretary of State, the Trust does not consolidate the NHS charitable funds for which it is the corporate trustee.

1.30 Associates

Material entities over which the Trust has the power to exercise significant influence so as to obtain economic or other benefits are classified as associates and are recognised in the Trust's accounts using the equity method. The investment is recognised initially at cost and is adjusted subsequently to reflect the Trust's share of the entity's profit/loss and other gains/losses. It is also reduced when any distribution is received by the Trust from the entity.

Associates that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'

1.31 Joint ventures

Material entities over which the Trust has joint control with one or more other parties so as to obtain economic or other benefits are classified as joint ventures.

Joint ventures that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'

1.32 Joint operations

Joint operations are activities undertaken by the Trust in conjunction with one or more other parties but which are not performed through a separate entity. The Trust records its share of the income and expenditure; gains and losses; assets and liabilities; and cashflows.

1.33 Research and Development

Research and development expenditure is charged against income in the year in which it is incurred, except insofar as development expenditure relates to a clearly defined project and the benefits of it can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the Operating Cost Statement on a systematic basis over the period expected to benefit from the project. It should be revalued on the basis of current cost. The amortisation is calculated on the same basis as depreciation, on a quarterly basis.

1.34 Accounting Standards issued but not yet adopted

IFRIC 19 "Extinguishing financial liabilities with equity instruments" is effective from 1 July 2010. Neither the Treasury FReM nor the Department of Health's Manual for Accounts require this standard to be applied in 2010-11. The application of the IFRIC would not have a material impact on the Trust accounts in 2010-11, were it applied in that year.

2. Operating segments

The activities of St Helens and Knowsley Teaching Hospitals NHS Trust are all healthcare-related and treated as a single segment for the purposes of the accounts. The Trust's total revenue for 2010/11 was £252.944m of which primary care trusts provided 79% for patient activities alone.

3. Income generation activities

The Trust undertakes income generation activities with an aim of achieving profit, which is then used in patient care. There are no income generation activities whose full cost exceeded £1m.

4. Revenue from patient care activities

	2010-11 £000	2009-10 £000
Strategic health authorities	0	0
NHS trusts	0	0
Primary care trusts	200,748	193,969
Foundation trusts	0	0
Local authorities	0	0
Department of Health	41	350
NHS other	0	0
Non-NHS:		
Private patients	49	26
Overseas patients (non-reciprocal)	39	20
Injury costs recovery*	1,287	2,013
Other	2,225	2,204
	204,389	198,582

** Injury cost recovery income is subject to a provision for impairment of receivables of 9.6% to reflect expected rates of collection.*

5. Other operating revenue

	2010-11 £000	2009-10 £000
Patient transport services	0	0
Education, training and research	10,126	10,068
Charitable and other contributions to expenditure	3	0
Transfers from donated asset reserve	72	84
Transfers from government grant reserve	258	56
Non-patient care services to other bodies	12,430	13,866
Income generation	1,428	1,149
Rental revenue from finance leases	0	0
Rental revenue from operating leases	0	0
Other revenue *	24,238	12,606
	48,555	37,829

** The principal item here is income relating to the Trust's PFI development.*

6. Revenue

	2010-11 £000	2009-10 £000
From rendering of services *	252,944	236,411
From sale of goods	0	0

** Revenue is not split between the rendering of services and the sale of goods due to immateriality of sale of goods.*

7. Operating expenses

	2010-11 £000	2009-10 £000
Services from other NHS trusts	1,214	1,144
Services from PCTs	4,615	4,637
Services from other NHS bodies	52	4
Services from foundation trusts	791	643
Purchase of healthcare from non NHS bodies	193	230
Trust chair and non executive directors	58	59
Employee benefits	148,358	145,557
Supplies and services - clinical	27,656	26,565
Supplies and services - general	1,289	1,907
Consultancy services	71	1
Establishment	3,194	4,063
Transport	279	382
Premises	10,069	8,757
Provision for impairment of receivables	112	113
Inventories write down	0	0
Depreciation	11,459	7,666
Amortisation	361	364
Impairments and reversals of property, plant and equipment *	21,939	42,258
Impairments and reversals of intangible assets	0	0
Impairments and reversals of financial assets	0	0
Impairments and reversals of non current assets held for sale	0	0
Audit fees	144	132
Other auditor's remuneration	0	0
Clinical negligence	3,684	3,289
Research and development	0	0
Education and Training	555	608
Other **	31,303	24,313
	267,396	272,692

** Impairment charges are non-cash technical charges to operating expenses. From 2008/9 onwards impairments for purchased assets are not covered by income, leading ultimately to a technical deficit on the Trust's income and expenditure account.. The figure for 2009/10, previously stated as £37,155,000, has been restated to £42,258,000 due to a change in national NHS accounting policy for economic impairments.*

*** The main component of "other" relates to PFI service costs.*

8. Operating leases

8.1 As lessee

	2010-11 £000	2009-10 £000
Payments recognised as an expense		
Minimum lease payments	138	370
Contingent rents	0	0
Sub-lease payments	0	0
	138	370

	2010-11				2009-10
	Buildings	Land	Other	Total	Total
Total future minimum lease payments	**£000**	**£000**	**£000**	**£000**	**£000**
Payable:					
Not later than one year	0	0	98	98	133
Between one and five years	0	0	71	71	168
After 5 years	0	0	0	0	0
Total	0	0	169	169	301

8.2 As lessor

The Trust has no leases where it is the lessor.

9. Employee costs and numbers

9.1 Employee costs

	2010-11			2009-10		
	Total	Permanently employed	Other	Total	Permanently employed	Other
	£000	£000	£000	£000	£000	£000
Salaries and wages	125,165	116,287	8,878	123,026	114,165	8,861
Social security costs	9,529	9,198	331	9,185	8,879	306
Employer contributions to NHS Pension scheme	13,664	13,189	475	13,279	12,836	443
Other pension costs	0	0	0	67	67	0
Other post-employment benefits	0	0	0	0	0	0
Other employment benefits	0	0	0	0	0	0
Termination benefits	0	0	0	0	0	0
Employee benefits expense	**148,358**	**138,674**	**9,684**	**145,557**	**135,947**	**9,610**
Of the total above:						
Charged to capital	0			0		
Employee benefits charged to revenue	148,358			145,557		
	148,358			145,557		

9.2 Average number of people employed

	2010-11 Total Number	2010-11 Permanently employed Number	2010-11 Other Number	2009-10 Total Number	2009-10 Permanently employed Number	2009-10 Other Number
Medical and dental	466	435	31	453	425	28
Ambulance staff	0	0	0	0	0	0
Administration and estates	852	807	45	903	848	55
Healthcare assistants and other support staff	70	70	0	83	83	0
Nursing, midwifery and health visiting staff	1,785	1,656	129	1,795	1,701	94
Nursing, midwifery and health visiting learners	0	0	0	0	0	0
Scientific, therapeutic and technical staff	417	415	2	390	387	3
Social care staff	6	6	0	3	3	0
Other	0	0	0	0	0	0
Total	**3,596**	**3,389**	**207**	**3,627**	**3,447**	**180**
Of the above:						
Number of whole time equivalent staff engaged on capital projects	0			0		

9.3 Staff sickness absence

	2010-11 Number	2009-10 Number
Total days lost	**44,150**	**42,343**
Total staff years	**4,265**	**3,602**
Average working days lost	10	12

The above figures are estimates based on data from the calendar year 2010.

9.4 Management Costs

	2010-11 £000	2009-10 £000
Management costs	7,520	7,532
Income	252,944	236,411
Management costs as a percentage of attributable income	3.0%	3.2%

9.5 Exit packages for staff leaving in 2010/11

The Trust has no exit packages to report for 2010/11.

10. Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The scheme is subject to a full actuarial valuation every four years (until 2004, every five years) and an accounting valuation every year. An outline of these follows:

a) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates to be paid by employers and scheme members. The last such valuation, which determined current contribution rates was undertaken as at 31 March 2004 and covered the period from 1 April 1999 to that date. The conclusion from the 2004 valuation was that the scheme had accumulated a notional deficit of £3.3 billion against the notional assets as at 31 March 2004.

In order to defray the costs of benefits, employers pay contributions at 14% of pensionable pay and most employees had up to April 2008 paid 6%, with manual staff paying 5%.

Following the full actuarial review by the Government Actuary undertaken as at 31 March 2004, and after consideration of changes to the NHS Pension Scheme taking effect from 1 April 2008, his Valuation report recommended that employer contributions could continue at the existing rate of 14% of pensionable pay, from 1 April 2008, following the introduction of employee contributions on a tiered scale from 5% up to 8.5% of their pensionable pay depending on total earnings.

On advice from the scheme actuary, scheme contributions may be varied from time to time to reflect changes in the scheme's liabilities.

b) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period by updating the results of the full actuarial valuation.

Between the full actuarial valuations at a two-year midpoint, a full and detailed member data-set is provided to the scheme actuary. At this point the assumptions regarding the composition of the scheme membership are updated to allow the scheme liability to be valued.

The valuation of the scheme liability as at 31 March 2011, is based on detailed membership data as at 31 March 2008 (the latest midpoint) updated to 31 March 2011 with summary global member and accounting data.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year.

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the statement of comprehensive income at the time the trust commits itself to the retirement, regardless of the method of payment.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

11. Better Payment Practice Code

11.1 Better Payment Practice Code - measure of compliance

	2010-11 Number	2010-11 £000	2009-10 Number	2009-10 £000
Total Non-NHS trade invoices paid in the year	45,950	104,374	46,309	84,057
Total Non NHS trade invoices paid within target	42,759	97,379	45,266	81,494
Percentage of Non-NHS trade invoices paid within target	93%	93%	98%	97%
Total NHS trade invoices paid in the year	2,053	22,804	2,205	36,653
Total NHS trade invoices paid within target	2,034	22,604	2,183	36,595
Percentage of NHS trade invoices paid within target	99%	99%	99%	100%

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. The Trust is also an approved signatory to the Government's Prompt Payment Code.

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

	2010-11 £000	2009-10 £000
Amounts included in finance costs from claims made under this legislation	1	0
Compensation paid to cover debt recovery costs under this legislation	0	0
Total	1	0

12. Investment revenue

	2010-11 £000	2009-10 £000
Rental revenue:		
PFI finance lease revenue:		
planned	0	0
contingent	0	0
Other finance lease revenue	0	0
Interest revenue:		
Bank accounts	44	49
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
Total	**44**	**49**

13. Other gains and losses

There were no other gains and losses to report in 2010/11 (prior year also nil).

14. Finance costs

	2010-11 £000	2009-10 £000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	3	9
Interest on obligations under PFI contracts:		
- main finance cost	6,444	10,075
- contingent finance cost	2,327	0
Interest on late payment of commercial debt	1	0
Other interest expense	0	0
Total interest expense	**8,775**	**10,084**
Other finance costs	56	55
Total	**8,831**	**10,139**

15. Property, plant and equipment

	Land	Buildings excluding dwellings	Dwellings	Assets under construct and poa	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
2010-11									
Cost or valuation at 1 April 2010	12,622	260,239	1,280	15,000	34,888	127	11,232	6,964	342,352
Additions purchased	78	48,441	0	0	6,390	0	772	147	55,828
Additions donated	0	53	0	0	70	0	9	0	132
Additions government granted	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	(4,835)	0	(7)	(1,171)	(6,013)
Revaluation/indexation gains	0	10,455	0	0	2	0	0	0	10,457
Impairments	0	(3,294)	0	0	0	0	0	0	(3,294)
Reversal of impairments	0	0	0	0	0	0	0	0	0
At 31 March 2011	**12,700**	**315,894**	**1,280**	**15,000**	**36,515**	**127**	**12,006**	**5,940**	**399,462**
Depreciation at 1 April 2010	0	0	0	0	18,506	89	5,208	3,654	27,457
Reclassifications		0	0		0	0	0	0	0
Reclassified as held for sale	0	0	0		0	0	0	0	0
Disposals other than by sale	0	0	0		(4,665)	0	(7)	(1,171)	(5,843)
Revaluation/indexation gains	0	0	0		0	0	0	0	0
Impairments	0	41,946	1,248	0	508	0	0	0	43,702
Reversal of impairments	0	(21,763)	0	0	0	0	0	0	(21,763)
Charged during the year	0	3,809	32		4,906	10	2,059	643	11,459
Depreciation at 31 March 2011	**0**	**23,992**	**1,280**	**0**	**19,255**	**99**	**7,260**	**3,126**	**55,012**
Net book value									
Purchased	12,700	291,461	0	15,000	17,115	24	4,737	2,814	343,851
Donated	0	441	0	0	145	4	9	0	599
Government granted	0	0	0	0	0	0	0	0	0
Total at 31 March 2011	**12,700**	**291,902**	**0**	**15,000**	**17,260**	**28**	**4,746**	**2,814**	**344,450**
Asset financing									
Owned	12,700	23,302	0	0	12,609	28	4,746	2,814	56,199
Finance leased	0	0	0	0	19	0	0	0	19
Private finance initiative	0	268,600	0	15,000	4,632	0	0	0	288,232
Total 31 March 2011	**12,700**	**291,902**	**0**	**15,000**	**17,260**	**28**	**4,746**	**2,814**	**344,450**

	Land	Buildings excluding dwellings	Dwellings	Assets under construct and poa	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
2009-10									
Cost or valuation at 1 April 2009	12,622	145,183	2,073	34,057	31,175	275	12,723	5,716	243,824
Additions purchased	0	129,966	0	10,020	5,372	0	2,134	1,248	148,740
Additions donated	0	0	0	0	2	0	0	0	2
Additions government granted	0	0	0	0	0	0	0	0	0
Reclassifications	0	29,077	0	(29,077)	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	(1,661)	(148)	(3,625)	0	(5,434)
Revaluation/indexation gains	0	0	0	0	0	0	0	0	0
Impairments (restated - see note below*)	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
At 31 March 2010	12,622	304,226	2,073	15,000	34,888	127	11,232	6,964	387,132
Depreciation at 1 April 2009	0	0	0	0	17,303	226	7,009	3,209	27,747
Reclassifications	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	(1,661)	(148)	(3,625)	0	(5,434)
Revaluation/indexation gains	0	0	0	0	0	0	0	0	0
Impairments (restated - see note below*)	0	41,516	742	0	0	0	0	0	42,258
Reversal of impairments	0	0	0	0	0	0	0	0	0
Charged during the year	0	2,471	51	0	2,864	11	1,824	445	7,666
Depreciation at 31 March 2010	0	43,987	793	0	18,506	89	5,208	3,654	72,237
`									
Net book value									
Purchased	12,622	259,651	1,280	15,000	16,247	33	6,024	3,310	314,167
Donated	0	588	0	0	135	5	0	0	728
Government granted	0	0	0	0	0	0	0	0	0
Total at 31 March 2010	12,622	260,239	1,280	15,000	16,382	38	6,024	3,310	314,895
Asset financing									
Owned	12,622	31,369	1,280	0	14,217	38	6,024	3,310	68,860
Finance leased	0	0	0	0	90	0	0	0	90
Private finance initiative	0	228,870	0	15,000	2,075	0	0	0	245,945
Total 31 March 2010	12,622	260,239	1,280	15,000	16,382	38	6,024	3,310	314,895

** Due to a change in national NHS accounting policy for impairments the entries originally included in 2009/10 have been restated.*

Equipment is depreciated evenly over the estimated life of the asset. The ranges of asset lives used for different categories of plant and equipment are shown below:

- Plant and machinery 5 to 15 years
- Transport equipment 7 years
- Information Technology 5 to 8 years
- Furniture and fittings 7 to 10 years

Buildings and dwellings asset lives will vary according to their latest valuation. At the end of March 2011 the range of asset lives for these two categories were as follows:
-Buildings (excluding dwellings) = Minimum 4 years, maximum 87 years

Donated assets at a cost of £132,000 were financed by the Trust's charitable funds which in turn have been provided by members of the public or other non-NHS organisations.

