

Putting patients first

The Royal Bournemouth and
Christchurch Hospitals **NHS**
NHS Foundation Trust

Annual Report and Accounts 2011/12



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The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust.
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1. Foreword from the Chairman



Safety and excellence have been central to our activities during 2011/12. Despite the many changes surrounding the NHS, both locally and nationally, our focus has been, and will continue to be, on providing the very best care possible for our patients.

We continued to develop patient services; providing state-of-the-art facilities and improving the way we deliver care. Highlights include:

- The opening of a brand new combined acute and rehabilitation stroke unit. Patients are benefiting from seamless care, as and when they need it, and all under one roof.
- Changing the way we provide rehabilitation for stroke patients; in a home setting that is familiar to patients, meaning less time spent in hospital

During the year, the Board of Directors made the decision to prepare a business plan to merge with Poole Hospital NHS Foundation Trust. The decision marks an exciting opportunity for the provision of healthcare in the local area. While a complex process lies ahead of us, I want to reassure you that our absolute focus is to continue delivering first class services for our patients. We expect our performance, as one of the best foundation trusts in the country, to continue during the merger process.

Feedback from patients and staff remains essential so that we not only know when we get it right but also, more importantly, we know how we can improve. We have seen some excellent improvements in aspects of both our staff and patient surveys. I am particularly pleased to see that we are performing among the top 20% of trusts in the national Care Quality Commission (CQC) Outpatient Survey (see page 33).

A trust-wide commitment has also seen improvements in 14 areas of the staff survey (see page 38).

We continued to work with our health partners, local community, patients and staff on a number of key issues. As well as the proposed merger we asked for views on our plans for the year ahead, including proposals for Christchurch Hospital. These will help us to ensure we have a robust and solid foundation on which to build for the future.

Support from governors, volunteers and hospital charities is extremely important and we are very well served in the Royal Bournemouth and Christchurch Hospitals by this very committed group of people. They continually give up their time for patients and staff to make a difference to our patients' experience.

Our Council of Governors continues to play a vital role in holding the Board of Directors to account and representing local people. We are working very closely with them as we continue through the merger process in 2012/13.

The next 12 months will remain challenging but we continue to put our patients and the local population at the heart of everything that we do, striving to provide the best service possible.

A handwritten signature in blue ink that reads "Jane Stichbury". The signature is written in a cursive style and is positioned above a horizontal line that extends across the width of the signature area.

Jane Stichbury
Chairman

2. Foreword from the Chief Executive



The past 12 months have been extremely busy for our hospitals as the number of people attending the Emergency Department continued to increase, as well as those admitted to the Clinical Decision Unit. I would like to start by paying tribute to our staff who work hard to ensure our hospitals run efficiently and effectively and patients receive prompt access to services and the best possible clinical outcome.

Throughout the year we maintained our excellent clinical performance and financial stability. For example we:

- Performed within the referral to treatment targets set for both admitted and non-admitted patients.
- Achieved the national target for Venous Thromboembolism (VTE) with more than 90% of patients being risk assessed on admission.
- Met all of the cancer targets.
- 96% of suspected stroke patients received a CT scan within 24 hours and from the start of our monitoring, all patients that were eligible received thrombolysis.
- 67% of high risk patients received a TIA assessment within 24 hours of symptoms being presented to a healthcare professional, above the target of 60%.

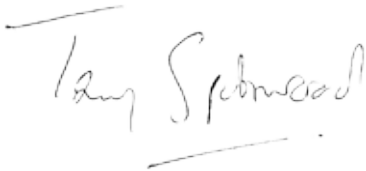
Again, our staff delivered beyond expectation by identifying quality driven efficiency savings above our target. During the year our Cost Improvement Plan (CIP) delivered savings of £7,176,000 against a target of £6,768,000. Continuing to identify efficiency savings will become more challenging in the future.

Towards the end of the year we were assessed against Level 2 of the NHSLA Risk Management Standards for acute trusts. The standards relate to different areas of governance and risk management. We were delighted to achieve compliance with a very strong score of 47/50. You can read more on page 16.

Safeguarding local hospital services for the future has been a key concern and driver for the Board of Directors. We want to ensure that we can continue to provide first class, quality care. It is to this end that the Board agreed to progress with the business plan to merge with Poole Hospital NHS Foundation Trust. There are many benefits to staff and patients in bringing our two strong organisations together. This includes developing centres of excellence and making services more responsive to patients and GPs. As separate organisations, it would be very difficult to begin to see the benefits, achieve sustainability or meet the challenges facing the NHS.

Through careful financial management, and over-achievement of our CIP, we have been able to continue with an ambitious capital programme and continue to invest in patient services. As well as the opening of the new stroke unit we have invested in more outpatient services at Christchurch Hospital and a state-of-the-art endoscopy processing unit.

Over the next few pages you will read about the many areas where we are continually striving to deliver the best quality care for our patients. I hope by reading this Annual Report you are proud of our achievements, as we are, and reassured that we are in the best possible position to deal with the challenges ahead.

A handwritten signature in black ink that reads "Tony Spotswood". The signature is written in a cursive style and is positioned above a horizontal line.

Tony Spotswood
Chief Executive

3. Directors' Report

3.1 About the Trust

The Hospital Trust gained Foundation status on 1st April, 2005, following three consecutive years of being rated as a three star performing Trust. The Foundation Trust includes the Royal Bournemouth and Christchurch hospitals (RBCH), which are located about three miles apart on the south coast, and a Sterile Supply Department in Poole.

The hospitals are close to the New Forest in the east and the Jurassic coastline in the west, with most of the catchment population covered by the following primary care trusts (PCTs):

- NHS Dorset and NHS Bournemouth and Poole cluster
- NHS Hampshire

RBCH provides a wide range of hospital and community-based care in Dorset, the New Forest and south Wiltshire areas to a total population of around 550,000 which rises during the summer months.

On the key measures by which healthcare providers are judged, the Trust has traditionally performed very strongly.

These include being externally rated as having:

- Excellent waiting times.
- Excellent infection control.
- Excellent management of resources.

This excellent performance was recognised when, in 2009, the Trust was named as Acute Organisation of the Year and, in 2010, Safest Hospital in the UK.

The Royal Bournemouth Hospital

The Royal Bournemouth Hospital (RBH) is an acute hospital which opened in 1992. It is recognised locally by its blue roof and is located on a large green field site close to the main roads that link with the New Forest, Southampton, Salisbury, Winchester, Christchurch and Poole.

The hospital has a 24-hour Emergency Department, which sees around 70,000 patients a year, and a large Day of Surgery Admissions Unit (the Sandbourne Suite). A purpose-built Ophthalmic Unit is located on site as well as a state-of-the-art Cardiology Unit (the Dorset Heart Centre) and the award-winning



orthopaedic service providing hip and knee replacements (the Derwent Unit). These facilities have been complemented by the addition of a combined purpose-designed stroke unit.

RBH also provides district-wide services for cardiac interventions, vascular surgery and urology. Outpatient clinics are provided for oral surgery, paediatrics, plastic surgery, ENT (ear, nose and throat), cardiothoracic and neurology.

Christchurch Hospital

Christchurch Hospital provides a pleasant environment for rehabilitation and a range of outpatient services. An all-age rehabilitation service has been developed in the award-winning Day Hospital. Most patients are elderly, reflecting the local population. There is an excellent infrastructure to support rehabilitation with superb physiotherapy and occupational therapy facilities.

Outpatient clinics have expanded over recent years and include gastroenterology, breast, oncology, plastic surgery, ophthalmology, podiatry and medicine for the elderly. Dermatology and rheumatology outpatient services are also provided at Christchurch Hospital together with phlebotomy (blood taking) services, diagnostic services and

palliative care (the Macmillan Unit).

Vision and goals

The Trust's vision is "putting patients first while striving to deliver the best quality healthcare."

To achieve this vision the Trust has focused on making progress against seven strategic goals, identified as critical to making the vision real. These were developed, as part of a five year strategy, following extensive consultation with staff, the public and health partners. They are:

- To offer patient centred services by providing high quality, responsive, accessible, safe, effective and timely care.
- To promote and improve the quality of life of our patients.
- To strive towards excellence in the services and care we provide.
- To be the provider of choice for local patients and GPs.
- To listen to, support, motivate and develop our staff.
- To work with partner organisations to improve the health of local people.
- To maintain financial stability enabling the Trust to invest in and develop services for patients.



3.2 How the Trust is run

The Foundation Trust is accountable to Monitor, the Independent Regulator who ensures the governance and performance of the organisation is sufficient and in line with its terms of authorisation. The Trust is also accountable to local people through its Council of Governors and members. In addition, there are a large range of inspection and regulatory bodies, including the Care Quality Commission to whom the Trust is accountable.

The Council of Governors, which represents around 12,000 members, is made up of public, staff and appointed Governors. They ensure members' views are heard and fed back to the Trust's Board of Directors, and members are kept up to date with developments within the hospitals. You can read more about the work of Governors and details of the Trust's membership from page 101.

The Trust is run by a Board of Directors, which is made up of full-time Executive and part-time Non-Executive Directors. Together, they are responsible for the day-to-day running of the Trust. Much of this work is done by the Executive Directors who work closely with the clinical leaders and managers throughout the Trust. The Board also works closely with the Council of Governors. The Board formally meets once a month, except in August. Its role is to determine the overall corporate goals for the Trust and be responsible for ensuring they are delivered.

There are also a number of key health partners that work closely with the Trust in developing and delivering services, such as local primary care trusts and social services.

Board of Directors

During 2011/12, the Trust's Board of Directors was made up of the following members:



Jane Stichbury, Chairman

Jane has a long career in public service with 32 years in policing; she held a number of high profile positions including Deputy Assistant Commissioner of the Metropolitan Police and Chief Constable of Dorset. Jane spent five years as Her Majesty's Inspector of Constabulary for the south of England before her appointment of Chairman at the Foundation Trust from 1st April, 2010.



Alex Pike, Non-Executive Director

Alex is Global Vice President for Simple Skincare - Unilever and former Marketing Director of Fitness First. Alex joined the Trust in 2006 and has a wide range of experience in marketing and communications. She was appointed Senior Independent Director in 2009 and Chairs the Patient Experience and Communications Committee.



Ken Tullett, Non-Executive Director

Ken has 13 years of experience as a Non-Executive Director of the Trust. He was previously a senior officer in the Royal Navy and senior executive of UK and international defence projects with experience of Whitehall, the Procurement Executive, and the Defence Evaluation and Research Agency. He has experience at a senior level within industry in the UK and overseas and is familiar with commercial practices and marketing. Ken is the Chairman of the Charitable Funds Committee.



**Brian Ford,
Non-Executive
Director**

Brian was appointed as a Non-Executive Director in December 2001. He practiced as a Chartered Accountant from 1973 to 1992 and since has worked as a Non-Executive Director, consultant and expert witness. Brian is Chairman of the Finance Committee and the Workforce Development Committee.



**David Bennett,
Non-Executive
Director**

David has extensive experience in strategy and operational consulting and has held senior commercial roles in the logistics, telecoms and technology sectors. David joined the Trust's Board of Directors in October 2009 and sits on the Audit, Finance and Patient Experience and Communications Committees.



**Steven Peacock,
Non-Executive
Director**

Steven was appointed as a Non-Executive Director in October 2009. He is a Chartered Accountant and has worked in retail and fast moving consumer goods for the last 18 years - most recently as Executive Manager - Finance for the Estee Lauder Companies. Steven has a wide range of financial and commercial experience. Steven is the Chairman of the Audit Committee.



**Pankaj Davé,
Non-Executive
Director**

Pankaj is a qualified accountant with significant business experience gained with blue chip companies. He has worked internationally in Chief Financial Officer and Strategy Director roles with BP plc and was at one time responsible for leading operational and technical delivery teams at a UK oil field. Pankaj joined the Trust in February 2011 and is Chairman of the Healthcare Assurance Committee and a member of the Finance and Audit Committees. He is also a Board Trustee for Kidney Research UK.



**Tony Spotswood,
Chief Executive**

Tony has been Chief Executive of the Trust since 2000. He was previously Chief Executive of Leicester General Hospital between 1998 and 2000 and a Trust Director for 20 years. Tony has extensive experience of leading organisations through strategic change including service reconfiguration and merger.



**Helen Lingham, Chief
Operating Officer**

Helen joined the Trust in April 2008 as Director of Operations, prior to that she was Director of Operations at NHS Lothian. Helen is responsible for strategic leadership, delivery of performance related targets and the development of clinical services across the acute hospital. Her background is in radiography prior to moving into NHS management in 2003. Helen was appointed Deputy Chief Executive in 2010.



**Belinda Atkinson,
Director of Nursing
(retired 31 August 2011)**

Belinda joined the Trust in July 2004 from Southampton University Hospital NHS Trust where she was Deputy Director of Nursing. Belinda has 43 years NHS experience in a variety of posts in clinical nursing as well as a senior general management role in a large complex clinical directorate. Belinda retired in August 2011.



**Richard Renaut,
Director of Service
Development**

Richard joined the NHS 15 years ago through the NHS management training scheme. He has worked in both primary care and tertiary hospital settings. Prior to his appointment as Director of Service Development in April 2006, Richard was General Manager of the Orthopaedic Directorate.



**Karen Allman, Director
of Human Resources**

Karen was appointed Director of HR in 2007. She joined the NHS in 2003 from the Audit Commission where she was HR Director for District Audit. Her early career was spent in the private sector in retail with Marks & Spencer and Fenwick before working in the city at the London Stock Exchange.



**Stuart Hunter, Director
of Finance and IT**

Appointed in February 2007, Stuart has over 20 years of NHS experience, combined with being a qualified member of the Chartered Institute of Management Accountants. Stuart brings a commercial outlook to the Trust while understanding the fundamental complexities of the health service.



**Dr Mary Armitage,
Medical Director**

Mary was appointed Medical Director in November 2009. She is a Consultant Physician and Endocrinologist and was previously Clinical Director for Medicine. Mary served as Clinical Vice President of the Royal College of Physicians between 2004 and 2007 and currently works one day a week on secondment to the Department of Health as Deputy Director of Medical Education.



**Paula Shobbrook,
Director of Nursing
and Midwifery**

Paula was appointed Director of Nursing and Midwifery in September 2011. Previously Director of Nursing at Winchester and Eastleigh Healthcare NHS Trust where she worked for ten years, Paula's NHS career includes working as a ward sister in acute medicine, cardiac and respiratory specialties. She also spent some time working in primary care before moving back in to a hospital setting.

3.3 A look back on the year

Over the following pages you can read how, over the last 12 months, the Trust has worked to improve the care and experience of patients and about the achievements of staff.

**The best care for stroke
patients all under one roof**

In January 2012, Professor Sir Bruce Keogh, Medical Director of the NHS, officially opened the new Stroke Unit at the Royal Bournemouth Hospital, saying: "This unit really is one-of-a-kind, as it manages to seamlessly sew together all aspects of care. I would like to see many more of these around the NHS."

The new unit improves the experience and outcomes of stroke patients across Dorset by providing specialist hyper-acute, acute and rehabilitation services all under one roof. It was designed using







Official opening: Prof. Sir Bruce Keogh, Medical Director of the NHS, opened the stroke unit in front of staff, former patients and representatives of stroke charities.

best practice from across the country and involved both patients and staff.

Professor Joseph Kwan, lead Stroke Consultant, said: "Patients have access to the right tests and treatments immediately, such as clot busting drugs, CT scans and neuro-therapy. This means that they have a better chance of regaining essential skills, such as talking and walking, quicker."

The unit has mostly four-bed bays and all, apart from the hyper-acute, have access to their own shower and toilet. All bed spaces and most shower rooms have overhead tracked hoist systems. It also boasts a separate dining room, lounge, group therapy area and two gardens, one courtyard and a one lakeside garden area. With assisted daily living facilities for occupational therapy, such as a kitchen area, patients can re-learn the essential skills they will need when they go home.

Around 700 stroke patients are expected to benefit from the new unit in its first 12 months.

National recognition for orthopaedic therapy

The Orthopaedic Therapy Team at the Royal Bournemouth Hospital was recognised at a national award ceremony for their work in improving patient outcomes and experience and reducing the length of stay in hospital for patients.

The 2011 Advancing Healthcare Awards for Allied Health Professionals and Healthcare Scientists awarded the team as runners up in the 'Rethinking the Patient Care Pathway' category for their project entitled "Using an Enhanced Recovery Pathway to Drive Change in Orthopaedics."

Patients are now benefiting from a seven day therapy service, pre-operative patient education and improved patient information.

Achieving NHSLA Level 2

In February, 2012 the Trust was assessed against Level 2 of the NHS Litigation Authority (NHSLA) Risk Management Standards for acute trusts. There are five NHSLA standards each containing 10 criteria relating to different areas of governance and risk management. In order to be successful at the assessment the Trust needed to achieve compliance in at least 40 of the 50 criteria, whilst scoring at least 7 out of 10 within each standard.

As well as reviewing prepared evidence folders, the NHSLA assessors visited a number of wards to review compliance within the following (the scores achieved by the Trust are shown in brackets):

- **Standard 1 - Governance:**
Trust process and structures for dealing with risk. (9/10)
- **Standard 2 - Competent and Capable workforce:**
Induction and Training. (10/10)

- Standard 3 - Safe Environment:**
 Risk assessment processes for issues such as security, slips and trips, stress and manual handling. (10/10)
- Standard 4 - Clinical Care:**
 Ensuring procedures are being followed correctly in a number of areas, including consent, health record keeping, medicines management, transfusion, resuscitation, VTE, transfer and discharge. (9/10)
- Standard 5 - Learning from Experience:**
 Implementation of process for Clinical Audit, NICE, NCEPOD, AIRS, complaints and claims. (9/10)



The Trust achieved a very strong score of 47/50 achieving compliance with Level 2 with the following results:

Standard Criterion	Governance	Competent and capable workforce	Safe environment	Clinical care	Learning from experience
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

RCN leader attends study day

Dr Peter Carter, Chief Executive and General Secretary of the Royal College of Nursing, attended a study day organised for over 100 of the Trust's Health Care Assistants (HCAs). After speaking at the event about the important role of HCAs in the care of patients, he visited various wards and units within the Royal Bournemouth Hospital.

Speaking at his visit, Dr Peter Carter said: "Part of my role means visiting many hospitals around the country and I sometimes express real concern, but not at Bournemouth - I can really compare and know that the people of

Bournemouth and surrounding area should feel very proud."

Home rehabilitation for stroke patients

An innovative new pilot to rehabilitate stroke patients at home was introduced in 2011 and is helping patients leave hospital earlier.

The Stroke Early Supported Discharge Service (ESD), jointly funded by the Trust and NHS Bournemouth and Poole, allows patients who have experienced a mild to moderate stroke to leave hospital earlier by having their stroke specialist rehabilitation at home.

Claire Stalley, ESD Lead, said: "This exciting new service is a huge benefit to patients as it helps them get back home and into their usual everyday activities earlier, and increases their confidence in their everyday surroundings.

"The new approach allows patients and carers to be involved in all stages of discharge planning so that they can leave hospital sooner."

The consultant-supported service, made up of staff members from a variety of disciplines such as physiotherapists, occupational therapists, nurses, speech and language therapists and rehabilitation assistants, is on hand for patients seven days a week.

After two weeks of intensive rehabilitation, patients are referred to appropriate community services for ongoing

support and rehabilitation, if needed. In the first month more than 40 patients were supported by the team and early feedback indicates it is being very positively received by patients and their carers/family.

3.4 Support from charities and volunteers

The Foundation Trust is fortunate to receive great support from a number of hospital volunteers and charities to improve both the patient experience and working lives of staff, above and beyond what the NHS can afford. The Trust thanks them for their continued efforts and support for the hospitals. Volunteer groups include the chapel volunteers, the WRVS tea rooms, Hospital Bedside Radio and the RBH Appeal Shop.

Early supported discharge for stroke patients

The Lings

Robert and Ann Ling, of Ferndown, have first-hand experience of the Stroke Early Supported Discharge Service. When 86-year-old Robert had a stroke which left him without the use of one side of his body, the most the couple hoped for was for Robert to be able to 'side step' from his wheel chair to his chair.

Through sheer determination and the help of the ESD team, Robert is now back home and can walk the length of his house. His wife Ann said: "The difference in his development since he got home has been absolutely dramatic, as soon as he got home he felt confident to try more things and brightened up considerably just being in his own surroundings and knowing what was happening in the neighbourhood.

"The ESD team allowed him more intensive physio than he would have got if he stayed in hospital. All the staff were very encouraging but very realistic, speaking to us honestly.

"It has been absolutely marvellous, to be honest, it's more than we dared hope."



Friends of the Eye Unit

2011/12 has been another busy and productive year for the Friends of the Eye Unit with a very successful Annual General Meeting in July and an enjoyable Autumn Fair in October.

There have been numerous developments in funding made available to the Eye Unit at the Royal Bournemouth Hospital. In addition to a number of modest purchases, the Friends have donated £11,382 for two focimeters/lens meters, £6,090 for two portable slit lamps for Orthoptics, and £14,400 for a slit lamp and table for one of the new, recently created clinic rooms.

The charity also funded the £10,000 cost for a quiet room in Outpatients which provides a much-needed and valued private space for patients to converse with staff.

£10,308 has been committed for the refurbishment of a courtyard, with lawn and seating areas, for the benefit of patients and staff. £20,000 has also been given towards the purchase of a Cataract Surgery Simulation Unit for the training of junior doctors, which will be a great asset.

Last, but not least, an initial £80,000 has been committed towards the major refurbishment of the Day Ward, with work starting in April 2012.

League of Friends Bournemouth

Over the past year the League of Friends at the Royal Bournemouth Hospital held many events, including its Annual General Meeting in May and the Summer Fete in July. Donations to the League have provided £21,192 of funding to a range of areas across the hospital:

- Chaplaincy - Hospital thanksgiving services and the mortuary.
- Emergency Department - Refurbishment to minors' theatre.
- Pathology - Multi counter ticket machine.
- Molecular Services - Refurbishment.

- Pre-admission - Children's play equipment.
- Essence of care - Inflatable basins.
- Orthodontics - Plasma screen.

A further £58,780 is committed for equipment that includes:

- Molecular Services - Refurbishment and equipment for new lab.
- ITU - Ultrasound machine.
- Haematology/Oncology - Infusion pumps.
- Radiology - Slave monitor, hemochron signature and analyser and Dexa scanner software.
- GU Medicine (Sexual Health Services) - Eight handheld computers.

Christchurch Hospital League of Friends

The League is maintaining a constant commitment to staff and patients with financial support, services and fundraising activities.

Valuable funding has been provided to the Neuro Smart Team purchasing a bladder scanner and nurse call bells. For the Phlebotomy Department an electronic ticket dispenser has been purchased to replace the paper ones which is much more hygienic. Dispensable watches have also been purchased for the Day Hospital staff. A total of £10,000 has been donated.

Volunteers maintain the reception enquiry desk with newspapers and magazines and the tea bar and shop outlet provides toiletries.

Fundraising activities continue with Christmas, Easter and summer stalls in the tea bar which support fundraising towards amenities for patient and staff needs as requested.

Macmillan Caring Locally

During the year Macmillan continued its support of many of the activities and costs at the Macmillan Unit and in addition provided funding for some oncology staff at RBCH.

The charity has continued its commitment to contribute at least £4.5m to the rebuild of the Macmillan Unit following the decision that it will remain at Christchurch Hospital.

Following the request from RBCH, the charity agreed to spend £800k during the year to funding staff employed by the Trust at the Unit, thus enabling the excellent care to be continued.

Chaplaincy

The last twelve months have seen various changes in the Chaplaincy Department. While the Sunday service at Christchurch Hospital has discontinued, the bi-monthly memorial service continues, remembering past patients of the Macmillan Unit. The Sunday service at the Royal Bournemouth Hospital also continues, led by the chaplains and assisted by the Chaplaincy volunteers, bringing patients to the service. This is important for those who cannot attend their own place of worship.

Revd. John Evans retired after more than 10 years of devoted part-time service to the hospital. Revd. Duncan Ridgeon was appointed to the team in September 2011. He is proving to be a great asset and has quickly established himself in the life and work of the hospital. Also appointed (voluntarily) is Revd. Angela Newton. She was licensed by the Bishop of Southampton in Christchurch Priory on 20th March 2012.

Patient involvement continues to increase. Perhaps not all for religious reasons, but all have a spiritual aspect, and it is a great privilege to serve God's people. The Chaplains share the sadness and concerns patients have and are invited into the most vulnerable parts of patients' lives. Staff members also use the service more and more as the pressures of the job increase. The Chaplains' door is always open to staff, and all encounters with staff or patients are in strict confidence. Involvement in the Mortuary continues as relatives coming to see their deceased loved ones are accompanied.



Transforming treatment for women across Dorset

The Jigsaw Appeal for Women is the Trust's chosen charity campaign. It aims to raise £1.5m to build a purpose-built Women's Health Unit which, for the first time, will have diagnosis and treatment facilities all under one roof.

The Appeal continues to receive great support from local people and businesses. The Fundraising Team has developed corporate partnerships with Peeks Party Store, West Hants Club, JP Morgan and Greendale Construction with other corporate relationships developing.

Local people continue to amaze through fundraising activities such as the Sahara Trek - a challenge taken up by five orthopaedic nurses who raised £9,000 for the Appeal. Former breast cancer patient Tracy Bartram raised more than £6,000 by holding a Bond Night and long-time Jigsaw supporter Alison Abrams raised £2,010 from holding a concert.

More than 300 people joined the first Walk for Women in 2011 and raised more than £19,000! The 1k, 5k and 10k route took in the coastal views across Bournemouth seafront on a warm summer evening. The 2012 event is booked for 1 June and promises to be even bigger.

In 2012/13 the Trust looks forward to fulfilling plans following fundraising for the Cancer and Blood Disorders Appeal.

Supporting Jigsaw is easy, either by taking part in one of the Appeal-organised events, or raising funds in the many other ways people do, such as purchasing a light for the Rotary Tree of Light at Christmas time. Whether you have climbed great heights for Jigsaw or organised a coffee morning - thank you to everyone - let's keep it going. If you would like to support the Jigsaw Appeal for Women, please call the fundraising office on **01202 704060**.



Volunteers

The Trust is extremely fortunate to receive the support of more than 500 volunteers. Over the last 12 months the Trust has been reviewing and extending the number and role of our valuable volunteers.

Volunteer roles are diversifying and training and development continues to support their roles. Duties are wide and varied and include:

- Main reception meet and greet.

- Ward support, providing patient companions.
- Administration support.
- Driving the train.
- Surveying patients for real time patient feedback.
- Meal companions to help those in need of minimal support.

The Trust thanks them for their continued support to the hospitals.



4. Business Review

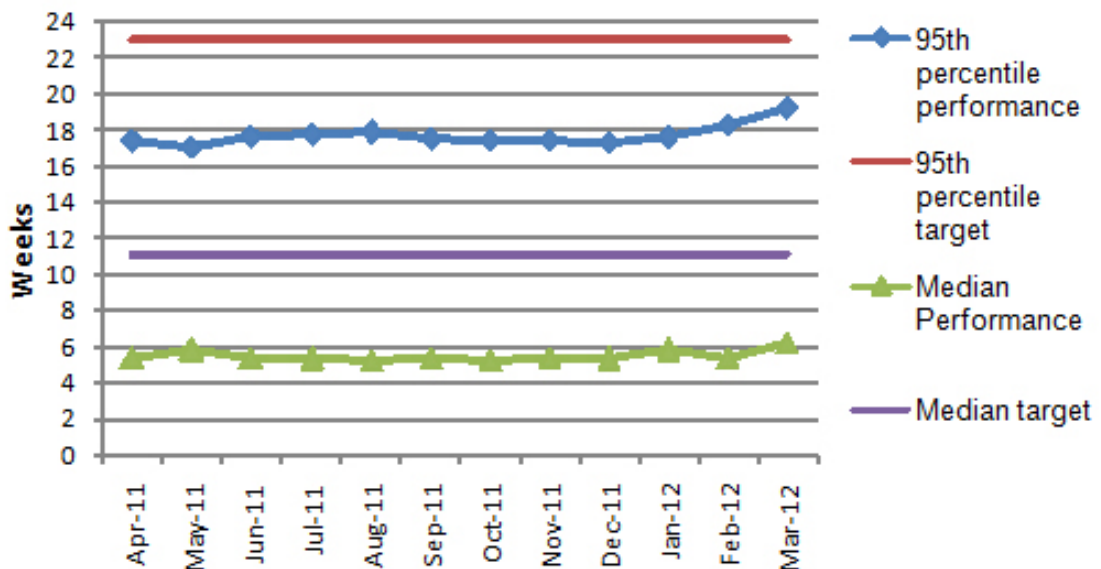
4.1 Performance overview

2011/12 has been a challenging year with an increase in emergency attendances and admissions, as well as a continual increase in referrals to cancer services. Despite this, the Trust achieved, and in many cases exceeded, most of its core governance indicators during the year. In addition, the Trust continued to progress its transformational work to ensure delivery of quality services in the context of the national financial challenges

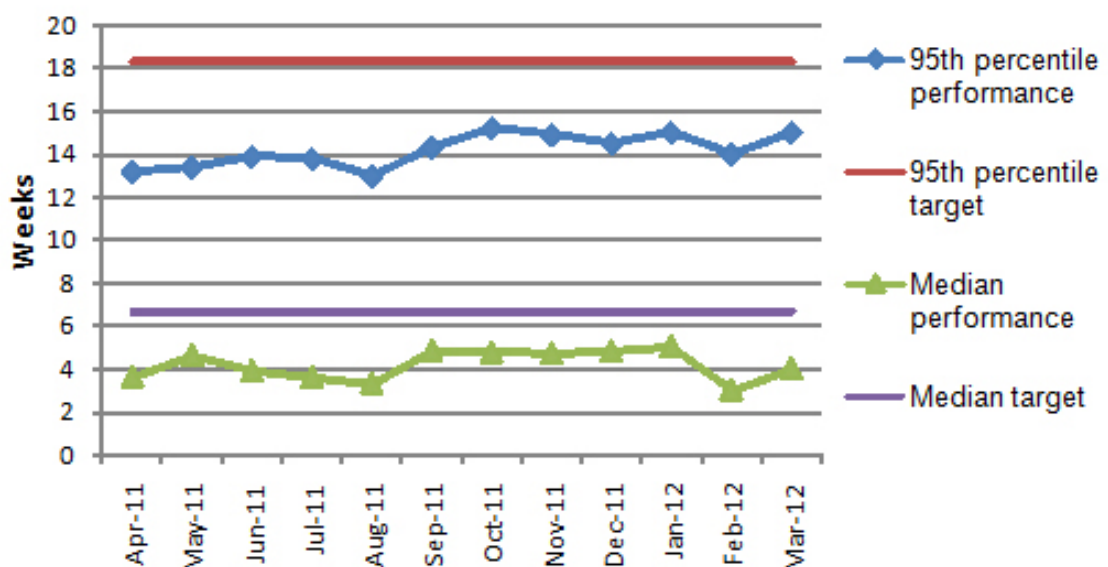
Patient experience

In line with the new measures for referral to treatment, the Trust was well within achieving the national 95th percentile (23 weeks for admitted and 18.3 weeks for non-admitted patients). Local median targets also remained well within the waiting time thresholds.