15.1 Revaluation reserve balance for property, plant & equipment

	Land	Buildings excluding dwellings	Dwellings	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2010	6,705	17,339	764	589	2	9	56	25,464
Movements	0	1,188	(764)	(142)	0	(9)	(1)	272
At 31 March 2011	**6,705**	**18,527**	**0**	**447**	**2**	**0**	**55**	**25,736**

16. Intangible assets

	Computer software - internally generated £000	Computer software - purchased £000	Licences and trademarks £000	Patents £000	Development expenditure (internally generated) £000	Total £000
2010-11						
Gross cost at 1 April 2010	0	3,054	0	0	0	3,054
Additions purchased	0	433	0	0	0	433
Additions internally generated	0	0	0	0	0	0
Additions donated	0	0	0	0	0	0
Additions government granted	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	(11)	0	0	0	(11)
Revaluation/indexation	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Reversals of impairments	0	0	0	0	0	0
Gross cost at 31 March 2011	**0**	**3,476**	**0**	**0**	**0**	**3,476**
Amortisation at 1 April 2010	0	2,172	0	0	0	2,172
Reclassifications	0	0	0	0	0	0
Reclassifications as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	(11)	0	0	0	(11)
Revaluation	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Charged during the year	0	361	0	0	0	361
Amortisation at 31 March 2011	**0**	**2,522**	**0**	**0**	**0**	**2,522**
Net book value						
Purchased	0	954	0	0	0	954
Donated	0	0	0	0	0	0
Government granted	0	0	0	0	0	0
Total at 31 March 2011	**0**	**954**	**0**	**0**	**0**	**954**

	Computer software - internally generated £000	Computer software - purchased £000	Licences and trademarks £000	Patents £000	Development expenditure (internally generated) £000	Total £000
2009-10						
Gross cost at 1 April 2009	0	2,928	0	0	0	2,928
Additions purchased	0	145	0	0	0	145
Additions internally generated	0	0	0	0	0	0
Additions donated	0	0	0	0	0	0
Additions government granted	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	(19)	0	0	0	(19)
Revaluation / indexation	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Reversals of impairments	0	0	0	0	0	0
Gross cost at 31 March 2010	**0**	**3,054**	**0**	**0**	**0**	**3,054**
Amortisation at 1 April 2009	0	1,827	0	0	0	1,827
Reclassifications	0	0	0	0	0	0
Reclassifications as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	(19)	0	0	0	(19)
Revaluation	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Charged during the year	0	364	0	0	0	364
Amortisation at 31 March 2010	**0**	**2,172**	**0**	**0**	**0**	**2,172**
Net book value						
Purchased	0	882	0	0	0	882
Donated	0	0	0	0	0	0
Government granted	0	0	0	0	0	0
Total at 31 March 2010	**0**	**882**	**0**	**0**	**0**	**882**

All the Trust's intangible assets related to computer software purchases which have been depreciated over 5 years. Cost is deemed to be a fair reflection of fair value.

16.1 Revaluation reserve balance for intangible assets

There are no revaluation reserve balances relating to intangible assets (prior year also nil).

17. Impairments

Total impairments incurred in 2010/11 year amounted to £25.233m of which £21.939m was charged to expenditure and £3.294m charged to the revaluation reserve. All related to property assets.

Of the £21.939m above, £11.392m relates to PFI associated assets and also the interim revaluation of these assets. The balance relates to Trust assets demolished as part of the PFI redevelopment and also the impact of the interim revaluation of all other Trust land and buildings. Of the £3.294m above charged to the revaluation reserve, £1.209m relates to PFI associated assets, the balance relating to the impact of the interim revaluation of all other Trust land and buildings.

The Trust's interim revaluation of land and buildings as at 31 March 2011 was done on a modern equivalent asset basis and undertaken by a professional qualified valuer (FRICS) of the firm DTZ Limited.

18. Commitments

18.1 Capital commitments

Contracted capital commitments at 31 March not otherwise included in these financial statements:

	31 March 2011 £000	31 March 2010 £000
Property, plant and equipment	9	657
Intangible assets	0	0
Total	**9**	**657**

18.2 Other financial commitments

The Trust has no other financial commitments as at 31 March 2011 (prior year also nil).

19. Inventories

19.1 Inventories

	31 March 2011 £000	31 March 2010 £000
Drugs	981	997
Work in progress	0	0
Consumables	1,497	1,471
Energy	172	135
Other	0	0
Total	**2,650**	**2,603**
Of which held at net realisable value:	0	0

19.2 Inventories recognised in expenses

	31 March 2011 £000	31 March 2010 £000
Inventories recognised as an expense in the period	(23,996)	(22,078)
Write-down of inventories (including losses)	0	0
Reversal of write-downs that reduced the expense	0	0

20. Trade and other receivables

20.1 Trade and other receivables

	Current 31 March 2011 £000	Non-current 31 March 2011 £000	Current 31 March 2010 £000	Non-current 31 March 2010 £000
NHS receivables-revenue	3,705	0	4,128	0
NHS receivables-capital	0	0	0	0
Non-NHS receivables-revenue	1,655	0	1,377	0
Non-NHS receivables-capital	53	0	0	0
Provision for the impairment of receivables	(272)	(153)	(196)	(141)
Prepayments and accrued income	1,951	109	1,387	95
Finance lease receivables	0	0	0	0
Operating lease receivables	0	0	0	0
VAT	757	0	846	0
Other receivables	1,750	1,680	1,545	1,727
Total	9,599	1,636	9,087	1,681

The great majority of trade is with Primary Care Trusts, as commissioners for NHS patient care services. As Primary Care Trusts are funded by Government to buy NHS patient care services, no credit scoring of them is considered necessary.

20.2 Receivables past their due date but not impaired

	31 March 2011 £000	31 March 2010 £000
By up to three months	447	51
By three to six months	1	0
By more than six months	10	11
Total	458	62

No collateral is held against any of these outstanding debts.

20.3 Provision for impairment of receivables

	31 March 2011 £000	31 March 2010 £000
Balance at 1 April	(337)	(240)
Amount written off during the year	24	16
Amount recovered during the year	0	1
(Increase)/decrease in receivables impaired	(112)	(114)
Balance at 31 March	(425)	(337)

21. Other financial assets

The Trust has no other financial assets as at 31 March 2011 (prior year also nil).

22. Other current assets

	31 March 2011 £000	31 March 2010 £000
EU Emissions trading scheme allowances	283	288
Other assets	0	0
Total	283	288

23. Cash and cash equivalents

	31 March 2011 £000	31 March 2010 £000
Balance at 1 April	2,670	11,537
Net change in year	1,281	(8,867)
Balance at 31 March	3,951	2,670
Made up of		
Cash with Government banking services	3,916	2,643
Commercial banks and cash in hand	35	27
Current investments	0	0
Cash and cash equivalents as in statement of financial position	3,951	2,670
Bank overdraft - Government banking services	0	0
Bank overdraft - Commercial banks	0	0
Cash and cash equivalents as in statement of cash flows	3,951	2,670

24. Non-current assets held for sale

The Trust has no non-current assets for sale as at 31 March 2011 (prior year also nil).

25. Trade and other payables

	Current 31 March 2011 £000	Non-current 31 March 2011 £000	Current 31 March 2010 £000	Non-current 31 March 2010 £000
Interest payable	0		0	
NHS payables-revenue	4,030	0	2,480	0
NHS payables-capital	0	0	0	0
Non NHS trade payables - revenue	1,691	0	2,604	0
Non NHS trade payables - capital	160	0	1,494	0
Accruals and deferred income	12,833	0	11,571	0
Social security costs	0		0	
VAT	0	0	0	0
Tax	0		0	
Other*	3,050	0	236	0
Total	**21,764**	**0**	**18,385**	**0**

** Other payables include:*
£0 (2009-10 £0) for payments due in future years under arrangements to buy out the liability for early retirements over 5 instalments; and £2.782m outstanding pensions contributions at 31 March 2011 (31 March 2010 £0).
"Current" means payment is due no later than 12 months from the balance sheet date

26. Borrowings

	Current 31 March 2011 £000	Non-current 31 March 2011 £000	Current 31 March 2010 £000	Non-current 31 March 2010 £000
Bank overdraft - Government banking services	0		0	
Bank overdraft - Commercial banks	0		0	
Loans from:				
Department of Health	0	0	0	0
Other entities	0	0	0	0
PFI liabilities	4,575	267,059	318	224,711
LIFT	0	0	0	0
Finance lease liabilities	12	0	64	20
Other	0	0	0	0
Total	**4,587**	**267,059**	**382**	**224,731**

The main component concerns PFI liabilities which will be repaid over the life of the primary concession period ending in 2047 for the main PFI and 2026 for the managed equipment service element.

27. Other liabilities

The Trust has no other liabilities as at 31 March 2011 (prior year also nil).

28. Finance lease obligations

These relate to several medical equipment leases.

Amounts payable under finance leases:

	Minimum lease payments 31 March 2011 £000	Present value of minimum lease payments 31 March 2011 £000	Minimum lease payments 31 March 2010 £000	Present value of minimum lease payments 31 March 2010 £000
Within one year	12	12	68	64
Between one and five years	0	0	21	20
After five years	0	0	0	0
Less future finance charges	0		(5)	
Present value of minimum lease payments	**12**	**12**	**84**	**84**
Included in:				
Current borrowings		12		64
Non-current borrowings		0		20
		12		**84**

29. Finance lease receivables

The Trust has no finance lease receivables (prior year also nil).

30. Finance lease commitments

The Trust has no finance lease commitments other than those already accounted for (prior year also nil).

31. Private Finance Initiative contracts

31.1 PFI schemes off-Statement of Financial Position

The Trust has no off-statement PFI schemes.

31.2 PFI schemes on-Statement of Financial Position

The PFI arrangement is between the Trust and New Hospitals, the latter being the special purpose vehicle currently acting for Medirest and Vinci. The main scheme is to build two new hospitals at the Trust's two sites in St Helens and Whiston. The new St Helens Hospital was completed and handed over in September 2008 while the first phase of the new Whiston Hospital was completed and handed over in January 2010, the last phase ending in 2012. The contract term runs to August 2047, the price base being uplifted annually by the Retail Price Index as at December, the base RPI having been set in December 2002. For the duration of the arrangement Vinci will provide hard facilities management (FM) services while soft FM services are currently provided by Medirest until 2013 when the service will be market tested (and every 5 years thereafter).

At the end of the arrangement the ownership of the buildings will pass to the Trust. Under IFRIC12 as interpreted for the public sector, the asset is treated as an asset of the Trust; the substance of the contract is that the Trust has a finance lease and payments comprise two elements - imputed finance lease charges and service charges.

The PFI arrangement also incorporates a managed equipment service provided by GE which expires in 2026. In the contract the legal title of equipment remains that of GE for the duration of the contract with the legal title passing to the Trust upon expiry of the MES Contract term when the Trust shall purchase all functioning MES Equipment at a price equivalent to the current net book value.

Total obligations for on-statement of financial position PFI contracts due:

	31 March 2011 £000	31 March 2010 £000
Not later than one year	17,561	9,808
Later than one year, not later than five years	74,252	43,560
Later than five years	517,514	459,395
Sub total	609,327	512,763
Less: interest element	(337,693)	(287,734)
Total	**271,634**	**225,029**

31.3 Charges to expenditure

The total charged in the year to expenditure in respect of off-statement of financial position PFI contracts and the service element of on-statement of financial position PFI contracts was £25.384m (prior year £19.259m).

The Trust is committed to the following charges

	31 March 2011 £000	31 March 2010 £000
Not later than one year	22,407	0
Later than one year, not later than five years	91,330	0
Later than five years	739,804	662,582
Total	**853,541**	**662,582**

32. Other financial liabilities

The Trust has no other financial liabilities as at 31 March 2011 (prior year also nil).

33. Provisions

	Current 31 March 2011 £000	Non-current 31 March 2011 £000	Current 31 March 2010 £000	Non-current 31 March 2010 £000
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	76	958	76	1,063
Legal claims	250	0	226	0
Restructurings	0	0	0	0
Redundancy	0	0	0	0
Other*	593	1,460	563	1,458
Total	**919**	**2,418**	**865**	**2,521**

	Pensions relating to former directors £000	Pensions relating to other staff £000	Legal £000	Restructurings £000	Redundancy £000	Other £000	Total £000
At 1 April 2010	0	1,139	226	0	0	2,021	3,386
Arising during the year	0	48	193	0	0	747	988
Used during the year	0	(74)	(131)	0	0	(542)	(747)
Reversed unused	0	(48)	(38)	0	0	(108)	(194)
Unwinding of discount	0	23	0	0	0	33	56
Change in discount rate	0	(54)	0	0	0	(98)	(152)
At 31 March 2011	0	1,034	250	0	0	2,053	3,337
Expected timing** of cash flows:							
Within one year	0	76	250	0	0	593	919
Between one and five years	0	284	0	0	0	333	617
After five years	0	674	0	0	0	1,127	1,801

**The principal provisions classified under "other" include amounts for permanent injury benefit awards and medical contract issues and the EU Greenhouse Gas Emissions Trading Scheme.*

*** The timing of cashflows is based on the expected payments (pensions/permanent injury benefits) and expected settlement date of claims (all other). The latter, due to the nature of legal claims, is particularly subject to change.*

£12,036,867 is included in the provisions of the NHS Litigation Authority at 31/3/2011 in respect of clinical negligence liabilities of the Trust (31/03/2010, £6,776,186).

34. Contingencies

34.1 Contingent liabilities

	2010-11 £000	2009-10 £000
Equal pay cases	0	(15)
Other (relates to legal claims)	(38)	(89)
Amounts recoverable against contingent liabilities	0	0
Total	(38)	(104)

Please note that these liabilities are uncertain. The figures above are in addition to any provisions made in the accounts as shown in note 33.

34.2 Contingent assets

The Trust has a contingent asset valued at £41,000 relating to unrealised excess allowances on the European Union Emissions Trading Scheme (prior year £119,000). Please note that this asset is uncertain and only potentially realisable.

35. Financial instruments

35.1 Financial assets

	At fair value through profit and loss £000	Loans and receivables £000	Available for sale £000	Total £000
Embedded derivatives	0			0
Receivables		5,413		5,413
Cash at bank and in hand		3,951		3,951
Other financial assets	0	0	0	0
Total at 31 March 2011	**0**	**9,364**	**0**	**9,364**
Embedded derivatives	0			0
Receivables		5,505		5,505
Cash at bank and in hand		2,670		2,670
Other financial assets	0	0	0	0
Total at 31 March 2010	**0**	**8,175**	**0**	**8,175**

35.2 Financial liabilities

	At fair value through profit and loss £000	Other £000	Total £000
Embedded derivatives	0		0
Payables		5,881	5,881
PFI and finance lease obligations		271,646	271,646
Other borrowings		0	0
Other financial liabilities	0	0	0
Total at 31 March 2011	**0**	**277,527**	**277,527**
Embedded derivatives	0		0
Payables		6,578	6,578
PFI and finance lease obligations		225,113	225,113
Other borrowings		0	0
Other financial liabilities	0	0	0
Total at 31 March 2010	**0**	**231,691**	**231,691**

35.3 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS trust has with primary care trusts and the way those primary care trusts are financed, the NHS trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the trust's internal auditors.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Trust borrows from government for capital expenditure, subject to affordability as confirmed by the strategic health authority. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the Trust's income comes from contracts with other public sector bodies, the trust has low exposure to credit risk. The maximum exposures as at 31 March 2011 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk

The Trust's operating costs are incurred under contracts with primary care trusts, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

36. Events after the reporting period

There are no events to report.

37. Financial performance targets

The figures given for periods prior to 2009-10 are on a UK GAAP basis as that is the basis on which the targets were set for those years.

37.1 Breakeven performance

	2005-06 £000	2006-07 £000	2007-08 £000	2008-09 £000	2009-10 £000	2010-11 £000
Turnover	190,323	197,085	268,405	214,116	236,411	252,944
Retained surplus/(deficit) for the year	106	257	219	(22,687)	(44,653)	(25,613)
Adjustment for:						
Timing/non-cash impacting distortions:						
Use of pre - 1.4.97 surpluses [FDL(97)24 Agreements]	0	0	0	0	0	0
2006/07 PPA (relating to 1997/98 to 2005/06)	0					
2007/08 PPA (relating to 1997/98 to 2006/07)	0	0				
2008/09 PPA (relating to 1997/98 to 2007/08)	0	0	0			
Adjustments for Impairments**				22,904	37,155	21,939
Consolidated Budgetary Guidance - Adjustment for Dual Accounting under IFRIC12*					7,723	3,970
Other agreed adjustments	0	0	0	0	0	0
Break-even in-year position	106	257	219	217	225	296
Break-even cumulative position	2,114	2,371	2,590	2,807	3,032	3,328

*Due to the introduction of International Financial Reporting Standards (IFRS) accounting in 2009-10, NHS Trust's financial performance measurement needs to be aligned with the guidance issued by HM Treasury measuring Departmental expenditure. Therefore, the incremental revenue expenditure resulting from the application of IFRS to IFRIC 12 schemes (which would include PFI schemes), which has no cash impact and is not chargeable for overall budgeting purposes, is excluded when measuring Breakeven performance

**The retained surplus/(deficit) for the year figure and the impairments figure above are the original figures as stated last year prior to the change in national NHS accounting policy.

	2005-06 %	2006-07 %	2007-08 %	2008-09 %	2009-10 %	2010-11 %
Materiality test (I.e. is it equal to or less than 0.5%):						
Break-even in-year position as a percentage of turnover	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Break-even cumulative position as a percentage of turnover	1.1%	1.2%	1.0%	1.3%	1.3%	1.3%

The amounts in the above tables in respect of financial years 2005/06 to 2008/09 inclusive have not been restated to IFRS and remain on a UK GAAP basis.

37.2 Capital cost absorption rate

Until 2008/09 the Trust was required to absorb the cost of capital at a rate of 3.5% of forecast average relevant net assets. The rate is calculated as the percentage that dividends paid on public dividend capital bears to the actual average relevant net assets.

From 2009/10 the dividend payable on public dividend capital is based on the actual (rather than forecast) average relevant net assets and therefore the actual capital cost absorption rate is automatically 3.5%.

37.3 External financing

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

	£000	2010-11 £000	2009-10 £000
External financing limit		(1,790)	19,736
Cash flow financing	(4,416)		19,734
Finance leases taken out in the year	0		0
Other capital receipts	(132)		(2)
External financing requirement		**(4,548)**	**19,732**
Undershoot/(overshoot) (See note below)		**2,758**	**4**

Note:
£2.751m of the undershoot above was due to changes notified post year-end in the analysis of the Trust's PFI unitary payments. Had the Trust adjusted the cash flow analysis to allow for this to show a more accurate reflection of its performance against its EFL target, the undershoot would have been only £7k, representing the variance between the cash balance held at year-end and the Trust's target cash balance prior to the late changes.

37.4 Capital resource limit

The Trust is given a capital resource limit which it is not permitted to exceed.

	2010-11 £000	2009-10 £000
Gross capital expenditure	56,393	148,887
Less: book value of assets disposed of	(170)	0
Plus: loss on disposal of donated assets	0	0
Less: capital grants	0	0
Less: donations towards the acquisition of non-current assets	(132)	(2)
Charge against the capital resource limit	56,091	148,885
Capital resource limit	56,399	149,298
(Over)/underspend against the capital resource limit *	**308**	**413**

**The underspend conforms with the Trust's revised capital plan for 2010/11 and reported to and agreed with NHS North West early on during the year.*

38. Related party transactions

During the year none of the Department of Health Ministers, Trust board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with St Helens and Knowsley Teaching Hospitals NHS Trust.

The Department of Health is regarded as a related party. During the year St Helens and Knowsley Teaching Hospitals 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:

Halton and St Helens Primary Care Trust
NHS Litigation Authority
NHS Purchasing and Supply Agency
Various other primary care trusts
Knowsley Primary Care Trust
NHS Business Services Authority
North West Strategic Health Authority

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. Transactions will need to be disclosed and reference made to the separate Trustees Report and Accounts for the NHS Charity.

39. Third party assets

The Trust held £1,822 cash and cash equivalents at 31 March 2011 (£1,683 - at 31 March 2010) which relates to moneys held by the NHS Trust on behalf of patients. This has been excluded from the cash and cash equivalents figure reported in the accounts.

40. Intra-Government and other balances

	Current receivables	Non-current receivables	Current payables	Non-current payables
Balances with other central government bodies	3,827	0	5,499	0
Balances with local authorities	1	0	0	0
Balances with NHS trusts and foundation trusts	1,067	0	1,363	0
Balances with public corporations and trading funds	0	0	0	0
Intra government balances	4,895	0	6,862	0
Balances with bodies external to government	4,704	1,636	14,902	0
At 31 March 2011	**9,599**	**1,636**	**21,764**	**0**
Balances with other central government bodies	3,376	0	1,979	0
Balances with local authorities	0	0	0	0
Balances with NHS trusts and foundation trusts	752	0	502	0
Balances with public corporations and trading funds	0	0	0	0
Intra government balances	4,128	0	2,481	0
Balances with bodies external to government	4,959	1,681	15,904	0
At 31 March 2010	**9,087**	**1,681**	**18,385**	**0**

41. Losses and special payments

There were 127 cases of losses and special payments (2009-10: 162 cases) totalling £169,582 (2009-10: £138,964) accrued during 2010-11.

There were no cases exceeding £250,000 in 2010/11 (2009/10 also nil).

Directors Remuneration Report

Section 234B and Schedule 7A of the Companies Act, as interpreted for the public sector requires NHS bodies to prepare a Remuneration Report containing information about directors' remuneration.

A) Remuneration

Name and Title	2010-11 Salary (bands of £5000) £000	2010-11 Other Remuneration (bands of £5000) £000	2009-10 Salary (bands of £5000) £000	2009-10 Other Remuneration (bands of £5000) £000
Mr L Howell, Chairman *(Started 1 June 2008)*	20 - 25	0	20 - 25	0
Ms AM Marr, Chief Executive	165 - 170	0	170 - 175	0
Mr AH Mulvey, Deputy Chief Executive/Director of Finance *(Left 31 January 2010)*			100 - 105	0
Mr DP Finn, Director of Finance and Information *(Started 1 February 2010)*	95 - 100	0	15 - 20	0
Dr M Lynch, Medical Director *(Started 1 April 2007, second term of office from 1 April 2010)*	25 - 30	190 - 195	25 - 30	190 - 195
Ms G Core, Director of Nursing, Midwifery & Governance	95 - 100	0	95 - 100	0
Mrs AM Stretch, Director of Human Resources	100 - 105	0	100 - 105	0
Mr D Bradbury, Non-Executive Director *(Started 1 June 2004, second term of office to 31 May 2012)*	5 - 10	0	5 - 10	0
Mr R Swainson, Non-Executive Director *(Started 1 November 2006, second term of office from 1 November 2010)*	5 - 10	0	5 -10	0
Mrs A Close, Non-Executive Director *(Started 1 November 2008, first term of office to 31 October 2012 - salary costs recharged from her main employer)*	5 - 10	0	5 - 10	0
Mr R Hill, Non-Executive Director *(Started 1 December 2005, second term of office to 30 November 2013)*	5 - 10	0	5 - 10	0
Mr W Hobden, Non-Executive Director *(Started 18 June 2009, first term of office to 17 June 2013)*	5 - 10	0	0 - 5	0

Notes:

The Trust Board oversees the running and direction of the Trust and is accountable for financial and operational performance. The Chair and five non-Executive Directors are initially appointed for a four-year term by the Secretary of State for Health and can be reappointed for further similar terms. The Chief Executive post is a standard NHS contract with no time element included and is reviewed by the Trust's Remuneration Committee on an annual basis. In attendance at this committee is the Chairman, Chief Executive and at least two non-Executive Directors, except when their salaries are discussed. The Human Resources Director also serves the Remuneration Committee except when the Human Resources Director's remuneration is discussed. The Finance Director, Human Resources Director and Nursing Director posts are substantive appointments. Along with the Chief Executive their posts would be subject to national competition if they became vacant. The Medical Director is appointed from within the Trust consultant body on a fixed-term contract.

In respect of pay awards for Executive Directors, these are made in line with Department of Health guidance. The Trust has a robust appraisal process in place for Executive Directors but does not operate a performance-related pay framework. All the Trust Executive Directors are employed on a full-time substantive contract with a 6 months contract termination notice period either side. There have been no significant awards made to past Executive Directors for early terminations of contract.

Please note that elements of the Remuneration Report are subject to audit, namely the salary and pension entitlements of senior managers (ie. the Board) and certain other information relating to the membership of the Remuneration Committee, the remuneration policy of senior managers, employment contracts, early terminations and significant awards to past senior managers if made.

B) Pension Benefits

Name and title	Real increase/ (decrease) in pension at age 60 (bands of £2500) £000	Real increase/ (decrease) in lump sum at aged 60 related to real increase/ (decrease) in pension (bands of £2500) £000	Total accrued pension at age 60 at 31 March 2011 (bands of £5000) £000	Lump sum at age 60 related to accrued pension at 31 March 2011 (bands of £5000) £000	Cash Equivalent Transfer Value at 31 March 2011 £000	Cash Equivalent Transfer Value at 31 March 2010 £000	Real increase/ (decrease) in Cash Equivalent Transfer Value £000	Employers Contribution to Stakeholder Pension £000
Ms AM Marr, Chief Executive	0 - 2.5	5 - 7.5	60 - 65	185 - 190	1,132	1,216	(85)	0
Mr DP Finn, Director of Finance and Information *(Started 1 February 2010)*	0 - 2.5	2.5 - 5	20 - 25	70 - 75	307	284	4	0
Dr M Lynch, Medical Director *(see note below)*	0 - 2.5	5 - 7.5	85 - 90	260 - 265				0
Ms G Core, Director of Nursing, Midwifery & Governance	0 - 2.5	2.5 - 5	40 - 45	120 - 125	648	696	(49)	0
Mrs AM Stretch, Director of Human Resources	2.5 - 5	7.5 - 10	35 - 40	105 - 110	502	532	(29)	0

Please note that the above information has been provided by the NHS Business Services Agency - Pensions Division.

As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. Please note that CETV figures are no longer shown for Dr Lynch who has reached retirement age during the period.

The CETV figures, and other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries. The Government Actuary Department (GAD) factors for the calculation of CETV's assume that benefits are indexed in line with CPI which is expected to be lower than RPI which was used previously and hence will tend to produce lower transfer values.

Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer.

St Helens and Knowsley Teaching Hospitals NHS
NHS Trust

Quality Account
2010-2011

Contents

Chief Executive's Introduction

The Trust is committed to providing the highest standard of care, in world class hospitals where patient safety is paramount.

This Quality Account outlines some of the achievements made in improving the quality of care, patient safety and clinical effectiveness at the Trust, throughout the year. The data systems supplying data contained within the report have been verified and to the best of my knowledge the information within this report is correct and accurate.

The Trust has actively engaged with local healthcare partners and patient groups to gain their feedback on the content of this Quality Account. Their comments, which are included in this document, have been extremely valuable in developing the account and I would like to thank them for their time and effort in working with the Trust.

Last year the Trust set itself the quality improvement targets of reducing mortality by a further 5%, reducing falls in elderly patients by a further 10% and improving infection audits to a consistent 90% across all wards. Each of these targets have been met and the Trust has improved productivity and efficiency whilst managing increased demand along with making new services available closer to patients' homes.

The Trust is the country's only acute organisation to perform above the national average in every indicator for quality of services and care in the latest Care Quality Commission assessment. In addition the Trust achieved an 'Excellent' rating in the Patient Environment Action Team (PEAT) assessments for both St Helens and Whiston hospitals in each category for the fifth consecutive year.

The Trust has further improved patient safety by reducing pressure sores, incidences of C-Difficile and there have been no 'never' events at St Helens Hospital or Whiston Hospital between 1st April 2010 and 31st March 2011. In addition the Trust's Hospital Standardised Mortality Ratio (HSMR) has been improved upon from the previous year and continues to be better than the national average.

The Trust continues to achieve an excellent performance in the Advancing Quality programme. The results have shown the quality of care provided to patients with serious illnesses are above the regional average.

Feedback from patients surveyed in recent Care Quality Commission reports on maternity, cancer care and inpatient care, were very positive. This demonstrates the high regard that our patients have in the quality of care they are being given.

The Trust aims to deliver care that is consistently high quality, well organised, meets best practice standards and provides the best possible experience for our patients and their families.

Providing this standard of care requires embedding a culture of safety improvement that reduces harm, improves outcomes, enhances patient experience and is based on the use of patient feedback and lessons learned.

It requires the Trust to respect the privacy, dignity and individuality of every patient. The Trust strives to be open and inclusive with patients and provide them with information about their care in a way they understand.

Patient pathways have been designed to reduce variations in care and improve outcomes, whilst recognising the individual needs of each patient.

This is the Trust's vision for '5 Star Patient Care' focused on safety, care, communication, pathways and systems, with the aim of providing an excellent experience for every patient, every time.