Referral to Treatment - Admitted



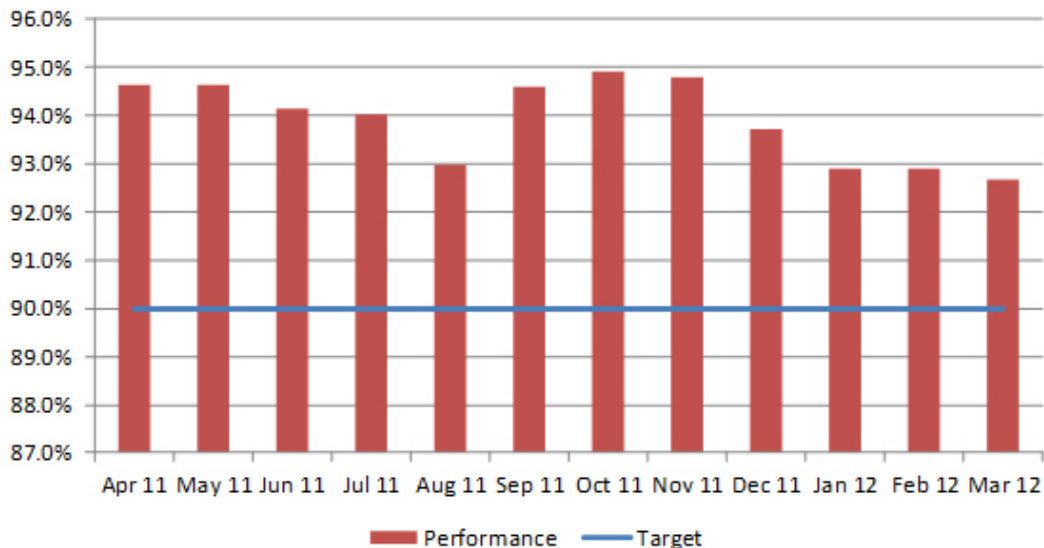
Referral to Treatment - Non admitted



Safety

- The Trust achieved the national and local MRSA objective and is well below the Monitor ‘deminimis’ target of 6. Local targets for Clostridium difficile were also met.
- The Trust achieved the national target for Venous Thromboembolism(VTE) with more than 90% of patients being risk assessed on admission.

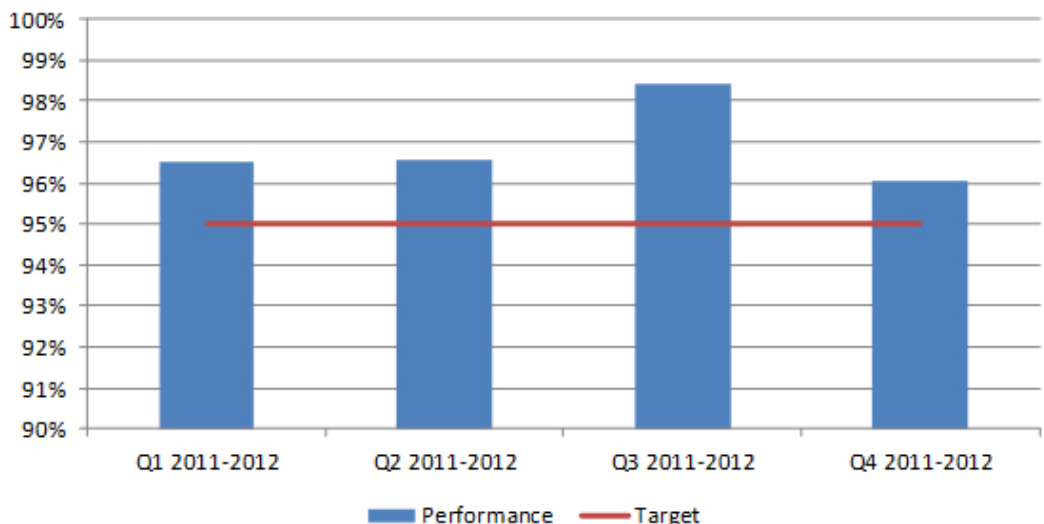
Performance against the VTE target



Quality

- Despite increasing pressure on the Trust’s emergency services, more than 95% of patients waited four hours or less in the Emergency Department from arrival to admission, discharge or transfer.

% of A&E patients seen within 4 hours



- Improvement has been seen against a number of the local stroke indicators. 86% of stroke patients (target 80%) spent 90% or more of their time in the hospital on the newly refurbished Stroke Unit, of which 85% were directly admitted. This was challenging in the latter part of the year due to the level of emergency demand and the extended length of stay required for some patients on the Unit. The team continues to work to improve this and to achieve direct admission within four hours.
- 96% of suspected stroke patients received a CT scan within 24 hours and since monitoring began, all patients that were eligible received thrombolysis. In addition, 67% of high risk patients received a TIA assessment within 24 hours of symptoms being presented to a healthcare professional, above the national target of 60%.
- Patients received timely access to cancer services in line with the following national cancer standards including:
 - Maximum 14 day wait from an urgent GP referral for suspected cancer.
 - Maximum 14 day wait for patients with breast disease symptoms.
 - Maximum 31 day wait from diagnosis to treatment for all cancers.
 - Maximum 31 day wait for further treatments following the initial treatment.
 - Maximum 62 day wait from urgent referral to treatment for all cancers.

In the first half of the year, due to demand on the bowel cancer screening programme and an impact on capacity, the Trust did not meet the maximum 62 day to treatment standard for a small number of patients where cancer is found on screening. However, this has now been resolved and the Trust achieved well above the national target for the remainder of the year.

4.2 Financial performance

The Trust continued to maintain strong financial control during the year, culminating in a surplus of income over expenditure of £4.5m (1.9% of its £239m turnover). The surplus exceeded the financial target set and agreed with Monitor, the Trust's regulator.

This was due to a combination of delivering significantly above the level of efficiency savings as part of the 2011/12 transformational plans, tight control and rigour being applied to expenditure budgets whilst managing the activity against the contracts agreed with the Primary Care Trusts.

The surplus will be retained and used to support the 2012/13 capital investment programme approved by the Board of Directors. The capital programme sets out plans to invest a further £6.9m in facilities to provide high quality healthcare and a potential further £3.4m assigned to 'invest to save' schemes.

The Trust recognises the increasing requirement to deliver greater efficiencies as part of the changing dynamic of the available resources to fund public services. The delivery of the final year of the original three-year transformational programme has been key to the continued excellent financial performance described above. The programme will continue to be extended and plans are well developed, particularly in the transformation of corporate services and in conjunction with Poole Hospital. The overall efficiency plans approved by the Board of Directors for 2012/13 total £8.3m and delivery of these plans is monitored through the Programme Management Office with regular reports to the various Boards.

4.3 Regulatory Risk Ratings

Monitor assigns each NHS Foundation Trust a risk rating for governance and finance as defined in their terms of authorisation.

The ratings below in Table 1 indicate the relative performance for the Trust against

each element of the financial risk rating. The financial risk ratings are allocated using a scorecard that compares key financial metrics consistently across all Foundation Trusts. The ratings reflect the likelihood of a financial breach of an NHS Foundation Trust's terms of authorisation. A rating of five reflects the lowest level of financial risk and a rating of one the highest.

Table 1. Risk ratings

2011/12 Financial Performance	Actual	Rating
Underlying performance - earnings before interest, tax, depreciation and amortisation margin	7.6%	3
Achievement of plan - earnings before interest, tax, depreciation and amortisation achieved	134.4%	5
Financial efficiency - return on assets	5.1%	4
Financial efficiency - income and expenditure surplus margin	2.5%	4
Liquidity - liquid ratio days	52.3	4
Overall financial risk rating		4

As explained above, the overall ratings take into account finance and governance. The actual results for 2010/11, together with the latest figures, are set out below in Table 2.

Table 2. Overall ratings

Annual Plan 2010/11	Qtr 1 2010/11	Qtr 2 2010/11	Qtr 3 2010/11	Qtr 4 2010/11
Financial Risk Rating	3	4	4	4
Governance Risk Rating	Green	Green	Green	Green

Annual Plan 2011/12	Qtr 1 2011/12	Qtr 2 2011/12	Qtr 3 2011/12	Qtr 4 2011/12
Financial Risk Rating	5	5	4	4
Governance Risk Rating	Amber - Green	Amber - Green	Amber - Red	Green

The Trust has achieved or exceeded the planned financial risk rating of 3 as part of the plans submitted to Monitor for both financial years. It has however received two Amber-Green ratings and an Amber-Red rating for governance. The Trust had been assigned an Amber-Green governance risk rating in Q1 and Q2, reflecting that it had failed to meet the cancer 62 day wait for first treatment (from consultant-led screening service referral) target. An Amber-Red governance risk rating was assigned for Q3, reflecting that the CQC had applied a compliance action regarding the safety of health care provision by the Trust. This related to a compliance action (moderate concern) applied in relation to Outcome 9. The Trust was pleased to report that robust action plans put in place following the identification of the issues, had been successful in returning the Trust to a Green rating at the end of the financial year.

4.4 Principal risks and uncertainties

The following are relevant for 2011/12 and onwards, and represent high level, significant risks:

- Financial constraints, requiring an £8m cost improvement programme (actual achievement of £11m).
- Delivery of all key targets, including wait times, cancer, Emergency Department, infection control (fully achieved, green Monitor risk rating).
- Compliance with regulators i.e. CQC (registered without restriction, and overall low risk rating).
- Strong working relationship with partners, including our commissioners, local GPs and neighbouring Trusts and Councils.

The risk for each of these areas is failure to deliver, which would affect the delivery of service to patients. A more comprehensive list of risks is monitored through the Trust's Assurance Framework. This is reported to the Healthcare Assurance Committee (HAC) and Audit Committee, both of which report directly to the Board of Directors, as well as separately reported on to the Board of Directors.

The change in health policy was a further cause of uncertainty. New policies on readmissions, competition, mixed sex accommodation and Emergency Department indicators have all featured as specific areas of focus, for which plans are well developed. The wider change to embrace GP Commissioning is again welcomed and one the Foundation Trust is proactively engaging with through numerous meetings and improving GP dialogue (i.e. greater use of electronic communication between GPs and consultants).

4.5 Trends and factors affecting the future

Good and early planning has been key to the Trust's excellent performance and this remains crucial going forward. The main factors affecting our future performance include:

- Much slower growth in NHS funding, potential absolute reductions in hospital funding, and the impact of reduced social services funding.
- Increasing quality requirements and patient expectations.
- New technologies, including drugs, changing how and where care is delivered. New treatments at RBCH and others moving into community settings are both reducing the need for inpatient beds.
- A variety of factors affecting the workforce including a pay freeze, reduced national training funds and posts, balanced by the wider economic picture and tougher jobs market. This means local training, development and motivation of staff are even more important.

These trends have affected the Foundation Trust in the past year, and are expected to continue for at least the next 12 to 24 months.

Given that all these trends were anticipated in previous Annual Plans, the successful delivery of the actions within those plans has been crucial in both starting and ending 2011/12 in a strong position, especially in terms of governance, (performance against key measures) and financial ratings. These began, and ended the year as Green, for governance, and Excellent (4 out of 5) for financial risk rating (FRR). This exceeded the Trust's plan of 3 out of 5, largely due to over-performance on internal transformation plans to deliver savings and quality improvements.

Further details of the 2011/12 Transformation Plan for better care and better value, are listed throughout the document, but include:

- Better inpatient care, reducing the length of time needed to stay in hospital.
- Better use of staff time, through e-rostering, medical workforce job planning and administrative review.
- Better procurement of goods, with strong clinical leadership, especially in orthopaedics.
- Better value prescribing, often generating significant savings for local GPs.
- Better design of processes, such as pre-operative preparation, to improve safety and efficiency before coming into theatre.
- A large number of directorate schemes.

The Board of Directors receives a quarterly strategy tracker, which sets out progress against the seven strategic goals that were agreed as part of the Trust's long term strategy in 2007. These, along with other performance reports (such as finance, performance, clinical governance) and the work of the Board of Director's committees, have allowed closer scrutiny of the work of the Foundation Trust. This is then supplemented by the work of the Council of Governors.

The vast bulk of the measures to move the Trust towards its vision, via the seven strategic goals, have been achieved.

Of particular note, the number of completed and recorded appraisals has hugely improved, and fed through into the 2011 staff survey results. Work on Pan Dorset QIPP and Acute Service Review (ASR) has been slow but consensus is emerging as to the areas for attention, and this work will continue, supported by the work on organisation merger.

Looking forward to 2012/13, these trends and the Trust's Transformation Programme, remain key factors that need

to continue. However, in line with the NHS white paper "Equity and Excellence" there are new themes and priorities emerging. These are:

- A focus on patient outcomes.
- Avoidable premature deaths.
- Long term conditions management.
- Acute episodes of care.
- Patient experience.
- Safety.
- The central role of GPs as commissioners of services, with the need to engage and inform them regarding hospital services.
- Other factors such as increased competition, greater transparency of information, the role of local Health and Wellbeing Boards, Healthwatch, new roles for Monitor and the National Commissioning Board.

The Annual Plan 2012/13 provides further information as to how RBCH is responding to these issues and includes the work to develop the integrated business plan for merger with Poole Hospital NHS Foundation Trust.

4.6 Investing in services

The Trust has continued to invest in patient services over the last 12 months. This has only been possible due to careful financial management and delivering above what was expected in its Cost Improvement Plan. Developments include:

- A state-of-the-art endoscopy scope processing unit creating more room with the latest equipment and reduced risk of infection.
- A new rapid access area in the Emergency Department for patients coming in to hospital via their GP. As well as being an additional facility, there is increased single sex accommodation providing greater privacy and dignity for patients.
- Improvements to car parking following patient and staff feedback, including a new public car park by the Eye Unit, a pay on exit system and covered

walkway from the bus terminal to the Royal Bournemouth Hospital.

In Autumn 2011, the therapies service was extended to provide in-patient access seven days a week. This has proved very beneficial to patient recovery time, as there is no weekend interruption to a therapy programme and patients are able to go home earlier, reducing length of stay.

In August 2011, the Emergency Department (ED) began a pilot to work with an on-site specialist urgent care GP and Nurse Practitioner. Patients are triaged (prioritised for treatment) in the ED by a nurse and then where appropriate directed to the specialist on-site GP. As a result waiting times in the Emergency Department is reduced, and unnecessary admissions are avoided.

Continuing to develop services

During 2012/13 investments planned include:

- A third MRI suite.
- A redesign within radiology to improve the ultrasound service.
- Develop designs for the new cancer unit.
- Continuing with carbon reduction plans.

Over the past year the Trust has been working on a proposal for Christchurch Hospital to ensure that NHS services are secured and the hospital remains a key focus for the local community. An outline proposal was agreed by the Board which was consulted on as part of the Trust's Annual Strategy 2012/13 (see page 35 for more details). Considerable work is now needed during 2012/13 to work up the detailed scheme and full costs.

"The main change will be in the buildings not the services," said Medical Director, Dr Mary Armitage. "Securing the services on site, in improved facilities and bringing in others, such as a GP surgery, pharmacy and key worker accommodation, means this is a good proposal all round."

The proposed multi-million investment will see the following additional services:

- More imaging services such as Ultrasound and Dexa, reducing trips to the Royal Bournemouth Hospital.
- **Nursing home:** An 80 room home, spread over three storeys, with a terraced area overlooking the green. Close links with local health services will support an excellent provision of care. Research shows a lack of dementia facilities to meet the growing demand and this is the most likely specialist provision. The independent operator for the nursing home will be selected through a competitive process, with the NHS remaining the land owner. Typically such a development creates around 80 new jobs.
- **New eye service at Christchurch Hospital:** A new clinic for eye treatments will open in 2012, where patients with certain medical conditions will be offered quick, local services with quality assurance from the specialist back-up at Bournemouth Eye Unit.
- **Expand clinics** for blood taking for pathology tests (blood).
- Macmillan Unit remains.
- **GP practice and pharmacy:** The Grove Surgery would relocate to a purpose-built facility on site, for additional patients to register with and generating job opportunities. There are also plans for additional consulting rooms that could provide additional community health service clinics.
- **NHS dentist:** This service has been running from here for a year and has proved very popular.
- Key worker (rental) accommodation for public sector staff.
- **Children's nursery:** A purpose-built facility with a separate drop-off area for parents. Currently there is a shortage of spaces for the rising number of children in Christchurch.

- **Expanded green at front:** Removing front car park spaces to create a better visual of the site and providing extra spaces at the rear of buildings.
- **Epidural and infusions suite:** A new suite will bring together epidural and infusions in one dedicated, purpose-designed facility, to provide various day treatments and injections for rheumatology and other patients. This can require long stays and close monitoring, which will be made easier by taking place in a single, more pleasant environment.
- **Imaging department:** Many local residents use the x-ray and ultrasound facility at Christchurch Hospital as it is easier to park and has a different atmosphere compared to RBH. A newly built or heavily refurbished department, in a new location, would allow the trust to review if more one-stop clinics can be provided.
- **Outpatients:** The building would remain, but the layout and use of rooms will be reviewed. RBCH services would remain, but the need to provide a new entrance and tea bar/café, will allow us to review and improve the layout to help how clinics are run.

Tony Spotswood, Chief Executive of RBCH said: “We are grateful for the continued support of Christchurch residents, the Council and those who volunteer and donate to support services in Christchurch.

“This proposal represents the better alternative than relocating everything to Bournemouth, and has added benefits of creating extra jobs and investment in the local economy.”

4.7 Business continuity and emergency resilience planning

During the past year, and with the Olympics arriving in Weymouth in July, 2012, the Trust has continued to ensure that the organisation can provide a resilient response in the event of either an internal or external major incident. This has seen the appointment of a full

time emergency planning officer for a 15 month period to help facilitate and co-ordinate the Trust’s emergency response arrangements and resilience.

The Trust has ensured, with its responsibilities under the Civil Contingencies Act 2004, that the following plans are in place so that the organisation remains resilient to any emergency situation:

- Major Incident Plan
- Business Continuity Plan
- Chemical, Biological, Radiological, Nuclear and explosive (CBRNe) Plan
- Pandemic Influenza Plan

Within each of these plans, each directorate and department has specific plans for their area. These plans set out each department’s roles and responsibilities in the event of an emergency, helping to ensure a cohesive resilient emergency response. The Trust’s emergency preparedness arrangements ensure continued patient care in times of emergency and that normal business is maintained as far as reasonably practicable.

Training and exercising of the planning arrangements have taken place to ensure that the plans remain resilient, fit for purpose and are validated on an annual basis. These exercises and training sessions help facilitate better staff understanding of the emergency preparedness arrangements and also addresses some of the more specialist training around the Trust’s CBRNe capabilities.

The Trust has actively participated in the development of multi-agency planning arrangements in partnership with other healthcare providers, blue light services and local authority colleagues. This ensures that cohesive resilience planning arrangements are in place and clearly outline the roles and responsibilities of each agency in the event of an emergency. Particular focus over the last 12 months on emergency resilience arrangements has been driven mainly by the local Olympic site at Weymouth.

The Trust has taken part in two regional exercises over the last year, enabling all organisations to test the multi-agency planning arrangements and review all emergency plans in the light of any learning.

4.8 Putting patients first

Over the last year the Trust has made considerable progress in a number of areas to improve the patient experience. A high priority for the Board, this work is guided by the feedback received from patients. The Trust has developed a number of ways to collect feedback from patients, carers, relatives and visitors. These are summarised in the table below.

In addition, there are a number of national surveys and measures that are used to evaluate the patient experience, including surveys led by the Picker Institute and the Care Quality Commission.

Feedback is encouraged in all aspects of the services we provide and responses are given as appropriate.

Real time patient feedback (RTPF)

RTPF is an electronic data-collection tool used by trained volunteers to gain feedback from patients while they are in hospital. They support clinical areas by carrying out surveys in specific locations, including inpatients, day surgery, outpatients and the Emergency Department.



<p>PALS</p> <p>Complaints</p> <p>Patient Engagement:</p> <ul style="list-style-type: none"> • E-mails • Calls • Letters • Interviews 	<p>Real Time Patient Feedback</p> <ul style="list-style-type: none"> • Outpatient Department • Emergency Department • Inpatient 	<p>Dedicated phone / text line</p> <p>On Line surveys</p>	<p>E mail applications</p> <ul style="list-style-type: none"> • NHS Choices • Patient Opinions • Trust Comment 	<p>External Surveys</p> <ul style="list-style-type: none"> • CQC • Additional Picker surveys • Emergency Department • Inpatient
<p>Complaints</p>	<p>Bedside surveys</p> <ul style="list-style-type: none"> • Patient experience cards • Hospedia surveys 	<p>Focus Groups</p> <p>Service improvement and speciality specific</p>	<p>Project groups with patient representatives</p> <ul style="list-style-type: none"> • Total knee replacement • Pharmacy • Reception project 	<p>Patient Forums</p> <ul style="list-style-type: none"> • Young people • Carers • Patient Panel • Equality and diversity

The hand held personal device can be used either by the patient or with the help of the volunteer. In excess of 5,500 patient feedback surveys have been collated since August 2010.

Results are received on a monthly reporting basis and shared with the clinical leads. Changes are discussed and implemented based on feedback and then re-measured. Best practice is shared with, and cascaded to, staff in other areas of the hospital. The results are also on display for staff and patients in clinical areas.

One example of action following feedback has been the 'Noise @ Night' campaign. Ward bins have been audited and those needing maintenance of the soft close mechanism have been progressed. Posters remind staff visiting a ward at night to be aware of noise and ear plugs and eye masks are available for patients on wards. This work continues.

A new area to the RTPF is outpatients, which has received feedback on the experience of around 500 patients. Indications have been extremely positive and show that:

- 98% patients felt they were always treated as an individual.
- 98% patients reported feeling very safe.
- 99% patients felt they were greeted politely.
- 95% patients rated care as excellent.

Patient Experience Cards

Patient Experience Cards are available throughout the hospitals on the wards, in outpatients, the restaurant and other busy areas. Any visitor can give their feedback. The information is collated and shared with staff and any concerns highlighted and actions for improvement carried out.

Below are some of the key highlights from the survey cards and positive comments that have been received from patients:

- **Within the last year the Trust received 3,474 completed patient experience cards, of which**

75% provided high praise and compliments.

“Thank you for all your excellent caring. Not once was I ignored. Felt very safe and nursing staff all lovely. They really cared. Comforted me when I was upset. A big thank you.”

“Overall my experience was made more bearable by the efficient and friendly staff although very stretched with resources. No complaints, well maybe the food!”

- **25% held either neutral comments or informal complaints**

“All well. Could have been less waiting time but treated all through like a VIP. Thanks.”

“All the staff very helpful. Would have appreciated a little extra help at night with the bed linen having the use of only one arm.”

Putting patients first The Royal Bournemouth and Christchurch Hospitals

Patient Experience Card

Please give us your views on the quality of your care

Were you involved as much as you wanted to be in decisions about your care and treatment? All of the time, Most of the time, Some of the time, None of the time, Not applicable

Did you find someone on the hospital staff to talk to about your worries and fears? Yes, No, Not applicable

Were you given enough privacy when discussing your condition or treatment? Yes, No, Not applicable

Did a member of staff tell you about medication side effects to watch for when you went home? Yes, No, Not applicable

Did hospital staff tell you who to contact if you were worried about your condition or treatment after you left hospital? Yes, No, Not applicable

Were you treated as an individual at all times? Yes, No, Not applicable

If you were admitted to hospital, did you ever:

a) Share a sleeping area, for example a room or a bay, with patients of the opposite sex? Yes, No, Not applicable

b) Use the same bathroom/shower or toilet area as patients of the opposite sex? Yes, No, Not applicable

Did you feel safe during your visit? Yes, No, Not applicable

How would you rate your overall visit? Excellent, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, Poor

How likely would you be to recommend us? Very Likely, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, Not likely

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Please continue overleaf

Clinical Audit Dept(DK) Ext 4127 Post Point F21

Outpatient Survey 2011

Throughout the year the Care Quality Commission carries out national patient surveys. For the outpatient survey in 2011 the Trust scored among the best in a number of areas, reflecting the hard work of staff over the past year.

In 21 of the 39 questions, The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust was in the top 20% of high performing trusts, when compared with the 163 trusts who took part in the survey.

Trusts are given scores on different aspects of the patient journey - such as before the appointment, waiting, environment, tests, through to leaving the department - and these are compared to national benchmarks.

The Trust showed great improvement in many areas since the 2009 survey, including:

- giving patients a choice of appointment times.
- the time patients waited at the hospital for their appointment slot.
- patients were given enough information about their condition or treatment.
- patients felt they were given answers that they could understand.
- patients had confidence and trust in their professional.

Paula Shobbrook, Director of Nursing and Midwifery, said: "These results are testament to the hard work of our multi-disciplinary teams; the doctors, nurses, therapists and other healthcare staff who work in our outpatient departments. Our aim is to put our patients at the centre of everything we do, and we are extremely pleased that this is reflected in the response from patients."

An important part of the survey is to highlight areas which patients feel could improve their experience at the hospital. The areas for further improvement include the need to ensure patients are informed when they will receive test results.

Inpatient Survey 2011

The Trust's Inpatient Survey 2011 was independently completed by the Picker Institute to understand what patients think about the services provided. 834 eligible patients, who had spent at least one night in the Trust during the month of July 2011, were sent a questionnaire.



Making patients' views count

The survey was themed into eight categories including an 'overall' category. The response rate was 60% (499) an improvement on 2010 (57%) and comparably favourable to the 2011 national average of 50%.

The 2011 survey highlighted many areas of positive patient experience, with those overall scores over 90% as follows

- hospital room or ward was fairly very/fairly clean 96%.
- hospital toilets or bathrooms were very/fairly clean 94%.
- overall doctors and nurses worked well together 92%.
- overall; rating of care was good/excellent 91%.

The 'Overall' category in the survey measures what patients thought of their overall care. Performance in this category for the Trust is measured on nine questions with results over 90% in two questions. Additionally, significant improvement was also evident in the following areas of questioning:

- patients were asked to give their views on quality of care.
- posters and leaflets are seen on how to complain about care.

When comparing RBCH performance to other trusts, performance indicates that the Trust is:

- statistically significantly better than the national average on 28% (n=27) questions.
- statistically significantly worse than the national average on 1% (n=1) question as described in problem scores above.
- below average in 19% (n=18) of questions.

Inpatient survey CQUIN questions results

The Commissioning for Quality and Innovation (CQUIN) payment framework enables commissioners to reward excellence, by linking a proportion of the Trust's income to the achievement of local quality improvement goals.

The CQUIN questions for 2011 in the table below illustrate slightly improved performance in comparison to 2010 and nationally, with lower scores being better. One question remains an outlier, focusing on patient involvement in decisions about treatment or care. While an improvement is broadly demonstrated, the Trust will ensure a robust improvement framework is in place.

RBCH-FT CQUIN questions %	2010	2011	National Average 2011
Involvement in decisions about treatment/care.	42	45	46
Hospital staff being available to talk about worries/concerns.	61	55	58
Being informed about side effects of medication.	63	58	61
Being informed who to contact if worried about condition after leaving hospital.	20	15	20
Privacy when discussing condition/treatment.	25	24	27

The drive for 2012-2013, through an action plan, will ensure the Trust improves on:

- our worst performing scores to at least average.
- areas where we have significantly deteriorated.
- specific areas of concern which affect other quality or performance indicators, such as privacy and dignity, infection control and complaints.

Improvement performance is reviewed corporately at a senior level and forms a key objective of the Patient Experience Strategy. This will be monitored through the Patient Experience and Communications Committee.

4.9 Complaint handling

Complaints made to the Trust are managed within the terms of the Trust's complaints procedure and national complaint regulations for the NHS. The overriding objective is to resolve each complaint with the complainant through explanation and discussion.

Every complainant is sent a letter (by post or email) on receipt of their complaint, explaining the proposals for investigation, inviting them to contact the complaints manager to discuss this if this has not already happened. Complainants are also advised about clinical confidentiality and the support available to them from the Independent Complaints Advocacy Service (ICAS).

Each complaint is investigated by the directorates concerned and, where appropriate, the advice of a clinician from another area is obtained. This evidence

forms the basis for a response to the complainant from the Chief Executive.

Further details of the complaints received to the Trust can be found in the Quality Report.

How to make a complaint

If you have a complaint about the experience received at the Royal Bournemouth or Christchurch hospitals please contact the Complaints Manager on **01202 704452** or email **simon.dursley@rbch.nhs.uk**

4.10 Public consultation

The Trust held two public consultation exercises during 2011/12, both of which were carried out in line with the organisation's Consultation Policy.

Annual Strategy 2012/13

During 2012 the Trust, as it does each year, consulted on its plans for the year ahead. The consultation document included:

- Priorities for the year ahead.
- Efficiency saving plans.
- Details of where the Trust is working closely with GPs to meet local health priorities.
- Areas for service development.
- Workforce plans.
- Capital plans.

The consultation document also set out in detail plans that have been developed over the past year for securing the future of Christchurch Hospital. Following public consultation in early 2011, the Trust has been looking at the best options for Christchurch Hospital that meet four objectives:

- To secure RBCH services in Christchurch.
- Be affordable.
- That pass planning approval.
- That add other facilities for community gain.

A proposal was agreed by the Board of RBCH as the best option for Christchurch Hospital and the consultation asked for views on these. The proposal includes new eye and physiotherapy services, a GP surgery, nursing home and children's nursery as well as other service refurbishments. The consultation asked for views on these proposals.

Prior to the Annual Strategy consultation, the Trust held briefing sessions for local councillors and health partners. During the consultation the Trust had a very productive meeting with Christchurch Borough Council's Scrutiny Committee and a public meeting in Christchurch. The proposals for Christchurch Hospital were widely supported and it was felt that the range of services invested would ensure the hospital remained central within the community. Regular newsletters have also been provided for staff and key partners to ensure that they have been kept up to date with progress regarding Christchurch.

Regular briefing sessions were held with staff together with articles in the Trust's regular publications such as:

- Staff newsletter.
- Members' newsletter.
- Weekly/monthly briefings.
- Website.



Proposed merger with Poole Hospital NHS Foundation Trust

During 2012, a joint public consultation was carried out by the Trust and Poole Hospital NHS Foundation Trust on the proposed merger of the two organisations.

The consultation, which ran from 1 February to 25 April 2012, was on the proposed governance arrangements for the new merged organisation. These will ensure there is a robust and solid foundation on which to build for the future, as the two Trusts form a single and strong organisation. It was not a consultation on service reconfiguration, this will be for the new foundation trust to take forward.

What did the Trusts consult on?

Views were sought on a range of proposed constitutional governance arrangements for the new organisation. These included:

1. Membership boundaries and constituencies.
2. Size and composition of the Council of Governors.
3. Minimum ages for membership, voting and standing as a Governor.
4. Size and composition of the Board of Directors.
5. Constitution.
6. Elections.

The Trusts also asked for views on the name of the new organisation. After receiving a number of suggestions from staff and governors, the following four names were put forward together with an invitation to submit other ideas:

1. South Wessex NHS Foundation Trust
2. East Dorset NHS Foundation Trust
3. Bournemouth and Poole NHS Foundation Trust
4. Bournemouth, Poole and Dorset NHS Foundation Trust

Consultation activities

Throughout the consultation period the Trust carried out a number of communication activities with its Council of Governors, including:

- Regular staff briefing sessions.
- Attendance at Health Overview and Scrutiny Committees.
- Staff publications, e.g. weekly and monthly briefings plus bi-monthly newsletter.
- Proactive media relations.
- Nearly 200 local stakeholder contacts, including health partners, community groups, hard to reach groups.
- Dedicated joint website.
- Intranet page.
- Local publications, including local authorities and some residents magazines.
- Public meetings held across the catchment area of Dorset, Wiltshire and Hampshire, including attending local resident meetings on request.
- Governor distribution of posters and leaflets within their constituencies.
- Drop-in sessions in the more hard to reach areas of Swanage, Blandford, Gillingham and New Milton.
- Information to members via the members' newsletter.
- LCD/TV screens in patient areas of the hospital.
- Leaflets and posters within outpatient and public areas of the hospital.
- Wide circulation of the consultation document internally and externally.

Following the consultation, the responses are collated and a summary circulated to both local stakeholders and to any individual that gave feedback during the consultation. The summary is also publicised on the Trust's website at www.rbch.nhs.uk and in the public meeting of the Board of Directors.



4.11 Our staff are our strength

One of the Trust's strengths, and the reason for consistently performing well, is its staff. Without their extraordinary commitment and dedication the Trust would not have been able to achieve the successes mentioned within this Report.

The Foundation Trust is a significant employer in the area with 3,454 whole time equivalents as of 31st March, 2012. Staff turnover is below the national average and generally staff regard the Trust as a good place to work - as demonstrated in staff surveys carried out during the year (further details of which can be found over the next few pages).

Sickness absence for the Trust at the end of 2011/12 was 3.43%, against a target of 4% with an ambition to reach 3%.

Informing and consulting our staff

During 2011/12 the Trust consulted its staff and staff side representatives on a number of issues, including:

- Seven day working within therapy services.
- Seven day shift system within radiology.
- Outsourcing of transactional finance services to East Lancashire Financial Services.
- Speech and language therapists integrated with the neurotherapy team.
- The shift pattern system for cardiac staff.

Direct consultation with staff happens through face-to-face briefing opportunities, written briefings for line managers across the organisation and details in Trust publications.