Ann Marr, Chief Executive

Quality Performance 2010-2011

Existing Commitments

Access to Sexual Health Clinics	Achieved
Delayed Transfers of Care	Achieved
A&E Waiting Times	Achieved
Rapid Access Chest Pain Clinic Waiting Times	Achieved
Cancelled Operations	Achieved
Cancer Urgent Referral to 1st Appointment Waiting Times	Achieved
Cancer Diagnosis to 1st Definitive Treatment Waiting Times	Achieved
Cancer Urgent Referral to 1st Definitive Treatment Waiting Times	Achieved

Vital Signs

Incidence of MRSA Bacteraemia*	Not achieved
Incidence of Clostridium Difficile	Achieved
Referral to Treatment 18 Week Waiting Times	Achieved
Referral to Treatment Median Waiting Times	Achieved
Referral to Treatment 95th Percentile Waiting Times	Achieved
Diagnostic Waiting Times	Achieved
Breast Symptom Referral to 1st Appointment Waiting Times	Achieved
Second or Subsequent Cancer Treatment (Surgery and Drug Treatments) Waiting Times	Achieved
Second or Subsequent Cancer Treatment (Radiotherapy Treatments) Waiting Times	Achieved
Cancer National Screening & Specialist Referral to 1st Definitive Treatment Waiting Times	Achieved
Smoking During Pregnancy	Achieved
Mixed Sex Accommodation	Achieved
Stroke Strategy	Achieved
Stroke Performance	Not achieved

***For information on how the Trust is improving Stroke performance see page 20 and its MRSA performance see page 23**

Commissioning for Quality and Innovation (CQUIN)

The CQUIN payment framework enables commissioners to reward excellence, by linking a proportion of healthcare providers' income to the achievement of quality improvement goals. Some of these are set nationally, some within the North West region and some by the local commissioners for the Trust. The tables below outline the Trust's CQUIN performance for 2010-2011.

CQUIN National Schemes

Venous Thromboembolism (VTE) Risk Assessment	Achieved
Percentage of Adult Patients Admitted in the Month Assessed for Risk of VTE on Admission*	Not achieved
Adult Inpatient Survey - Responsiveness to Personal Needs	Partially achieved

***For information on how the Trust is improving its VTE assessment performance go to page 15.**

CQUIN Regional Schemes

AQ- Clinical Indicators	Achieved
TARN - Trauma Audit Research Network Clinical Data Association	Achieved

CQUIN Local Schemes

Reducing Adverse Events and HSMRs	Achieved
Dr Foster HSMR	Achieved
HIA - Falls Establish Baseline and Trajectory to Achieve 10% in Falls in Elderly Care	Achieved
HIA - Pressure Sores	Achieved
High Impact Actions for Nursing and Midwifery	Achieved
Caesarean Rates	Achieved
Patient Experience - National Maternity Survey	Achieved
% of low Statin Prescribing	Achieved
% of PPIs Prescribed	Achieved
% of First Line Drugs Prescribed Affecting the Renin-Angiotensin System Relating to ACE inhibitors	Achieved
Volume of Black Light Drugs Prescribed	Achieved
Prescribing of top 10 'Special Medicines'	Achieved
Clopidogrel-Percentage of Discharges in Audit with Length of Treatment Specified	Achieved
Atorvastatin-Precentage of Discharges in Audit with Length of Treatment Specified	Achieved
Acute Oncology Service Employment of Acute Oncology Staff	Achieved
Acute Oncology Service Evaluation Report on the Impact of the Service	Achieved
Electronic Discharge	Not complete

Achieving Quality Objectives

The Trust has achieved a large number of quality objectives focusing on key areas of patient care.

Patient Safety

- Reduced total hospital acquired pressure sores by 16%.
- Reduced inpatient falls in care of the elderly by 17%.
- Implemented Global Trigger Tool safety review process.
- IV access performance and improved delivery on reduction in infection.
- Commenced Leading Improvements in Patient Safety programme (LIPS) and have developed work streams to improve outcomes in caring for deteriorating patients and hospital acquired infection.
- Commenced Safety Express programme
- Achieved CNST Level 2 in Maternity.
- Reduced Caesarean section rate by 3.9%.
- No "never events" as defined by the NPSA.
- Continued to ensure that the environment at both hospitals met the needs of the patients in terms of cleanliness and privacy which was rated Excellent at both sites in all categories in the Patient Environment Action Team assessment.
- Achieved further reduction of Clostridium Difficile infection.
- Strengthened participation in all mandatory audit programmes e.g. Trauma Audit Research Network (TARN), Myocardial Ischaemia National Audit Project (MINAP).
- Established Quality Ward Rounds in new hospital wards.
- Developed and implemented Ward Dashboard to evaluate quality and workforce performance by ward.

"The hospital is top class; the environment, the staff, the service – everything! Staff on the ward treat me with the utmost dignity, I could not ask for more caring people. It has made me feel so much better being here and I am confident that I'm in good hands."

Margaret McDermott, patient on Ward 4C

Patient Experience

- Implemented regular surveys in productive ward outcomes, eliminating mixed sex accommodation and measuring patient dignity and experience.
- Implemented Listening Clinic in the Department of Medicine for Older People.
- Increased number of complaints resolution meetings and incident outcome meetings held with patients and families.
- Implemented electronic handover.
- Implemented PROMS audit relating to all Advancing Quality pathways.
- Established Productive Ward programme in all of the reconfigured wards in the new hospital.
- Implemented "Forget me not" information logs to improve care of patients with dementia.
- Implemented a wider range of improvements resulting from complaints and incidents.
- Mixed sex accommodation is now eliminated in the new hospital wards.
- Tripled numbers of hospital volunteers within the year and introduced new volunteer roles.
- Improved care of patients with learning disabilities and working in partnership on implementing Six Lives.
- Maintained performance in national patient surveys following move into new hospital.
- Established improvements in patient nutrition including protected meal times and improved assistance in patient feeding in pilot wards.

Patient Care Outcomes

- Continued to perform within the top quartile for all Advancing Quality (AQ) pathways.
- Hospital Standardised Mortality (HSMR) has reduced substantially and ranks favourably when benchmarked nationally.
- Established the Improving Outcomes Group (IOG) to monitor benchmarked performance of specialities in terms of mortality, length of stay, readmission rates and day case rates.
- Implemented mortality review systems.
- Introduced several new pathways for patients suffering from conditions such as stroke and chest pain.
- Fundamental changes to the management of GP referred urgent cases.
- Reduced infection acquired after joint surgery through the implementation of the joint school.
- Commenced an emergency patient journey programme in medicine.
- Clinical Outcomes Committee refocused with a robust work programme.
- Managed a significant increase in hospital emergency admissions due to poor weather and flu cases.

Better Patient Care

The Trust continues to be at the forefront of measures to implement best practices initiatives, enhance clinical effectiveness and improve patient care.

Productive Ward Programme

The Trust has continued its success with the national Productive Ward programme by re-establishing this efficiency initiative throughout all new wards and teams within the new Whiston Hospital.

This has helped to ensure patient satisfaction levels remain high and nursing staff are benefiting from improved approaches to work, which include a reduction in the length of nursing handover utilising an electronic handover process.

Improving Nursing Communications

The electronic handover system enables nursing staff to undertake more effective handovers with better clarity in communication. This new Situation Background Assessment Recommendation (SBAR) communication method, which is being implemented on all wards in the coming year, is improving patient safety by ensuring clearer instructions on individual patients needs are provided to the next shift. In addition it has led to shorter handover meetings meaning nursing staff can spend more time directly looking after patients.

Early in 2010 the Nursing Development Team began producing a quarterly nursing newsletter. The newsletter ensures that the Trust's nursing staff have access to relevant information about the latest developments in patient care and changes to working practice.

Ward Dashboard

The Ward Dashboard developed by the nursing team covers a range of quality and workforce measures and incorporates clinical performance indicators such as infection rates, audit scores, falls, pressure sores and complaints. The range of indicators will be expanded as new systems for capturing information are developed.

The dashboard enables managers to spot early warning signs of workforce reduction or changes to quality performance, which may indicate that a ward requires additional support.

Within the dashboard, workforce information is displayed highlighting the percentage of staff available for deployment on the ward at any given time. This is an essential aspect of managing the delivery of patient care and having dashboards in place ensures that senior nurses have an overview of all the wards at any given time.

Quality Ward Rounds

The Quality Ward Round includes a presentation by the ward manager and key staff to a selection of senior managers including at least two members of the Trust Board. The presentation covers the performance against a wide diversity of indicators including those within the ward dashboard. This enables the ward manager to demonstrate how the ward is performing and also how its performance compares to similar wards.

Ward managers are able to discuss concerns and achievements directly with senior managers who in turn are able to understand the work of the ward. The presentation is followed by a visit to the ward, which gives senior managers an opportunity to meet a wider group of staff and to talk to patients about the quality of care they are receiving.

New Improved Environment

Wards in the new Whiston Hospital are much larger than those in the old building. The new wards provide 50% single room accommodation with ensuite facilities and the remaining beds are situated in four bedded bays with floor to ceiling windows providing abundant natural light.

Patients do not share sleeping areas with those of the opposite sex in any of our wards. The new environment gives the patients ample space and the utmost privacy along with first class facilities and equipment.

Nursing staff have achieved a 16% reduction in pressure sores for patients and a 17% reduction in the number of inpatient falls during the year. Nurses are supported by dedicated specialists and specialist equipment which has helped to significantly improve patient care.

Developments in Patient Nutrition

The Trust has established a Nutrition Steering Group (NSG) involving nurses, doctors and catering staff. This group have implemented a number of measures that have improved both nutrition and hydration amongst patients. These measures which are being implemented on all wards include:

- A mealtime co-ordinator who ensures that patients requiring assistance with eating their meal have a member of staff to assist them.
- Assistance is provided to patients who need support to eat.
- That red trays are used to identify patients who require assistance and that the tray should not be removed until a member of staff has seen what the patients have eaten from their meal and recorded this.
- That red water jugs are used to identify any patients who require their water intake monitoring or assistance to pour a glass of water.

Improving Care of Patients with Dementia

The Trust is committed to providing the most positive experience of care possible for patients and their families and is working to enhance both the care and the environment for patients with dementia.

The Trust is taking part in the National Dementia Audit and has completed the first two parts of this three part audit. Results are being reported back to individual wards and departments in order to highlight good practice and to identify how care could be improved.

A training DVD called "Making Sense" was produced for the Trust's second National Dementia Conference. The powerful experiences which are shared in this film depict not only how stressful a hospital stay can be for patients with dementia, but how individual motivations, attitudes and understanding can make a real difference to the care they receive. The Department of Health have been so impressed by the DVD that they have provided funding for it to be distributed to each Trust in the country.

Dementia leads have recently devised and implemented a "Forget me not" card with information about the patient's life. This helps staff to recognise what is important to the patient and to get to know them better.

The patient may not be able to explain to each member of staff what they like and don't like but this information is available for staff caring for them on the card.

The Department of Medicine for Older People at the Trust delivers a four day dementia training course accredited by the Royal College of Nursing. The aim of this training is to promote mutual respect and to help staff understand how the patient with dementia may be feeling and what they want, enabling staff to respond more effectively.

The Trust has made a number of changes to the ward environment where patients with dementia are cared for, such as improved signage to make them more accessible. During the coming year three treatment areas in the Accident & Emergency Department will be similarly adapted to be used to care for patients with dementia as they arrive at the hospital.

Nurse Education

Health Care Assistants play a significant role in caring for patients. To support them the Trust has established the Bedside Emergency Assessment Health Care Assistance (BEACH) programme, which teaches them how to recognise and manage a patient whose condition is deteriorating and how to escalate this to medical staff. 73 Health Care Assistants have received BEACH training this year.

The Trust has developed a clinical induction programme for newly recruited nurses and health care assistants, which is designed to provide training in the specific equipment and ward layout, along with the Trust's systems and processes. Basic IT skills are taught and the IT systems in use on the ward are explained so staff are fully prepared when they start work on the ward.

Simulation Training

Simulation training has been provided for over 1,000 members of staff and students and this training is being undertaken in clinical areas to provide training that is as realistic as possible.

Undergraduate students undertake simulation training throughout their curriculum. At Whiston Hospital those in their second year of training do so in the simulation suite. Those in their fourth year have Unexpected Medical Undergraduate Simulation Training (UMUST), which reproduces the clinical conditions which trainee doctors face, such as being summoned to an emergency without any prior warning.

Emergency Department simulation training is given to multidisciplinary groups of staff on a regular basis and regional courses for accident & emergency registrars are held at Whiston Hospital.

Simulation training in the operating theatres is undertaken on a weekly basis involving anaesthetic trainees, operating department practitioners (qualified and students) and nurses working in multidisciplinary teams. The simulations reproduce anaesthetic emergencies, some of which are very uncommon and can be fatal within minutes. The sessions are videoed and the film footage is used to provide feedback to those taking part with emphasis not only on technical skills but on team work and communication. As an extension of this the Trust runs a one day multidisciplinary course at St Helens Hospital.

Weekly multidisciplinary simulation sessions on the surgical wards are held to train staff in the recognition and management of ill patients.

An education programme for the Radiology Department using simulation is improving recognition and management of emergencies, which may occur in the department, giving staff the knowledge and experience of resuscitating patients.

The simulation team is also supporting the Obstetrics & Gynaecology Department and run sessions in the Critical Care Department. Simulation is also used in the Acute Life-threatening Event Recognition & Treatment (ALERT) & Advanced Life Support (ALS) courses.

The Trust also organises courses for the Regional Simulation Network on the technical aspects of simulation and on the educational and human factors theory, which are held at Whiston Hospital.

Future developments in simulation training include:

- Multidisciplinary training for the Trauma Team
- Training for the Medical Emergency Team.
- Training for the Paediatric HDU staff

The Trust will be undertaking joint training involving staff across various departments. The simulation will start in the Emergency Department, before moving to the operating theatres and then onto the Intensive Care Unit. This will provide training not just in technical skills but in the communication skills needed to work with different specialities and in safe transfer of a critically ill patient.

The Trust has a simulation committee comprising members trained in simulation and is also training a registrar and an operating department practitioner to become simulation trainers.

"The staff are very professional and helpful and the care they provide is outstanding. I have total confidence in the care they provide to Jake and would hate to go to any other hospital."

Joanna Barrow and son Jake on Ward 3F

Improving Patient Safety

Patient Safety is a key priority for the Trust and a number of initiatives have been established to ensure that patients continue to receive their care in a safe environment.

Preventing Patient Falls

A Falls Prevention Service has been established to provide advice and support to staff working with patients who are at risk of falling or who have already suffered a fall. The service aims to reduce the number of patient falls and to provide appropriate care to those who have had a fall. The Trust's Falls Prevention Policy has been revised and a new falls assessment process and falls specific care plan have been implemented in all clinical departments. Additional falls prevention equipment, such as chair alarms have been provided and nursing staff have received training on falls prevention.

Key achievements during the last 12 months are:

- 98% of all adult patients admitted to the Trust have a detailed falls assessment carried out within 24 hours of their admission.
- 99% of patients identified as being at risk of falling have a designated falls/delirium care plan in place
- 80% of clinical staff have received falls prevention training during the last 12 months
- Inpatient falls have been reduced by 17% in the Department of Medicine for Older People wards.

The Trust aims to further reduce the number of inpatient falls. It is also taking part in the Safety Express initiative which has set a target of reducing serious harm caused to patients as a result of a fall by 50%, by the end of 2012.

Preventing Hospital Acquired Pressure Sores

The Trust has made significant advances in the treatment and prevention of pressure sores for patients suffering restricted mobility whilst in hospital. In the last 12 months, hospital acquired pressure sores have fallen by 16%.

The Trust aims to continue to reduce the number and type of pressure sores occurring during hospital stays until they have all been eliminated.

Tissue viability nurse specialists work with nursing staff to ensure that they have the most up to date knowledge and skills and that the most appropriate equipment is available for patients at risk of developing sores. They also work with nurses to identify the cause of a sore and work to ensure that any sore is classified appropriately, by grade 1 to 4, with 4 being the worst kind of sore. This classification is essential as each different grade is often associated with different causes and understanding the cause, helps to identify the right action to take to prevent the sore. The Trust has achieved an 87% reduction in grade 4 sores for the year.

Safeguarding Adults

Preventing the abuse and neglect of vulnerable people in the care of the Trust is a key priority and the Trust is committed to proactively safeguarding vulnerable adults.

Staff receive ongoing education in safeguarding adults as part of mandatory training. This heightened awareness in identifying when a vulnerable adult may be experiencing some form of abuse or neglect, has resulted in a significant increase in hospital staff referring patients to the Trust's safeguarding specialists, from 102 the previous year to 348 over the past twelve months. Following referral an investigation is carried out and findings are acted on, to ensure that patients are not discharged to an unsafe environment. Of the patients referred, 318 required support from the safeguarding specialists and of these 86% were found to have issues with their care at home and were referred to social care services.

All wards and departments are supplied with a safeguarding information folder explaining the procedure to follow in the event of a safeguarding incident.

The team has worked with ward staff to identify 'Safeguarding Heroes' in each ward and department, who is responsible for ensuring that all other staff have had relevant training and that any good practice examples from other areas are shared amongst staff to promote further improvements.

As part of safeguarding initiatives all grade three and four pressure sores are reported to the safeguarding team for action and follow up. This ensures the patient has a continuing treatment plan that is managed effectively on discharge to community based care providers.

Training has also been provided to staff on caring for patients who have a learning disability this is to ensure that staff are aware of vulnerability and also to ensure that the patient's hospital experience is excellent.

Any formal complaint made to the Trust is forwarded to the safeguarding team to identify whether there are any safeguarding related concerns. If safeguarding issues are identified action is taken by the safeguarding team to prevent a similar incident occurring.

When abuse or neglect is identified and reported, patients in our care can be reassured they will be kept safe and secure, and that all steps will be taken to prevent abuse and neglect in the future.

The safeguarding team works closely with partner health agencies, local authorities, the police and voluntary agencies to ensure that vulnerable people are cared for across agency boundaries.

Patient Safety Information

The Trust is committed to ensuring the utmost patient safety and has invested in an electronic DATIX incident and complaint management system to record and analyse any incident that may occur.

This new system will enable staff to enter details of incidents directly into the electronic system and will help nursing staff to improve safety and prevent harm occurring.

DATIX includes a number of sections in addition to the incident reporting and analysis section that will provide managers with information that will underpin a wide range of performance measures and lead to quality improvements. DATIX includes the following:

- Online incident, adverse event and near miss reporting
- Integrated risk assessment facility
- Safety alerts recording
- Online complaints management system
- Claims handling
- Patient Advice and Liaison Service concerns reporting

DATIX will enable the Trust to analyse any trends in incidents occurring and will provide an integrated approach to dealing with incidents, complaints, concerns and claims.

Leading Improvements in Patient Safety (LIPS)

In 2010 the Trust enrolled in the Leading Improvement in Patient Safety (LIPS) programme hosted by the Institute for Innovation and Improvement and attended by representatives from clinical staff, quality leads and members of the Executive Team.

The LIPS programme has provided the Trust with the tools to implement effective and sustained improvement in the delivery of patient care prompted by incident review, complaint analysis and patient feedback. Enrolment in LIPS compliments the Trust's ongoing commitment to instigating root cause analysis where failings in care are identified and remedial action is required. As a consequence of skills gained through attending this programme action planning/ implementation is both realistic in terms of addressing issues and measurable in demonstrating positive change.

Embedding LIPS into hospital culture underpins the commitment the Trust has to patient safety and is evident in our current safety schemes which relate to early and effective intervention for the deteriorating patient.

LIPS also promotes a proactive approach to delivering patient care in a 'risk aware' environment for which the Trust actively undertakes random medical record reviews to identify where adverse events have occurred. To standardise the review process the Trust utilises the Global Trigger Tool. Through actively seeking the potential for patient harm the Trust can implement improvement while promoting an 'open and honest' approach for staff to highlight concerns in the best interest of our patients.

Global Trigger Tool

Traditional efforts to detect adverse events during the delivery of care or treatment to patients have focused on voluntary incident reporting. However, nationally only 10 to 20% of errors are ever reported and of those 90 to 95% cause no harm to patients.

The Trust has adopted a more effective way to identify events that cause harm and to learn from these events in health care. The use of triggers to identify adverse events during a manual record review has been used extensively in several countries to measure the overall level of harm in a healthcare organisation and has proven successful in reducing the occurrence of adverse events causing physical harm to patients.

The manual record review is conducted by a multidisciplinary team who look at small samples of patient case notes. The Trust currently has two review teams and will expand this to improve the safe delivery of care even further. The Trust is currently developing an annual review of data for analysis to identify trends in safety issues.

Safety Express

The Trust has been selected by the Strategic Health Authority; NHS North West to be one of the host organisations for a new programme aimed at setting patient safety standards. 'Safety Express' is a national improvement programme and aims to achieve significant reductions in four avoidable harms: pressure ulcers, serious harm from falls, catheter acquired urinary tract infections and venous thromboembolism (VTE).

As part of this initiative, the Trust is participating in the Safety Thermometer survey to measure the prevalence of these four avoidable harms. Results of this audit found that nationally 81% of patients experienced no harm, whilst the Trust's figure was 87%.

The Trust is also engaging with three local nursing homes to ensure any processes implemented within the Trust can be continued when the patient is discharged.

Improving VTE Performance

The Trust aims to improve performance on venous thromboembolism (VTE) assessment and particularly in recording that patients have had assessment soon after admission. The Trust undertook a VTE awareness campaign in May 2011 and completed training for junior medical staff in undertaking assessment. Training also has been provided within some specialist areas to enable nurses to perform VTE assessment.

Internal audit results show that performance on the wards is above that recorded on the Trust-wide system. The Trust will improve the data collection process to ensure that the reported figures accurately reflect true performance levels.

Collaborative Working Initiatives

To help improve the prevention and control of infection, the Trust has established a multidisciplinary group including matrons, infection control nurses, quality leads and facilities management (responsible for services such as cleaning and maintenance).

This Infection Control Forum meet each month to highlight any infection issues and within a short time this group has helped to cut infection rates by half. This collaborative working between clinical and facilities staff to finding solutions and implementing rapid change has been the key to reducing infection.

Intravenous Device Drug Library

The Trust has successfully implemented a new and innovative technical solution in the use of pumps that deliver medications, blood products and fluids to patients. This solution was a finalist in the national Patient Safety Awards 2011 after being selected ahead of a large number of entries from across the country. In addition a number of other Trusts have been so impressed that they adopted this solution.

The pumps incorporate medication error reduction computer software; a safety feature which allows the nurse or doctor to choose a medicine from the built-in library. This then initiates a programme incorporating limits which reflect correct dose and administration rates. The 'soft limit' function allows the nurse or doctor to make changes within an acceptable level and then administer to the patient accordingly reducing the risk of a medication error.

The drug error software library was developed through the diligent multidisciplinary work of the Medical Device Training Co-ordinator and staff in pharmacy. Through consultation and collaboration with nursing and clinical departments, a bespoke library was created.

Improving Patient Experience

The Trust is committed to providing patients with the highest standard of care and aims to provide an excellent experience, to every patient, every time.

Throughout the year a number of independent surveys of patients were published by the Care Quality Commission. The findings from these surveys illustrate the quality of care being provided by the Trust and the positive impact made on patient experience.

National Maternity Survey

Trust response rate 42% (national response rate 52%)

Mothers who gave birth at Whiston Hospital were surveyed as part of a national report on maternity care. The findings for the Trust included the following:

- 86% rated their overall care as excellent or good
- 100% of mothers were visited at home by a midwife
- 95% said they got the pain relief they wanted
- 86% of mothers said they had a choice of where to have their baby

National Cancer Survey

Trust response rate 61% (national response rate 67%)

Patients undergoing treatment for cancer at the Trust took part in a national survey, which found:

- 91% of patients had their first appointment no more than 4 weeks after referral
- 95% of patients thought doctors knew enough about how to treat their cancer
- 92% of patients said everything was done to control the effects of radiotherapy
- 96% were always given enough privacy when being examined or treated

National Inpatient Survey

Trust response rate 43% (national response rate 50%)

Inpatients admitted to hospital were surveyed as part of a national study. The following outcomes were highlighted:

- 92% of patients said they were given enough privacy when being examined or treated
- 88% of patients stated that the room or ward was very clean
- There were improvements in the ratings for the quality of food with 25% of patients rating the food as very good.
- 83% rated doctors and nurses working together as excellent or very good

Improving Patient Experience Following Complaints

Feedback from patients, their friends and relatives is very important to the Trust. Listening to patients is vital to ensuring that the Trust continues to provide a high quality service designed to meet their individual needs.

The overwhelming majority of patients at St Helens and Whiston hospitals receive the high standard of care that the Trust expects. But we recognise that this is not always the case and we actively seek feedback to ensure that we can achieve better.

In the past year the number of formal complaints made to the Trust increased from 326 in 2009/10 to 441 in 2010/11. However this number remains relatively low when compared to similar Trusts and the number of patient cases that are treated across St Helens and Whiston hospitals.

The Trust is committed to implementing changes in practice wherever deficiencies, problems or poor practice have been identified. Lessons learned and changes implemented as a result of complaints continue to be developed across all areas and a number of these initiatives are as follows:

- In line with national guidance, meetings with complainants and family members are held within the Medical, Surgical and Clinical Support Care Groups.
- Following handover meetings on the ward, nursing staff now undertake a general walk around the ward to introduce themselves to patients, monitor record keeping and patient observations. This provides an opportunity for patients to ask any questions in relation to their care. In addition the Trust expects staff to be visible at visiting times to allow the opportunity for family members to request information.
- Wards ensure that all 4-bedded spaces are protected for those patients whose conditions are most serious to ensure that close observations by appropriately trained staff are maintained in order to improve patient safety.
- The introduction of meal-time coordinators and the coloured jug and tray system which is ensuring that patients remain well nourished during their hospital stay.
- Ward information leaflets are being updated to reflect changes that are being undertaken at ward level which will assist in the overall improvement in communication to patients and their visitors.
- Wards caring for elderly people are a piloting new 'listening clinics' that are significantly improving the communications between patients, relatives and staff. The listening clinics provide the opportunity for patients and their relatives to ask any questions with regards to treatment plans, discharge arrangements or anything related to clinical care provided to patients.

New Carers Support Service

In partnership with St Helens Carers Centre, the Trust has developed a Carers Support Service in both St Helens and Whiston hospitals. The team provides information, advice and referral to the local Carers Centres. In addition, the Carer Income Maximisation Officer provides a specialist welfare benefits service on site to people caring for those nearing end of life or with terminal illness.

The team work with several different departments to ensure all carers are identified and treated as equal and expert care partners in the diagnosis, treatment and discharge of the person they care for.

This service has proved extremely popular and useful both to carers and Trust staff who are dedicated to improving the service provided to patients.

New Bus Service to St Helens Hospital

The Trust has worked closely with patients, visitors and community partners such as: St Helens Local Authority, St Helens LINk (Local Involvement Network), Merseytravel and St Helens Senior Voice to bring public transport closer to St Helens Hospital. This has succeeded in establishing a new bus service directly into the hospital grounds, which has improved the accessibility of the hospital especially for those with mobility problems.

Disabled Car Parking

After listening to the views of patients and visitors with a disability, the Trust has improved the disabled parking arrangements at St Helens and Whiston hospitals. Since moving into the new Whiston Hospital, the disabled parking bays have been relocated to level 5 on the multi-storey car park on Warrington Road. This gives easy access to the link bridge to the new hospital now that it has opened. An accessible payment machine and coin-operated wheelchairs have also been installed in that area to ease the transition from the car park to the hospital.

Hospital Volunteers

Volunteers are seen as an invaluable support to clinical staff as well as enhancing the patient's experience whilst in hospital. In return volunteers gain invaluable experience if seeking to follow a career in health care, develop new skills to enhance their employment prospects or simply keep active and meet new friends whilst volunteering.

The number of volunteers within the Trust has more than doubled in the past year with more than 200 helping across both St Helens and Whiston hospitals. Volunteers receive training both prior to and after taking up their placement.

Links have been developed with local colleges and students are encouraged to get involved in volunteering as part of their personal development.

The number of volunteers in the Lilac Centre and Macmillan Resource Centre have been increased to enhance the support given to patients whilst receiving care for cancer. Volunteers have also been recruited to support the Trust's Dementia Strategy.

Volunteers have also been recruited to new areas such as Diabetes, Audiology and Pathology as well as non-clinical areas such as Purchasing & Supplies, Finance, Media, PR and Communications.

Increased numbers of volunteers are now working at the main reception of Whiston Hospital to help direct patients and visitors to the relevant departments 7 days a week.

Volunteers are also involved in patient surveys which look at the quality of care we provide to those who use our services.

In the near future specially trained volunteers will work alongside clinical staff to help deliver a delirium prevention programme for older people in hospital. As part of the programme volunteers can enhance patient care through specific aspects of delirium prevention including orientation, communication and engagement.

Spiritual Care

The Spiritual Care Department is actively involved in supporting a wide range of activities aimed at enhancing the patient and visitor experience and supporting those who choose to seek spiritual care in their time of need.

Central to the department is the purpose designed multi-faith space called the Sanctuary. The Sanctuary provides a place for those of all faiths and none, to sit and be quiet away from the hectic hospital environment and can also provide an opportunity for peace.

The Sanctuary is used throughout the week for differing forms of religious practice.

Improving Clinical Effectiveness

The Trust aims to improve clinical effectiveness to ensure that patient care, safety and outcomes are enhanced, whilst providing a more efficient service.

Advancing Quality

The Trust continues to rank highly in the Advancing Quality Programme, which is improving clinical effectiveness across the region.