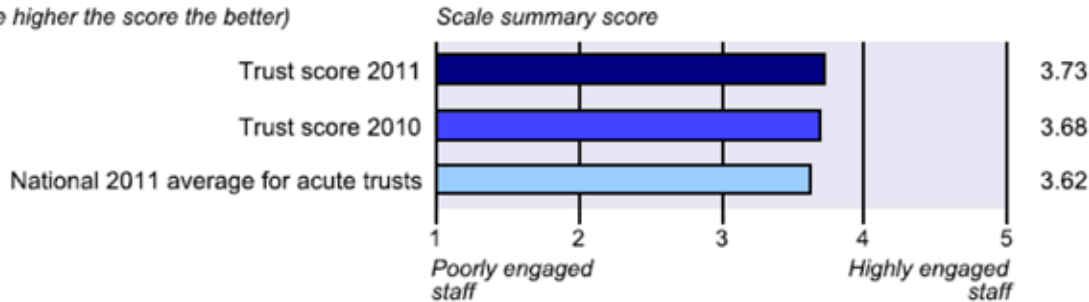
As well as formal consultation, the Trust makes available information on, for example, the Trust's performance, good news, events and developments, as well as ensuring good internal communications. This is carried out through:

- Regular meetings with staff side representatives.
- Monthly 'Ask the Exec' sessions where staff can hear from the Trust's Executive Directors and ask questions.
- Bi-monthly staff newsletter - Buzzword.
- Monthly Core Brief.
- A well-used intranet site.
- An induction for new staff - held monthly.
- Bi-monthly 'Medicine for Managers' sessions.
- Open day for staff and members of the public.
- Briefings at directorate and ward level as and when needed.
- A summary from each Board of Director's meeting.
- Internal briefing system via leaders in the organisation.
- A weekly bulletin for staff circulated via global email.



OVERALL STAFF ENGAGEMENT

(the higher the score the better)



Staff engagement

In the Staff Survey 2011, the Trust compared well against other acute trusts on an overall indicator of staff engagement.

The Trust scored 3.73 (out of 5), which was in the highest (best) 20% when compared to Trusts of a similar type (see table above).

The overall indicator of staff engagement was calculated using staff survey questions that relate to staff engagement. This is staff members' perceived ability to contribute to improvements at work, their willingness to recommend the Trust as a place to work or receive treatment and the extent to which they feel motivated and engaged with their work. You can read more about the staff survey over the next few pages.

Engagement with staff also continues with the Board taking an active role in visiting both clinical and non-clinical areas. Board of Director walkrounds at the Royal Bournemouth and Christchurch hospitals have been in place for several years and have been an effective means for engagement and communication between the clinical, managerial, executive and non-executive teams. From January, 2012 the framework for the walkrounds developed to focus on patient safety.

The team for each walkround consists of at least one Executive Director, a Non-Executive Director, a Governor and a member of the clinical governance team to take notes. The aim of the walkround is to meet in the clinical environment, focus on patient safety and quality issues which are important to the frontline teams and establish local solutions to minimise risk.

Staff Survey 2011

In 2011 the Staff Survey was undertaken on behalf of the Trust by the Picker Institute and carried out between October, 2011 and December, 2011.

In accordance with the nationally agreed protocol, a random selection of 850 employees, from those employed on 1 September, 2011, were asked to complete and return the questionnaire. Of these, 832 were eligible to complete the survey. The remaining 18 staff were not eligible due to maternity leave, long-term sick or having recently left the Trust.

The staff survey questionnaire content is agreed nationally. The Trust used the core questions for Acute Trusts. The questionnaire included questions grouped in the following topics:

- Work-life balance.
- Training, learning and development.
- Your job and organisation.
- Errors, near misses and incidents.
- Violence, bullying and harassment.
- Occupational health and safety.
- Infection control and hygiene.
- Health and wellbeing.
- Background details.

The 2011 response rate was 61%, which was an improvement of 8% since last year. This response rate was in the highest (best 20%) for acute trusts. The average response rate for 'Picker' acute Trusts was 49.6%.

Significant improvement

Compared to the 2010 staff survey the Trust has scored significantly better on 14 questions and significantly worse on two questions. There was no significant difference on 124 questions:

Significant improvement on the following questions:	2010	2011
No e-learning/on-line training in past 12 months	51%	34%
No training in how to handle violence to staff/patients/service users	29%	22%
No training in how to handle confidential information	27%	13%
Immediate manager does not give clear feedback	26%	15%
Immediate manager does not ask for my opinion	30%	22%
Percentage of staff appraised in last 12 months	62%	85%
Percentage of staff appraised with PDP in last 12 months	47%	69%
Percentage of staff having well-structured appraisals in last 12 months	27%	41%
Team members do not often meet to discuss the team's effectiveness	25%	16%
Not enough staff at Trust to do my job properly	48%	41%
Would not recommend Trust as place to work	12%	8%
Staff not informed about errors in Trust	31%	25%
Staff not given feedback about changes made in response to reported errors	32%	21%
Physical violence from patients/service users, their relatives or members of the public	12%	8%
Hot water, soap etc not available to patients/service users	5%	2%
Quite a lot of difficulty/could not do daily activities because of emotional problems in past 4 weeks	6%	3%

Some of the above significant improvements can be directly related to the 2010 Staff Survey action plan and work undertaken as a result, specifically:

- The staff appraisal task and finish group, which focused on improving the amount of appraisals completed by managers in a timely way and the quality of the appraisal documentation.
- Improved communication and engagement of staff.
- Feedback about action taken following reported errors.
- Information governance training being rolled out to all staff. Increasing awareness of how to handle confidential information.
- Actions developed by the Sickness Absence Task and Finish Group and the introduction of Employee Assistance Programme, as a means of providing confidential counselling for staff.

Significantly worsened on the following questions:	2010	2011	National Average (Acute Trusts) 2011
Last experience of physical violence was not reported	12%	30%	31%
Percentage of staff working extra hours	58%	66%	65%

The above two points will be the main focus of this year's action plan.

Top four ranking scores	Trust score 2011	Trust score 2010	National Average (Acute Trusts) 2011
Effective team working (scale summary score 1-5 the higher the score the better)	3.86	3.75	3.72
Percentage of staff reporting errors, near misses or incidents witnessed last month	99%	99%	96%
Staff intention to leave their jobs (scale summary score 1-5 the lower the score the better)	2.31	2.37	2.59
Percentage of staff suffering work related injury in last 12 months	11%	13%	16%

Bottom four ranking scores	Trust score 2011	Trust score 2010	National Average (Acute Trusts) 2011
Percentage of staff using flexible working options	58%	63%	61%
Percentage of staff witnessing potentially harmful errors, near misses or incidents in last month	36%	36%	34%
Percentage of staff working extra hours	66%	58%	65%
Percentage of staff experiencing physical violence from patients, relatives or the public in the last 12 months	8%	12%	8%

While the percentage of staff witnessing potentially harmful errors, near misses or incidents is slightly higher than the national average, 99% of staff witnessing any of these are reporting and there has been an improvement in staff receiving feedback to 79% (68% in 2010).

The percentage of staff using flexible working options may be a reflection of new ways of working via the E-rostering system, which has a greater focus on service needs, although over half of staff are still able to make use of flexible options. This and the increase in staff working additional hours have not detracted from staff recommending the Trust as a place to work.

Physical violence against staff from patients, relatives or the public is never acceptable, although it may often be attributed to confused or anxious patients. 8% is equal to the national average for Acute Trusts and an improvement since last year from 12%.

Staff pledges

The Staff Survey includes a whole range of questions, the outputs of which can then be summarised into the four staff pledges. The staff pledges come from the NHS Constitution which was published in January 2009.

Staff pledge 1:

To provide all staff with clear roles and responsibilities and rewarding jobs for teams and individuals that make a difference to patients, their families and carers and communities.

	Change since 2010 survey	Ranking, compared to all acute Trusts in 2011
% of staff feeling satisfied with the quality of work and patient care they are able to deliver	No change	√ Above (better than average)
% of staff agreeing that their roles make a different to patients	No change	√ Above (better than average)
% feeling valued by their work colleagues	No change	√ Highest (best 20%)
Quality of job design	No change	√ Highest (best 20%)
Work pressure felt by staff	No change	√ Lowest (best 20%)
Effective team working	√ Increase (better than 10)	√ Highest (best 20%)
Trust commitment to work-life balance	No change	√ Above (better than average)
% working extra hours	! Increase (worse than 10)	Average
% using flexible working options	No Change	! Below (worse than) average

Staff pledge 2:

To provide all staff with personal development, access to appropriate training for their jobs and line management support to succeed.

	Change since 2010 survey	Ranking, compared to all acute Trusts in 2011
% feeling there are good opportunities to develop their potential at work	No change	√ Highest (best) 20%
% receiving job-relevant training, learning or development in last 12 months	No change	√ Highest (best) 20%
% staff appraised in last 12 months	√ Increase (better than 2010)	√ Above (better than average)

	Change since 2010 survey	Ranking, compared to all acute Trusts in 2011
% having well-structured appraisals in last 12 months	√ Increase (better than 2010)	√ Highest (best) 20%
% appraised with PDP in last 12 months	√ Increase (better than 2010)	Average
Support from immediate managers	√ Increase (better than 2010)	√ Highest (best) 20%

Staff pledge 3:

To provide support and opportunities for staff to maintain their health, well being and safety.

	Change since 2010 survey	Ranking, compared to all acute Trusts in 2011
Occupational health and safety		
% receiving health and safety training in last 12 months	√ Increase (better than 2010)	√ Highest (best) 20%
% suffering work-related injury in last 12 months	No change	√ Lowest (best) 20%
% suffering work-related stress in last 12 months	No change	√ Lowest (best) 20%
Infection control and hygiene		
% saying hand washing materials are always available	√ Increase (better than 2010)	√ Highest (best) 20%
Errors and incidents		
% witnessing potentially harmful errors, near misses or incidents in last month	No Change	! Above (worse than) average
% reporting errors, near misses or incidents witnessed in last month	No change	√ Highest (best) 20%
Fairness and effectiveness of incident reporting procedures	No change	√ Above (better than) average

Violence and harassment		
% experiencing physical violence from patients/relatives in last 12 months	√ Decrease (better than 10)	Average
% experiencing physical violence from staff in last 12 months	No Change	√ Below (better than) average
% experiencing harassment, bullying or abuse from patients/relatives in last 12 months	No Change	√ Below (better than) average
% experiencing harassment, bullying or abuse from staff in last 12 months	No Change	Average
Perceptions of effective action from employer towards violence and harassment	No change	√ Above (better than) average
Health and wellbeing		
Impact of health and wellbeing on ability to perform work or daily activities	No change	√ Below (better than) average
% feeling pressure in last 3 months to attend work when feeling unwell	No change	Average

Staff pledge 4:

To engage staff in decisions that affect them and the services they provide, individually, through representative organisations and through local partnership working arrangements. All staff will be empowered to put forward ways to deliver better and safer services for patients and their families.

	Change since 2010 survey	Ranking, compared to all acute Trusts in 2011
% reporting good communication between senior management and staff	No change	√ Above (better than) average
% able to contribute towards improvements at work	No change	Average

ADDITIONAL THEME: Staff Satisfaction		
Staff job satisfaction	No Change	√ Highest (best) 20%
Staff intention to leave jobs	No Change	√ Lowest (best) 20%
Staff recommendations of the Trust as a place to work or receive treatment	No change	√ Highest (best) 20%
Staff motivation	No change	√ Highest (best) 20%
ADDITIONAL THEME: Equality and diversity		
% having equality and diversity training in last 12 months	Increase (better than 2010)	√ Above (better than) average
% believing Trust provides equal opportunities for career progression or promotion	No Change	√ Above (better than) average
% experiencing discrimination at work in last 12 months	No Change	Average

Recommendations and actions

As in previous years, the Trust has developed corporate and directorate action plans to address the areas of concern. The Trust retains a focus on areas that have remained the same or improved to ensure that staff survey results continue to make progress, year on year.

Corporate plan:

- The Trust management promotes a zero tolerance of violence and abuse against staff, taking action against perpetrators and refusing treatment when appropriate.
- Staff are encouraged to report episodes of physical violence, so that action can be taken.
- Staff are encouraged not to work in excess of their contracted hours unless absolutely necessary.
- The Trust continues to promote 'work-life balance' and 'healthy lifestyles'.

Directorate plans:

- The Picker Institute Staff Survey report provides results by directorate, which enables directorates to develop individual action plans to meet their specific areas of concern. These will be monitored and reviewed at directorate half-yearly reviews.

Staff health and wellbeing

Following the Boorman Report a strategy was developed with a detailed action plan for improved wellbeing at work. This includes the promotion of various wellbeing topics at regular staff events, known as “First Friday Fitness”, and includes:

- Blood pressure checks.
- Dietary advice.
- Know your alcohol units.
- Diabetes awareness.
- Stop smoking campaign.
- Breast cancer awareness.
- Genito-Urinary medicine.
- Cycle to work.
- Fitness and health club promotions.
- Support for carers.
- Stress management.

This programme has been running for over a year and is well received by staff and supported by local businesses. In autumn 2011 the Trust published its first health and wellbeing newsletter.

The Valuing Staff and Wellbeing Group meets quarterly, it is able to promote benefits for staff and has been instrumental in the introduction/promotion of:

- Health and wellbeing campaign.
- Discounts for staff with local businesses.
- Beauty salon treatments and discounts.
- Departmental stress risk assessments.
- On site tennis lessons for staff.

A significant reduction in sickness absence has been achieved by partnership working between supervisors/managers, Occupational Health (OH), Human Resources (HR) and staff side representatives.

A number of initiatives have been put in place including:

- Training and education for supervisors and managers to help them become

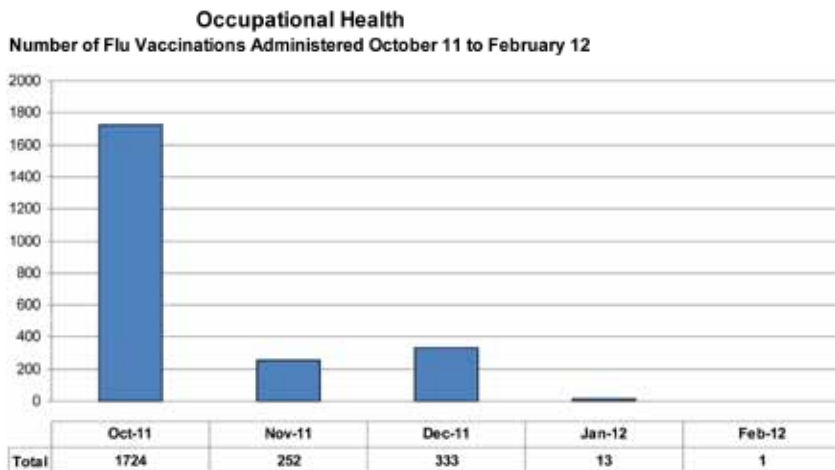
more confident in managing staff sickness and absence.

- Regular reporting of sickness levels to identify poor attendance and trends.
- Complex case meetings with HR and Occupational Health to discuss individual cases of concern and to formulate a joint action plan.
- The Employee Assistance Programme (EAP) is there to support staff. The feedback has been extremely positive and suggests the EAP has assisted in the reduction of sickness and absence.
- Re-deployment - the Sickness Absence Policy includes guidelines on the re-deployment process and with the introduction of fit notes this has become more widely used.
- The RBCH promotes a culture of no stigma with staff being well-supported within the Trust. Managers are asked to report any mental health diagnosis as early as possible to occupational health so that support can be given to the staff member and manager.



Flu vaccination of staff

The Trust was effective again in early provision of influenza vaccination. The uptake again was voluntary, out of 4120 staff working for the trust at the time 54.93 % were vaccinated. The previous year total was 41.8%. This includes clinical and non clinical staff. Some staff obtained vaccine from other sources e.g. in primary care. The Occupational Health Department offered a wide range of open access for this vaccination in order to facilitate staff uptake.



Flu Vaccination Campaign 2011

This year Occupational Health is able to widen the flu vaccination campaign to your family and friends at a cost of £12.00 per injection (per person).

Plenty of vaccinations will be available to staff free of charge. Our campaign is expected to commence the first week of October 2011.

To have an idea of numbers interested could you show any expressions of interest by email to occupational.health@rbch.nhs.uk this will enable us to gauge the interest and obtain plentiful supplies for all.

Please contact:
the Occupational Health team
on **01202 704217** where we will help answer your queries.

Profession	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Total
Nurse and Midwifery	474	94	17	2		587
Admin/Clerical	356	54	18	2		430
Allied Health Professional	215	25				240
HCA	200	30	7	2		239
Medical (Dr) and Dental	216	16	5	1		238
Practice Manager			220			220
Estates and Ancillary	127	16	2	3		148
Students	50	10	2	1	1	64
Add Prof Scientific and Technical	49	3	3			55
Additional Clinical Services	31	1				32
Allied Health Professionals			8			8
Private Family	6					6
Private (Inc Keith Spicer)		3	51			54
Allied Health Professional				2		2
Total	1,724	252	333	13	1	2,323

NHS Litigation Authority (NHSLA)

This year we were inspected by the NHSLA on sharps and contamination injuries and support for staff following a traumatic incident. This we achieved and we were commended for data available and of care for our staff through the occupational health service.

Health and Safety Executive (HSE) inspection on dermatology

We were inspected by the HSE this year with dermatology and staff health surveillance. We introduced a policy on skin care and prevention and management of dermatology at work. Further monitoring was introduced with annual skin checks for all clinical staff and referral to a dermatologist where required for rapid access to treatment where it is required.

Awarding staff excellence

Each year the Trust holds the Staff Excellence Awards to recognise and reward the hard work and commitment from staff over the previous 12 months. 2011 was no exception with some outstanding examples of staff going the extra mile to ensure patients receive the best care and experience possible.

Award for Putting Patients First

This award is for the individual or team who has successfully introduced a change in working practices that has improved the patient experience. This can either be as a result of feedback from patients or their own actions.

Winner: Sara Graham Rehabilitation Assistant, Christchurch Day Hospital, showed exceptional effort in initiating and developing an improved pathway of care for Parkinson Disease patients. She has listened to and communicated with patients to improve their experience and provide quality care. The change included implementing swift follow up of patients and then supporting patients with an improved exercise and advice programme.

Award for Patient Safety

This award is made to an individual or team that has improved patient safety and/or mitigated risk either within a specific area or across the whole organisation.

Winner: The Critical Care Outreach Team has become a constant reassuring presence in the RBH, operational all year round. By enhancing the recognition of critical illness, transporting critical care skills to the wards and enhancing staff knowledge of critical illness and its treatment they, have enhanced the safety of patients, no matter where they are located within the Trust.

Customer Care Award

This award is for the individual or team who has provided excellent customer care to patients or other users (this includes services to patients, the public, partners and to other members of staff).

Winner: Chris Bailey, Acute Admissions Unit works as a ward clerk but also on the bank as an HCA. Patients routinely single Chris out for being hard working, kind, caring and helpful. She has been known to take a patient's washing home if they have no family around to help them. As a team player she always fosters the team spirit and aims to boost morale when the team is under stress. Nothing is too much trouble.

Award for Leadership

This award is for the individual who shows exceptional leadership skills in either supporting staff through organisational development/change, encouraging staff development or motivating individuals or teams to achieve personal or organisational goals.

Winner: Sister Gibson, Clinical Leader Ward 17, is a dynamic, professional and well respected leader with many hard working years of service within the NHS. Sister Gibson continually strives to deliver the best quality, evidenced-based care to our patients even in these most challenging times. Many nurses over the years, under her leadership have earned promotion within this Trust which is all down to working within such a well-organised and well-led acute ward.

Award for Transformation or Innovation

This award is for staff who have either transformed services to provide better patient-focused care, contributed to service or organisational improvements or contributed towards the Protecting our Future, Better Care, Better Value (quality and efficiency) initiative.

Winner: Rachel Richardson, Andrew Duncan and Jacqui Bowden, Pharmacy. Over the last year the Pharmacy Service has been completely transformed due to the introduction of a robot. Three high tech robots were



installed as part of an eight month project to improve pharmacy services. This project was led by Rachel who was tireless in carrying out this role. Open days were arranged for staff to see how the new system worked and the robot even had a starring role in the Hospital Show.

Team of the Year Award

This award is for a team who has demonstrated that they have used the principles of team working to achieve good practice and/or they have provided an improved performance or service as a result of multi-disciplinary team working.

Winner: Stroke Team for Stroke Thrombolysis. The team has instigated a new and innovative system for stroke thrombolysis patients to access their emergency treatment much faster. As a result Professor Kwan's team has improved the service immensely. The team, made up of many disciplines has shown great commitment in terms of time, energy and enthusiasm. Significant improvements in door to needle times have been achieved due to the team's efforts.

Award for Going the Extra Mile

This award is made to an individual or team who has gone the extra mile, considerably above what is expected of

them. This award is distinguished from the Unsung Hero Award in that staff nominations are made by directorate management teams for a specific event that occurred during a set period, as opposed to all year round.

Winner: The Endoscopy

Decontamination Team worked through a potential crisis in a professional manner to ensure that patients on both medical and surgical procedure lists were not cancelled. They ensured continuity of service, avoiding disruption to patients and minimising financial impact.

Unsung Hero Award

This award is presented to an individual, team or volunteer who works continuously and tirelessly behind the scenes, goes the extra mile with little thanks or has made an outstanding contribution. Staff and members of the public are able to make nominations for this award.

Winner: John Warren, Volunteer Stroke Rehabilitation Unit,

volunteers two mornings a week and one afternoon a month. He serves hot drinks to the patients, helps run a weekly gardening group, plays games and once a month, with other volunteers, oversees the unit's monthly Patient Carer Forum Meeting. He is always bright and cheerful and chats to all the patients with ease. A number of patients on SRU are unable



to communicate or have difficulty in communicating verbally. John is very committed to his role and states that 'he feels privileged to work on SRU. He is always bright and cheerful and the Unit would be lost without him

Chairman's Award

The Chairman's Award is a special award given to the overall achiever selected from the winners of all the award categories. The award is judged by the Board of Directors.

Winner: In 2011 it was awarded to **Sara Graham, recipient of the Putting Patients First Award.**

Mentor Awards 2011

The Trust also presents the Mentor Award to individuals in recognition of the work they have done to support students. The 2011 winners were:

- **Fiona Campbell, Day Hospital**
- **Margaret Mangles, Ward 11**

4.12 Equality and diversity

RBCH recognises that equality means treating everyone with equal dignity and respect irrespective of any protected personal characteristics. In doing so it acknowledges that people have different needs, situations and goals. Achieving equality requires the removal of the discriminatory barriers that limit what people can do and can be.

The Trust is committed to ensuring that people do not experience inequality through discrimination or disadvantage imposed by other individuals, groups, institutions or systems in terms of:

- Outcomes - related to both health care and/or employment.
- Access - related to clinical services and/or employment and promotion opportunities.
- The degree of independence they have to make decisions affecting their lives.
- Treatment - related to both clinical care and employment.

As part of the Equality Act 2010, there are now nine protected characteristics. These are gender, race, disability, religion or belief, sexual orientation, age, gender reassignment, pregnancy and maternity and civil partnership or marital status. As a public sector organisation, there are some additional equality duties which we are committed to achieving. This means that the Trust must have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.



- Foster good relations between people who share a protected characteristic and those who do not.

There are also some specific duties that we are required to adhere to. We must publish relevant, proportionate information showing compliance with the Equality Duty on an annual basis, and must set equality objectives at least every four years.

The Trust's website publishes information on how it believes the organisation meets these duties and this information is updated regularly. The Single Equality Scheme and Action Plan sets out the Trust's vision for 2011-2015. It clearly identifies a number of objectives that the Trust is working to achieve over the next three years.

4.13 Cutting our carbon footprint

The NHS aims to reduce its carbon footprint by 10% between 2009 and 2015. In support of this target, The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust (RBCH) has developed a Sustainable Management Plan (SMP). This was signed by the RBCH Board of Directors in January, 2011. The SMP affirms the Trust's objectives and targets for reducing carbon emissions, and enables the Trust to contribute to the NHS aim of becoming a low carbon, sustainable provider of high quality healthcare.

The Trust has adopted the overall NHS Carbon Reduction target of 10% by 2015/16 relative to 2007/8. The Trust is also committed to the NHS Good Corporate Citizenship Model, and is working towards achieving an 'Excellent' rating across all areas within the GCC Assessment Model 2.

Monitoring, reviewing and reporting of energy and carbon management are carried out quarterly via the Carbon Management Group. Richard Renaut, Director of Service Development, is the Board level lead for sustainability.

This ensures that sustainability issues have visibility and ownership at the highest level of the organisation.

The Trust recovers or recycles 745.36 tonnes of waste, 49% of the total waste produced. In October, 2011 RBCH became a zero waste to landfill trust. This waste is now diverted to an energy recovery facility, which generates electricity that is then fed back into the National Grid.

Summary performance:

RBCH has been progressing with energy and carbon management over the last couple of years. Sustainability achievements in 2011/12 include:

- **Renewable energy:** The Installation of 112 kWp of Solar Photovoltaic Panels at the Royal Bournemouth Hospital, producing approximately 95,700 kWh of renewable electricity every year and reducing the Trust's carbon footprint by 50 tonnes.
- **Cycling actions:** The Trust has continued to promote cycling to members of staff, with the provision of the Loan Bikes Scheme, free cycle maintenance, and new changing and showering facilities.
- **Car Share Scheme:** A new car-sharing scheme has been set up especially for staff, designed to help reduce daily travel costs while at the same time helping to reduce CO2 emissions. Car sharers are entitled to use of preferential parking around the Trust sites in car-share only parking bays.
- **PC power saving software:** New IT software has been installed across the Trust to automatically power down computers that are inactive. The software is projected to save approximately £20,000 a year through avoided electricity costs and CRC carbon credits.
- **Active Travel Plan:** Development of the RBCH Active Travel Plan. The NHS places a substantial burden on the transport infrastructure, whether

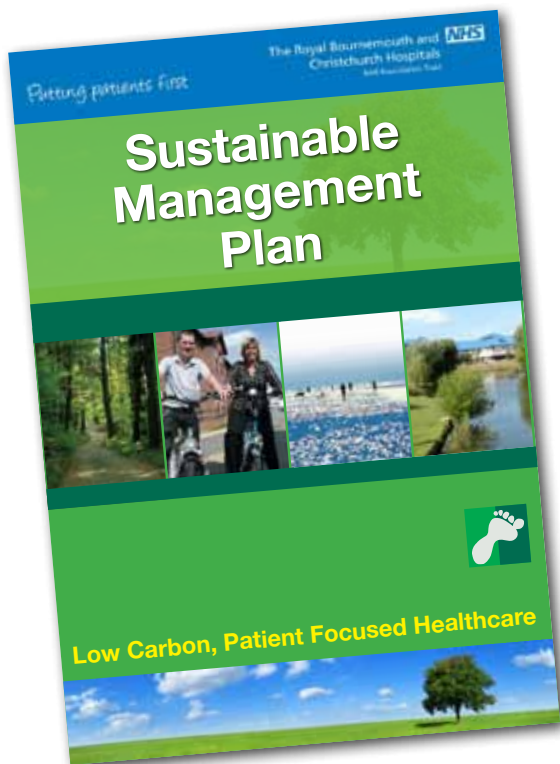
through patient, clinical or other business activity. This generates an impact on air quality and greenhouse gas emissions. It is therefore important that we consider what steps are appropriate to reduce or change travel patterns.

- **Energy awareness campaigns:** Awareness raising events have been carried out across the year to change staff perception around energy use and sustainability issues. Events have included Days of Action and Trust involvement in the first National NHS Sustainability Day
- **Waste management:** From October, 2011 RBCH partnered with Veolia Environmental Solutions to become a zero waste to landfill trust. This waste is now diverted to an energy recovery facility, which generates electricity

that is then fed back into the National Grid. In 2011/12 RBCH recovered or recycled 745.36 tonnes of waste, this is 49% of the total waste produced.

In addition to the focus on carbon, RBCH is also committed to reducing the wider environmental and social impacts associated with the procurement of goods and services.

Work has started on calculating the carbon emissions associated with goods and services that are procured; key staff have attended sustainable procurement training courses. The Trust is in the process of developing a Sustainable Procurement Policy and Action Plan.



Greenhouse gas emissions and energy use:		2007-08	2008-09	2009-10	2010-11	2011-12
Non-Financial Indicators (tonnes CO ₂ e)	Total Gross Emissions:	13,545	12,874	11,994	12,568	11,877
	Gross Emissions scope 1 (Gas/oil/fleet vehicles/refrigerant losses)	5,340	4,949	4,401	4,630	4,166
	Gross Emissions scope 2 (Electricity)	7,511	7,172	6,876	7,247	7,142
	Gross Emissions scope 3 (Official business miles/ waste/ water)	700	754	717	692	569
Related Energy consumption (MWh)	Electricity: Non-renewable	9,823	9,704	10,332	11,215	11,053
	Electricity: Renewable	4,072	3,889	3,857	3,738	3,684
	Gas	28,457	25,435	22,371	23,566	21,512
	Oil	0	356	556	162	246
	LPHW	1,535	6,629	10,104	7,903	5,125
Financial Indicators (£1,000's)	Expenditure on energy	1,545	2,344	2,003	2,035	2,225
	CRC Gross expenditure	-	-	-	-	143
	Expenditure on official business travel	-	428	448	391	324
Energy consumption (MWh) per GIA floor area:		0.50	0.52	0.44	0.43	0.39
Carbon emissions (Kg CO ₂ e) per Patient:		21.7	19.4	17.1	17.9	16.0

Energy use

RBCH energy costs have increased by 9% in 2011/12. This is due to the rising cost of utilities. Energy use, however, has decreased, and the Trust has saved approximately £209,075 in avoided energy costs.

The Trust has reduced energy emissions in 2011/12 from the baseline year (2007/08) by 12% and has therefore already met the SMP reduction target of 10% by 2015/16.

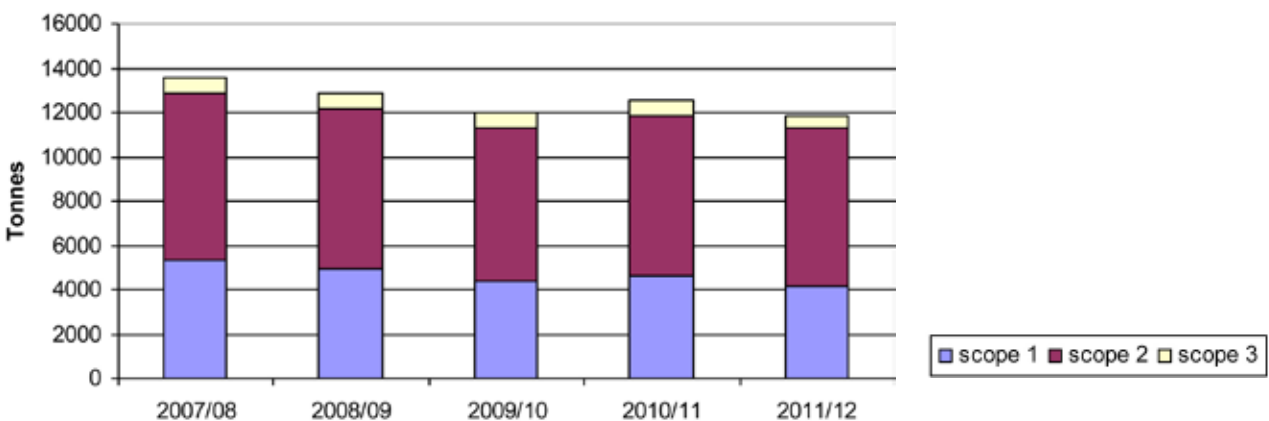
Total energy consumption has fallen during the year, from 46,585 to 41,622

MWh. Relative energy consumption has changed during the year, from 0.43 to 0.39 MWh / square meter.

RBCH purchase 25% of its electricity supply from renewable sources. Renewable energy represents approximately 9% of total energy use. In addition, RBCH generate 0.4% of our energy on site.

Gross carbon emissions for RBCH were successfully reduced by 5.5% in 2011/12 (691 tonnes) compared to the previous year, and have reduced by 12.3% from 2007/08 baseline year.