This initiative involves Trusts from across the North West and aims to establish best practice standards and improve the quality of care being given to patients suffering from some of the region's most common serious conditions. These are:

- Heart Attack
- Heart Failure
- Hip and Knee Replacements
- Pneumonia
- Stroke (since October 2010)

The table below outlines the Trust's performance in Advancing Quality for the first two years:

Patient Focus Group	2010/11	
	Cumulative Trust Score	Average score for participating Trusts
Heart Attack	99%	97%
Heart Failure	88%	71%
Hip & Knee	93%	93%
Pneumonia	83%	81%

Heart Attack

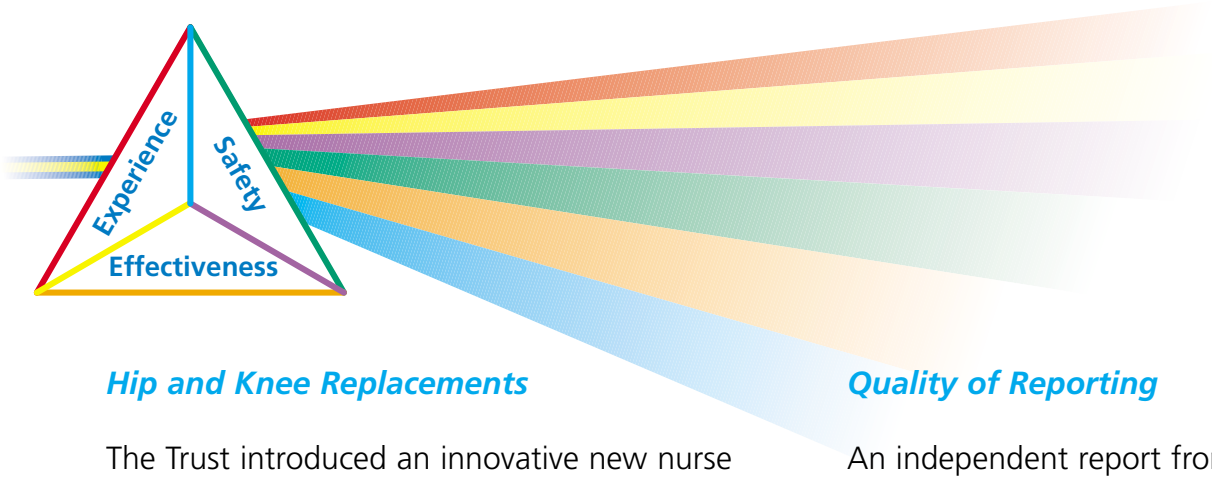
The Trust achieved a cumulative score for the care it provides to patients who have suffered a heart attack that is above the average score for participating organisations. This underlines the quality of care being provided to these patients and the accuracy of the data being reported regarding their care.

This year further improvements have been made in providing patients with access to services for smoking cessation advice.

Heart Failure

More patients are benefiting from the specialist care and expertise of the Trust's Heart Failure team. Staff are being actively encouraged to direct patients to the team and this has succeeded in providing a significant increase in referrals.

This has helped to further improve the quality of care provided to these patients with more receiving appropriate instructions from a specialist Heart Failure nurse on discharge and more receiving advice on stopping smoking.



Hip and Knee Replacements

The Trust introduced an innovative new nurse led service for patients who undergo hip and knee replacement surgery. Before having their operation, these patients visit a 'Joint School' at Whiston Hospital, where nursing staff inform them about the operation and rehabilitation. Full assessments are made and patients are provided with training in pre and post operative exercises. The Joint School has succeeded in significantly reducing the length of stay and improving the outcomes for patients undergoing hip and knee surgery.

Pneumonia

The Trust is providing an excellent standard of care for patients suffering pneumonia. Robust pathways have been developed for patients in the Accident & Emergency Department and Acute Medical Unit to ensure that they benefit from best practice based standards of care. A dedicated Advancing Quality lead nurse specialising in pneumonia is increasing the awareness of the new pathways, which is improving the quality of care for these patients.

Stroke

The Trust ensures that there are always stroke care beds available to new patients. Since stroke care became part of the Advancing Quality programme in October 2010, staff in the Accident & Emergency Department and Acute Medical Unit have been engaging with initiatives to improve performance reporting and the quality of care being provided to these patients.

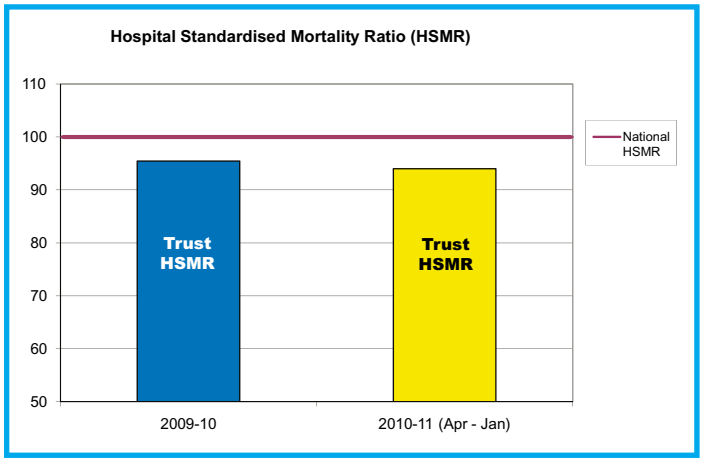
In the coming year, the stroke nursing team will provide a service 24 hours a day, 7 days a week, which will help to ensure that patients suffering from stroke receive specialist care on the dedicated stroke unit faster.

Quality of Reporting

An independent report from the Audit Commission found that the Trust achieved 100% accuracy in its quality measures reporting for the year. This confirms that the standard of care being measured through the Advancing Quality programme is among the highest in the region and further illustrates the Trust's commitment to providing patients with the very best the NHS has to offer.

Hospital Standardised Mortality Ratio (HSMR)

It has always been the case that a proportion of patients will die in hospitals as a result of their illness or injury. The average rate of deaths for each hospital is calculated and each individual organisation can measure its own performance against a national average. The Trust's mortality ratio has been below the national average for the last 2 years and this year has made further improvement. The aim is for each hospital to achieve a number that is less than the national average as a demonstration of good care outcomes.



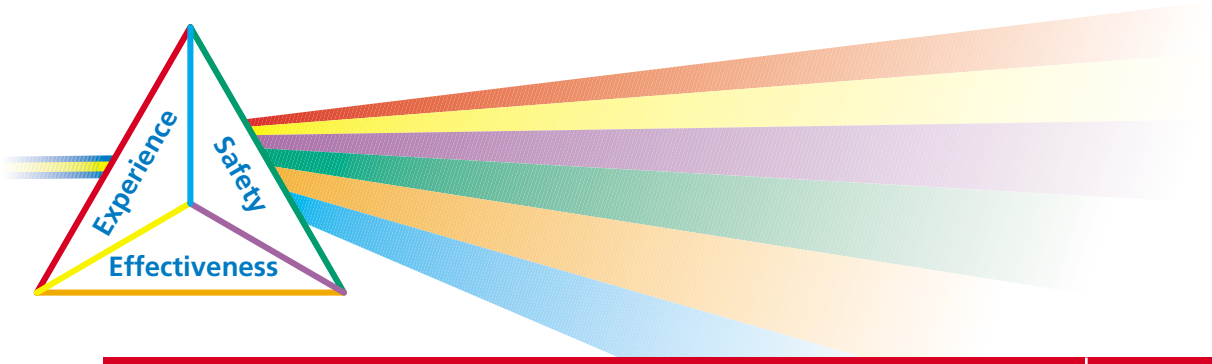
Participation in National Clinical Audits and Confidential Enquiries

During 2010-11, 23 national clinical audits and 6 national confidential enquiries covered NHS services that the Trust provides.

During that period the Trust participated in 91% national clinical audits and 100% national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that the Trust was eligible to participate in, and did participate in, during 2010-11 are as follows;

Study name	Trust Participation	Percentage of cases submitted
National Clinical Audit		
CEM (College of Emergency Medicine) Renal Colic	Yes	100%
CEM Feverish Children	Yes	100%
CEM Vital Signs Audit	Yes	100%
Parkinsons UK Audit	Yes	87%
Sentinel Stroke Audit	Yes	100%
Diabetes (Adults)	Yes	56%
Diabetes (Paediatrics)	Yes	100%
Use of Group O Rhd Negative Red Cells	Yes	100%
Cancer Patient Support	Yes	100%
SINAP - Stroke Improvement National Audit Performance (AQ)	Yes	Ongoing
Audit of Seizure Management	Yes	Underway
Comparative audit of re-use of Platelets	Yes	Ongoing
Management of Decreased Conscious Levels in Children and Young People	Yes	Underway
Quality in Cancer Nursing Sensitive Outcome Indicators for Day Care	Yes	Ongoing
Heavy Menstrual Bleeding	Yes	Underway
Hip Fractures	Yes	Ongoing
Care of the Dying audit Hospitals	Yes	100%
Epilepsy 12 - Paediatrics	Yes	Underway
Trauma Audit and Research Network	Yes	100%
Myocardial Infarction National Audit	Yes	100%
Intensive Care Audit and Research Centre – Case mix data	Yes	100%
National Health Promotion in Hospitals (NHPH)	No	N/A
National Audit of Services for People with Multiple Sclerosis	No	N/A



Study name	Trust Participation	Percentage of cases submitted
National Confidential Enquiry		
National Audit of Parentral Nutrition	Yes	100%
National Audit of Elective & Emergency Surgery in the Elderly	Yes	100%
Surgery in Children	Yes	100%
Peri-operative Care	Yes	100%
Cardiac Arrest Study	Yes	100%
Cosmetic Surgery	No	N/A
Bariatric Surgery	No	N/A
Centre for Maternal and Child Enquiries	Yes	100%

Many of the audits listed are still underway at the time of reporting. As each one concludes the findings and recommendations are incorporated into a plan that the relevant service implements to ensure that the recommendations are incorporated into practice.

As an example in response to findings of the Sentinel Stroke Audit, the Stroke Nurse Specialist has devised a 72 hour care plan that highlights the main quality performance indicators to ensure everything is carried out within the recommended timescale.

Participation in Clinical Research

The number of patients receiving NHS services provided or sub contracted by the Trust in 2010-11 that were recruited to participate in research approved by research ethics committee was 2,369.

Research and Development is planned and managed in line with the government stated objectives in the NHS Operating Framework and White Paper that place research and evidence based care at the core of the NHS. The expected 20% increase in research activity and patient recruitment was achieved.

The Trust is a partner organisation within the Cheshire and Merseyside Local Comprehensive Research Network and collaborates with topic specific networks to build on research strengths particularly in the health areas of Cancer, Intensive Care Rehabilitation, Heart Disease, Diabetes, Rheumatology and Stroke Care. Specialty Research Groups (SRG) have been developed to encompass research in specific clinical areas not covered by topic specific networks.

The SRG lead for Generic Health Relevance & Cross Cutting Themes – Critical Care is a consultant in high dependancy and intensive care based at the Trust who is also is a Professor of intensive care medicine at Liverpool University. Following a successful Research for Patient Benefit Bid, the Trust is acting as sponsor for this multisite study "Rehabilitating Muscle After Intensive Care", for which the SRG lead is the Chief Investigator. The Trust also has consultant representation in two other SRG's, Reproductive Health and Childbirth and Musculoskeletal Research.

The Trust continues to promote and strengthen partnerships with Universities and other Trusts in acute and primary care settings to develop co-ordinated programmes of work in key health priority areas.

Reducing Infection

The Trust is dedicated to providing patients with a safe environment and works hard to reduce infection across two busy hospitals.

Infection Prevention In Clinical Practice

The Trust's IV Access team are continuing to deliver education and training to staff to reduce peripheral line infection and have succeeded in halving the rate of infection in just 2 years.

The Trust took part in a nationwide scheme to reduce caesarean section surgical site infection. This pilot study supported by the Health Protection Agency, involved 14 other hospitals and infection rates at the Trust were lower than average, with only superficial infections occurring.

In line with Department of Health guidelines, the Trust has expanded its MRSA screening programme to include all emergency cases.

Better Infection Control Through Better Design

Clinical departments within the new Whiston Hospital have been designed with the involvement of the infection control. Design features that will help to further reduce infection include:

- 50% single room accommodation with ensuite facilities
- Selected single rooms on each ward with air pressure and specialised ventilation for isolating patients with serious infections in order to protect other patients and members of staff.

Hospital Acquired Infections

There were 73 incidences of C-Difficile recorded at the Trust against a CQC target of 169.

There were 8 incidences of MRSA recorded at the Trust against a target of 5.

These results are outlined in the tables on page 25.

A series of actions have been put in place and more are to be introduced to reduce the number of MRSA infections. These measures include increased MRSA admission screening, increased eradication therapy, regular and robust ward and antibiotic prescribing audits, increased cleaning rotas, a focus on all aspects of IV line care, wound care and urinary catheter care, active involvement of clinical teams in identifying root cause of incidences.

The Trust participated in the Department of Health Mandatory Surveillance of Health Care Associated Infection, including MRSA (enhanced surveillance) and vancomycin-resistant enterococcus (VRE) bacteraemia rates, C-Difficile diarrhoea and surgical site surveillance (orthopaedics).

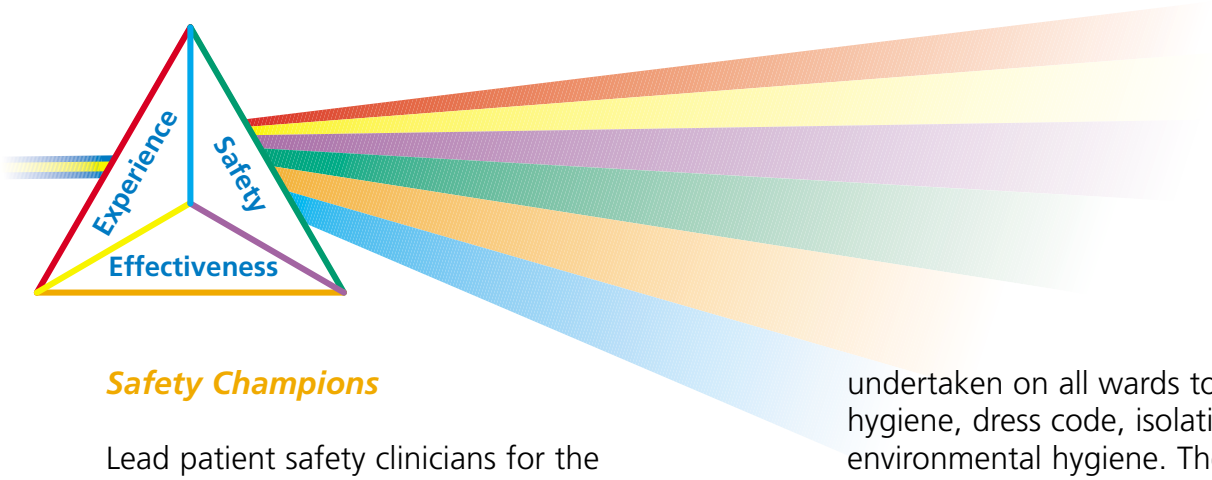
Improving Infection Rates

The Trust has put into process a robust programme to reduce and prevent further infection at its hospitals. This includes a comprehensive range of measures to better monitor and report on infection and improve the Trust's performance relating to hospital acquired infections.

These measures are outlined below:

Ward Audits

All wards achieved the 90% score in their infection control audits which examined compliance with best practice in areas such as hand hygiene, decontamination, disinfection, care of equipment and clinical practice.