CO₂e Emissions



Waste:		2007-08	2008-09	2009-10	2010-11	2011-12
Non Financial Indicators (tonnes)	Total Waste	1,369	1,286	1,257	1,482	1,503
	High Temp Disposal Waste	615	565	610	517	469
	Landfill	701	707	642	827	299
	Recycled/ Reused	123	17	88	181	444
	Energy Recovery	0	0	0	0	284
Financial Indicators (£1,000's)	Total waste cost	318	325	367	333	336
	High Temp Disposal Waste	256	238	288	258	221
	Landfill	62	77	73	72	44
	Recycled/ Reused	26	3	9	28	31
	Energy Recovery	0	0	0	0	31

Performance

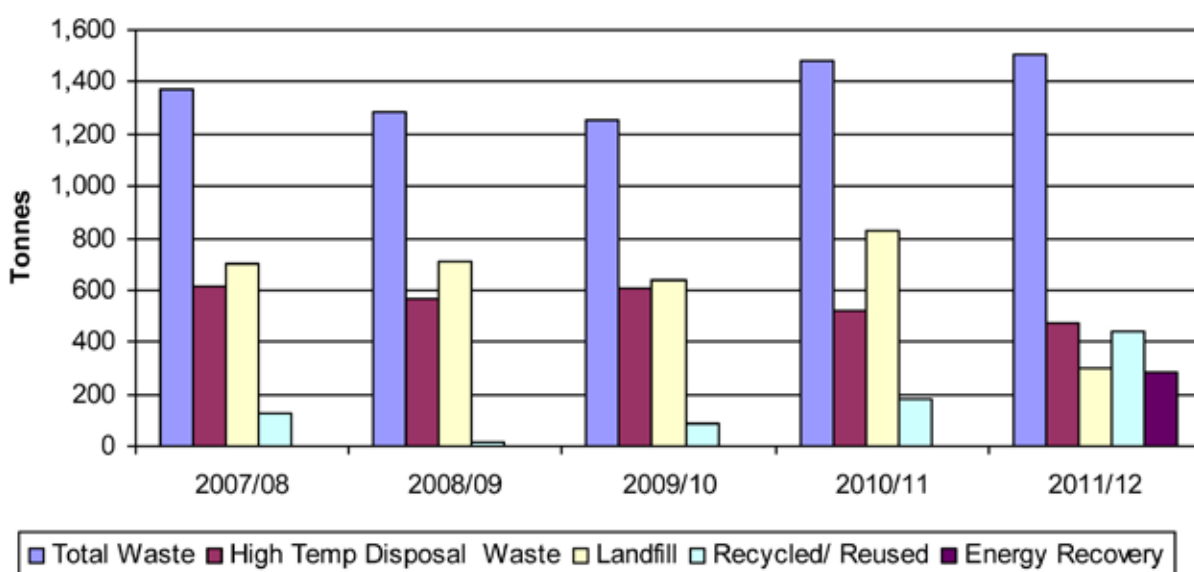
The Trust's target is to increase recycling by 60% of domestic waste levels (2007/08 baseline) by 2015, which it is on track to achieve.

In 2011/12 RBCH successfully more than doubled recycling rates from 12% (2010/11) to 30%.

From October, 2011 RBCH also partnered with Veolia Environmental Solutions to become a zero waste to landfill Trust. All black bag waste is now diverted to an Energy Recovery Facility, which generates electricity that is then fed back into the National Grid.

Due to increased recycling and energy recovery the Trust diverted 745.36 tonnes of waste from landfill in 2011/12.

Waste volumes and disposal routes

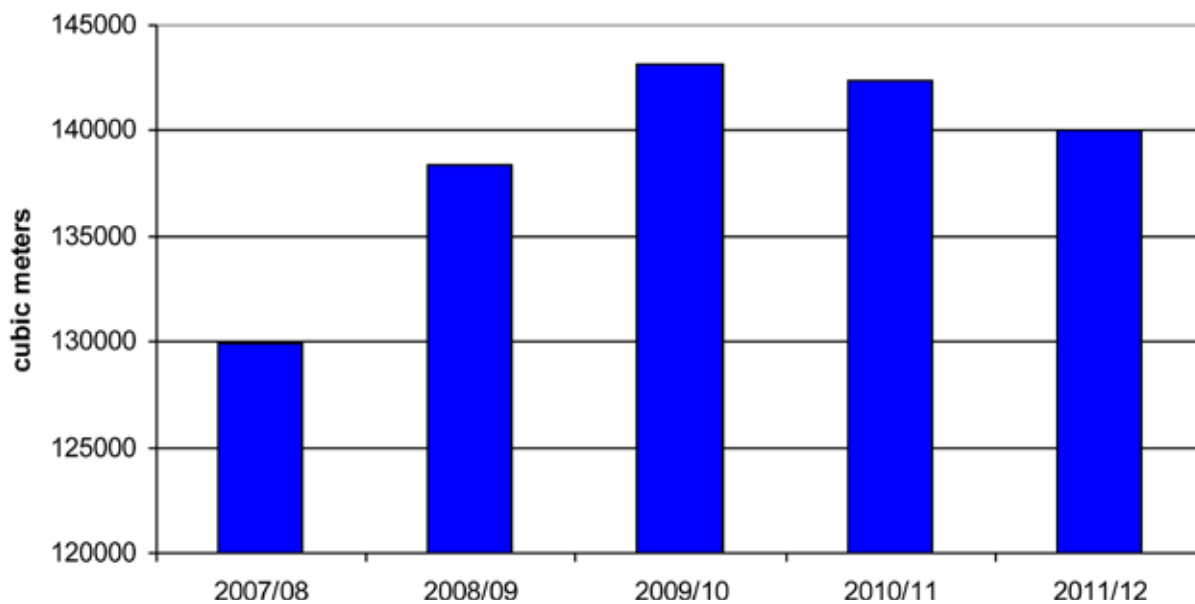


Water:		2007-08	2008-09	2009-10	2010-11	2011-12
Non Financial Indicators (000's m3)	Water consumption	130	138	143	142	140
	Sewerage	112	118	117	124	122
Financial Indicators (£1,000's)	Water supply costs	115	121	121	140	147
	Sewerage costs	144	147	151	168	164
Water usage per GIA (floor area)		1.47	1.57	1.34	1.33	1.31

RBCH water consumption reduced by 2,265 cubic meters (2%) in 2011/12 compared to the previous year.

Although RBCH water consumption has increased since 2007/08, water consumption per square metre of gross internal floor area has decreased by 10% in 2011/12 from the baseline year (2007/08).

Water consumption



5. Quality Report 2011/12

1. Statement by the Chief Executive

This is the fourth Quality Report published by The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust to accompany our Annual Report.

The Trust has had a busy and successful year with a strong emphasis on improving the quality and accessibility of the services we provide and maintaining our commitment to our “Putting Patients First” initiative.

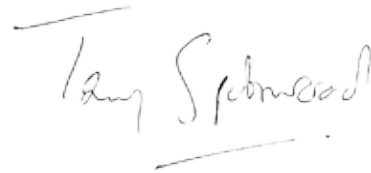
In this report we have outlined some of the quality activities which have taken place in the Trust over 2011/12.

Our quality programme has also been enhanced by wide-ranging patient safety initiatives which covers a large range of specialties and topics. We have joined a new Patient Safety Collaborative “NHS Quest” which combines the shared experiences and learning from 13 Acute Foundation Trusts across the country to promote and improve patient safety.

The report outlines our priorities for 2012/13 and within these, patient safety and continuing to improve the patient experience will feature prominently. We welcome the opportunity to work with patients, carers, Foundation Trust members and the public on a number of patient experience and equality and diversity projects this year.

It has not been possible to include all of the quality improvement and patient safety initiatives that we have been or will be engaged in within this report. I hope that it will fulfill its purpose, providing an accurate account of quality activity in the Trust and demonstrate the clear commitment to quality improvement and patient safety.

To the best of my knowledge the information contained within this document is accurate.



Tony Spotswood
Chief Executive

2. Priorities for improvement and statements of assurance on the quality of services provided

2011/12 Quality objectives

In line with the Trust’s vision: “Putting patients first while striving to deliver the best quality healthcare,” the Trust Board agreed a comprehensive set of strategic goals and objectives for 2011/12. The key goals for quality were:

- To offer patient centered services through the provision of high quality, responsive, accessible, safe, effective and timely care.

- To promote and improve the quality of life of our patients.
- To strive towards excellence in the services and care we provide.
- To work collaboratively with partner organisations to improve the health of local people.

Progress against quality improvement plans for 2011/12

The 2010/11 Quality Report identified the following specific quality improvement priorities to be monitored in 2011/12. Performance against each objective is summarised in the table below:

Quality Improvement Objective 2011/12	Progress in 2011/12	Assurance Source/ Evidence
Reducing the mortality rate from cardiovascular disease; respiratory disease and liver disease.	Mortality rates are monitored monthly via the Mortality Group chaired by the Medical Director. The specific objective noted has been amended in year to focus on a total reduction in the hospital standardised mortality rate (HSMR) through improved coding and clinical pathways. As a result of this wider objective, clinical focus has been around managing the deteriorating patient and managing Sepsis. New project groups have been set up to establish baseline data and relevant quality indicators. This work will continue in 2012/13 as part of a wider NHS Quest collaborative project.	Dr Foster reports, Care Quality Commission Alerts, Trust Mortality Group minutes and reviews.
Maintain high standards of care for stroke patients.	The standard of care was significantly improved for stroke patients during 2011/12 following the opening of the newly refurbished combined Stroke Unit and the development of a pilot scheme for Early Supported Discharge. Improvement has also been seen against a number of the local stroke indicators: 86% of stroke patients (target 80%) spent 90% or more of their time in the hospital on the Unit, of which 85% were directly admitted. This was however, challenging in the latter part of the year due to the level of emergency demand and the extended length of stay required for some patients on the Unit. Improvement work continues to be progressed by the team.	Performance data, Internal monitoring reports.

<p>Reduce emergency readmissions within 28 days of discharge from hospital.</p>	<p>The Trust has been involved in a number of quality projects to review readmissions and establish baseline criteria and information this year. The Trust was one of five Acute Trusts that were commissioned by the Department of Health (DoH) to undertake an audit looking specifically at the rates of avoidable and unavoidable readmissions. The results were not published by the DoH but were used for national policy development. Within the Trust, clinical directorates have formed groups to look at the causes of readmissions and identify interventions that could be put in place to prevent them. This work will continue in 2012/13. In addition, the Trust has joined an NHS Quest collaborative to look at readmissions within specific disease groups with high levels of readmissions. A number of targeted interventions have been introduced which will be rolled out in 2012/13.</p>	<p>NHS Quest Collaborative.</p>
<p>Improve patients' experience of outpatient care (national and local survey results).</p>	<p>The Trust participated in the CQC National Outpatient Survey 2011. The previous survey was in 2009. A total of 62 questions were used in both the 2009 and 2011 surveys. Compared to the 2009 survey, the Trust was significantly better on 12 questions, worse on 0 (zero) questions and the same on 50 questions. The Trust's scores were significantly better than the national average for 32 questions.</p>	<p>Care Quality Commission. Real-time patient feedback monitoring, internal patient surveys, formal and informal complaints.</p>
<p>Improve patients' experience of emergency care (national and local survey results).</p>	<p>There was no national survey undertaken in 2011/12. The Trust has an internal survey using the same questions from previous national surveys. The most recent internal survey was completed by 318 patients and reported in October 2011. Improvement scores were seen in the following areas: safety, privacy and dignity, cleanliness, waiting times (80% of patients saying they were seen within 30 minutes compared to a previous result of 67%). 87% of patients said they would definitely recommend the hospital to family and friends.</p>	<p>Local results via real-time patient feedback monitoring, internal patient surveys, formal and informal complaints.</p>
<p>Implement End of Life Care Strategy and action plan.</p>	<p>A multi-disciplinary End of Life Care Steering Group was formed in 2011/12. The Group developed an action plan incorporating all national documents established, reviewed and prioritised. A Trust wide End of Life Care audit has recently been undertaken and the results will be available in June 2012. The results will be used as a baseline for Trust wide improvement in End of Life Care.</p>	<p>Clinical audit.</p>

<p>Implement action plan following National Dementia Care Audit.</p>	<p>A local action plan was developed in June 2011 incorporating areas for improvement from the results of the South West Dementia Standards for Acute Trust self-assessment review and National Dementia Audit. The action plan was reviewed as part of a Dementia Peer review in November 2011. The Review Team was reassured on the progress that the Trust had made commenting as follows: "Clinical Leadership and strong senior team support were evident across the Trust, and the work plan and reports on the achievements to date were clearly evidenced. The organisation had a good action plan with clearly defined work streams and leads for each element, supported by a Trust Dementia Steering Board and Dementia Strategy Committee". The Trust has been shortlisted for the 2012 Health Service Journal Awards in recognition of the improvements made in dementia care for patients.</p>	<p>National Dementia Audit, Peer review report.</p>
<p>Aim to reduce inpatient falls.</p>	<p>A total of 1505 patient falls were reported in 2011/12 compared to 1498 in 2010/11. In 2011/12, 1.5% (n=22) of reported incidents resulted in severe harm to a patient, this compares to 1.1% (n=16) in 2010/11. Section 3 notes the positive action being taken by the Trust in relation to falls prevention and management.</p>	<p>Adverse Incident Reports, National Patient Safety Agency reports.</p>
<p>Reduce incidence of hospital related VTE.</p>	<p>The Trust monitors VTE readmissions, 2007/08 - 57 2008/09 - 66, 2009/10 - 63. 2010/11 - 91 -2011/12 - projected figure 68. The structured education programme introduced in 2010/11 raised patient and staff awareness and increased reporting. The reduction in 2011/12 is thought to be due to improved clinical coding and VTE risk assessment compliance (April 2012 = 94%).</p>	<p>Adverse Incident Reports, Internally validated risk assessment compliance, National benchmarking.</p>
<p>Continue to reduce levels of hospital acquired infections (MRSA, MSSA and C difficile).</p>	<p>The Trust had two cases of healthcare acquired MRSA in 2011/12 which was an increase from 2010/11 (0).</p>	<p>Internal reporting, Health Protection Agency reporting, Internal and external validation.</p>
<p>Measure, monitor and reduce incidence of hospital acquired category 3 and 4 pressure ulcers.</p>	<p>The Trust has implemented a standard process for categorising, reporting and recording hospital acquired pressure ulcers in year. In 2011, 13 patients were reported as acquiring a category 3 or 4 pressure ulcer during their admission. 4 of these cases were determined to be unavoidable due to the patients existing condition. The Trust is committed to a target to reduce category 3 and 4 pressure ulcers by 50% in 2012/13. Awareness of reporting has been raised and training included on clinical core induction and mandatory study days in 2011/12.</p>	<p>Adverse Incident Reporting, Quarterly reporting to commissioners, Mandatory Training compliance reporting to directorates.</p>

<p>Comply with NPSA Alerts for Medicines management and prevent medication errors causing severe harm.</p>	<p>The focus in 2011/12 has been on the importance of reporting and learning from adverse events, including near miss and non harm events. The total number of reported incidents has increased, 679 compared to 509 in 2010/11. In 2010/11 73% of reported incidents were no harm events, this figure has increased to 75% in 2011/12.</p>	<p>Central Alert System (DoH) reporting, Adverse Incident Reports, National Patient Safety Agency reports, Medicines Governance Committee minutes.</p>
<p>Prevent all Never Events.</p>	<p>No Never Events reported in 2010/11 and 2011/12.</p>	<p>Adverse Incident Reports, National Patient Safety Agency reports.</p>
<p>Reduce the number of adverse events resulting in severe harm.</p>	<p>44 Serious Incidents (SI) reported in 2011/12. This figure cannot be viewed against 2010/11 figures (7) because national SI reporting definitions were changed in year and a much wider group of incidents included. All incidents are reported and investigated in accordance with Trust and DoH guidelines. All incidents are validated as an SI by the Medical Director. All incidents investigated using Root Cause Analysis and are reported to the Trust Clinical Governance and Risk Committee and the Board of Directors.</p>	<p>Adverse Incident Reports, National Patient Safety Agency reports.</p>

Priorities for quality improvement 2012/13 - Clinical outcomes framework

In order to identify priorities for quality improvement in 2012/13, we have used a wide range of information sources to help determine our approach. These include gathering the views of patients, public and carers using real-time feedback; collating information from claims, complaints and adverse incidents; and using the results of internal and external clinical audits and patient surveys to tell us how we are doing in relation to patient care, experience and safety. We have also used risk reports and listened to what staff have told us during Meet the Executive sessions and Executive Director Patient Safety Walkrounds.

We have considered the results of the National Staff Survey to help us decide where we need to focus our quality improvement efforts and actions. We have also taken on board the national picture for patient safety and collaborated with other acute trusts (as part of South West networks and the NHS Quest

Collaborative) to look at how joint initiatives may be undertaken and best practice developed together.

The Trust has also formally consulted with key stakeholders (general public, foundation trust members, governors, LiNks, commissioners) to help identify quality improvement priorities for 2012/13. Priorities have been considered with clinical staff as part of service delivery and clinical governance meetings.

Following consultation, the Board of Directors have agreed the following priorities for 2012/13:

- Reducing harm from inpatient falls
- Reducing harm from hospital acquired pressure ulcers
- Reducing urinary tract infections caused by catheters
- Reducing hospital acquired venous thromboembolism (VTE blood clots)

The Trust’s objective is to ensure at least 95% harm free care across all 4 harms in line with the national harm free care target.

The Trust is committed to monitoring “Harm Free Care” using the Safety Express “Safety Thermometer” tool across all ward and inpatient areas. All inpatient areas will complete the Safety Thermometer tool each month. Data collection and Harm free care performance will be reported monthly to the Trust’s Healthcare Assurance Committee and the Board of Directors as part of a Quality Dashboard. Where possible the Trust will review compliance against published national and local benchmarking.

Statement of Assurance from the Board

During 2011/12 the Trust provided eight NHS Services in accordance with its licence with the Care Quality Commission:

- Management of supply of blood and blood derived products
- Assessment or medical treatment for persons detained under the Mental Health Act 1983
- Diagnostic and screening procedures
- Maternity and midwifery services
- Family planning
- Surgical procedures
- Termination of pregnancies
- Treatment of disease, disorder or injury.

The Trust has reviewed all the data available to it on the quality of care in all of these NHS services provided. This has included data available from the Care Quality Commission, external reviews, participation in national audits and national confidential enquiries and internal clinical audits.

The income generated by the NHS services reviewed in 2011/12 represents 100% of the total income generated from the provision of NHS services by the Trust for 2011/12.

The data reviewed for the Quality Report covers the three dimensions of quality - patient safety, clinical effectiveness and patient experience. Information reviewed included directorate clinical governance reports, risk register reports, clinical audit reports, patient survey feedback, real time monitoring comments, complaints, compliments and adverse incident reports, quality dashboards and, quarterly clinical governance data. This information is discussed routinely at Trust Clinical Governance and Risk Committee meetings. There is a clear quality reporting structure where scheduled reports are presented from directorates and specialist risk or quality sub-groups to the Clinical Governance and Risk Committee each month. Many of the reports are also reported quarterly to our commissioners as part of our requirement to provide assurance on contract and quality performance compliance.

Participation in national clinical audits

During 2011/12, 34 National clinical audits covered NHS Services (www.dh.gov.uk/qualityaccounts) that the Trust provides. During 2011/12 the Trust participated in 82% of national audits which it was eligible to participate in.

The National clinical audits that the Trust was eligible to participate in during 2011/12 are shown in the table below. The national audits that the Trust participated in, and for which data collection was completed during 2011/12, are listed alongside the number of cases submitted to each audit as a percentage of the number of registered cases required by the terms of that audit or enquiry (where applicable).

Audit Title	Participation	Cases Submitted
Peri and Neonatal		
Perinatal Mortality (MBRRACE-UK)	Yes	Maternity Unit regularly contributes data where applicable
Children		
Pain Management (College of Emergency Medicine)	Yes	50 cases submitted
Acute Care		
Emergency Use of Oxygen (British Thoracic Society)	Yes	36 cases within specified time period (15/08/11 - 01/11/11)
Adult Community Acquired Pneumonia (British Thoracic Society)	No	Local audit of 78 cases undertaken
Non-Invasive Ventilation - adults (British Thoracic Society)	No	The Trust has registered for the 2012 Audit
Pleural Procedures (British Thoracic Society)	No	Local audit of 200 chest drain insertions undertaken
Cardiac Arrest (National Cardiac Arrest Audit)	Yes	174 cases submitted to 1/3/12. Data collection ongoing
Severe Sepsis and Septic Shock (College of Emergency Medicine)	Yes	30 cases submitted
Adult Critical Care (ICNARC CMPD)	Yes	Data submitted through ICNARC by ITU department
Potential Donor Audit (NHS Blood and Transplant)	Yes	96 cases submitted (April - December 2011)
Seizure Management (National Audit of Seizure Management)	Yes	30 cases submitted (100%)
Long Term Conditions		
Diabetes (National Diabetes Audit)	Yes	73 cases submitted
Heavy Menstrual Bleeding Audit (RCOG National Audit of HMB)	Yes	100 cases submitted
Chronic Pain (National Pain Audit)	Yes	95 cases submitted
Ulcerative Colitis and Crohn's Disease (UK IBD Audit)	Yes	100% required cases submitted
Parkinson's Disease (National Parkinson's Audit)	Yes	20 cases (100%) submitted for MFE and AHP sections of audit. 3 cases (15%) submitted for neurology
Adult Asthma (British Thoracic Society)	No	
Bronchiectasis (British Thoracic Society)	No	Local audit of 26/50 cases in 2011/12

Audit Title	Participation	Cases Submitted
Elective Procedures		
Hip, Knee and Ankle Replacements (National Joint Registry)	Yes	Routine data collection ongoing
Elective Surgery (National PROMS Programme)	Yes	Routine data collection ongoing
Coronary Angioplasty (NICOR Adult cardiac interventions audit)	Yes	The Trust contributes regular data to this as required.
Peripheral Vascular Surgery (VSGBI Vascular Surgery Database)	Yes	71 cases submitted (90%)
Carotid Interventions (Carotid Interventions Audit)	Yes	77 cases submitted (93%)
Cardiovascular Disease		
Acute Myocardial Infarction and other ACS (MINAP)	Yes	Ongoing data collection by Cardiology Dept
Acute Stroke (SINAP)	Yes	Data collected to mirror SINAP database across Dorset - will submit to SINAP when local database compatible
Cardiac Arrhythmia (Cardiac Rhythm Management Audit)	Yes	Data submitted to this audit on an ongoing basis as required.
Cancer		
Lung Cancer (National Lung Cancer Audit)	Yes	All required data submitted
Bowel Cancer (National Bowel Cancer Audit Programme)	Yes	All required data submitted
Oesophago-gastric cancer (National O-G Cancer Audit)	Yes	All required data submitted
Trauma		
Hip Fracture (National Hip Fracture Database)	Yes	Data submitted where appropriate
Blood Transfusion		
Bedside Transfusion (National Comparative Audit of Blood Transfusion)	Yes	40 cases submitted
Medical Use of Blood (National Comparative Audit of Blood Transfusion)	Yes	23 cases submitted
Health Promotion		
Risk Factors (National Health Promotion in Hospitals Audit)	No	
End of Life		
Care of Dying in Hospital (NCDHAH)	Yes	47 cases submitted

The reports of eight national clinical audits were reviewed by the Trust in 2011/12 and the Trust intends to take the following actions to improve the quality of healthcare provided in these areas as follows:

Audit	Actions Intended
BTS Emergency Oxygen Audit 2011	<ul style="list-style-type: none"> ● Improvement to oxygen prescription. ● All doctors in department to be given copy of report and to be made aware of programme to implement change.
National Audit of Seizure Management	<ul style="list-style-type: none"> ● Action plan being developed.
Pain management (CEM)	<ul style="list-style-type: none"> ● Action plan being developed.
Severe sepsis and Septic Shock (CEM)	<ul style="list-style-type: none"> ● Action plan being developed.
National Diabetes Inpatient Audit Day 2010	<ul style="list-style-type: none"> ● All trained staff and doctors to do 'Safe Use of Insulin' e-learning module. ● E-learning module to be added to medical staff induction.
UK Irritable Bowel Disease (IBD) Audit 3rd Round	<ul style="list-style-type: none"> ● To improve the rate of prescribing bone protection agents alongside steroids when used in the management of IBD. ● To improve the use of Malnutrition Universal Screening Tool (MUST) to identify at risk patients and subsequent referral to dieticians when in hospital. ● To increase the number of inpatients with IBD seen by an IBD nurse during their admission.
National Parkinson's Disease Audit	<ul style="list-style-type: none"> ● Avoid cancelling new patients in reduced clinics to reduce waiting time for new patients. ● Introduction of a standard tick box review form for follow up to improve documentation. ● Raise awareness of end of life care, in those with end stage disease, in order to help care planning and lessen expectations of drug treatment.
Bedside transfusion (National Comparative Audit of Blood Transfusion)	<ul style="list-style-type: none"> ● Continue to address importance of 15 minute vital signs once transfusion in progress in transfusion training sessions. (ongoing) ● Discuss at Hospital Transfusion Committee in December 2011. (completed)

Meeting local clinical audit standards

The reports of 272 local clinical audits were reviewed by the Trust in 2011/12 and as a selection the Trust intends to take the following actions to improve the quality of healthcare provided:

Audit	Change to Practice
An Audit of Anaesthetic Technique and Postoperative Analgesia as Part of Enhanced Recovery in Open and Laparoscopic Colorectal Surgery	As a result of auditing the enhanced recovery pathway for colorectal surgery the Anaesthetics Directorate are amending procedures to increase the intrathecal morphine dose. The enhanced recovery nurse specialist will also set up a database with the lead surgeon to facilitate future audits of the pathway.
National Diabetes Inpatient Audit Day 2010	An e-learning module is to be added to the doctor's induction following the National Diabetes Inpatient Audit.
Gentamicin Use Audit	An audit of gentamicin across the Trust has informed the new policy for the use of gentamicin. The revised policy highlights the importance of taking drug levels within appropriate time windows and that renal function should be considered when choosing gentamicin.
Cardiac Rehabilitation Exit Survey	Following a recent cardiac rehabilitation exit survey it has been decided to hold two additional classes in the east of the region to provide a better service to this group of patients.
Audit of Chest Physician Performed Ultrasound (US)	An audit of chest physician performed ultrasound demonstrated that chest physician ultrasound can be performed on the ward by a trained physician if they are available.
Transient Ischaemic Attack (TIA): Vital Signs	Following an audit of TIA vital signs monitoring provision of a weekend service is to be agreed across the network. Acute stroke unit staff nurse training will be completed to ensure that the TIA nurse is covered during study and annual leave.
Maternity Audits	Audits of several topics in the Maternity Unit have led to improvements in the design of hand-held notes and inclusion of a new admission sheet with space for recording risk assessment and observations. Training for midwifery care assistants on use of the Dynamap has been introduced. Low apgar score reporting has also been enhanced. Following an audit of maternity patient information provision, an information checklist has been introduced to ensure women are given appropriate information at the right time.
Extended venous thromboembolism reducing the risk (VTE) prophylaxis after oesophagogastric cancer surgery	A survey of patients having extended VTE prophylaxis after oesophagogastric cancer surgery indicated that they felt they were not given enough instruction and information about self administration of injections. Patient education and teaching is now started much earlier in the inpatient stay and patients are given specific written information at pre-assessment and in clinic.

Use of sedation in ventilated patients on ITU	An audit of use of sedation in ITU demonstrated that patients did not always receive a sedation break when indicated. All patients now have a sedation break at 8.30am unless otherwise documented. The appropriateness of a sedation break is now decided on the evening ward round and documented on the patient's chart.
Customer evaluation of the catering service	The Catering Department introduced price promotions via the internet following a customer evaluation of their service.
Patient falls - Patients with fractured neck of femur	Following an audit of patients with fractured neck of femur, additional training was put in place regarding completion of falls risk assessment paperwork and additional equipment was purchased to assist post falls management.
Safeguarding children and safeguarding children training audit	A robust supervision model is being introduced for staff following a trust wide audit of Safeguarding Children
National Sentinel Audit of Stroke 2010	Following the National Sentinel Audit of Stroke, seven day working was introduced for therapy teams to enable more patients to receive an assessment within 72 hours. Occupational Therapy (OT) and Physiotherapy initial assessments were also combined to address an identified delay in OT assessment.
Audit of diabetic patients admitted with new or ongoing diabetic foot problems	Following an audit of NICE CG119 new ward paperwork is being introduced to facilitate assessment of a patient's diabetes including an assessment of their feet on admission.
Safeguarding children - ophthalmology	An audit of safeguarding children in ophthalmology found that there was no place to record the person who accompanied the child to hospital in the records. Funding has been identified to upgrade the IT system to include a mandatory field to be filled in for all children attending clinic.
Recording amputees' weight at clinically relevant time points	An audit of amputees weight at clinically relevant time points identified that this was not being done often enough in clinically obese patients. An obesity measure has been introduced to monitor their co-morbidity risk and a six monthly review by the multi-disciplinary team (MDT) for all patients over 125kg has been commenced in clinics. New guidelines have also been written for the weighing of patients and new weighting scales purchased throughout the Trust.
Patient safety audit	Following an audit of nurse interruptions during drug rounds, a ward job book was introduced to enable staff to leave messages for nurses instead of interrupting them.
Carotid artery disease and endarterectomy in TIA and minor stroke	Following this audit, a patient pathway was developed where patients with significant artery disease should have surgery within two weeks in collaboration with vascular surgery team.

<p>Audit of Do Not Attempt Resuscitation (DNAR) Forms</p>	<p>Following an audit of DNAR documentation the DNAR form and audit tool are being revised to enhance ease and accuracy of completion in future.</p>
<p>Audit of Inpatient Falls</p>	<p>Additional guidance and training has been provided for staff following an Audit of Inpatient Falls. A series of in-house training videos and e-learning has also been developed to support safe practice.</p>
<p>Audit of Patient information Leaflet Racks</p>	<p>An Audit of Patient Information Leaflet Racks has resulted in the identification of leaflet rack leads to ensure that only approved leaflets are displayed. A list of approved external organisations has also been developed and placed on the intranet as a reference source for staff.</p>
<p>Audit of Maternal Antenatal Screening Tests and Fetal Abnormalities</p>	<p>Following an Audit of Maternal Antenatal Screening Tests and Fetal Abnormalities a business case is to be submitted to allow for screening of positive women's partners by 11weeks six days.</p>
<p>An Audit of Urgent Brain Imaging for Stroke Patients</p>	<p>An Audit of Urgent Brain Imaging for Stroke Patients has led to the Stroke Team liaising with Radiology to develop a pathway for urgent brain imaging and a plan for urgent out of hours brain imaging is to be developed at Trust level.</p>
<p>Review of Cost Savings, Length of Stay and Readmission Rates by Implementing an OPAL Outreach Care Service</p>	<p>Following a Review of Cost Savings, Length of Stay and Readmission Rates by Implementing an OPAL Outreach Care Service it has been decided to employ an OPAL Outreach therapist to pilot a Rapid Assessment Clinic and increase care hours to include Dorset.</p>

The Trust has developed a detailed clinical audit plan for 2012/13 to include national, corporate and local clinical audit priorities and this will be monitored via directorate clinical governance committees and the Trust Clinical Governance and Risk Committee. Progress is also reported quarterly to the Healthcare Assurance Committee and the Board of Directors.

Participation and Implementation of National Confidential Enquiry (NCEPOD) reports

During 2011/12 four (4) National Confidential Enquiry (NCEPOD) reviews covered NHS services that the Trust provides.

During 2011/12 the Trust participated in 100% of National Confidential Enquiries which it was eligible to participate in.

The National Confidential Enquiries that the Trust was eligible to participate in during 2011/12 are listed below.

The National Confidential Enquiries that the Trust participated in, and for which data collection was completed during 2011/12 are listed below alongside the number of cases submitted to each enquiry as a percentage of the number of registered cases required by the terms of that enquiry.

Title	Participation	% Cases Submitted
Bariatric Surgery	Clinical questionnaire and case note collection	100% (6 cases)
Cardiac Arrest Procedures	Organisational questionnaire, clinical questionnaire and case note collection	100% (6 cases)
Peri-Operative Care	Organisational questionnaire, clinical questionnaire and case note collection	100% (6 cases)
Surgery in Children	Organisational questionnaire returned	Not applicable

The reports of three National Confidential Enquiries were reviewed by the Trust in 2011/12 and the Trust intends to take the following actions to improve the quality of healthcare provided in these areas as follows:

Confidential Enquiry Report	Action Taken
Emergency and Elective Surgery in the Elderly - An Age Old Problem 2010	A pilot project was set up whereby a registrar from MFE was available daily to see surgical patients with medical problems on request. A working Group was set up with representatives from surgery, anaesthetics and MFE chaired by an MFE consultant to identify further actions.
Surgery in Children - Are We There Yet? 2011	The report was reviewed by a paediatric anaesthetist within the Trust and it was concluded that no action was required as there is evidence that the Trust is meeting all relevant recommendations.
Perioperative Care - Knowing the Risk? 2011	The Clinical Director for Surgery has renewed the report and the recommendations from this report will be taken into account during the Acute Surgical Review taking place in the Trust.

Research governance

The number of patients receiving NHS services provided or sub-contracted by the Trust that were recruited during 2011/12 period to participate in research approved by a research ethics committee was 1452.

Commissioning for Quality and Innovation (CQUIN) objectives and achievements for 2011/12

Income in 2010/11 was not conditional on achieving quality improvement and innovation goals through the Commissioning for Quality and Innovation (CQUIN) payment framework because the contract agreed with commissioners was not able to afford CQUIN for 2011/12. However the Trust fully achieved the

national VTE requirements and a wide range of quality improvements.

Care Quality Commission registration

The Trust is required to register with the Care Quality Commission (CQC) and its current registration status is unconditional.

The CQC has not taken any enforcement action against the Trust during 2011/12.

The Trust has participated in three special reviews or investigations by the CQC relating to its license in 2011/12.

The CQC issued two minor and one moderate concern against the Trust during 2011/12.

Date	Scope of Inspection	CQC Report
June 2011	CQC Dignity and Nutrition Report. This inspection was part of a routine inspection programme in acute NHS hospitals to assess how well older people are treated during their hospital stay. In particular the CQC focused on whether patients are treated with dignity and respect and whether their nutritional needs are met.	The CQC found that the Trust was meeting both of the essential standards of quality and safety reviewed.
October 2011	CQC Inspection of Christchurch Hospital.	The CQC found that Christchurch Hospital met all the essential standards of quality and safety.

<p>November 2011</p>	<p>CQC Inspection of Royal Bournemouth Hospital.</p>	<p>The CQC found that the Royal Bournemouth Hospital met all essential standard for Outcome 7,14 and 16. The CQC found that improvements were needed for the essential standard Outcome 9 - People should be given the medicines they need when they need them and in a safe way. A CQC moderate concern was raised. The CQC also raised a minor concern for Outcome 1 and Outcome 4 relating to standards of documentation for Do Not Attempt Resuscitation (DNAR) and fluid monitoring respectively. In each case the CQC reported that the Royal Bournemouth Hospital was meeting the essential standard but, to maintain this, they suggested that some improvements were made.</p>
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The Trust implemented a formal action plan to address medicines management concerns raised by the Care Quality Commission including improvements to medication storage, documentation and administration. The action plan was approved and monitored by the Board of Directors.

The Trust has made full progress against the action plan and completed all actions by 31 March 2012. Compliance with the action plan has been verified by self-assessment and independent review by the Council of Governors and Internal Audit. Completion of the action plan has been reported to Monitor and the Trust Governance risk rating returned to Green.

Action plans to address the 2 minor concerns have also been put in place and auditing will be undertaken in 2012/13 in order to review on going compliance.

Data quality and information Governance

Data quality

The Trust submitted records during 2011/12 to the Secondary Users Service (SUS) for inclusion in the Hospital Episode statistics which are included in the latest published data.

The percentage of records in the published data which included the patients valid NHS number was 99.6% for admitted patient care: 99.9% for outpatient care; and 96.8% for accident and emergency care.

The percentage of records in the published data which included the valid General Practitioner Registration Code was 100% for admitted patient care: 100% for outpatient care; and 100% for accident and emergency care.

Information governance

All NHS Trusts are required to complete an annual Information Governance assessment via the Information Governance Toolkit. The self-assessment must be submitted to Connecting for Health, with all evidence uploaded by 31st March 2012.

The Trust's Information Governance Toolkit Version 9 assessment overall score for 2011/12 was 72% and was graded Green. In order to attain this grade, the Trust has achieved a score of at least Level 2 in all of the 45 requirements. This overall score includes 8 standards graded at Level 3, which is the maximum score that can be attained on any standard.

During 2011/12, the Trust has enhanced its Information Governance arrangements by appointing a dedicated Information Governance Manager, and also by maintaining the approach implemented during 2010/11 to ensure that all staff are comprehensively trained in Information Governance.

Further improvements are expected in 2012/13. A realistic and attainable action plan to achieve an increase in the Trust's overall IG Toolkit compliance score will be implemented following the release of Version 10 of the IG Toolkit during summer 2012. Further work will also be undertaken to continue to embed the principles of good Information Governance within the organisation and supplement training provided to staff through an Information Governance awareness campaign.

Clinical coding

The Trust was subject to a Payment by Results (PbR) clinical coding audit during the reporting period by the Audit Commission and the error rates reported in the latest published audit for that period of diagnosis and treatment coding (clinical coding) were 11.4%.

The results should not be extrapolated further than the actual sample audited; the services that were reviewed within the sample were urology and a random selection from SUS.

3.0 Other information

The following section provides an overview of the care offered by the Trust based on performance in 2011/12 against key quality indicators selected by the Board in consultation with stakeholders. The indicators have been selected to demonstrate the Trust's commitment to patient safety, clinical effectiveness and enhancing the patient experience. The indicators have also been selected on the basis of data collection, accuracy and clarity.

3.1 Patient safety

3.1.1 Reducing medication incidents and improving safety

The Trust's Medicines Governance Committee is chaired by the Medical Director and its remit is to enhance and monitor the Trusts strategy to reduce medication errors, compliance with national standards for medicines management and ensuring implementation of safe practice alerts and reports.

Patient Safety and Quality Improvement Initiatives to support medication safety and medication incident reduction during 2011/12 have included:

- Audit of clinical processes in the delivery of medications to patients
- Spot checks of nursing staff clinical practice
- Review of storage facilities for medications in wards, departments and during transfer of the patient
- Updating staff and reminders relating to the medicines policies and procedures
- Review of CQC compliance evidence and assurance from Senior Nurse meetings and directorates regarding arrangements in place for safe delivery of medications

- Review of medication incident reports, trends and action plans via Medication Incident Review Group. Awareness raised about reporting near miss and no harm events to maximise learning opportunities and risk reduction
- Assurance and monitoring processes overseen and reviewed by the Medicines Governance Committee.

The focus in 2011/12 has also been on the importance of reporting and learning from adverse events, including near miss and non harm events. All events are a learning opportunity and can lead to a reduction in actual incidents through personal and organisational development, quality improvement and risk reduction action. Pharmacy, Senior Nurses, Clinical leaders and Consultants have all been encouraged to report near miss incidents and observations of poor practice relating to medicines management.

All reported incidents are stored on a central database (Datix) and standard National Patient Safety Agency (NPSA) coding used to record incident type and severity.

As can be seen from the graph below, as a result of the focus on reporting no

harm events the total number of reported incidents has increased in 2011/12 (679 compared to 509 in 2010/11) However, the number of serious harm events has not significantly increased. In addition, in 2011/12 75% of reported incidents were no harm events, compared to 73% in 2010/11.

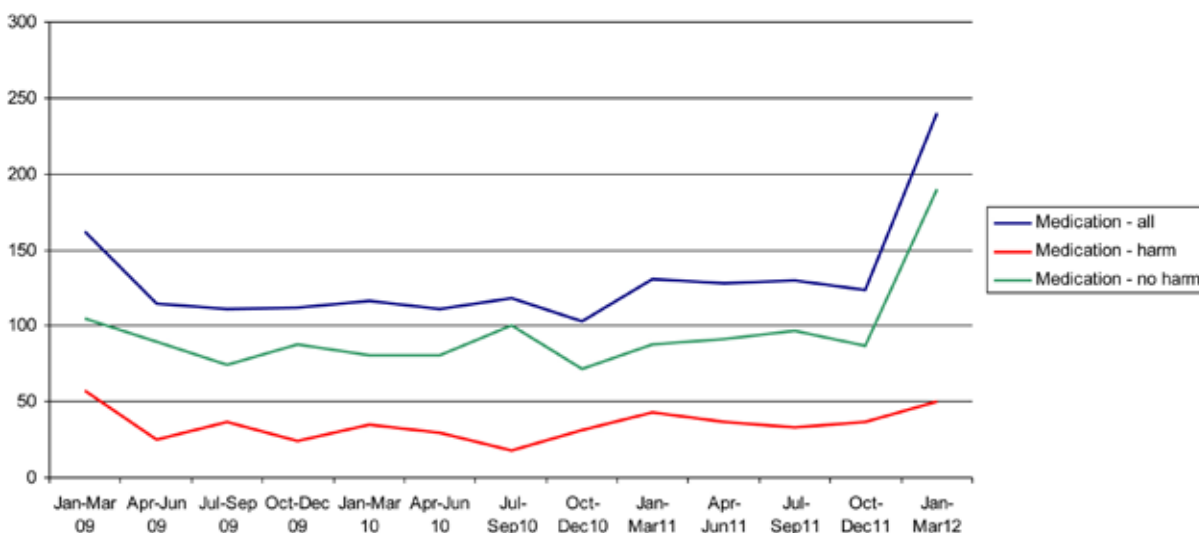
This data is also sent to the NPSA National Learning and Reporting Centre (NRLS). This gives the Trust the opportunity to compare itself with data from all other acute Trusts. Using the most recent NRLS data (April-September 2011) the Trust reported 0.64 medication incidents (including no harm events)/100 admissions, compared to an acute Trust average of 0.65/100 admissions.

3.1.2 Reducing patient falls

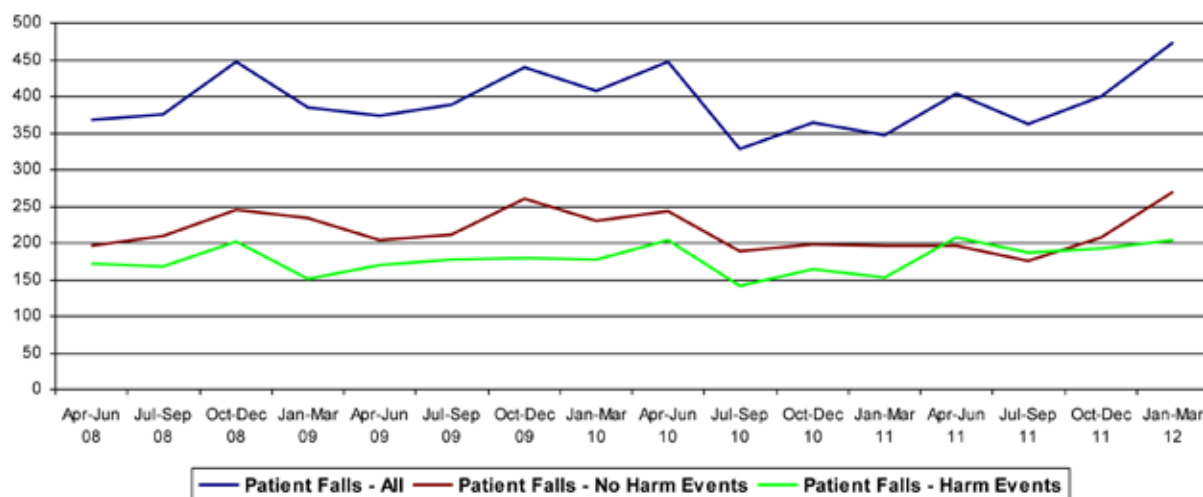
Patient accidents form the largest group of all patient safety incidents reported to the NPSA via the NRLS.

The NPSA category “patient accidents” includes any slips, trips or falls by patients. These may be no harm events e.g. a patient has fallen walking along a ward corridor but not sustained an injury, or a harm event when a similar incident has occurred and the patient sustained a bruise, cut or more serious injury.

Medication incidents (all events including near misses and no harm events) reported 2011/12



Reported patient falls (all events) - 2011/12



The Trust has invested heavily in staff training and equipment provision over the past few years in order to reduce the number of patient falls.

A total of 1,505 patient falls were reported in 2011/12 compared to 1,498 in 2010/11. In 2011/12, 1.5% of reported incidents resulted in severe harm to a patient, this compares to 1.1% in 2010/11.

The classification of severe incidents was redefined in year.

As a year average, the Trust reported 5.3 patient falls/1,000 bed days, compared to an acute trust average (2009, NPSA data) of 5.6/1000 bed days.

The total number of falls remains fairly static in year. Trust-wide quality improvement measures in 2011/12 included:

- Implementation of a patient falls toolkit on each ward/clinical area. The toolkit provides guidance and information on the management of patient falls.
- Revision of patient risk assessment documentation, including a post falls checklist.
- Provision of new dynamic mattress systems across the Trust that includes a patient egress safety function
- In house e-learning Videos on falls management
- Implementation of a Neck of Femur (NOF) pathway
- Clear criteria for the provision of non-slip slippers for patients and a trial of TED stockings with grippers pads on the soles (still in progress)
- Launch of the Safety Express Initiative with a focus on delivering harm free care as defined by the reduction of serious injury from falls.
- Pilot of intentional rounding - an initiative to establish routine active "well-being" checks for patients assessed as having a greater risk of falls.
- Audits of falls and bed rails risk assessment documentation and feedback to clinical areas to raise awareness about compliance standards
- Trials of patient falls alarms for beds and chairs (ongoing)
- Work with Pharmacy Department to develop guidelines for staff on medications associated with falls risk factors.

3.1.3 Infection prevention and control

The Trust’s Board is committed to infection prevention and control as a key priority at all levels of the organisation and takes a very active interest in the monitoring of infection control performance. The Director of Nursing and Midwifery who acts as the Director of Infection Prevention and Control (DIPC), briefs the Board on a regular basis. The Trust publishes a detailed Infection Control Annual Report which is released publicly and available on the Trust website.

Clean environment

The Patient Environment Action Team (PEAT) program was established to assess NHS hospitals in 2000, and has been managed by the National Patient Safety Agency since 2006. Acute trusts are assessed annually and are rated in terms of the quality of the patient environment, including cleanliness. The following table shows the PEAT scores for this Trust for the past five years. The results for 2012 identified an improvement in privacy and dignity provision at Christchurch Hospital.

MRSA bacteraemia

The Trust has maintained a low rate of MRSA bacteraemia in 2011/12 reporting two healthcare acquired cases in the year.

Clostridium difficile

All cases of C. difficile infection at this Trust are reported and investigated. The numbers of cases reported for 2011/12 was over the national target but within the contract target for the year.

3.2 Clinical effectiveness and quality of care

3.2.1 Reducing hospital mortality

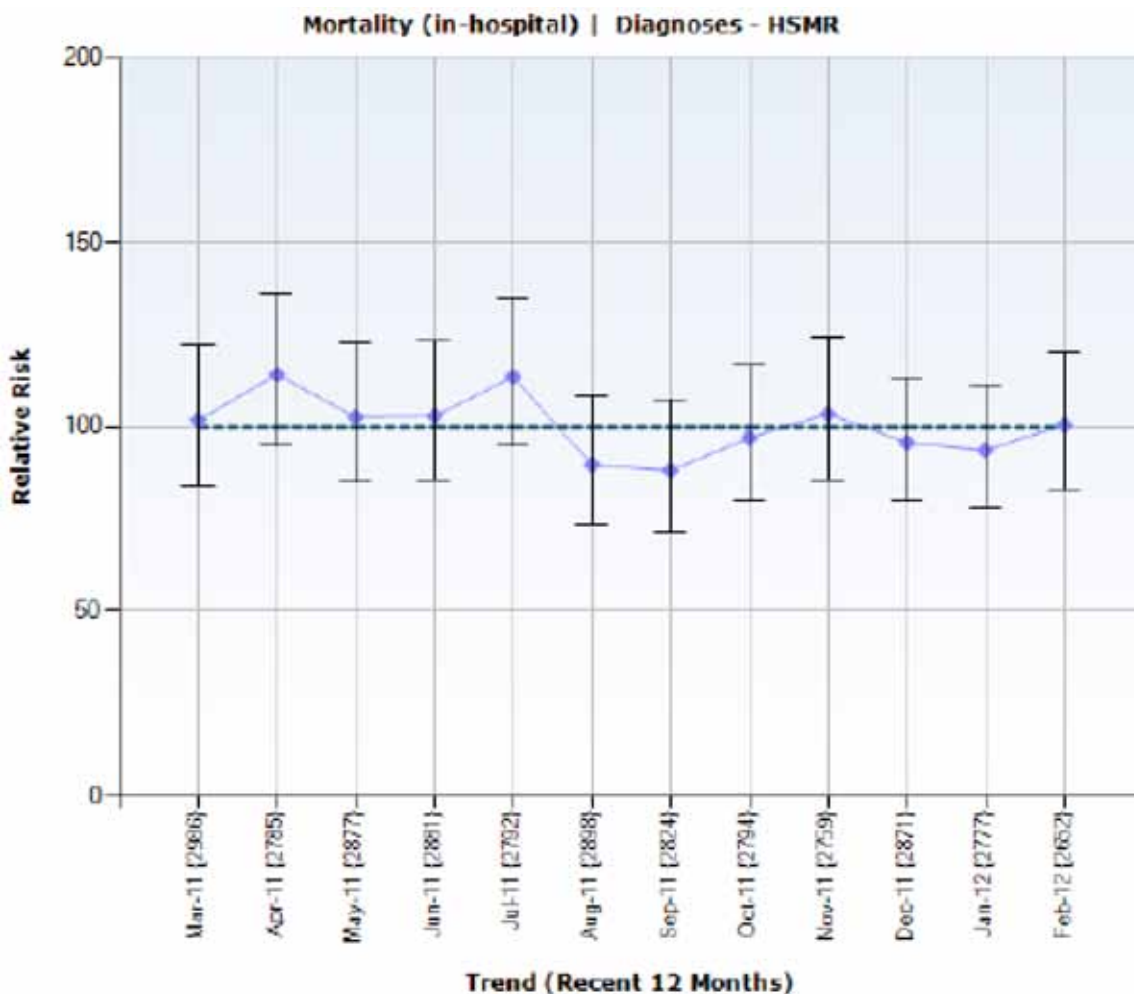
In December 2009, the Trust set up a multidisciplinary Mortality Group, chaired by the Medical Director, to review the Trust’s HSMR (Hospital Standardised Mortality Ratio) and Dr Foster Cumulative Summary and relative risk reports on a monthly basis. The group also reviews death certification and electronic Immediate Discharge Forms (e-IDF) to ensure accuracy of coding. The group discusses areas of potential concern regarding clinical care or coding issues and identifies further work, including detailed case note review and presentations from relevant specialties.

Year	Site	Environment Score	Food Score	Privacy and Dignity Score
2012	Christchurch Hospital	Good	Excellent	Excellent
	Bournemouth Hospital	Good	Good	Excellent
2011	Christchurch Hospital	Good	Excellent	Good
	Bournemouth Hospital	Good	Good	Excellent
2010	Christchurch Hospital	Good	Excellent	Excellent
	Bournemouth Hospital	Good	Good	Good
2009	Christchurch Hospital	Good	Acceptable	Good
	Bournemouth Hospital	Good	Good	Good
2008	Christchurch Hospital	Good	Excellent	N/A
	Bournemouth Hospital	Good	Good	N/A

Mortality data alerts may be triggered by Dr Foster analysis, through Imperial College, or from Care Quality Commission data analysis. Dr Foster is a leading provider of comparative information on health and social care services. Their online tools and consumer guides are used by both health and social care organisations to inform the operation of their services. Dr Foster produces an annual hospital guide and one metric within this, known as HSMR, has become a recognised way of assessing hospital mortality. It is generally accepted that there are difficulties with all methods of comparative mortality data. The Department of Health has recently produced their own equivalent - Summary Hospital Mortality Indicator (SHMI) which also includes deaths in the 30 day period following discharge from an acute hospital.

In 2011, The Trust received 3 CQC Alerts relating to Septicaemia, Peritonitis and intestinal abscess and Chronic Renal Failure.

When an alert is received a full investigation is undertaken and a report submitted to the CQC. Reports have continued to identify problems with coding (wrong primary diagnosis, use of non-specific codes, poor coding of co-morbidities) but there has been continuing education with regard to the completion of death certificates and coding and this has improved substantially. In general we have found many of the deceased patients have been very elderly, with major co-morbidities and generally we have found no or little evidence of poor care that would have changed outcome - i.e. death was inevitable. Each review focuses on the quality of the care given, and whether death could have been prevented, as well



as on evidence of good communication with patient and family, the quality of the documentation, and whether end of life care was well managed, with specific review of use of the Liverpool Care Pathway for the dying and Do Not Attempt Resuscitation discussions.

3.2.2 Ensuring NICE guideline compliance

The Trust Clinical Governance and Risk Committee (CGRC) reviews compliance with all new NICE Guidance issued each month. For the period April 2011 - March 2012 the CGRC reviewed a total of 106 items of newly issued guidance.

Compliance rates are shown in the table below:

3.2.3 Ensuring compliance with safety alerts

A total of 99 Medicines and Healthcare Regulatory Authority (MHRA) Medical Device Alerts were issued and received in the year. Of these 25 applied to medical devices used within the Trust. The Trust ensured compliance with all relevant alerts.

In addition, 11 NHS Estates Alerts were issued and received in the year. Of these 10 were applicable to the Trust, seven required action but are completed and three currently have action plans in place. Where actions are still required these issues are highlighted on the Trust risk register and implementation monitored via the Trust’s governance framework.

The National Patient Safety Agency (NPSA) also issued 3 new Alerts in 2011/12. One Alert was not applicable to the Trust and two still have action plans in place. Where actions are still required these issues are highlighted on the Trust risk register and implementation

Type of Guidance	Published	Applicable	Compliant	Partially Compliant	Non Compliant
Clinical Guidelines	19	13	4	4	1 (3 still under review)
Technology Appraisals	31	21	16	1	0 (4 still under review)
Interventional Procedures	35	5	4	0	0 (1 still under review)
Public Health Guidance	2	1	0	0	0 (1 still under review)
Medical Technology Guidance	7	2	0	1	0 (1 still under review)
Cancer Services Guidance	0	0	0	0	0
Quality Standards	9	8	0	2	0 (6 still under review)
Diagnostics Guidance	3	2	2	0	0

monitored via the Trust Clinical Governance and Risk Committee and, where applicable, the Medicines Governance Committee. For each Alert a lead consultant has been appointed to coordinate compliance.

3.3 Patient experience

The main systems in place to measure patient satisfaction are:

- National mandatory patient surveys both Inpatient and outpatient survey
- Trust wide patient experience cards and bespoke patient surveys
- Patient reported outcome measures (PROMS) collected locally but reported nationally covering four national areas: hip and knee replacement, varicose veins and hernias
- Patient complaints.

3.3.1 National patient survey results

Inpatient survey

The Trust participated in the Picker Institute Inpatient Survey 2011. The raw data from the survey is analysed separately by the CQC as part of the National Inpatient Survey 2011.

A total of 850 patients from the Trust were sent a copy of the questionnaire, of which 499 were returned, giving a response rate of 60%. The national average response rate was 57%.

The survey highlighted many positive aspects of the patient experience. The Trust was significantly better than average on 28% (n=27) questions.

Most patients were highly appreciative of the care they received. However, the survey results did identify some areas for

Your results were significantly better than the 'Picker average' for the following questions:

	Trust	Average
Planned admission: should have been admitted sooner	17 %	23 %
Planned admission: admission date changed by hospital	14 %	19 %
Planned admission: not given printed information about condition or treatment	14 %	20 %
Admission: process not at all or fairly organised	23 %	32 %
Admission: had to wait long time to get to bed on ward	26 %	31 %
Hospital: toilets not very or not at all clean	4 %	6 %
Hospital: nowhere to keep personal belongings safely	55 %	63 %
Hospital: food was fair or poor	36 %	43 %
Hospital: did not always get enough help from staff to eat meals	24 %	33 %
Doctors: did not always wash or clean hands between touching patients	9 %	11 %
Nurses: sometimes, rarely or never enough on duty	33 %	40 %
Care: staff contradict each other	27 %	33 %
Care: not always enough emotional support from hospital staff	37 %	44 %
Care: more than 5 minutes to answer call button	12 %	17 %
Surgery: what would be done during operation not fully explained	18 %	25 %
Surgery: questions beforehand not fully answered	17 %	22 %
Discharge: was delayed	33 %	40 %
Discharge: not given any written/printed information about what they should or should not do after leaving hospital	27 %	34 %
Discharge: family not given enough information to help	43 %	50 %
Discharge: not told when to resume usual activities	39 %	50 %
Discharge: not told who to contact if worried	15 %	20 %
Discharge: did not receive copies of letters sent between hospital doctors and GP	29 %	34 %
Overall: doctors and nurses working together fair or poor	5 %	8 %
Overall: worried about security of personal information held by the hospital	4 %	7 %
Overall: would not recommend this hospital to family/friends	3 %	6 %
Overall: no posters/leaflets seen explaining how to complain about care	35 %	39 %
Overall: wanted to complain about care received	4 %	7 %

Lower scores are better +

improving the patient experience. In particular, asking patients to give their views on the quality of their care, discharge delays and needing somewhere to keep their belongings safe.

One area where the Trust was statistically lower than national average scores was patients who had moved ward and were bothered by sharing sleeping areas with the opposite sex. This was noted by 23 patients (out of a total of 499) which is a small sample size.

The Trust has developed and is refining an action plan to address issues raised within the survey report and to incorporate the recent CQC publication of their analysis. The CQC analysis of the


data demonstrates we are largely average with one green (which demonstrates that we are in the top 20% of trusts) and the rest orange and no red scores.

Due to changes in the CQC survey analysis methodology the CQC results can not be compared with the previous CQC years' scores.

Outpatient survey

The Trust participated in the CQC National Outpatient Survey 2011. A total of 850 outpatient surveys were sent with 489 received back. This represented a response rate of 58% against the national average for the trusts surveyed by Picker of 49%.

Your results were significantly better than the 'Picker average' for the following questions:

	Lower scores are better 	
	Trust	Average
Not given name of person that appointment would be with	22 %	28 %
Appointment not with person told it would be with	16 %	21 %
Could not find a convenient place to park	14 %	35 %
Not easy to find way to Outpatients Department	9 %	17 %
Courtesy of receptionist was fair, poor or very poor	3 %	7 %
Appointment started more than 15 minutes after stated time	27 %	40 %
Nobody apologised for the delay when waiting to be seen	35 %	47 %
Unable to immediately find a place to sit in waiting area	2 %	4 %
No suitable magazines or newspapers provided in the waiting area	20 %	32 %
Outpatients Department not clean	0 %	1 %
Toilets at the Outpatients Department not clean	2 %	5 %
No leaflets or posters about hand washing	2 %	6 %
Hand-wash gels not available or empty	6 %	10 %
Patients unable to get suitable food or drink	13 %	20 %
Did not have enough time to discuss medical problem with other health professional	18 %	25 %
Other member of staff did not fully explain reasons for treatment/ action	14 %	21 %
Other member of staff did not listen fully to what patient had to say	12 %	18 %
Other member of staff did not always give clear answers to questions	17 %	23 %
Did not have full confidence and trust in other member of staff	10 %	16 %
Other member of staff did not know enough about medical history	9 %	15 %
Did not completely discuss worries or fears with other health professional	26 %	34 %
Not all staff introduced themselves	20 %	28 %
Not enough or no information given about condition or treatment	11 %	16 %
Not given complete privacy when discussing condition / treatment	10 %	13 %
Not given complete privacy when being examined or treated	6 %	9 %
Not fully involved in decisions about care or treatment	22 %	27 %
Patient not given information on who to contact	28 %	32 %
Reason for visit not dealt with completely to patients satisfaction	19 %	25 %
Overall - Outpatients Department not at all/fairly organised	24 %	38 %
Overall - not always treated with respect or dignity	8 %	12 %
Overall - care rated as fair or poor	2 %	5 %
Overall - would not recommend this Outpatients Department to family and friends	1 %	3 %

Out of 74 questions, the Trust's scores were significantly better than the national average for 32 (43%) questions.

There were only two questions where the Trust's performance was worse than the national average:

- Patients not told when they would find out test results, we were 7% worse than the national average.
- Patients did not receive copies of letters sent between hospital doctors and family doctor (GP).

An action plan is being developed to address these areas of concern.

The results of the survey are directly used to improve patient care in the areas surveyed. The results of the survey are fed back to staff through team meetings and briefings and in many areas, displayed on notice boards. Issues such as noise at night, information regarding medicines on discharge and involving carer's appropriately, have been highlighted and this has resulted in improved practice. Another change in practice following survey feedback has been ensuring that patients receive more information regarding their operations and procedures, improved pain control and general information regarding the ward or how to speak with a doctor about their care.

3.3.2 Trust patient experience card results

Patient experience card results

In addition to responding to national patient surveys, the Trust has an internal patient experience card which is available in all inpatient and outpatient areas for patients, relatives and/or carers to complete. There are 11 questions on one side, chosen in parallel with the CQC and CQUIN questions. The other side is a freetext space for qualitative comments. The results are available to staff via a shared drive and are collated and feedback quarterly to all participating areas. A summary of the cumulative value since the introduction of the cards is shown below (September 2010 to March 2011, and April 2011- March 2012):

From September 2010 to March 2011 Number received:	614
From April 2011 to March 2012 Number received:	3639

		All of the time	Most of the time	Some of the time	None of the time
Were you involved as much as you wanted to be in decisions about your care and treatment?	2010/11	74%	20%	4%	2%
	2011/12	75%	20%	5%	1%
Did you find someone on the hospital staff to talk to about your worries and fears?	2010/11	71%	20%	7%	3%
	2011/12	71%	19%	7%	3%
Were you given enough privacy when discussing your condition or treatment?	2010/11	84%	12%	2%	1%
	2011/12	85%	11%	3%	1%

		Yes	No
Did a member of staff tell you about medication side effects to watch for when you went home?	2010/11	84%	16%
	2011/12	88%	12%
Did hospital staff tell you who to contact if you were worried about your condition or treatment after you left hospital?	2010/11	85%	15%
	2011/12	91%	9%
Were you treated as an individual at all times?	2010/11	97%	3%
	2011/12	98%	3%

If you were admitted to hospital did you ever:		Yes	No
a) Share a sleeping area, for example a room or a bay, with patients of the opposite sex?	2010/11	15%	85%
	2011/12	8%	92%
b) Use the same bathroom/shower or toilet area as the patients of the opposite sex?	2010/11	25%	75%
	2011/12	16%	84%
Did you feel safe during your visit?	2010/11	98%	2%
	2011/12	98%	2%

In 2011/12, 63% of patients completing the patient experience card rated the Trust as “excellent” and 98 % said they felt safe whilst in our care.

		ExcellentPoor									
		10	9	8	7	6	5	4	3	2	1
How would rate your overall visit?	2010/11	62%	17%	11%	3%	1%	2%	0%	1%	1%	1%
	2011/12	63%	16%	11%	3%	2%	1%	1%	1%	0%	2%
How likely would you be to recommend us?	2010/11	71%	12%	7%	3%	1%	2%	1%	0%	0%	1%
	2011/12	73%	11%	8%	2%	1%	1%	0%	0%	0%	2%

A comparison to 2011 performance, noting that the cards have been in use only half a year effect in 2010/11 and a significantly lower number of patient experience cards had been received, shows small improvements. The exception is delivering same sex accomodation, which shows a greater improvement.

Overall, 73% of patients, relatives and carers rated the Trust as excellent, with a further 11% ranking us as 9/10 on the above scale.

Real-time Patient Feedback (RTPF)

RTPF is facilitated through the Trust’s trained volunteers and public governors. Patients are asked a series of standard questions through face-to-face interviews and patient stories and views are collected.

Total accrual of the RTPF bedside survey has reached 6000. This has been achieved with the tremendous support of the excellent volunteers and public governors.