Safety Champions

Lead patient safety clinicians for the Department of Medicine for Older People and Surgery have been appointed. Consultant patient safety leads have been appointed for all wards. Junior doctor safety champions have also been appointed.

Medicines Management

An antibiotic pharmacist works closely with the Infection Control Team with regard to antibiotic stewardship including audit, education, patient management, ward rounds and root cause analysis.

The Trust continues to perform in the top 25% of all Trusts taking part in the Advancing Quality programme for the Control of Antibiotic Prescribing.

Education and Training

To ensure that best practice in infection control and prevention continues to be followed at the Trust, the team are delivering ongoing education and audits of everyday practice. In addition the Trust is investing in new skills, focusing on decontamination, antibiotic prescribing and antimicrobial medicines management.

The Trust continues to develop its Link Nurse Programme and all departments have an Infection Prevention & Control Link Nurse.

'Secret Shopper' Report

To assess adherence to the Trust's hygiene policies among staff, patients and visitors to the ward, a 'secret shopper' exercise was undertaken on all wards to audit hand hygiene, dress code, isolation practice & environmental hygiene. The results of these surveys have enabled the Trust to target specific areas of non-compliance.

Dress Code and Bare Below the Elbows

Compliance with the NHS Dress Code and Bare Below the Elbows policy is audited monthly and is monitored at all times during ward visits by Infection Control Nurses and Matrons.

Urinary Catheterisation

The Trust aims to reduce urinary infections associated with indwelling catheters and has undertaken the following actions to achieve this objective:

- An audit and prevalence survey encompassing all local Trusts was carried out to identify number of catheterised patients
- Aim to have consistency in the type of products used across acute Trusts and Primary Care Trusts to avoid wastage and reduce costs
- The development of a urinary catheter assessment monitoring (UCAM) form
- Introduction of more bladder scanners within the Trust
- The development of Aseptic Non Touch Technique (ANTT) for indwelling urinary catheters

In addition to these measures a Urinary Catheter Focus Group has been established and their role will encompass:

- competency of the practitioners in relation to assessing the need for and insertion of catheters
- catheter selection (type and system)
- procedure of insertion
- maintenance
- competency of healthcare workers involved in the maintenance of urinary catheters
- education of patients/relatives and healthcare workers

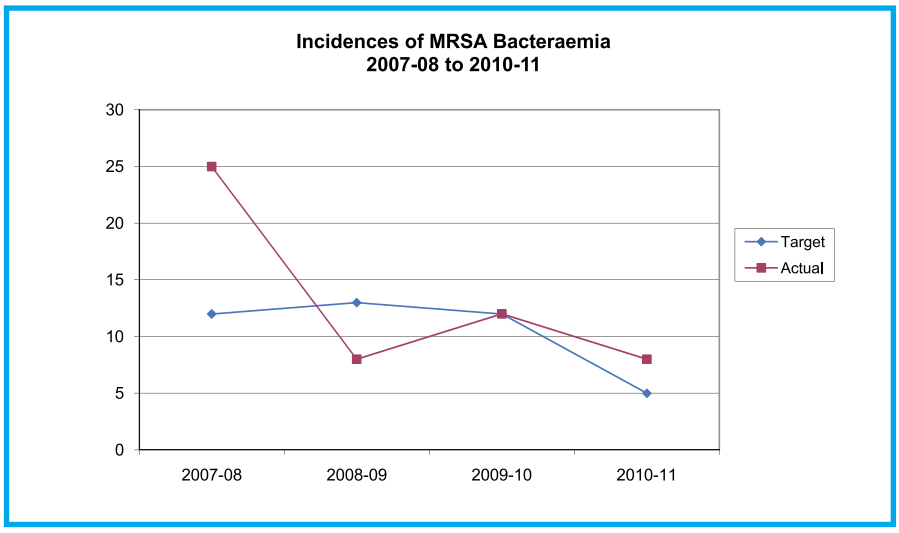
The Infection Control Team together with local Primary Care Trusts are developing a robust discharge pathway for patients with catheters.

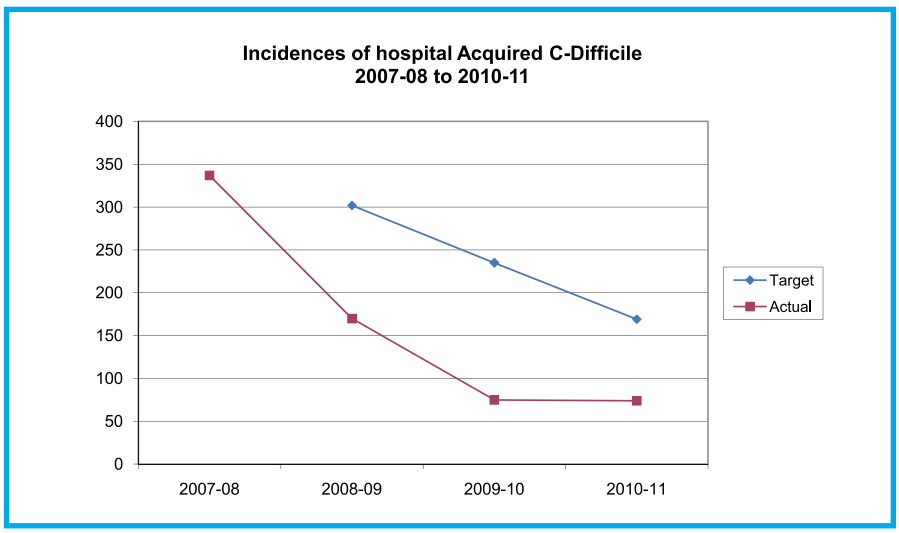
Mattress Decontamination Service

The Trust has contracted an external service to decontaminate all special pressure relieving mattresses using designated facilities and equipment to provide a more robust decontamination service.

Infection Prevention & Control Communication

Infection control manual policies are readily available for staff to view on the intranet along with minutes from the Hospital Infection Prevention Committee and link nurse meetings. In addition patient and visitor information leaflets on infection prevention and control are also available from the Trust's website.





Note: The Trust began recording data for incidence of Clostridium Difficile in 2007/08. Targets were introduced in 2008/09.

"SERVICE UNDER THE SPOTLIGHT":

Developments in the Trauma and Orthopaedic Department

"The staff are absolutely wonderful and very professional. They do their very best to help me get back on me feet. The ward is spotlessly clean and I feel confident that the hospital is a clean and safe place to be."

Edna Ashton, patient on Ward 3Alpha

Optimal Care for Patients Who Have Sustained Hip Fractures

In 2010 the Trauma and Orthopaedic Directorate set themselves the aim of significantly improving the care and management of patients who sustained hip fractures.

Best practice guidelines state that all hip fractures should be operated on within 36 hours of admission. To achieve this the directorate have improved the standard of patient care by developing a multidisciplinary team which includes orthopaedic surgeons, anaesthetists, theatre and ward staff working together ensuring this vulnerable group of patients get the right care at the right time.

Each working day begins with a trauma meeting, attended by representatives of all of the team disciplines who discuss trauma admissions and plan the theatre list for that day with priority being given to patients who have sustained hip fractures. Discussion of each case not only relates to operative procedures but also to the proposed post operative management plan.

The directorate achieved rapid improvement in achieving surgery within 36 hours of admission

for the majority of patients and this performance was sustained month on month. However the team recognised that they could do even better and extended their goal to achieve the higher standard of performing surgery within 24 hours of admission. In January 2011 92% of patients with hip fractures attended theatre within 24hrs of admission.

The directorate has identified that improved communication within the team and a shared vision of improving quality of patient care with improved outcomes underpinned the team's achievement in attaining and sustaining this important standard.

Following the move to the new Whiston Hospital and a review of patient services, a 16 bed ward was established for patients who had sustained hip fractures. This was to ensure that the patients, who need a higher level of nursing and therapeutic support to restore their independence and mobility, could be cared for in a safe environment by a dedicated and experienced clinical team who understand the effects that this type of injury has.

The Orthopaedic Directorate works closely with the Department of Medicine for Older People to ensure that elderly patients undergoing orthopaedic surgery are provided with expert clinical input during their recovery and rehabilitation.

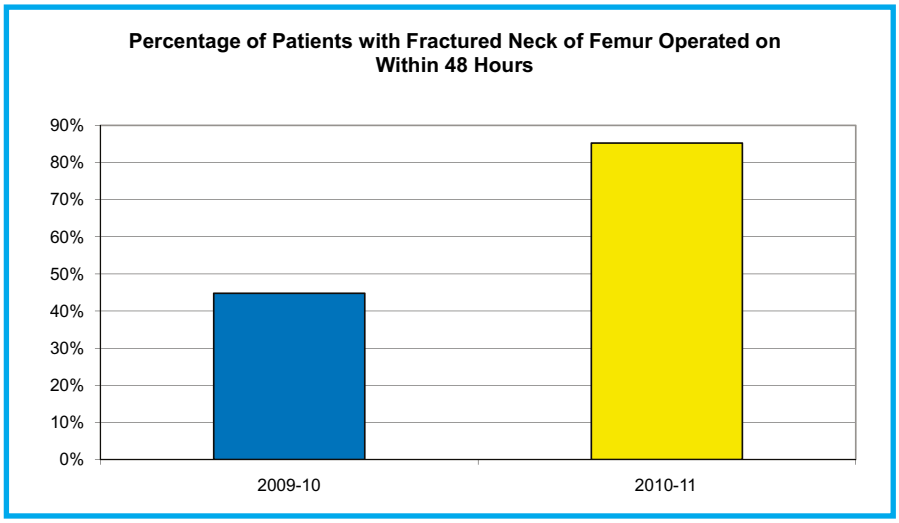
The improved performance that has been achieved is highlighted in the tables on page 28.

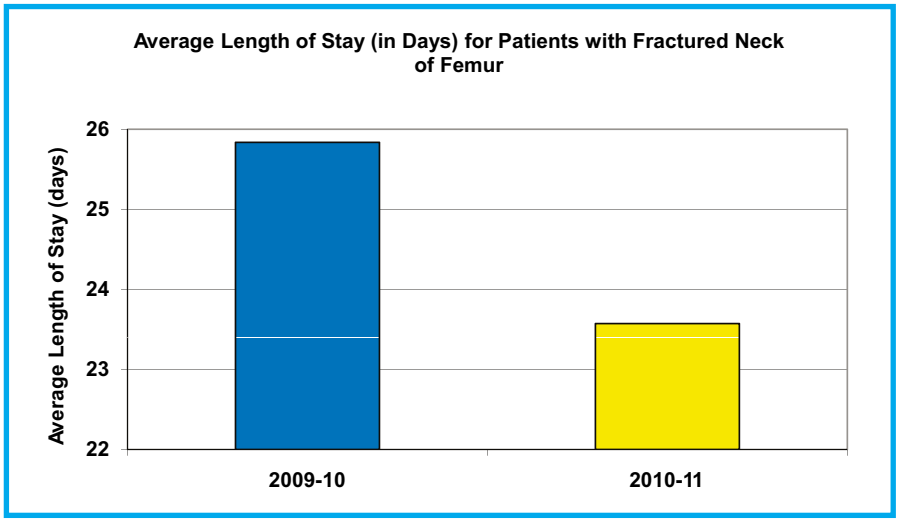
Improving Patient Experience For Those Undergoing Elective Joint Replacements

Following the successful move to the new Whiston Hospital the Orthopaedic Department developed a new initiative for patients undergoing elective hip and knee replacement surgery. Patients, along with a relative or friend, attend a 'Joint School' session prior to having their operation, where they are provided with information on their operation and rehabilitation. Patients meet with the team of staff who would provide care for them, try out and order different types of equipment and visit the ward where they will be cared for. This helps to reduce the patients' anxiety and prepare them. Patient feedback has shown that this programme has resulted in an overall improved patient experience, faster recovery and reduced length of stay in hospital. In its first year the Joint School has seen 300 new 'graduates'.

Enhancing Patient Safety Through Effective Infection Prevention

As part of their commitment to delivering high quality of care, the Orthopaedic Directorate has succeeded in reducing infection rates relating to elective joint replacement surgery. Working in partnership with the infection control team, quality leads, theatre and pharmacy staff, the team has introduced preventative actions including: a protected ward environment, aprons worn by all staff when in the clinical area, the purchase of additional theatre equipment and the provision of pre-surgery skin preparations while adherence to the strict hand hygiene code is closely monitored through observation and audit.





Quality Assurance

St Helens and Knowsley Teaching Hospitals NHS Trust is registered with the Care Quality Commission (CQC) with no conditions attached to registration and is not subject to periodic review or enforcement action.

The Trust participated in the Care Quality Commission Inspection Programme: Dignity and Nutrition for Older People in late March 2011. The CQC report, which was published in June 2011, contained positive feedback and areas for improvement. The report outlined a minor concern with respecting and involving people who use services and a moderate concern with meeting nutritional needs. The report found no major concerns with the care provided at the Trust.

A comprehensive action plan addressing the areas for improvement has been developed and service improvements are being implemented and will be completed in September 2011. The evaluation of the success of the changes made will be included in detail in next year's Quality Account.

Data Quality

The Trust primary Patient Administration System (PAS) is compliant and in line with national information standards. A suite of data quality reports are run and checked daily to ensure data completeness.

In addition, a data quality dashboard is linked to HES (Hospital Episode Statistics) which provides a monitoring tool for particular data items, including NHS number and practice codes, for which the Trust is over 98% compliant.

Good practice is underpinned during role based PAS training sessions.

A daily batch trace exercise is undertaken for all missing and non verified NHS numbers recorded on the Patient Administration System (PAS) against the Summary Care Record Service (SCR). Failed traces are manually checked in attempt to match the record.

Clinical Coding undergo an annual Information Governance Toolkit Audit of 200 Finished Consultant Episodes (FCE) which highlights accuracy/error rates for primary/secondary diagnosis and procedures.

Additionally the Trust has an annual Payment by Results Audit (300 FCE's) arranged by the Audit Commission which again highlights accuracy and error rates. The Clinical Coding team benefits from Connecting for Health qualified Clinical Coding Auditors who undertake regular internal clinical coding audits. In addition a Connecting for Health qualified Clinical Coding Trainer is responsible for the ongoing training of all clinical coders including team and individual training sessions, addressing errors highlighted in audits. There is a robust mentoring system in place within the team where new or experienced staff learning a new specialty are provided with one-to-one mentorship, where they will have their work thoroughly checked. This ensures that errors are identified and further training plans, if necessary, are then put into place.

As part of the annual Information Governance toolkit submission the Trust has achieved Level Three (the highest level achievable), for Information Quality and Records Management for 2010/2011.

Trust Aims to Improve Care, Safety and Experience

During the course of 2010 and early 2011 the Trust has joined two national patient safety improvement projects; the Leading Improvements in Patient Safety programme and Safety Express. Further work has been undertaken to identify themes and trends from incidents. Using improved feedback from patient surveys and complaints, together with local initiatives to capture views, the Trust has a clearer understanding of what matters to its patients.