The RTPF surveys include specific areas that patients access services through, inpatients, daycases, the emergency department, including major and minor areas, and four outpatient departments. The surveys have been customised for their areas. The results are shared through a shared file with access for all clinical areas involved, and will be incorporated into their clinical dashboards which are currently in development. Actions for improvement of these methodologies is currently through directorates and a review of this to ensure the public can view the actions taken against their views and experiences is currently in progress. This service is also available online.

Patient experience telephone line

A dedicated telephone line is available for leaving messages or texting messages to. This dedicated line provides PALS access information. Any issues are picked up and the clinical areas are informed. Any positive comments are also passed on.

3.3.3 Patient Reported Outcome Measures (PROMS)

All NHS patients who are having hip or knee replacements, varicose vein surgery or groin hernia surgery are being invited to fill in Patient Reported Outcome Measure (PROMS) questionnaires. PROMS is a method of measuring the functional activity level of a patient as recorded by the patient. The same outcome measure is sent to the patient six months post-operation and the two scores are recorded by an external organisation Quality Health (on behalf of the Department of Health), with the aim of helping the NHS to measure and improve the quality of the care it provides. The Trust participates in all 4 National PROM surveys. All patients who come into hospital for one of the above procedures are asked to fill in a PROMS questionnaire before their operation.

The Trust is judged on how well patients are asked and the overall uptake rate. In Orthopaedics reports are published weekly, monthly, quarterly and annually to give regular feedback to the members of staff collecting the scores and to encourage some healthy competition and pride in maintaining high levels of compliance. In March 2012 the data recorded was extended to include a portion of the PROMS score to enable the quality of data to be measured alongside quantity. These measures have led to the annual Orthopaedic PROMS compliance rates increasing to 95% and 97% for knees and hips respectively with a further improvement, over the first quarter, to 100% and 118%.

	Compliance Rate 2010/11	Compliance Rate 2011/12	Compliance Rate Jan-Mar 2012
PROMS for Groin Hernia	90%	59%	81%
PROMS for Varicose Veins	86%	17%	22%
PROMS for Total Knee replacement	79%	95%	100%
PROMS for Total Hip replacement	76%	97%	118%

The national average participation rate (as provided by Quality Health for the Department of Health) at April 2012 is 75%.

The fall in the compliance rate for varicose veins is indicative of a fall in the number of operations performed in the Trust. Quality Health, when calculating percentages use a dominator based on the previous year's (2010/11) clinical activity. For varicose veins this was 30 per month in 2010/11 but due to changes in clinical activity and demand, the actual value is approximately seven procedures per month. The same issue applies to groin hernia operations.

3.3.4 Managing complaints

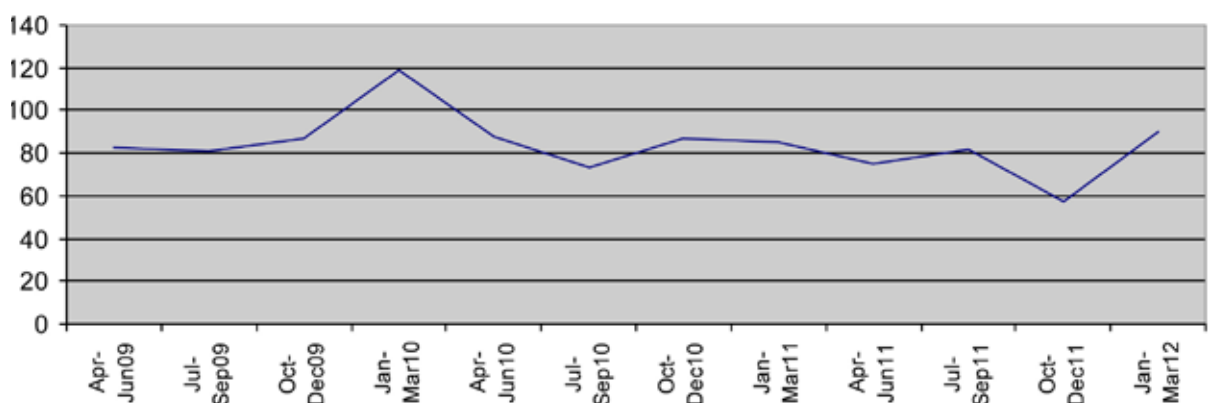
Complaints made to the Trust are managed within the terms of the Trust's complaints procedure and national complaint regulations for the NHS. The overriding objective is to resolve each complaint with the complainant through explanation and discussion.

There were 304 formal complaints from patients or their representatives during the year. This represents a decrease of 2.8% (nine complaints) from last year's total of 313 complaints.

Of the 304 formal complaints, 156 of the completed investigations were upheld or partially upheld, with the necessary changes explained and appropriate apologies offered in the letter of response from the Chief Executive. At the time of preparing this report, 22 complaint investigations were still to be concluded and a decision on whether they were well founded had not been reached.

Table: Number of complaints in 2011/12

Number of Formal Complaints Received 2009-2012



Subjects of complaints

The main categories of complaint were as follows:

Subject	Number in 2010/11	Number in 2011/12	Percentage in 2010/11	Percentage in 2011/12
Administrative systems	31	19	10%	6.3%
Attitude of staff	23	32	7%	10.5%
Bed management	1	1	0.3%	0.3%
Clinical treatment	161	177	51%	58.2%
Communication/information	62	44	20%	14.5%
Discharge arrangements	11	14	4%	4.6%
Environment	2	2	0.6%	0.6%
Equipment/facilities	2	0	0.6%	0
Health and safety	9	7	3%	2.3%
Privacy and dignity	4	2	1.2%	0.7%
Availability of staff	3	1	1%	0.3%
Policies and procedures	3	1	1%	0.3%
Violent/Aggressive behaviours	1	0	0.3%	0
Transport	0	1	0	0.3%
Theatre Management	0	3	0	1.0%
Total	313	304	100%	100%

15 complaint resolution meetings were held with complainants and key staff to assist with resolving complaints.

Changes resulting from complaints

One of the main purposes in investigating complaints is to identify opportunities for learning and change in practice to improve services for patients. Examples of changes brought about through complaints were:

- Improvements to systems for follow up appointments
- Ensuring GP electronic details added to Pathology database
- Implementation of a new telephone handover checklist between the Royal Bournemouth Hospital and Christchurch hospitals.
- A review of ward environment to meet needs of dementia patients
- Additional staff training on cannulation skills, venepuncture and drug administration
- Electronic screens in eye unit outpatients updated with information about delays and advice to patients if they have any concerns about their appointments
- Improvements in the Endoscopy department to ensure that all necessary medical records and authorisation of bowel preparation medications are in place in advance of patient admission
- Pharmacy and medical team shared learning on assessing patient's medication history together with their condition in order to review the patient holistically

- Nursing staff firmly reminded of the importance of maintaining good standards of cleanliness in ward bathrooms
- Standards of documentation and importance of informing next of kin of discharge arrangements when this has previously been agreed with the patient addressed with nursing staff
- Maternity staff reviewed procedures, training and awareness of tongue tie checks in new borns
- Revision to information leaflet provided to patients in discharge lounge
- LCD screens reviewed to provide information on potential outpatient delays

Referrals to the Health Service Ombudsman

Complainants who remain dissatisfied with the response to their complaint at local resolution level were able to request

an independent review to be undertaken by the Health Service Ombudsman.

After receiving a response from the Trust, 19 people chose to refer their concerns to the Parliamentary and Health Service Ombudsman during 2011/12 compared to 22 in 2010/11. The Ombudsman declined to investigate 13, referred two back for further local resolution, and undertook one investigation of a complaint, the decision in which was not to uphold. Three complaints are still being assessed by the Ombudsman.

3.4 Performance against key national priorities for 2011/12

The following table provides an overview of performance in 2011/12 against the key national priorities from the Department of Health’s Operating Framework. The table includes performance against the relevant indicators and performance thresholds set out in Appendix B of the Compliance Framework.

National Priority	2009/10	2010/11	2011/12 Target	2011/12 Actual
Clostridium difficile year on year reduction	44	46	87	62
MRSA - hospital acquired	3	0	6	2
Maximum waiting time of 31 days from decision to treat to start of treatment	97.71%	99.56%	96%	96.7%
Maximum waiting time of 31 days from decision to treat to start of subsequent treatment: Surgery	99.2%	99.6%	94%	99.2%
Maximum waiting time of 31 days from decision to treat to start of subsequent treatment: Anti cancer drug treatment	100%	100%	98%	100%
Maximum waiting time of 62 days following referral from an NHS Cancer Screening Service	96.30%	97.00%	90%	94.6%
Maximum waiting time of 62 days from urgent referral to treatment for all cancers	88.26%	89.71%	85%	87.3%
Maximum waiting time of two weeks from urgent GP referral to first outpatient appointment for all urgent suspect cancer referrals	94.11%	93.60%	93%	94.2%

National Priority	2009/10	2010/11	2011/12 Target	2011/12 Actual
Two week wait for breast symptoms (where cancer was not initially suspected)	86.26%	98.58%	93%	99.1%
Maximum waiting time of four hours in the Emergency Department from arrival to admission, transfer or discharge	99%	99%	95%	97%
18 week referral to treatment waiting times - admitted (95th percentile)	n/a *	n/a *	23 weeks	17.7 weeks
18 week referral to treatment waiting times - non admitted (95th percentile)	n/a *	n/a *	18.3 weeks	14.2 weeks
Certification against compliance with requirements regarding access to healthcare for people with a learning disability	n/a	n/a	n/a	Compliance certified

*Note - Prior to 2011/12 the Department of Health set percentage thresholds for 18 weeks RTT monitoring.

Annex A - Statements from primary care trusts, Local Involvement Networks and Overview and Scrutiny Committees

The following groups have had sight of the Quality Report and have been offered the opportunity to comment:

Comments received were as follows:

2011/12 Quality Account comment from Health Overview and Scrutiny Panel

I am writing on behalf of the Chairman of the Health Overview and Scrutiny Panel in Bournemouth, to confirm that the Panel will not be commenting on the Quality Account this year. I am hoping to engage members in the process at a much earlier stage in order for a meaningful comment to be provided this time next year.

Many thanks,

Democratic Services Officer
Democratic and Member Support Services
Bournemouth Borough Council

NHS Bournemouth and Poole and NHS Dorset statement for Royal Bournemouth and Christchurch Hospitals Quality Account 2011/12

NHS Bournemouth and Poole and NHS Dorset Cluster (the PCT Cluster) are pleased to comment on the Quality Account for Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust.

“From reviewing the Quality Account and from the ongoing monitoring of the Trust throughout 2011/2012, the PCT Cluster has seen a number of improvements in

the provision of quality care, these include the opening of a newly refurbished stroke unit, actions taken to reduce patients falling, implementation of actions to improve care for patients with dementia, increased patient’s satisfaction in outpatients and a high compliance level of VTE (Venous-thrombo embolism) risk assessments being undertaken, which has led to a reduction in the overall incidences of VTE. The national inpatient survey results also demonstrated that 8.9 out of ten patients felt that they were treated with dignity and respect during their admission.

An unannounced visit by the Care Quality Commission in November 2011 highlighted that, although the Trust met the essential standards for quality, improvements were required around essential standard Outcome 1, 4 and 9. The Trust took on board all the CQC findings and developed a robust action plan to ensure that it continues to provide the highest quality care.

The Cluster PCT will continue to monitor infection rates closely during 2012/13 to ensure a continual decrease in the overall number of hospital acquired infections in the local area and will work with the Trust over the coming year to enable a reduction in mortality rate as well.

NHS Bournemouth and Poole and NHS Dorset Cluster are pleased to support the quality improvement areas priority identified by Royal Bournemouth and Christchurch Hospitals for 2012/2013 relating to “Harm Free Care”.



Your voice on local health and social care

2011/12 Quality Account comment from LINKs

Bournemouth LINKs are pleased to comment on their work with the Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust over the last year.

Hospital Radio Bedside received a LINKs community chest grant, which has funded information banners. These are situated throughout Bournemouth Hospital.



Bedside Information Booklet

Information about the Bournemouth LINK was included in the bedside booklet.

Information Sharing

It is unfortunate that Royal Bournemouth Hospital were unable to agree to share their PALS comments with the LINK, even though the LINK formally asked for this information.

We are looking forward to receiving the data generated from the Real Time Patient Feedback and distilled data from PALS, on a regular basis throughout this forthcoming year.

The merger of the RBH and Poole Hospital

We were consulted on the merger of the RBH and Poole Hospital.

The LINK has received a small number of comments about the Poole and Bournemouth Hospitals merger. All the comments we've received (5 in total) have been about hospital services. Most people were concerned that the merger would result in the closure of Poole A&E department or that services would be moved to Bournemouth, making access difficult for people in Poole.

The Bournemouth LINK is looking forward to undertaking an Enter and View visit to the Hospital in 2012 as a result of patient feedback.

We believe that one of the Trusts priorities for the coming year should be working with the LINKs, as they evolve into HealthWatch, to improve patient and public engagement in light of the ongoing NHS reforms.

For more information about the Bournemouth, Poole and Dorset LINKs, please go to: www.makesachange.org.uk

2011/12 Quality Report comment from the Council of Governors

The Council of Governors has appreciated that its views on the quality priorities for the Trust and the Quality Account itself are being requested at an earlier stage so that it has greater opportunity to make a meaningful contribution through the consultation process. The Council of Governors supports the quality priorities which have been set for 2012/13. The Council of Governors, through its Scrutiny Group, has also contributed to the quality assurance process at the Trust through its own audits and was pleased to see the recommendations of both audits presented during 2011/12 adopted by the Trust.

The Scrutiny Group of the Council of Governors has undertaken audits of certain areas in the past few years, taking topics which are aligned with the Trust's Annual Plan to either follow progress throughout the year or to take a view at a fixed point. The results of the reviews are then reported to the Council of Governors and the Board of Directors. In 2011/12 the Scrutiny Group reported on two audits:

1. Patient nutrition and hydration and all aspects of the meal service given its high national profile following The Mid-Staffordshire NHS Foundation Trust Inquiry led by Robert Francis QC.
2. The patients' bedside booklets to ascertain whether they were widely used and appreciated in the Trust hospitals and whether they were up to date and clean and also how they could be improved. The Scrutiny Group believed that this was important as clear information at a time of stress for patients is an essential part of improving the patient's experience of their stay, and ensuring this Trust strives for that is central to the Governor role.

The Trust also supported both audits as being valuable to the Trust.

For the audit of patient nutrition the kitchens were visited, meal services were observed and clinical leader and patient surveys were carried out in five wards. The audit of patients' bedside booklets involved surveying clinical leaders and patients and a review of the booklets in use on the wards by members of the Scrutiny Group.

The recommendations from the audit of patient nutrition and hydration were:

- Better education around and utilisation of the MUST system is essential.
- Food should be ordered on the same day it is to be eaten.
- All hot food should be served hot, including desserts.
- All patients who require help to eat must get it.
- A dedicated member(s) of staff for each ward should be responsible for serving the food.
- Ward staff should ensure that patients have cleaned their hands before eating.
- Used urine bottles and commodes must be cleared prior to food service and surfaces cleaned accordingly.
- Better communication around food options is needed.

These recommendations were adopted by the Board.

At the conclusion of the audit of patient bedside booklets, the Scrutiny Group recommended that the booklets should be withdrawn as they appeared to be of limited value and patients preferred direct communication. The Trust was asked to investigate ways of imparting simple information relevant to the ward area to each patient or carer either at preadmission or on admission. The Director of Nursing and Midwifery agreed that the new process would need to be embedded before the booklets were withdrawn.

Annex B - Statement of directors' responsibilities in respect of the Quality Report

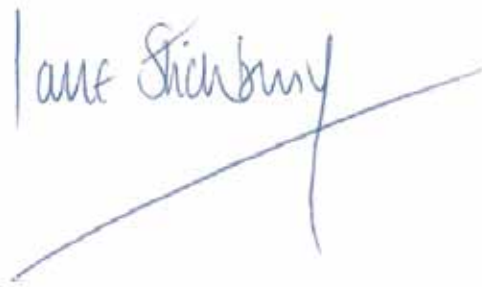
The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS foundation trust Boards on the form and content of annual Quality Reports (which incorporate the above legal requirements) and on the arrangements that foundation trust boards should put in place to support the data quality for the preparation of the Quality Report.

In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

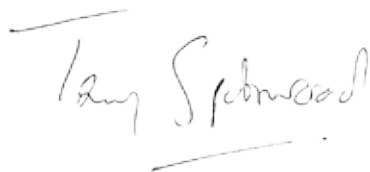
- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2011/12
- the content of the Quality Report is consistent with internal and external sources of information including:
 - Board minutes and papers for the period April 2011 - May 2012
 - Papers relating to quality reported to the Board over the period April 2011 - May 2012
 - Feedback from commissioners dated 21/05/2012
 - Feedback from governors dated 23/05/2012
 - Feedback from LINKs dated 21/05/2012
 - The Foundation Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 11/05/2012
- The latest national out patient survey dated 14/02/2012
- The latest national inpatient survey April 2012
- The Head of Internal Audit annual opinion over the Foundation Trust's control environment dated April 2012
- Care Quality Commission quality and risk profiles dated 21/04/2011 - 10/04/2012
- the quality report presents a balanced picture of the Foundation Trust's performance over the period covered;
- the performance information reported in the Quality Report is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and the Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Report regulations) (published at <http://www.monitor-nhsft.gov.uk/annualreportingmanual>) as well as the standards to support data quality for the preparation of the Quality Report (available at <http://www.monitor-nhsft.gov.uk/annualreportingmanual>)).

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

By order of the Board

A handwritten signature in blue ink that reads "Jane Stichbury". The signature is written in a cursive style and is positioned above a long, thin horizontal line that extends across the width of the signature.

Jane Stichbury
Chairman
29 May 2012

A handwritten signature in black ink that reads "Mr A Spotswood". The signature is written in a cursive style and is positioned above a long, thin horizontal line that extends across the width of the signature.

Mr A Spotswood
Chief Executive
29 May 2012

Annex C - Independent Auditor's Report to the Council of Governors of The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust on the Annual Quality Report

I have been engaged by the Council of Governors of The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust to perform an independent assurance engagement in respect of The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust's Quality Report for the year ended 31 March 2012 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2012 subject to limited assurance consist of the national priority indicators as mandated by Monitor:

- MRSA; and
- Maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers.

I refer to these national priority indicators collectively as the 'indicators'.

Respective responsibilities of the Directors and auditors

The Directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the NHS Foundation Trust Annual Reporting Manual issued by the Independent Regulator of NHS Foundation Trusts ("Monitor").

My responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to my attention that causes me to believe that:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the Quality Report is not consistent in all material respects with the sources specified in section 2.1 of Monitor's Detailed Guidance for External Assurance on Quality Reports 2011/12; and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Detailed Guidance for External Assurance on Quality Reports.

I read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual, and considered the implications for my report if I became aware of any material omissions.

I read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- Board minutes for the period April 2011 to May 2012;
- Papers relating to quality reported to the Board over the period April 2011 to May 2012;
- Feedback from the Commissioners dated 21/05/2012;
- Feedback from Governors dated 23/05/2012
- Feedback from LINKs dated 21/05/2012;
- The trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 11/05/2012;
- The national patient survey dated 14/02/2012;
- The national inpatients survey dated April 2012
- Care Quality Commission quality and risk profiles dated 21/04/2011-10/04/2012;
- The Head of Internal Audit's annual opinion over the trust's control environment dated April 2012; and
- Any other information included in our review.

I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with those documents (collectively the 'documents'). My responsibilities do not extend to any other information.

I am in compliance with the applicable independence and competency requirements of the Association of Chartered Certified Accountants (ACCA) Code of Ethics and Conduct. My team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust as a body, to assist the Council of Governors in reporting The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust's quality agenda, performance and activities. I permit the disclosure of this report within the Annual Report for the year ended 31 March 2012, to enable the Council of Governors to demonstrate that it has discharged its governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Council of Governors as a body and The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust for my work or this report save where terms are expressly agreed and with my prior consent in writing.

Assurance work performed

I conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) - 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). My limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report; and
- reading the documents listed above under the respective responsibilities of the Directors and auditors.

A limited assurance engagement is less in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Quality Report in the context of the criteria set out in the NHS Foundation Trust Annual Reporting Manual.

The nature, form and content required of Quality Reports are determined by Monitor. This may result in the omission of information relevant to other users, for example for the purpose of comparing the results of different NHS Foundation Trusts.

In addition, the scope of my assurance work has not included governance over quality or non-mandated indicators which have been determined locally by The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust.

Conclusion

Based on the results of my procedures, nothing has come to my attention that causes me to believe that, for the year ended 31 March 2012:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the Quality Report is not consistent in all material respects with the sources specified in section 2.1 of Monitor's Detailed Guidance for External Assurance on Quality Reports 2011/12; and
- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Detailed Guidance for External Assurance on Quality Reports.



Simon Garlick
Officer of the Audit Commission
Collins House
Bishopstoke Road
Eastleigh
Hampshire
SO50 6AD
29 May 2012

6. Governance Report

6.1 Board of Directors

The Board of Directors is made up of Executive and Non-Executive Directors. The Board of Directors is responsible for the day-to-day running of the Trust and the delivery of the Trust's objectives and wider strategy. Much of this work is done by the Executive Directors who work closely with the clinical directors, clinical leaders and managers throughout the organisation. The Board of Directors also works closely with the Council of Governors.

The Board of Directors meets on the second Friday of every month, except in August, and at other times as necessary. Part 1 of the meeting is open to the public. Against each name in the table below is shown the number of meetings at which the Director was present and in brackets the number of meetings that the Director was eligible to attend. The number of meetings includes both scheduled and special/extraordinary meetings.

Attendance at Meetings of the Board of Directors		
Name	Title	Attendance
Karen Allman	Director of Human Resources	14(15)
Mary Armitage	Medical Director	13(15)
Belinda Atkinson	Director of Nursing and Midwifery (to 31st August 2011)	7(7)
David Bennett	Non-Executive Director	12(15)
Pankaj Davé	Non-Executive Director	13(15)
Brian Ford	Non-Executive Director	13(15)
Stuart Hunter	Director of Finance and IT	15(15)
Helen Lingham	Chief Operating Officer	12(15)
Steven Peacock	Non-Executive Director	13(15)
Alex Pike	Non-Executive Director (Vice Chairman and Senior Independent Director)	12(15)
Richard Renaut	Director of Service Development	15(15)
Paula Shobbrook	Director of Nursing and Midwifery (from 5th September 2011)	8(9)
Tony Spotswood	Chief Executive	14(15)
Jane Stichbury	Chairman	15(15)
Ken Tullett	Non-Executive Director	13(15)

All of the Non-Executive Directors are considered to be independent by the Board of Directors. This includes Brian Ford and Ken Tullett who have served on the Board of Directors for more than six years from the date of their first appointment and have been appointed for a further period of one year beginning on 1st April 2012. In determining their independence, the Board of Directors considered whether their previous tenure as non-executive directors of the Trust might appear to affect their independence. The Board concluded based on a number of factors, including their experience and knowledge from other senior executive and non-executive roles and the fact that they have always exercised a strongly independent judgment during the previous period of tenure as non-executive directors, that the independence of their character and judgement was not compromised.

The terms of office and the period of appointment of the Non-Executive Directors is set out in the table below and are approved by the Council of Governors.

The Board of Directors has given careful consideration to the range of skills and

experience required for the running of a foundation trust and it confirms that the necessary balance and completeness has been in place during the year under report.

The performance of the Non-Executive Directors and the Chairman was evaluated during the year. The Chairman led the process of evaluation of the Non-Executive Directors and the Senior Independent Director undertook the evaluation of the performance of the Chairman. The outcome of both processes was shared with the Council of Governors and the Governors also contributed to the appraisal of the Chairman. The Chief Executive undertook performance appraisals of the Executive Directors and the Chief Executive's performance was appraised by the Chairman. The Board and each of the Board committees evaluates its own performance annually and undertakes a more formal evaluation every three years.

Each Director has declared their interests at a public meeting. The register of interests is held by the Trust Secretary and is available for inspection by arrangement. This includes the other significant commitments of the Chairman

Non-Executive Director	When appointed	Term of office
David Bennett	01.10.2009	4 years
Pankaj Davé	01.02.2011	3 years
Brian Ford	01.04.2005 (reappointed 01.10.2009 and 01.04.2012)	1 year
Steven Peacock	01.10.2009	4 years
Alex Pike	22.06.2006 (reappointed as a Non-Executive Director on 21.06.2010 and as Senior Independent Director on 09.10.2011)	4 years as Non-Executive Director 2 years as Senior Independent Director
Jane Stichbury	01.04.2010	4 years
Ken Tullett	01.04.2005 (reappointed 01.10.2009 and 01.04.2012)	1 year

which have not changed during the year under report.

The Board of Directors considers the Trust to be fully compliant with the principles of The NHS Foundation Trust Code of Governance as well as with the provisions of the Code in all respects, save as to paragraphs A1.3, A3.2 and C2.2 where there are other arrangements in place.

6.2 Audit Committee

The Trust’s Audit Committee meets at least quarterly and representatives of external audit, internal audit and the counter fraud service attend these meetings. The Director of Finance and IT, Director of Nursing and Midwifery and representatives from the Finance and Risk Management teams also regularly attend meetings at the request of the Chairman. The Audit Committee met five times during the year. The Committee members are all Non-Executive Directors and during 2011/12 were:

Meetings of the Audit Committee	
Name	Meetings attended
Steven Peacock (Chairman)	5
David Bennett	4
Pankaj Davé (from February 2012)	No meetings held since appointed
Ken Tullett (to February 2012)	4

The Audit Committee’s duties cover the following areas:

Internal control risk management and corporate governance

The Committee reviews the establishment and maintenance of an effective system of internal control, risk management and corporate governance, with particular reference to the Trust’s Assurance Framework.

In particular, the Committee reviews the adequacy of:

- All risks and control related disclosure statements, together with any accompanying Head of Internal Audit statement, prior to endorsement by the Board.
- The structure, processes and responsibilities for identifying and managing key risks facing the organisation.
- The operational effectiveness of relevant policies and procedures including those related to fraud and corruption and economy, efficiency and effectiveness in the use of resources.
- The scope, maintenance and use of the Assurance Framework.

Internal audit

The Committee:

- Appoints the internal auditors, sets the audit fee and resolves any questions of resignation and dismissal.
- Ensures that the internal audit function is adequately resourced and has appropriate standing within the organisation.
- Reviews the internal audit programme, considers major findings of internal audit investigations (and management’s response) and ensures co-ordination between the internal and external auditors.
- Reports non-compliance with, or inadequate responses to, internal audit reports to the Board of Directors.
- Utilises internal audit reports to provide assurance to the Board of Directors on the governance of the Trust’s Healthcare Assurance Committee. The Healthcare Assurance Committee provides assurance to the Board of Directors on the quality and safety of services the Trust provides.

External audit

The Committee:

- Considers the appointment of the external auditors, the audit fee and any questions of resignation and dismissal before making a recommendation to the Council of Governors.
- Discusses with the external auditors, before the audit commences, the nature and scope of the audit, and ensures co-ordination, as appropriate, with internal audit and the representative from the counter fraud service.
- Reviews external audit reports, together with the management response.
- Reports non-compliance with, or inadequate response to external audit reports to the Board of Directors.

Counter fraud service

The Committee:

- Appoints the counter fraud service, sets the fee and resolves any questions of resignation and dismissal.
- Ensures that the counter fraud function has appropriate standing within the organisation.
- Reviews the counter fraud programme, considers major findings of investigations (and management's response), and ensures co-ordination between the internal auditors and counter fraud.
- Reports non-compliance with, or inadequate response to, counter fraud reports to the Board of Directors.

Financial reporting

The Committee reviews the annual financial statements before recommendation to the Board of Directors, focusing particularly on:

- Changes in, and compliance with, accounting policies and practices.
- Major judgemental areas.
- Significant adjustments resulting from the audit.

In carrying out its duties the Committee is authorised by the Board to:

- Recommend actions to the Board.
- Oversee the investigation of any activities within its terms of reference.
- Seek any information it requires from any employee of the Trust which may include requiring attendance at its Committee meetings and all employees have been directed to cooperate with any requests.
- Obtain outside legal or other professional advice on any matter within its terms of reference.

6.3 Remuneration Report Remuneration Committees

The Trust operates two separate committees to make decisions or recommendations relating to the remuneration of Executive and Non-Executive Directors.

The remuneration of Executive Directors is considered by a committee consisting of all seven Non-Executive Directors, having been increased from four Non-Executive Directors during the year. The Remuneration Committee determines the final salaries of the Executive Directors and makes recommendations to the Board of Directors on annual pay awards and remuneration policies for all other staff. Details of the membership, number of meetings and attendance at meetings of the Remuneration Committee are shown in the table on page 98.

The remuneration of Non-Executive Directors is considered by a committee comprised of four Governors who have been elected by their fellow Governors. The Non Executive Director Remuneration Committee monitors the performance of the Non-Executive Directors and makes recommendations to the Council of Governors on the total level of remuneration to be paid to Non-Executive Directors. Details of the membership, number of meetings and attendance at meetings of the Non Executive Director Remuneration Committee are shown in the table on page 98.

The Non Executive Director Remuneration Committee is advised by the Director of Human Resources on market rates and relativities (based on research commissioned by the Trust and carried out and reported upon by NHS partners). The Remuneration Committee is advised by the Chief Executive on performance aspects, by the Director of Finance and IT on the financial implications of remuneration or other proposals and by the Director of Human Resources on personnel and remuneration policy. The Trust Secretary attends meetings of both Committees to record the proceedings.

Director and senior manager remuneration does not include a performance component.

Attendance at meetings

Against each name is shown the number of meetings of the Committees at which the Non-Executive Director or Governor was present and in brackets the number of meetings that the Non-Executive Director or Governor was eligible to attend as a member of the Committee during 2011/12.

Meetings of the Executive Director Remuneration Committee	
Name	Meetings attended
Jane Stichbury (Chair)	2(2)
David Bennett	1(1)
Pankaj Davé	1(1)
Brian Ford	2(2)
Steven Peacock	1(1)
Alex Pike	1(2)
Ken Tullett	1(2)

Meetings of the Non Executive Director Remuneration Committee

Name	Meetings attended
Sue Bungey (Chair)	3(3)
Sharon Carr-Brown	2(3)
Lee Foord	3(3)
Alf Hall	3(3)

Summary and explanation of policy on duration of contracts, notice periods and termination payments

Executive Directors

All Executive Directors are required to give/receive six months' notice of termination. In appropriate cases this can be varied by mutual agreement. All contracts are permanent (i.e. not fixed term). All senior managers who are appointed on permanent contracts are required to give/receive three months' notice of termination.

There are no provisions in place for termination payments, other than through legal compromise agreements.

Non-Executive Directors

Arrangements for the termination of the appointment of a Non-Executive Director are set out in the Trust's constitution.

The remuneration of Executive and Non-Executive Directors is not included within Agenda for Change. When reviewing the remuneration of Executive and Non-Executive Directors, the Remuneration Committees review pay awards and increases made to staff within the Trust and nationally alongside information on remuneration for Directors at other comparable NHS organisations, taking account of overall and individual performance, with the aim of ensuring that their remuneration is fair and appropriate.

Senior manager remuneration (subject to audit opinion)							
Name	Title (as at 31 March 2012)	2011/12			2010/11		
		Salary	Other Remuneration	Benefits in Kind	Salary	Other Remuneration	Benefits in Kind
		(bands of £5000) £'000	(bands of £5000) £'000	Rounded to the nearest £100	(bands of £5000) £'000	(bands of £5000) £'000	Rounded to the nearest £100
Executive Members							
Mr A Spotswood	Chief Executive	170-175	0	0	170-175	0	0
Mrs H Lingham	Director of Operations	120-125	0	0	115-120	0	0
Mr S Hunter	Director of Finance and IT	115-120	0	0	115-120	0	0
Mr R Renaut	Director of Service Development	95-100	0	0	95-100	0	0
Mrs K Allman	Director of Human Resources	100-105	0	0	100-105	0	0
Mrs P Shobbrook	Director of Nursing and Midwifery	55-60	0	0	0	0	0
Miss B Atkinson	Director of Nursing and Midwifery	40-45	0	0	95-100	0	0
Mrs M Armitage	Medical Director	35-40	175-180	0	30-35	150-155	0
Non Executive Members							
Mrs J Stichbury	Chairman	45-50	0	0	45-50	0	0
Mr B Ford	Non Executive Director	15-20	0	0	15-20	0	0
Mrs A Pike	Non Executive Director	15-20	0	0	15-20	0	0
Mr K Tullett	Non Executive Director	15-20	0	0	10-15	0	0
Mr S Peacock	Non Executive Director	10-15	0	0	10-15	0	0
Mr P Davé	Non Executive Director	10-15	0	0	1-5	0	0
Mr D Bennett	Non Executive Director	10-15	0	0	10-15	0	0
Band of highest paid director		170-175			170-175		
Median Total Remuneration		23,215			21,506		
Ratio		7.4			8.0		

Notes:

1. Miss B Atkinson left the Trust on 31 August 2011.
2. Mrs P Shobbrook joined the Trust on 5 September 2011.
3. The salary shown against Mrs M Armitage represents her role as Medical Director for the Trust; the Other Remuneration represents her medical consultant role at the Trust.
4. All other senior manager remuneration arrangements are determined through a documented job evaluation policy, in line with the NHS Agenda for Change pay terms and conditions.
5. Senior manager remuneration does not include performance components.