A wide selection of Trust employees have been involved in agreeing the aims of the Trust for the next five years. The aims as set out below are endorsed by the Trust Board. Each year the Trust will agree a range of specific targets to achieve within the year that work towards delivering its aims.

Trust safety and experience improvement aims over the next five years are;

- Ensure all patients have a positive experience
- Eliminate delays in access, treatment and care
- Eliminate variation in care
- Reduce incidents resulting in harm
- Eliminate health care associated infections

Quality Targets for 2011-12

- Reduce inpatient falls by 10% across all wards
- Reduce falls resulting in serious harm by 50%
- Reduce hospital pressure sores (bed sores) by 10% across all wards
- Achieve infection control targets for MRSA (5 cases in the year) and Clostridium Difficile (69 cases in the year)
- Audit of catheter care to reduce urinary catheter associated infections: all patients with urinary catheters to have an assessment and a monitoring form completed.
- Promote natural birth and reduce Caesarean sections by 1%
- Achieve a minimum of 90% of patients having risk assessments for venous thromboembolism (blood clot) and appropriate treatment
- Achieve improvement in patient survey indicators by 5%
- Achieve target composite scores in all Advancing Quality (AQ) pathways
- Implement electronic incident reporting in all wards
- Establish a specialist Medical Emergency Team

In addition to the list of quality targets to be achieved during the coming year, the Trust will prioritise quality improvement work in the following areas:

- Emergency admissions management
- Care of elderly and elderly confused patients
- The out patient experience
- The implementation of the electronic discharge system to improve communication with GPs

Consultation on this Quality Account

The Trust always values feedback from patients and partner organisations. In producing this Quality Account, the views of a number of patient groups and stakeholders have been sought to ensure that this document is open and inclusive and that the information it provides is useful. These views are detailed below:

St Helens Adult Social Care and Health Overview and Scrutiny Panel Quality Account Commentary 2010/11:

Thank you for submitting your Quality Accounts for 2010/11 to the Adult Social Care and Health Overview and Scrutiny Panel. Our comments are as follows:

Layout and Style
On the positive we liked the layout and the design of the report. Visually it was clear, high impact and easy to read. There were however numerous occasions of acronyms (in the first 2 pages alone you can find reference to: CQUINN, VTE, AQ, TARN, HSMRs, HIA, PPI, ACE!) We would request that the Trust review the content of the Quality Account and remove, wherever possible all reference to acronyms and utilise plain English throughout the document.

Content
In terms of the content, we felt that there was, overall, a lack of depth and analysis to the comments. Statements of improved performance were made but no context or benchmarking information was provided.

A selection of these statements are set out below:
- A 16% reduction in pressure sores for patients
- A 17% fall in the number of in-patient falls
- An 87% reduction in Grade 4 sores
- The Infection Control Forum has helped to cut infection rates by half
- Over 1,000 members of staff and students have had simulation training

Although these statements indicate a positive direction of travel which is very pleasing to note, there is a lack of context to these statements. We were not provided with the baseline data, or on information as to how this compares to the performance of other Trusts. We felt unable to judge whether these statements indicated good or poor performance.

Safeguarding
There was a particular area of concern regarding the section on Safeguarding Adults (page 12/13):

"All wards and departments are supplied with a safeguarding information folder explaining the procedure to follow in the event of a safeguarding incident."

The Panel would like to seek urgent clarification that all staff in all wards and departments are required to attend mandatory safeguarding training and would request that this is made more clear within the Quality Accounts.

Management/Monitoring Tools
Generally the report indicated very positive direction of travel.

There appeared, to our untrained eye, to be an excessive number of management/ monitoring tools included in the report, whose various purposes (and differences) were somewhat lost by the Panel. Examples include:

Productive Ward Programme
Ward Dashboard
Quality Ward Rounds
Patient Safety Information
Leading Improvements in Patient Safety
Global Trigger Tool
Safety Express
Safety Thermometer Survey
Complaints performance.
Advancing Quality

We felt that we would rather read about positive improvements in front-line delivery rather than more investments in a suite of management/monitoring tools which, by their nature, are reactionary rather than pro-active.

Frontline Improvements
The Scrutiny Panel were more pleased to note those areas of improvement which are pro-active frontline improvements in service delivery. These include improvements in:

Preventing Patient Falls
Preventing Hospital Acquired Pressure Sores
New Carers Support Service
Reducing Infection
Developments in the Trauma and Orthopaedic Department

The Panel would like to congratulate the Trust on these developments and improvements.

The Trust says:

All acronyms used within the Quality Account have now been explained in a Glossary on page 37 and the Trust has made every effort to ensure that this account is easy to understand.

Benchmarking information has been added to help provide context to the patient surveys detailed on page 16. With regards to pressure sores and patient falls, there is no reliable regional benchmarking data currently available.

The panel raised a query with regards to staff attending mandatory safeguarding training. This was outlined in the draft seen by the panel and the original copy can now be seen on page 13:

'Staff receive ongoing education in safeguarding adults as part of mandatory training.'

Many of the management/monitoring tools referred to in the account have been recently established and measurement of their impact on front-line care is not yet complete.

NHS Halton and St Helens

Comments on St Helens and Knowsley Teaching Hospitals NHS Trust Quality Report 2010/2011 - June 2011

Whilst NHS Halton and St Helens (the PCT) has not had the opportunity to see the complete final draft of the Quality Report, the Trust appears to have provided a comprehensive summary of many of the service and quality improvements it has implemented during 2010/11.

Whilst some of the key delivery areas and requirements have been used as the basis for the Quality Report, some of the mandated report elements, as identified in the revised guidance and regulations for the production of Quality Accounts, are not included in the draft report version available to the PCT for review.

For example, within the identified areas of achievement during 2010/11 clinical audit and patient surveys are considered. However, the identification of the number of national clinical audits undertaken or response rates from patient surveys is not included. The addition of this information would allow for the full consideration of the impact of clinical systems improvements and patient opinion and the Trust's response to these issues. Details relating to the Trust's participation in research programmes also need to be included in the report. The Trust has assured the PCT that all of this information will be provided in the final Quality Report.

Details relating to activity within the CQUIN and Vital Signs sections of the report do not identify some of the requirements. Specifically, the details regarding 2010/11 performance in relation to Stroke and the implementation of the eDischarge CQUIN have not been included.

Full details regarding the final 2011/12 plans were not included in the report version available for review by the PCT, but the Trust has identified it's planned approach to the development of next year's quality delivery plans. The Trust has identified it's intention to build on the patient safety and experience information and operational systems implemented during 2010/11. This information will be used to identify key areas of focus for 2011/12 and 2012/13. The PCT supports the mid to long term planning approach proposed by the Trust, as this will allow for the identification and projection of continuous care and service improvement targets.

The Trust says:

A full list of National Clinical Audits, Confidential Enquiries and Clinical Research programmes that the Trust has participated in has been included (see page 21/22). The Trust had set out its Quality Targets for 2011-12 in the document reviewed by the PCT. It has now added the Trust's safety and experience improvement aims for the next five years and areas in which it will prioritise quality improvement work (see page 30).

Halton LINk

Re: Quality Accounts: St Helens & Knowsley Teaching Hospitals NHS Trust

Thank you for your correspondence re the Quality Accounts for St Helens & Knowsley Teaching Hospitals NHS Trust.

Members welcomed the Trust's commitment to share the report widely and to seek the views of the Halton LINk and they appreciated the opportunity to be able to give feedback.

The Trust has been cooperative with Halton LINk and representatives attend the Patient Safety & Experience Council to share their experiences and to keep abreast on the activities the Trust does to involve the public with their work. The comments from LINk representatives, on a number of issues have been welcomed and where necessary have been acted on promptly.

Following your request for comments, LINk Board Members met on 26th May, 2011, to look at the report. Members felt they did not have enough information and knowledge to comment on the accuracy of the report. The comments from the Halton LINk relate mainly to the layout of the report and how the Trust could improve this, so that it is more user-friendly and easier for members of the public to follow.
Please find their comments listed below:

- Members would welcome a mid-term consultation so that LINks are involved in an on-going process.
- We support the concerns from other LINks on the speculation of privatisation of the Trust. In this report there is nothing to suggest, from a quality perspective that privatisation should be considered.

Report Lay-out:

- No index (presume this will be in final draft).
- Future priorities or 'Things we need to do better 2011-12' – not easy to find. Would also welcome a heading: 'rationale for selection' of the future priorities as no other reasons given for their inclusion apart from CQUIN targets.
- There are useful headings & bullet form presentations.
- Would appreciate more use of tables, diagrams, graphs and comparison figures from previous year/s reports to illustrate progress.
- Many lists given of activities either done or planned, but few outcomes and no graphs or diagrams to show achievements against targets.
- Useful report and gives good understanding of work carried out but the content is in narrative form and it is not easy to find facts & comparisons.
- We would appreciate numbers as well as percentages in the report.

Thank you again for inviting the LINk to comment and we look forward to working with you in the future.

The Trust says:

A complete list of Contents and page numbers, which was not available in the draft seen by the LINk, has been included in the final printed document (see page 2). A number of graphs have now been added to outline the Trust's performance in key areas against previous years and national targets. The Trust will continue working along with Halton LINk to ensure that patients within Halton are fully represented in the services it provides.

Knowsley LINk

Knowsley LINk is pleased to be able to provide a comment on the Trusts Quality Account for 2010 – 11. This response was completed following the review of a draft copy of the Quality Account and a formal presentation to Knowsley LINk members to provide further information on the content of the account.

For the past 12 months, Knowsley LINk has had the opportunity to work closely with the Trust through the Patient Safety and Experience Council. This opportunity has been used to highlight patient experience information collected from LINk and Knowsley Community members. This has provided information both commending the work of the Trust and also raising challenge on issues relating to negative patient experience.

The contribution of LINk has been welcomed and where the comments received through LINk has needed action this has been responded to effectively. When invited Trust staff have attended Knowsley LINk meetings and activities to answer specific queries raised by LINk members.

The involvement of LINk has been proactively encouraged and the support of LINk sought around issues such as Infection Control and Patient Experience. The Patient Safety and Experience Council has been an important means of monitoring the progress of the Trust around key Patient Experience issues and areas such as nutrition, falls prevention, Pressure Ulcers and Patient Safety.

The Knowsley LINk members involved in reviewing the Quality Account felt that the account was an honest reflection of the Trust's strengths and areas for improvement. Knowsley LINk would be keen to continue to work with the Trust to provide challenge in areas for improvement and support the achievement of and exceeding of national targets. Areas for challenge for which Knowsley LINk are keen to work with the Trust over the next 12 months are; Infection control, Nutrition and Hospital Discharge.

Knowsley LINk looks forward to building on the work completed so far and providing an ongoing critical friend relationship.

Knowsley LINk members also expressed concerns over recent media coverage, which highlighted the proposal that the Trust would be subject privatisation. It is the view of Knowsley LINk that there is nothing detailed within the report that would suggest from a quality perspective, this proposal should be considered.

The Trust says:

The Trust will continue to work with Knowsley LINk to ensure that, where areas for improvement are identified, they are acted on promptly, effectively and with the involvement of the local network.

St Helens LINk

In relation to the Quality Accounts and meeting the requirements for this, the document does, in the main:

- There is a list of quality targets for 2011-12 and also a set of themes for improvement e.g. Better Patient Care; Improving Patient Safety; Improving Clinical Effectiveness; Reducing Infection.
- There is information on what has been done over the previous year and it follows closely what has been reported at the Patient Safety and Experience Council (PSEC) meetings e.g. the Productive Ward programme, reductions in pressure sores, discussions around patient nutrition, preventing falls, advancing quality and medical equipment improvements, etc.
- There is also a list of other targets achieved and a number of other outcomes and quality objectives, which are additional to what is required.

However, it would be welcome if the Trust highlighted where it knows it has weaknesses and what its doing about tackling them e.g. on two targets that were not achieved - incidence of MRSA Bacteraemia and % of adult patients admitted in the month that were assessed for risk of VTE on admission. Through attending the PSEC we are aware of a VTE awareness campaign that has already started.

The nursing & safety management staff regularly welcome LINks views and do progress areas for improvement as soon as they are highlighted at the PSEC or other governance councils within the Trust.

St. Helens LINk commented and adjusted CQUIN incentive targets set by NHS Halton & St. Helens to encourage improvement in the areas of dignity, nutrition and a choice of where to die.

The Trust says:

The document provided did include detail on measures in place at the Trust to address its performance in MRSA and VTE. The Trust has since made clearer reference to this on pages 4 and 5 where this performance is highlighted. The Trust will continue its successful engagement with St Helens LINk to further improve the areas it has highlighted.

Developing the Trust Quality Account.

The Trust welcomes the feedback provided by our local partners to this year's Quality Account. During the coming year the Trust would like to strengthen this engagement and will be inviting key representatives of these partner organisations to join us in planning our aims and developing our improvement targets for the following year. It is hoped that service commissioners would find this approach beneficial in agreeing the contracted quality targets for 2012-13.

Glossary

ACE	Angiotensin Converting Enzyme
AQ	Advancing Quality
CNST	Clinical Negligence Scheme for Trusts
CQUIN	Commissioning for Quality and Innovation
DATIX	Electronic Incident and Complaint Management System
HDU	High Dependancy Unit
HIA	High Impact Actions
HSMR	Hospital Standardised Mortality Ratio
IV	Intravenous
LINk	Local Involvement Network
MRSA	Methicillin-resistant Staphylococcus aureus
PPI	Proton Pump Inhibitor
PROMS	Patient Reported Outcome Measures
PSEC	Patient Safety and Experience Council
SINAP	Stroke Improvement National Audit
TARN	Trauma Audit Research Network
UMUST	Unexpected Medical Undergraduate Simulation Training
VTE	Venous Thromboembolism

Quality Account Production

The Trust would like to thank all contributors who have been involved in the production of this Quality Account 2010/11. Copies are available to download from the Trust or NHS Choices websites:

www.sthk.nhs.uk **www.nhs.uk**

We welcome your feedback on this publication as it will help to develop next year's Quality Account. Please send your comments to:

Ann Marr, Chief Executive
St Helens & Knowsley Teaching Hospitals NHS Trust
Whiston Hospital
Warrington Road
Prescot
Merseyside L35 5DR
Telephone: 0151 430 1242
email: ann.marr@sthk.nhs.uk

St Helens and Knowsley Teaching Hospitals NHS
NHS Trust

Quality Account
2010-2011

St Helens and Knowsley Teaching Hospitals NHS
NHS Trust

Annual Report & Annual Accounts
2010-2011

Copies of this report are available in other languages and formats upon request.

As a public body, St Helens and Knowsley Teaching Hospitals NHS Trust believe that we should be open about our activities and plans.

We aim to respond quickly and accurately to all requests for information and, if it is not possible to provide you with all the information requested, we will give you a full explanation.

For further information please contact:
Ms Judith Marsland - Head of Media, Public Relations and Communications
St Helens and Knowsley Teaching Hospitals NHS Trust
Warrington Road, Prescot, Merseyside L35 5DR

Telephone: (0151) 430 2505 • **Email:** judith.marsland@sthk.nhs.uk

www.sthk.nhs.uk

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