Senior manager pension entitlements (subject to audit opinion)							
Name	Title (as at 31 March 2012)	Real Increase in Pension and Related Lump Sum at age 60	Total accrued Pension and Related Lump Sum at age 60 at 31 March 2012	Cash Equivalent Transfer Value at 31 March 2012	Cash Equivalent Transfer Value at 31 March 2011 (Inflated)	Real Increase in Cash Equivalent Transfer Value	Employer-Funded contribution to growth in CETV for the year
		(Bands of £2500)	(Bands of £5000)	£'000	£'000	£'000	£'000
Mr A Spotswood	Chief Executive	5-7.5	250-255	1,138	990	148	92
Mrs H Lingham	Director of Operations	5-7.5	120-125	565	482	83	52
Mr S Hunter	Director of Finance and IT	0-2.5	175-180	795	713	83	51
Mr R Renaut	Director of Service Development	2.5-5	65-70	215	158	57	37
Mrs K Allman	Director of Human Resources	2.5-5	40-45	192	157	35	23
Mrs P Shobbrook	Director of Nursing and Midwifery	2.5-5	110-115	401	310	91	59
Miss B Atkinson	Director of Nursing and Midwifery	-	155-160	-	906	-	-
Mrs M Armitage	Medical Director	40-42.5	290-295	1,497	1,222	275	171

Notes:

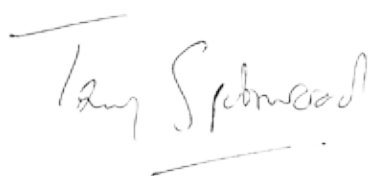
1. Miss B Atkinson retired on 31 August 2011. There is no CETV as at 31/03/12 as the pension is in payment.
2. Mrs P Shobbrook joined the Trust on 5 September 2011.
3. Non-Executive Members do not receive pensionable remuneration, and as such, there are no entries in respect of pensions for Non-Executive Members.

Cash Equivalent Transfer Values

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. The CETV figures, and from 2004/05 the 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 as prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV

Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.



Mr A Spotswood
 Chief Executive
 29 May 2012

6.4 Council of Governors

There are 30 members of the Council of Governors. The Council of Governors' principal responsibilities are:

- to appoint or remove the Chairman and the other Non-Executive Director.
- to approve an appointment (by the Non-Executive Directors) of the Chief Executive.
- to decide the remuneration and allowances, and the other terms and conditions of office, of the Non-Executive Directors.
- to appoint or remove the Trust's auditors.
- to be presented with the annual accounts, any report of the auditors on them and the annual report.
- to provide their views to the Board of Directors during the Trust's forward planning process.
- to respond as appropriate when consulted by the Board of Directors in accordance with the constitution.
- to undertake such functions as the Board of Directors shall from time to time request.
- to prepare and from time to time to review the Trust's membership strategy and its policies for the composition of the Council of Governors and Non-Executive Directors and make recommendations.

During 2011/12 the Council of Governors and the Board of Directors agreed to change the public constituencies and these were reduced from five to four. The previous public constituencies were:

- Bournemouth.
- East Dorset, Christchurch and Purbeck.
- Poole.
- New Forest.
- Salisbury and South Wiltshire, the Isle of Wight and the Rest of Dorset and Hampshire.

The new constituencies are shown in the tables below. Governors in the previous public constituencies were transferred to the corresponding new public constituency when this change took effect.

In 2011/12 the Council of Governors was made up as follows:

Public Governors - Bournemouth and Poole Constituency (elected)
Judith Adda (from October 2011)
Jayne Baker
David Bellamy
Glenys Brown
Sharon Carr-Brown
Carole Deas (from October 2011)
Derek Dundas
Keith Mitchell (from October 2011)
David Triplow (from October 2011)

Public Governors - Christchurch and Dorset County Constituency (elected)
Sue Bungey, Lead Governor
Derek Chaffey (from October 2011)
Michael Desforges
Eric Fisher (from October 2011)
Alf Hall
Doreen Holford (from October 2011)

Public Governors - New Forest, Hampshire and Salisbury Constituency (elected)
Mike Allen (from October 2011)
Bob Gee (from October 2011)
Graham Swetman (from October 2011)

Staff Governors (elected)
David Dickson
Dean Feegrade
Richard Ford
Claire Stalley
Fiona Stephenson

Nominated Governors (appointed by their respective organisations)

John Adams, Bournemouth Borough Council
Lee Foord, Internal Hospital Volunteers
David Fox, Dorset County Council
Ken Hockey, NHS Bournemouth and Poole and NHS Dorset cluster
Gail Thomas, Bournemouth University

There were two Nominated Governor vacancies on the Council of Governors at the end of the year under report: NHS Bournemouth and Poole and NHS Dorset cluster and Borough of Poole Council.

Public and Staff Governors are elected by secret ballot of the relevant public constituency or staff class using the single transferable vote system. Each Governor is elected for a term of three years. The Trust has recently approved a change in the voting system to first past the post.

At each meeting of the Council of Governors, a declaration of any interests held which may conflict with the role of any Governor is recorded. A copy of the declaration of interest is included in the

papers for each meeting of the Council of Governors which are available on the Trust's website and can be inspected by arrangement with the Trust Secretary.

Executive and Non-Executive Directors attend the public meetings of the Council of Governors both to report on matters and take questions from the Governors and in order to develop a deeper understanding of the views of Governors and members. Governors also attend the public meetings of the Board of Directors and have the opportunity to ask questions of the Board of Directors at the end of these meetings. The Council of Governors and Board of Directors also have joint seminars to consider and discuss issues of interest or concern to the Governors.

The Council of Governors met six times in 2011/12 and attendance at these meetings is set out in the table below. Against each name is shown the number of meetings of the Council of Governors at which the Governor or Director was present and in brackets the number of meetings that the Governor or Director was eligible to attend during 2011/12. The number of meetings includes both scheduled and special/extraordinary meetings.

Name	Title	Constituency/Class/Appointing Organisation	Attendance
Jane Stichbury	Chairman		5(6)
John Adams (from October 2011)	Appointed Governor	Bournemouth Borough Council	1(2)
Judith Adda (from October 2011)	Public Governor	Bournemouth and Poole	2(2)
Mike Allen (from October 2011)	Public Governor	New Forest, Hampshire and Salisbury	2(2)
Jayne Baker	Public Governor	Bournemouth and Poole	5(6)
David Bellamy	Public Governor	Bournemouth and Poole	6(6)
Glenys Brown	Public Governor	Bournemouth and Poole	5(6)
Sue Bungey	Public Governor	Christchurch and Dorset County	6(6)
Les Burden (to June 2011)	Appointed Governor	Borough of Poole Council	2(3)
Phil Carey (to October 2011)	Public Governor	Bournemouth and Poole	2(4)
Sharon Carr-Brown	Public Governor	Bournemouth and Poole	5(6)

Name	Title	Constituency/Class/Appointing Organisation	Attendance
Derek Chaffey (from October 2011)	Public Governor	Christchurch and Dorset County	2(2)
Carole Deas (from October 2011)	Public Governor	Bournemouth and Poole	2(2)
Michael Desforges	Public Governor	Christchurch and Dorset County	6(6)
David Dickson	Staff Governor	Medical and Dentistry	2(6)
Derek Dundas	Public Governor	Bournemouth and Poole	5(6)
Dean Feegrade	Staff Governor	Admin, Clerical and Management	6(6)
Celia Fern (to October 2011)	Public Governor	New Forest, Hampshire and Salisbury	0(4)
Eric Fisher (from October 2011)	Public Governor	Christchurch and Dorset County	2(2)
Lee Foord	Appointed Governor	Internal Hospital Volunteers	6(6)
Richard Ford	Staff Governor	Estates and Ancillary Staff	5(6)
David Fox	Appointed Governor	Dorset County Council	5(6)
Bob Gee (from October 2011)	Public Governor	New Forest, Hampshire and Salisbury	2(2)
Alf Hall	Public Governor	Christchurch and Dorset County	6(6)
Mollie Harwood	Public Governor	Bournemouth and Poole	0(4)
John Hempstead (to October 2011)	Public Governor	New Forest, Hampshire and Salisbury	3(4)
Ken Hockey	Appointed Governor	NHS Bournemouth and Poole and, since November 2011, NHS Bournemouth and Poole and NHS Dorset cluster	4(6)
Doreen Holford (from October 2011)	Public Governor	Christchurch and Dorset County	2(2)
Leon Kaufman	Public Governor	Bournemouth and Poole	3(4)
Keith Mitchell (from October 2011)	Public Governor	Bournemouth and Poole	2(2)
Claire Stalley	Staff Governor	Allied Health Professionals, Scientific and Technicians	2(6)
Fiona Stephenson	Staff Governor	Nursing and Midwifery	5(6)
Clare Sutton (to November 2011)	Appointed Governor	NHS Dorset	2(5)
Graham Swetman (from October 2011)	Public Governor	New Forest, Hampshire and Salisbury	1(2)
Gail Thomas	Appointed Governor	Bournemouth University	2(6)
David Triplow (from October 2011)	Public Governor	Bournemouth and Poole	1(2)
James Watts-Phillips (to May 2011)	Public Governor	East Dorset, Christchurch and Purbeck	1(2)

Name	Title	Attendance
Directors:		
Karen Allman	Director of Human Resources	1(4)
Mary Armitage	Medical Director	0(4)
Belinda Atkinson (to 31st August 2011)	Director of Nursing and Midwifery	2(2)
David Bennett	Non-Executive Director	0(4)
Pankaj Davé	Non-Executive Director	1(4)
Brian Ford	Non-Executive Director	1(4)
Stuart Hunter	Director of Finance and IT	2(4)
Helen Lingham	Chief Operating Officer	3(4)
Steven Peacock	Non-Executive Director	0(4)
Alex Pike	Vice Chairman	3(4)
Richard Renaut	Director of Service Development	2(4)
Paula Shobbrook (from 5th September 2011)	Director of Nursing and Midwifery	2(2)
Tony Spotswood	Chief Executive	3(4)
Ken Tullett	Non-Executive Director	3(4)

Elections

Elections were held in three public constituencies and one staff class during the year. Efforts to maximise turnout included extensive publicity and meetings prior to nomination and during the election. The elections to the Council of Governors were held in accordance with the Constitution.

Date of election	Public Constituency/Staff Class	Number of members in constituency	Number of seats contested	Number of contestants	Election turnout (%)
02.09.2011	Bournemouth and Poole	9,732	7	9	31.2
02.09.2011	Christchurch and Dorset County	1,555	5	9	35.4
Uncontested	New Forest, Hampshire and Salisbury	N/A	3	3	Uncontested
Uncontested	Allied Health Professionals, Scientific and Technicians	N/A	1	1	Uncontested

Elections to vacant positions for Public Governors took place between July and September 2011 and the following were elected for a three year term from October 2011:

- **Judith Adda:** Public Governor, Bournemouth and Poole.
- **Mike Allen:** Public Governor, New Forest, Hampshire and Salisbury.
- **Derek Chaffey:** Public Governor, Christchurch and Dorset County.
- **Carole Deas:** Public Governor, Bournemouth and Poole.
- **Eric Fisher:** Public Governor, Christchurch and Dorset County.
- **Bob Gee:** Public Governor, New Forest, Hampshire and Salisbury.
- **Doreen Holford:** Public Governor, Christchurch and Dorset County.
- **Keith Mitchell:** Public Governor, Bournemouth and Poole.
- **Graham Swetman:** Public Governor, New Forest, Hampshire and Salisbury.
- **David Triplow:** Public Governor, Bournemouth and Poole.

6.5 Nomination Committee

The Nomination Committee is a committee of the Council of Governors with responsibility for:

- reviewing the number of and skills required for the Non-Executive Directors in the context of the overall Board composition and making recommendations to the Council of Governors on any changes.
- developing succession plans for Non-Executive Directors, taking into account the challenges and opportunities facing the Trust.
- selecting candidates to fill vacancies among the Non-Executive Directors and recommending them to the Council of Governors for appointment.
- making recommendations to the Council of Governors concerning the re-appointment of any Non-Executive Director at the conclusion of their specified term of office.

The Nomination Committee met once in

2011/12 to consider the re-appointment of two Non-Executive Directors for an additional period of one year from March 2012. There were no new appointments of Non-Executive Directors in 2011/12, however candidates for Non-Executive Directorship are identified in a number of ways including advertisements in relevant publications and external search agencies.

The Committee membership during this period was:

Name	Meetings attended
Jane Stichbury (Chairman)	1
Michael Desforges	1
Derek Dundas	1
Ken Hockey	1

6.6 Membership

During 2011/12 the Governors have continued to develop the existing membership strategy using health talks, constituency events and the quarterly membership newsletter to engage with existing members and recruit new members. These events also helped in the recruitment of some of the new Governors who were elected in October 2011. The Membership Development Strategy set a recruitment target of 250 new public members for 2011/12 and the performance against that target is shown in the table on page 106.

Over the next 12 months the Governors will:

- Continue local constituency meetings and set up a programme of other meetings with interest groups across the constituencies.
- Provide more information in the FT Focus about Governors' activities.
- Incorporate membership development in the Trust's Annual Plan for 2012/13.
- Try to increase the awareness and understanding of members and the local community of the NHS and foundation trusts and the benefits of foundation trust membership.

As at 31st March 2012 there were 12,099 members in the following constituencies:

Public constituency	Last year (2011/12)	Next year (2012/13) (estimated)
At year start (1st April 2011)	11,774	11,227
New members	319	250
Members leaving	866	500
At year end (31st March 2012)	11,227	10,977

Staff constituency	Last year (2011/12)	Next year (2012/13) (estimated)
At year start (1st April 2011)	857	872
New members	23	50
Members leaving	8	10
At year end (31st March 2012)	872	912

Analysis of membership in constituencies (as at 31st March 2012)

Public		Staff	
Bournemouth and Poole	9202	Medical and Dentistry	91
Christchurch and Dorset County	1539	Allied Healthcare Professionals, Scientific and Technicians	152
New Forest, Hampshire and Salisbury	490	Nursing and Midwifery	355
		Administrative, Clerical and Management	201
		Estates and Ancillary	69

Notes:

- The number of members as at 31st March 2011 was recorded as 11,772 in the Annual Report and Financial Accounts 2010/11. This should have been recorded as 11,774 to take into account two members who had submitted an application online before 31st March 2011 where this was not reflected on the register until after 1st April 2011.
- Members of staff on fixed term or temporary contracts who have been continuously employed by the Trust for at least twelve months and who commenced employment from 1st January 2010 are eligible to become members of the staff constituency. It is not possible to accurately identify all these staff and therefore there may be more staff members than are included in the table.

Analysis of current public membership (as at 31st March 2012)

Public constituency	Number of members	Eligible membership
Age (years):		
0-16	0	243,886
17-21	41	92,213
22+	9,680	1,022,295
Ethnicity:		
White	10,765	1,256,864
Mixed	34	10,405
Asian or Asian British	39	13,705
Black or Black British	23	4,410
Other	31	8,023
Socio-economic groupings:		
ABC1	6,666	489,380
C2	1,999	185,396
D	1,940	118,134
E	622	36,251
Gender analysis:		
Male	4,905	663,609
Female	6,319	694,784

Notes:

- The analysis above excludes 1506 public members with no stated date of birth, 355 members with no stated ethnicity and 128 members with no stated gender.
- Socio-economic data should be completed using profiling techniques (e.g. postcode) or other recognised methods. To the extent socio-economic data is not already collected from members, it is not anticipated that NHS foundation trusts will make a direct approach to members to collect this information.

Members who wish to communicate with their Governors should contact:

Governor Co-ordinator (B28)
 The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust
 Castle Lane East, Bournemouth, BH7 7DW
 or email: ftmembers@rbch.nhs.uk

Financial Statements

For the year ended 31st March 2012

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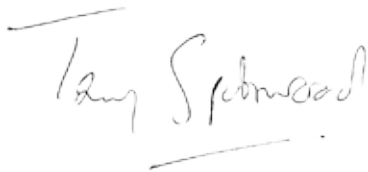
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The Foundation Trust

NHS Foundation Trust Code:	RDZ																
Registered Office:	Royal Bournemouth Hospital Castle Lane East Bournemouth BH7 7DW																
Executive Directors:	<table> <tr> <td>Mr A Spotswood</td> <td>Chief Executive</td> </tr> <tr> <td>Mrs H Lingham</td> <td>Director of Operations</td> </tr> <tr> <td>Mr S Hunter</td> <td>Director of Finance and IT</td> </tr> <tr> <td>Mr R Renaut</td> <td>Director of Service Development</td> </tr> <tr> <td>Mrs K Allman</td> <td>Director of Human Resources</td> </tr> <tr> <td>Mrs P Shobbrook</td> <td>Director of Nursing and Midwifery (current)</td> </tr> <tr> <td>Miss B Atkinson</td> <td>Director of Nursing and Midwifery (former)</td> </tr> <tr> <td>Mrs M Armitage</td> <td>Medical Director</td> </tr> </table>	Mr A Spotswood	Chief Executive	Mrs H Lingham	Director of Operations	Mr S Hunter	Director of Finance and IT	Mr R Renaut	Director of Service Development	Mrs K Allman	Director of Human Resources	Mrs P Shobbrook	Director of Nursing and Midwifery (current)	Miss B Atkinson	Director of Nursing and Midwifery (former)	Mrs M Armitage	Medical Director
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Ms K Flaherty	Temporary (covering Maternity Leave)																
Bankers:	National Westminster Bank Plc (part of The Royal Bank of Scotland Group) Chandlers Ford																
Solicitors:	DAC Beachcroft LLP Winchester																
Internal Auditors:	PricewaterhouseCoopers LLP Southampton																
External Auditors:	Audit Commission Eastleigh																

Foreword to the accounts

These accounts for the year ended 31 March, 2012 for The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust (the “Foundation Trust”) have been prepared in accordance with paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, and comply with the annual reporting guidance for NHS Foundation Trusts within the NHS Foundation Trust Financial Reporting Manual (FT FReM) for the financial year.



Mr A Spotswood
Chief Executive
29 May 2012

Accounting Officer's Statement

Statement of the Chief Executive's responsibilities as the Accounting Officer of The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust.

The NHS Act 2006 states that the Chief Executive is the Accounting Officer of the NHS foundation trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by the Independent Regulator of NHS Foundation Trusts ("Monitor").

Under the NHS Act 2006, Monitor has directed The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

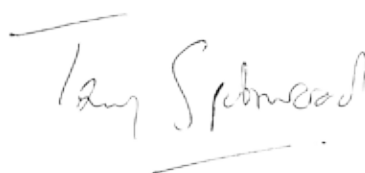
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the NHS Foundation Trust Annual Reporting Manual and in particular to:

- observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;

- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on a going concern basis.

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable him to ensure that the accounts comply with the requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS foundation trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in Monitor's NHS Foundation Trust Accounting Officer Memorandum.



Mr A Spotswood
Chief Executive
29 May 2012

Annual Governance Statement

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Foundation Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the Foundation Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

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 on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Foundation Trust for the year ended 31 March 2012 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

As Accounting Officer I have ultimate responsibility for ensuring that there is an effective risk management system in place within the Foundation Trust and

for meeting all statutory responsibilities and adhering to guidance issued by the Independent Regulator in respect of governance. The executive with specific responsibility for risk is the Director of Nursing and Midwifery. However, the requirement to manage risk more effectively is a responsibility affecting all staff in every part of the Foundation Trust; from the control of finance, through all the disciplines supporting and delivering the environment of care, to the direct delivery of clinical care itself, risk management is everyone's responsibility. The Foundation Trust's Risk Management Strategy clearly defines these responsibilities and provides guidance for the fulfilment of these roles.

The Trust has an accredited risk management training course in place and it is mandatory for all managers and staff in a managerial role, to attend. The training provides staff with the skills required to recognise, manage and monitor risk within their areas of responsibility. Formal training is then supported by a variety of other resources that seek to promote and facilitate individual, departmental, directorate and organisational learning. As an example, the Clinical Governance and Risk Management Committee produces a quarterly Clinical Governance and Risk Management report which highlights examples of and recommendations for good safe practice. These recommendations are implemented through the directorate clinical governance groups. A range of risk management training opportunities are available to other staff including TEREMA workshops and in addition the Board of Directors has undertaken IOSH Directing Safely training. The Trust was assessed against the NHS Litigation Authority Level 2 Acute Trust standards and successfully passed, demonstrating robust processes of risk management and governance.

The risk and control framework

In compliance with statutory controls, the Foundation Trust has developed a standard matrix for measuring risk and determining the level of risk that can be accepted at the key management levels within the organisation. Detailed guidance and advice on assessing, quantifying and managing risk is contained within the Foundation Trust's Risk Management Strategy (and associated Risk Assessment Policy). Under the Strategy, General Managers and Directors are responsible for maintaining Directorate Risk Registers and for bringing significant risks to the attention of the appropriate Foundation Trust's Board of Directors committees. In turn the committees will bring important matters to the attention of the Board of Directors. The Foundation Trust continuously monitors risk control systems in place and utilises the assurance framework process to monitor, develop, implement, demonstrate and promote continuous improvement and learning. The effectiveness of the assurance framework and its application has been reviewed by the Healthcare Assurance Committee and verified by Internal Audit and the Audit Committee.

There is a strategic co-ordinated approach to the Foundation Trust's clinical audit activities to ensure that the clinical audit cycle is complete and therefore leads to improvement in patient care. There is a Clinical Director for Clinical Audit, a Clinical Effectiveness Manager who is part of the Clinical Governance Team, and Clinical Audit leads in each directorate. An annual audit plan is developed within each directorate with audits prioritised in relation to national and local requirements, standards and statutory duties. The committee for coordinating the Foundation Trust strategy for clinical effectiveness and clinical audit is the Clinical Governance and Risk Committee, which provides oversight that systems are in place and used to support, monitor and disseminate audit within the Foundation Trust. The Clinical Governance Risk Committee formally reports to the

Healthcare Assurance Committee and recommends approval of the Clinical Audit Programme prior to submission to the Board of Directors. Directorates review their progress against the audit plan on a quarterly basis and provide a report for the Clinical Governance Risk Committee. Progress against the annual audit plan is reviewed quarterly and a clinical audit report presented to the Healthcare Assurance Committee and Board of Directors as part of the Clinical Governance Quarterly report. The clinical audit plan is also presented to the Audit Committee annually and a six monthly assurance report provided by the Clinical Director for Clinical Audit and Clinical Effectiveness Manager.

In line with statutory requirements, the Board of Directors has reviewed the Foundation Trust's principal corporate and strategic objectives and identified mitigating strategies for any risks to the delivery of those objectives via the assurance framework process. The development of the assurance framework has involved consideration of all objectives (strategic, quality, financial, corporate, business, clinical, human resources etc.) and all risks. In addition, a comprehensive review has taken place of the Foundation Trust's committee structure and its ability to provide the necessary assurance to the Board in support of the assurance framework. The framework is specifically linked to the Foundation Trust's strategic objectives and to the regulatory requirements of the Independent Regulator and the Care Quality Commission. Within the assurance framework, principal risks are identified and key risk controls in place to provide necessary assurances on identified gaps in control systems and action plans to further reduce risk are mapped out against identified objectives. The assurance framework is populated from the Foundation Trust Risk Register with risk reduction being achieved through a continuous cycle of the identification, assessment, control and review of risk.

Risks may be entered onto the Foundation Trust Risk Register as a

result of risk issues being raised or identified by: employees, directorates, external or internal reviews, internal or external audits, incident investigations, complaints reviews and comments from public stakeholders and/or service developments. Risks may also be raised by the Board's committees and/or by specialist sub-committees of these. These include the Health and Safety Committee, the Clinical Governance and Risk Committee, Finance Committee, Information Governance Committee and the Infection Prevention and Control Committee. All risks entered onto the risk register are categorised according to the risk management strategy using a combination of likelihood and consequence and assigned a current risk score and a target risk score following action plan and mitigation. In addition, all risks at corporate level are assigned an executive director lead.

Significant risks on the Foundation Trust Risk Register which feeds the assurance framework are reviewed by the Healthcare Assurance Committee monthly. Membership of the Healthcare Assurance Committee includes representation from the Board of Directors and the Council of Governors. In addition, the Clinical Governance and Risk Management Committee also reviews all new clinical risks monthly providing feedback to directorates as appropriate. The assurance framework is reviewed monthly by the Healthcare Assurance Committee and is incorporated within the Internal Audit programme and approved by the Audit Committee. New, closed and significant risks are reported to the Board of Directors each month.

In line with Monitor's guidance, risks to data security are being managed and controlled through the Information Governance infrastructure. Plans are in place via the Senior Information Risk Owner, to use the Information governance toolkit to ensure the Foundation Trust complies with the necessary requirements and the Foundation Trust is compliant to level 2.

The organisation's major risks are categorised below in terms of current and future risks;

Current risks:

- Control of exposure to Legionella risk on two wards. The risk level was raised following positive sampling. The risk level was escalated in accordance with Safe Water Policy. An action plan is in place to maintain patient safety including appropriate chlorination of the hot and cold water system.
- Risk to correct blood culture results not being transferred to e-camis resulting in incorrect clinical information displayed and patient safety. Meetings have been held with IT supplier and Poole Hospital NHS Foundation Trust to ensure delays in the implementation of a system fix are resolved as soon as possible. The Director of Finance and IT is leading on resolution and an anticipated solution should be in place by mid-June, 2012.
- Inability to provide full assurance with adequacy of nurse staffing levels due to lack of formal benchmarking and skill mix review. An external review is in progress; 15 wards are currently working with external auditors to identify quality, safety and staffing data for comparison and analysis, to be finalised by the end of May, 2012.
- Failure to achieve cancer waiting time targets. An action plan is in place and achieving the improvement required in waiting times through to March. The Foundation Trust risk status reviewed by Monitor, returning the Trust to a green rating on Governance.

Future risks:

- Risk that delays to the proposed merger could lead to delayed decisions on the required changes to inpatient service configuration, meaning that we are not able to respond in a timely way to the need for centralisation, more 24/7 consultant delivered care and associated savings. An action plan is in place to agree with

Monitor and the Office of Fair Trading the form of competition review, that allows the Integrated Business Plan to be considered by the Council of Governors. A robust support mechanism is in place to support a granular Cost Improvement Plan, identifying the requisite £54m to £59m saving.

- Potential for the demand of unscheduled care exceeding projected levels set out in the contract, resulting in implications for meeting key targets and living within financial parameters. The Foundation Trust monitors activity monthly through the commissioning process and performance targets are rigorously managed weekly through the Performance Management Group.
- Risk of financial instability through tariff reduction. As the tariff will reduce year on year, the Trust needs to meet the national mandated efficiency assumptions. Plans are in place for 2012/13 and will be monitored monthly through the Finance Committee and work is ongoing to identify plans for the following two years.
- Further risk of financial instability through the PCT's ambitions to move care out of the hospital setting and into the community, potentially leaving unviable services at the Foundation Trust. The Foundation Trust is monitoring the implications of the proposals closely through the various Committees and exploring other opportunities.

The Foundation Trust is fully compliant with the requirements of registration with the Care Quality Commission.

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 in to 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.

The Foundation 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. The Carbon Reduction Group for the Foundation Trust is in place and has agreed delivery plans for carbon reduction measures.

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. Equality Impact Assessments (EIA's) are carried out on all Foundation Trust policies and service developments. A toolkit has been developed and is available on the Foundation Trust intranet and results of EIA's are also shown on the Foundation Trust website. The Foundation Trust has an Equality and Diversity Committee which is chaired by a Board Director and has wide representation from across the Trust. Sub-groups report into the Equality and Diversity Committee and have an agreed work plan which ensures that the Foundation Trust meets its obligations.

Review of economy, efficiency and effectiveness of the use of resources

The Foundation Trust employs a number of internal mechanisms and external agencies to ensure the best use of resources.

Executive and senior managers in the organisation have responsibility for the effective management and deployment of their staff and other resources to maximise the efficiency of their directorates or departments.

The Foundation Trust achieved a financial risk rating of 4, demonstrating a strong level of financial performance and management of the organisation and

also showed that we represent value for money and make good use of public money in the planning and delivery of our services.

The Head of Internal Audit provides an opinion on the overall arrangements in place to manage resources economically, efficiently and effectively. This opinion is based upon the controls reviewed throughout the year as part of the audit programme. The Head of Internal Audit has stated, "There is a generally sound system of internal control, designed to meet the trust's objectives, and that controls are generally being applied consistently. However, some weaknesses in the design and / or inconsistent application of controls put the achievement of particular objectives at risk. Using the terminology set out in the Department of Health guidance to Heads of Internal Audit, this Opinion would equate to significant assurance". Internal Audit identified one high risk relating to the lack of production of the Provider Compliance Assessments (PCAs) which are the recommended templates for collecting and monitoring compliance evidence earlier in the year. The Head of Internal Audit report states that "we have however, seen evidence that since the appointment of the new Director of Nursing and Midwifery, updates on the CQC Quality and Risk profile have been taken to the Healthcare Assurance Committee and the Board of Directors. These reports predominately classify the Trust as green rated and are therefore considered to be lower risk".

The external auditor reviews the work of the internal auditor in order to determine what reliance can be placed on the internal audits carried out during the year. The external auditor will report to the Board of Directors in his annual report.

A Non-Executive Director chairs the Audit Committee. It met five times during the year. Representatives of external audit and internal audit attended. The Committee reviewed and accepted the audit plans of both internal and external audit. The plans specifically include

economy, efficiency and effectiveness reviews. The committee received regular updates on counter fraud matters.

A non-executive director chairs the Healthcare Assurance Committee. The Committee met nine times during the year and received reports related to internal control, risk management and assurance and ensured that action plans, where remedial action was required, were implemented.

A Non-Executive Director chairs the Finance Committee. The Committee met 14 times during the year and reviewed the Trust's business plans, budgets, cash flow, treasury management, reporting arrangements and efficiency savings programme.

The Board of Directors received performance and financial reports during the year at its meetings and received the minutes of the following committees to which it has delegated powers and responsibilities:

- Audit Committee
- Trust Management Board
- Healthcare Assurance Committee
- Infection Control Committee
- Finance Committee
- Patient Experience and Communications Committee
- Workforce Strategy Committee

Annual Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The production of the Quality Report is overseen by the Director of Nursing and Midwifery and co-ordinated by the Associate Director of Clinical Governance. This team leads on all regulatory quality

assessments for the Foundation Trust and is experienced in this type of work. To ensure a balanced approach input to the report is obtained from a wide range of sources within the organisation through the governance infrastructure, and external opinion has been sought from the Foundation Trust's lead commissioners, three local health scrutiny panels, the Local Involvement Network and the Foundation Trust's Council of Governors. The production processes have mirrored those used for all quality assessments and aspects of these have been regularly audited and subject to validation by the Internal Auditors. The audits have provided substantial assurance to the Board of Directors that the controls and procedures upon which the organisation relies to manage these areas are effective. This has been supported by external feedback for example the Care Quality Commission's Quality and Risk Profile, the NHS Litigation Authority and regular patient / service user feedback. Data to support the Quality Report is largely handled by the Trust's Information Department, Risk Management Department and the Clinical Effectiveness Department, all of which have been subject to quality checking and control.

Review of effectiveness of the system of internal control

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the Internal Auditors and the Executive Managers within the Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this annual report and other performance information available to me. My review is also informed by comments made by the External Auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the

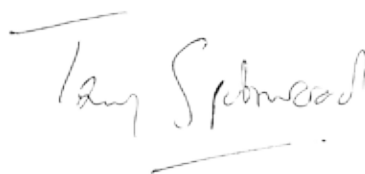
system of internal control by the Board, the Audit Committee, Finance Committee, Healthcare Assurance Committee and Clinical Governance Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Both the assurance framework and the Trust Risk Register are reviewed on a regular basis through the committee structure outlined above. The Trust currently holds full registration with the Care Quality Commission and the Quality and Risk Profile is reviewed on a monthly / bi-monthly basis as published by the Commission. The most recent issue (March 2012) indicates a low risk of non-compliance with the Essential Standards

The effectiveness of the system of the internal control has been reviewed by the Audit Committee and further work to refine and develop our assurance processes is in progress and will be reviewed and evaluated on an ongoing basis.

Conclusion

The Head of Internal Audit states in his report that significant assurance can be given that there is generally a sound system of internal control, designed to meet the Foundation Trust's objectives, and that controls are generally being applied consistently. As discussed earlier in the report, Internal Audit identified one high risk area relating to the lack of completion of Provider Compliance Assessments earlier in the year. Internal Audit however confirm that this monitoring is now in place and the Trust is predominantly classified as green rated and is therefore considered to be lower risk.



Mr A Spotswood
Chief Executive
29 May 2012

Auditors' Report

Independent Auditors Report to the Council of Governors of The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust

I have audited the financial statements of The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust for the year ended 31 March 2012 under the National Health Service Act 2006. 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 subject to audit, being:

- the table of salaries and allowances of senior managers and related narrative notes on page 152;
- the table of pension benefits of senior managers and related narrative notes on page 153; and
- the disclosure of the median remuneration of the reporting entity's staff and the ratio between this and the mid-point of the banded remuneration of the highest paid director.

This report is made solely to the Council of Governors of The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006. My audit work has been undertaken so that I might state to the Council of Governors those matters I am required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the

Foundation Trust as a body, for my audit work, for this report or for the opinions I have formed.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is 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 financial statements in accordance with applicable law, the Audit Code for NHS Foundation Trusts 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 Foundation Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Foundation Trust; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial 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 affairs of The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust's affairs as at 31 March 2012 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by Monitor as being relevant to NHS Foundation Trusts.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report subject to audit has been properly prepared in accordance with the accounting policies directed by Monitor as being relevant to NHS Foundation Trusts; 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 report to you if, in my opinion the Annual Governance Statement does not reflect compliance with Monitor's requirements. I have nothing to report in this respect.

Certificate

I certify that I have completed the audit of the accounts of The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust in accordance with the requirements of the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts issued by Monitor.



Simon Garlick
Officer of the Audit Commission
Collins House
Bishopstoke Road
Eastleigh
Hampshire
SO50 6AD

Statement of Comprehensive Income

	Notes	2011/12	Restated 2010/11
		£'000	£'000
Operating income from continuing operations	4,5,6	239,763	234,370
Operating expenses of continuing operations	7	(231,180)	(225,959)
OPERATING SURPLUS		8,583	8,411
FINANCE COSTS			
Finance Income - Interest receivable	12	539	367
Finance expense: Finance Lease Interest	13	(62)	(63)
Finance expense: Unwinding of discount on provisions	24	(11)	(11)
Public Dividend Capital dividends payable		(4,533)	(4,663)
SURPLUS FOR THE YEAR		4,516	4,041
Other comprehensive income			
Revaluation gains and impairment losses on property plant and equipment		289	7,237
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		4,805	11,278

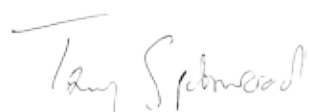
The notes on pages 125 to 153 form part of these accounts.

Statement of Financial Position

	Notes	31 March 2012	Restated 31 March 2011	01 April 2010
		£'000	£'000	£'000
Non current assets				
Intangible Assets	14	734	1,003	1,235
Property, Plant and Equipment	14	148,256	148,751	145,347
Total non-current assets		148,990	149,754	146,582
Current assets				
Inventories	17	3,870	4,190	3,748
Trade and other receivables	18	8,015	5,470	12,222
Cash and cash equivalents	19	45,510	39,329	25,292
Total current assets		57,395	48,989	41,262
Current Liabilities				
Trade and other payables	20	(20,784)	(18,557)	(18,949)
Borrowings	21	(423)	(343)	(549)
Provisions	24	(152)	(135)	(161)
Total current liabilities		(21,359)	(19,035)	(19,659)
Total assets less current liabilities		185,026	179,708	168,185
Non-current liabilities				
Trade and other payables	20	(1,142)	(1,142)	(564)
Borrowings	21	(1,620)	(1,177)	(1,520)
Provisions	24	(541)	(471)	(461)
Total non-current liabilities		(3,303)	(2,790)	(2,545)
Total Assets Employed:		181,723	176,918	165,640
Taxpayers' Equity				
Public Dividend Capital		78,674	78,674	78,674
Revaluation reserve		68,500	70,933	66,957
Income and expenditure reserve		34,549	27,311	20,009
Total Taxpayers' Equity:		181,723	176,918	165,640

The notes on pages 125 to 153 form part of these accounts.

The financial statements comprising the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Taxpayers' Equity, and Statement of Cashflows were approved by the Foundation Trust Board on 29 May 2012 and signed on its behalf by:



Mr A Spenswood, Chief Executive 29 May 2012

Statement of changes in taxpayers' equity

	Public Dividend Capital	Revaluation Reserve	Donated Asset Reserve	Income and Expenditure Reserve	Total Reserves
	£'000	£'000	£'000	£'000	£'000
Taxpayers' equity at 1 April 2011	78,674	70,933	0	27,311	176,918
Prior period adjustment	0	0	0	0	0
Taxpayers' equity at 1 April 2011 - restated	78,674	70,933	0	27,311	176,918
Surplus for the year	0	0	0	4,516	4,516
Revaluation gains/(losses) and impairment losses on intangible assets	0	0	0	0	0
Revaluation gains and impairment losses on property, plant and equipment	0	289	0	0	289
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve	0	(2,722)	0	2,722	0
Taxpayers' equity at 31 March 2012	78,674	68,500	0	34,549	181,723
Taxpayers' equity at 31 March 2010	78,674	65,957	6,251	15,144	166,026
Prior period adjustment	0	1,000	(6,251)	4,865	(386)
Taxpayers' equity at 1 April 2010 - Restated	78,674	66,957	0	20,009	165,640
Surplus for the year - Restated				4,041	4,041
Revaluation gains and impairment gains on property, plant and equipment - Restated	0	7,237	0	0	7,237
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve	0	(3,261)	0	3,261	0
Taxpayers' equity at 31 March 2011 - Restated	78,674	70,933	0	27,311	176,918

The notes on pages 125 to 153 form part of these accounts.

Statement of Cash Flows

	Notes	2011/12		Restated 2010/11	
		£'000		£'000	
Cash flows from operating activities					
Operating surplus			8,583		8,411
Non-cash income and expense					
Depreciation and amortisation	14	8,831		8,407	
Impairments	14	923		92	
Interest Receivable		10		4	
Dividends accrued and not paid or received		(494)		(148)	
(Increase)/Decrease in Trade and Other Receivables		(2,209)		6,575	
(Increase)/Decrease in Inventories		320		(442)	
Increase/(Decrease) in Trade and Other Payables		1,183		643	
Increase/(Decrease) in Provisions		87		(16)	
Other movements in operating cash flows		24	8,675	20	15,135
Net cash generated from operations			17,258		23,547
Cashflow from investing activities					
Interest received		533		370	
Purchase of intangible assets	14	(106)		(183)	
Purchase of Property, Plant and Equipment		(7,307)		(4,212)	
Net cash flow from investing activities			(6,880)		(4,025)
Cashflow from financing activities					
Capital element of finance lease rental payments		1,004		0	
Interest element of finance lease	13	(62)		(63)	
PDC Dividend paid		(4,879)		(4,489)	
Cash flows from (used in) other financing activities		(260)		(933)	
Net cash flow used in financing activities			(4,197)		(5,485)
Net increase in cash and cash equivalents			6,181		14,037
Cash and cash equivalents at beginning of year			39,329		25,292
Cash and cash equivalents at end of year	19		45,510		39,329

The notes on pages 125 to 153 form part of these accounts.

Notes to the accounts

1 Accounting policies

1.1 Accounting policies

Monitor has directed that the financial statements of the NHS Foundation Trust shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2011/12 NHS Foundation Trust Annual Reporting Manual issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual to the extent that they are meaningful and appropriate to the Foundation Trust. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts. The Foundation Trust is a single entity, therefore no consolidation is required in these accounts.

Accounting convention

These financial statements 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.

Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken from outside the public sector. Activities are considered 'discontinued' if they transfer from one public body to another. The Trust has no acquisitions or discontinued operations to report within these accounts.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Foundation Trust's accounting policies, management

is required to make judgements, estimates and assumptions about the carrying amount 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. The estimates and underlying assumptions are continually revised if the revision affects only one period, or in the period of the revision and future periods, if the revision affects both current and future periods. Details of key accounting judgements and estimations are contained within Note 31 to these accounts.

Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Finance Committee that makes strategic decisions.

1.2 Income recognition

Income 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 income for the Foundation Trust is contracts with commissioners in respect of healthcare services.

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

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

Patient related revenue

Revenue is recognised when the service has been delivered, that is, in the period when the services were provided. At the end of the financial year, a revenue estimate is recognised for patients who are in hospital and have not completed their period of treatment (an incomplete spell). This revenue estimate is based on the level of treatment provided to date.

Education and training

Revenue is recognised when the conditions of education and training contracts have been met.

Non patient care services

This is the income in relation to the education and training of specific staff groups. Income is recognised when the Foundation Trust has achieved its objectives as set out in the annual contract.

Interest

Interest revenue is accrued on a time basis, by reference to the principal outstanding and interest rate applicable.

Catering services

The Foundation Trust operates canteen services for employees and patients. Revenue is recognised when the Foundation Trust sells to the employees and the public. Canteen sales are usually by cash or by debit card.

Rental income

The Foundation Trust owns some residential properties which are let out to members of staff and related parties. Rental income is recognised on a straight-line basis over the term of the lease. Car park fees are recognised when the public have used the Foundation Trust's facilities, usually by cash.

Income from sales of non-current assets

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

1.3 Expenditure on 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 annual leave entitlement 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.

Pension costs

Past and present employees are covered by the provisions of the NHS Pension 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. As a consequence it is not possible for the Foundation Trust to identify its share of the underlying scheme assets and liabilities. Therefore the scheme is accounted for as a defined contribution scheme.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. 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.

Additional information

The NHS Pension Scheme is subject to a full valuation every four years by the Government Actuary. However, the last published valuation relates to the period 1 April 1999 to 31 March 2004 which was published in December 2007 and is available on the NHS Pensions Agency website.

The notional deficit of the scheme was £3.3 billion as per the last scheme valuation by the Government Actuary for the period 1 April, 1999 to 31 March, 2004. The conclusion of the valuation was that the scheme continues to operate on a sound financial basis.

Employer contribution rates are reviewed every four years following the scheme valuation, on advice from the actuary. At the last valuation it was recommended that employer contribution rates should continue at 14% of pensionable pay. From 1 April 2008, employees' pay contributions will be on a tiered scale from 5% to 8.5% of their pensionable pay.

1.4 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.5 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- 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 be provided to, the Foundation Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably;
- the item individually has a cost of at least £5,000;
- collectively, a group 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 have broadly simultaneous purchase dates, are expected to have simultaneous disposal dates, and are under single managerial control; and
- form part of the initial equipping and setting-up cost of a new building or refurbishment of a 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 e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs 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.

Non-current assets are stated at the lower of replacement cost and recoverable amount. The carrying values of property, plant and equipment are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. The costs arising from the financing of the construction of fixed assets are not capitalised but are charged to the Statement of Comprehensive Income in the year to which they relate.

All land and buildings are revalued using professional valuations in accordance with IAS 16 every five years. A three yearly interim valuation is also carried out.

Professional valuations are carried out by the District Valuer of the Valuation Office Agency. The valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. The last full asset valuations (excluding assets under construction / work in progress) were undertaken as at 31 March, 2011 and were included in the closing Statement of Financial Position on that date.

The valuations are carried out primarily on the basis of modern equivalent for specialised operational property and existing use value for non-specialised operational property. The value of land for existing use purposes is assessed at existing use value. For non-operational properties including surplus land, the valuations are carried out at open market value.

Items in the course of construction are valued at current cost, larger schemes are valued by the District Valuer on completion or when brought into use and all schemes are valued as part of the three/ five yearly revaluation.

Operational equipment is valued at net current replacement cost.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably.

Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is derecognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated. The estimated useful lives of assets are summarised below:

	Minimum Life (years)	Maximum Life (years)
Buildings and Dwellings	10	90
Furniture / Fittings	10	10
Set-up Costs	10	10
Medical Equipment	5	10
Vehicles	7	7
Radiology Equipment	5	7
IT Equipment	3	5

Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the Foundation Trust Annual Reporting Manual, impairments that are due to a loss of economic benefits or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment arising from a loss of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from

the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable, for example:
 - management are committed to a plan to sell the asset;
 - an active programme has begun to find a buyer and complete the sale;
 - the asset is being actively marketed at a reasonable price;
 - the sale is expected to be completed within twelve months of the date of the classification as 'Held for Sale'; and
 - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'Held for Sale' and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

1.6 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Foundation Trusts' business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Foundation Trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Foundation Trust intends to complete the asset and sell or use it;

- the Foundation Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Foundation Trust to complete the development and sell or use the asset; and
- the Foundation Trust can measure reliably the expenses attributable to the asset during development.

Software

Software which is integral to the operation of hardware e.g. an operating system is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at fair value. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment.

Intangible assets held for sale are measured at the lower of their carrying amount or 'fair value less costs to sell'.

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

	Minimum Life (years)	Maximum Life (years)
Software	3	5

1.7 Revenue government and other grants

Government grants are grants from government bodies other than income from primary care trusts or NHS trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

1.8 Inventories

Inventories are valued at the lower of cost and net realisable value. Due to the high turnover of stocks within the Foundation Trust, current cost is used as a fair estimate of current value.

Stocks are rotated with reference to 'use by date' where applicable. Where the 'use by date' has passed, goods are removed from stock and destroyed, the stock systems are adjusted and the loss charged to the Statement of Comprehensive Income.

1.9 Financial instruments and Financial liabilities

Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Foundation Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

All other financial assets and financial liabilities are recognised when the Foundation Trust becomes a party to the contractual provisions of the instrument.

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Foundation Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement

Financial assets are categorised as 'loans and receivables'. Financial liabilities are classified as 'other financial liabilities'.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The Foundation Trust's loans and receivables comprise financial assets, cash and cash equivalents, NHS receivables, accrued income and other receivables.

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Other financial liabilities

All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as Non-current liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to the Statement of Comprehensive Income.

Finance costs in impairment of financial assets

At the Statement of Financial Position date, the Foundation Trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' are impaired. Financial assets are impaired and impairment losses are recognised if, and only 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 the Statement of Comprehensive Income and the carrying amount of the asset is reduced directly.

1.10 Leases

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Foundation Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as an item of property, plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of

Comprehensive Income. The lease liability is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately. Leased land is treated as an operating lease.

1.11 Provisions

The Foundation Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rate of 2.2% in real terms, except for early retirement provisions and injury benefit provisions which both use HM Treasury's pension discount rate of 2.2% (2010/11: 2.9%) in real terms.

Clinical negligence costs

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

on behalf of the Foundation Trust is disclosed at note 24 but is not recognised in the Foundation Trust's accounts.

Non-clinical risk pooling

The Foundation Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Foundation Trust pays an annual contribution to the NHSLA 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 when the liability arises.

1.12 Contingencies

Contingent assets (that is assets, arising from past events whose existence will only be confirmed by one or more future events not wholly within the Foundation Trust's control) are not recognised as assets, but are disclosed by vote where an inflow of economic benefits is probable.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Foundation Trust's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.13 Public Dividend Capital (PDC) and PDC Dividend

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the cost of capital utilised by the Foundation Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Foundation Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets (including lottery funded assets), (ii) net cash balances held with the Government Banking Services (GBS), excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and (iii) any PDC dividend balance receivable or payable. In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the 'pre-audit' version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

1.14 Value Added Tax

Most of the activities of the Foundation 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.

1.15 Corporation tax

Under current legislation, Foundation Trusts are not liable for corporation tax. HM Revenue and Customs are currently reviewing the classifications of income and drafting legislation which will have a possible effective date of 1st April 2012.

1.16 Foreign exchange

The functional and presentational currencies of the Foundation Trust are sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

1.17 Third party assets

Assets belonging to third parties, (such as money held on behalf of patients) are not recognised in the accounts since the Foundation Trust has no beneficial interest in them. However, they are disclosed within Note 19 to the accounts in accordance with the requirements of HM Treasury's FReM.

1.18 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 the Foundation Trust not been bearing its own risks (with insurance premiums

then being included as normal revenue expenditure).

However, the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

1.19 Going concern

After making enquiries, the directors have a reasonable expectation that the Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

1.20 Restatement due to the change of accounting policy for donated assets

The effect of a change in accounting policy relating to the recognition of the value of donated/granted assets as income in the year the asset is received, rather than on a deferred basis (unless a restricted donation) is detailed below.

The Statement of Financial Position shows the movement between accounts as at 1 April 2010.

The Statement of Comprehensive income shows the reported position and the adjusted figure shows what the position would have been if the policy had not changed.

Statement of financial position	31/03/2010	Movement	01/04/2010
Donated Asset Reserve	6251	(6251)	0
Revaluation Reserve	65957	1000	66957
Deferred Income			
Government Grants	193	(193)	0
Restricted Assets	0	580	580
Income & Expenditure Reserve	15145	4864	20009

Statement of comprehensive income	2011/12
Surplus for the year - reported	4,516
Deferred income	
Release from donated asset reserve	807
Release from government grants	96
Release from restricted assets	(15)
Income - reverse donated assets received	(429)
Surplus for the year - adjusted	4,975

2 Operating segments

The Foundation Trust has determined the operating segments based on the reports reviewed by the Finance Committee that are used to make strategic decisions. The Finance Committee considers the Foundation Trust's business from a services perspective as "Healthcare" and only one segment is therefore reported.

The segment information provided to the Finance Committee for the reportable segments for the year ended 31 March 2012, is as follows:

	Healthcare 2011/12	Restated Healthcare 2010/11
	£'000	£'000
Segment revenue	239,763	234,370
Revenue from external customers	239,763	234,370

It is appropriate to aggregate these as, in accordance with IFRS 8: Operating Segments, they are similar in each of the following respects:

- the nature of the products and services;
- the nature of the production processes;
- the type of class of customer for the products and services;
- the methods used to distribute the products or provide the services; and
- the nature of the regulatory environment.

3 Income generation activities

The Foundation Trust does not undertake any other income generation activities with an aim of achieving profit.

4 Income from patient related activities

	Continuing Operations 2011/12	Restated Continuing Operations 2010/11
	£'000	£'000
Foundation Trusts	1,094	863
Primary Care Trusts	216,213	211,002
Non NHS:		
- Private Patients	2,335	2,832
- Overseas patients (non-reciprocal)	0	5
- NHS Injury scheme income *	715	485
- Other	52	65
	220,409	215,252

The NHS Injury Scheme income above is reported net of a 10.5% doubtful debt provision (2010/11 7.8%).

4.1 Private patient cap

	2011/12	Restated 2010/11	2002/03 Base Year (Rebased)
	£'000	£'000	£'000
Private patient income	2,335	2,838	1,292
Total patient related income	220,409	215,252	114,020
Proportion - cap			1.1%
- actual	1.06%	1.3%	

Section 44 of the National Health Service 2006 Act requires that the proportion of private patient income to the total patient related income of the Foundation Trust should not exceed its proportion whilst the body was an NHS Trust in the base year.

The Private Patient Cap was exceeded following the restatement of the 2010/11 accounts due to a national change in accounting practice in relation to the accounting for donated asset income, which was advised after the closure of the 2010/11 accounts. The corresponding income in relation to donated assets is now treated as income in the year in which the asset is donated, rather than being deferred against future depreciation of the asset (as previously).

5 Other operating income

	Continuing Operations 2011/12	Restated Continuing Operations 2010/11
	£'000	£'000
Research and development	1,559	1,219
Education and training	5,207	5,206
Non-patient care services to other bodies	5,002	5,246
Income from operating leases	721	623
Other	6,865	6,824
	19,354	19,118

Other is made up of:

- NHS Drug sales £2,795k (2010/11 £2,777k)
- Car Parking £1,071k (2010/11 £966k)
- Catering Services £848k (2010/11 £805k)
- Miscellaneous other £2,151k (2010/11 £2,779k)

6 Mandatory and non-mandatory income from activities

	2011/12	2010/11
	£'000	£'000
Mandatory	225,616	220,458
Non-mandatory	14,147	13,912
	239,763	234,370

7 Operating expenses

Operating expenses comprise	Continuing Operations	
	2011/12	2010/11
	£'000	£'000
Services from NHS Foundation Trusts	2,963	2,447
Services from NHS Trusts	0	707
Services from other NHS Bodies	1,402	1,878
Employee Expenses - Executive Directors	1,163	1,125
Employee Expenses - Non-Executive Directors	160	161
Employee Expenses - staff	139,215	137,237
Drug costs	23,588	21,601
Supplies and services - clinical (excluding drug costs)	31,783	30,023
Supplies and services - general	3,468	2,383
Establishment	2,312	2,486
Research and development	373	643
Transport	703	719
Premises	9,472	8,821
Increase / (decrease) in bad debt provision	(650)	2,848
Depreciation on property, plant and equipment	8,430	7,980
Amortisation on intangible assets	401	427
Impairments of property, plant and equipment	923	92
Audit services - statutory audit	62	60
Audit services - regulatory reporting	6	28
Audit services - internal audit	75	103
Clinical negligence premium	1,879	1,789
Loss on disposal of land and buildings	185	0
Loss on disposal of other property, plant and equipment	0	56
Legal fees	309	249
Consultancy costs	1,357	1,056
Other services, e.g. external payroll	187	276
Losses, ex gratia and special payments	115	62
Other	1,299	701
Total	231,180	225,959

8 Operating leases

8.1 Operating leases as lessee

The Foundation Trust leases some medical equipment and vehicles under non cancellable operating leases. The leases are between three to five years. None of the leases include contingent rents or onerous restrictions on the Foundation Trust's use of the assets concerned. The expenditure charged to the Statement of Comprehensive Income during the year is disclosed below:

	2011/12	2010/11
	£'000	£'000
Total Operating Leases	346	339
The future aggregate minimum lease payments under non-cancellable operating leases are as follow:		
No later than one year	99	134
Between 1 and 5 years	60	82
Total	159	216

8.2 Operating leases as lessor

The Foundation Trust owns some properties from which rental income is derived. These are properties are leased out to members of staff and the contracts are normally between one and six months. The Foundation Trust also leases some office space to some contractors and service providers at the hospital sites. None of the leases include contingent rents and there are no onerous restrictions. The income recognised through the Statement of Comprehensive Income during the year is disclosed as:

	2011/12	2010/11
	£'000	£'000
Accommodation Operating Leases	721	621
The future aggregate minimum lease payments under non-cancellable operating leases are as follow:		
No later than one year	686	621
Between one and five years	420	328
Over 5 years	494	373
Total	1,600	1,322

9 Staff costs and numbers

9.1 Staff costs

	2011/12	2010/11
	£'000	£'000
Salaries and wages	117,205	114,560
Social security costs	8,727	9,142
Employer's contributions to NHS pensions	12,876	12,783
Pension Cost - other contributions	0	0
Termination benefits	0	0
Agency/contract staff	1,570	1,877
Total	140,378	138,362

9.2 Average number of persons employed

	2011/12	2010/11
	Number	Number
Medical and dental	414	395
Ambulance staff	0	0
Administration and estates	1,081	1,094
Healthcare assistants and other support staff	580	628
Nursing, midwifery and health visiting staff	1,063	1,081
Nursing, midwifery and health visiting learners	0	0
Scientific, therapeutic and technical staff	383	385
Social care staff	0	0
Bank and agency staff	112	147
Other	0	0
Total	3,633	3,730

10 Retirements due to ill-health

There were three early retirements from the Foundation Trust agreed on the grounds of ill-health (2010/11: 10). The estimated additional pension liabilities of these illhealth retirements will be £640,000 (2010/11: £514,000). The cost of these ill-health retirements will be borne by the NHS Pensions Agency.

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

There were no payments of interest for commercial debts

12 Investment revenue

	2011/12	2010/11
	£'000	£'000
Interest receivable	539	367
Other	0	0
	539	367

13 Finance costs

	2011/12	2010/11
	£'000	£'000
Interest payable	0	0
Finance leases	62	63
Total	62	63

14 Intangible assets, property, plant and equipment

	Intangible		Tangible							Total
	Software Licences	Land (Freehold)	Buildings excluding dwellings (Freehold)	Dwellings (Freehold)	Assets Under Construction / Work In Progress	Plant and Machinery	Transport Equipment	Information Technology	Furniture and fittings	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross cost at 1 April 2011 as previously stated	4,178	27,792	107,349	3,950	233	30,669	126	3,058	639	177,994
Additions - purchased	106	0	5,830	16	636	1,781	56	33	0	8,458
Additions - donated	26	0	86	0	0	296	21	0	0	429
Impairments charged to revaluation reserve	0	0	(3,681)	0	0	0	0	0	0	(3,681)
Reclassifications	0	0	168	0	(180)	0	0	12	0	0
Revaluation surpluses	0	0	2,789	107	0	0	0	0	0	2,896
Disposals	0	0	(195)	0	0	(648)	(16)	0	0	(859)
Cost or valuation at 31 March 2012	4,310	27,792	112,346	4,073	689	32,098	187	3,103	639	185,237
Accumulated depreciation at 1 April 2011 as previously stated	3,175	(0)	12	0	0	22,118	93	2,582	260	28,240
Provided during the year	401	0	5,088	137	0	2,912	10	238	45	8,831
Impairments recognised in the income and expenditure account**	0	0	923	0	0	0	0	0	0	923
Impairments charged to revaluation reserve	0	0	(1,210)	0	0	0	0	0	0	(1,210)
Revaluation surpluses	0	0	131	4	0	1	0	0	0	136
Disposals	0	0	(9)	0	0	(648)	(16)	0	0	(673)
Accumulated depreciation at 31 March 2012	3,576	(0)	4,935	141	0	24,383	87	2,820	305	36,247
Net book value										
NBV - Purchased at 31 March 2011	984	27,792	101,988	3,950	233	5,378	33	413	368	141,139
NBV - Finance lease at 31 March 2011	0	0	0	0	0	1,495	0	63	0	1,558
NBV - Donated at 31 March 2011	19	0	5,349	0	0	1,678	0	0	11	7,057
NBV total at 1 April 2011 as restated	1,003	27,792	107,337	3,950	233	8,551	33	476	379	149,754
NBV - Owned at 31 March 2012	702	27,792	102,816	3,932	689	4,181	81	283	325	140,801
NBV - Finance lease at 31 March 2012	0	0	0	0	0	2,103	0	0	0	2,103
NBV - Donated at 31 March 2012	32	0	4,595	0	0	1,431	19	0	9	6,086
NBV total at 31 March 2012	734	27,792	107,411	3,932	689	7,715	100	283	334	148,990
Plant and equipment include the following amounts where the Foundation Trust is lessee under finance leases.										
		2011/12	2010/11							
Cost		£'000	£'000							
Accumulated depreciation		4,490	3,486							
Net book value		2,387	1,929							
		2,103	1,557							
The Foundation Trust leases various medical IT equipment under non cancellable finance lease agreements. The lease terms are between five and seven years.										

15 Impairment of property, plant and equipment

	2011/12	2010/11
	£'000	£'000
Loss or damage from normal operations	0	0
Changes in market price	923	92
Unforeseen obsolescence	0	0
Total	923	92

16 Capital commitments

Commitments under capital expenditure contracts at the Statement of Financial Position date were:

	2011/12	2010/11
	£'000	£'000
Property, plant and equipment - committed	1,391	31
Intangible assets - committed	0	140
Total	1,391	171

17 Inventories

	2011/12	2010/11
	£'000	£'000
Drugs	1,347	1,264
Consumables	2,523	2,926
	3,870	4,190

17.1 Inventories recognised in expenses

	2011/12	2010/11
	£'000	£'000
Inventories recognised as an expense in the period	32,060	26,933
Write-down of inventories (including losses)	207	361
Reversal of write-downs that reduced expenses	0	0
Total	32,267	27,294

18 Trade and other receivables

18.1 Amounts falling due within one year:

	2011/12	2010/11
	£'000	£'000
NHS receivables	4,992	3,979
Other receivables with related parties	4	125
Provision for impaired receivables	(1,602)	(3,112)
Prepayments	1,234	1,699
Accrued income	1,036	878
PDC dividend receivable	494	148
VAT receivable	220	133
Other receivables	1,637	1,620
Total	8,015	5,470

18.2 Age analysis of NHS, other related parties, PDC and other receivables

	2011/12	2010/11
	£'000	£'000
Age of impaired receivables:		
Up to three months	826	1,133
Between three to six months	29	318
Over six months	313	270
Sub Total	1,168	1,721
Age of non-impaired receivables:		
Up to three months	6,179	4,207
Between three to six months	0	52
Over six months	0	25
Sub total	6,179	4,284
Total	7,347	6,005

18.3 Provision for impairment of receivables

	2011/12	2010/11
	£'000	£'000
At 1 April	3,112	374
Increase in provision	1,108	2,848
Amounts utilised	(860)	(110)
Unused amounts reversed	(1,758)	0
At 31 March	1,602	3,112

19 Cash and cash equivalents

	2011/12	2010/11
	£'000	£'000
Balance at 1 April	39,329	25,292
Net Change	6,181	14,037
Balance at 31 March	45,510	39,329
Made up of:		
Cash at commercial banks and in hand	(2,161)	470
Cash with the Government Banking Service	47,671	38,859
Other current investments	0	0
Cash and cash equivalents as in Statement of Financial Position	45,510	39,329

The patient monies amount held on trust was £1,923 (2010/11 £5,860) which is not included in the figures above.

20 Trade and other payables

	2011/12	2010/11
	£'000	£'000
Amounts falling due within one year:		
NHS payables - revenue	2,611	1,612
Other trade payables - capital	1,449	404
Other trade payables - revenue	9,264	9,953
Accruals	7,460	6,588
Total	20,784	18,557
Amounts falling due over one year:		
Other trade payables	1,142	1,142
Total	21,926	19,699

This includes outstanding pensions contributions at 31 March 2012 of £1,620,256 (2010/11 £1,570,603).

21 Borrowings

	2011/12	2010/11
	£'000	£'000
Finance lease liabilities	423	343
Other	0	0
Total	423	343
Non-Current liabilities	1,620	1,177
Total	2,043	1,520

22 Finance lease obligations

The Foundation Trust operates as lessee on a number of medical equipment leases. These leases generally run for between 5 and 7 years with options to extend the terms at the expiry of the initial period. None of the leases include contingent rents or onerous restrictions on the Foundation Trust's use of assets concerned.

Amounts payable under finance leases	Gross lease payments	
	2011/12	2010/11
	£'000	£'000
Within one year	476	385
Between one and five years	1,567	1,252
After five years	158	0
Less future finance charges	(158)	(117)
Total	2,043	1,520

23 Prudential borrowing limit

	2011/12		2010/11	
	£'000		£'000	
	Limit	Utilised	Limit	Utilised
Total Long Term Borrowing limit	43,200	2,043	40,400	1,520
Working Capital Facility	0	0	9,000	0
Prudential borrowing limit set by Monitor	43,200	2,043	49,400	1,520

Ratios	2011/12		2010/11	
	£'000		£'000	
	Approved	Actual	Approved	Actual
Minimum dividend cover	>1x	4.2x	2.9x	3.7x
Minimum interest cover	>3x	307	0	0
Minimum debt service cover	>2x	48	0	0
Maximum debt service to revenue	<2.5%	0%	0%	0%

The Foundation Trust is required to comply and remain within a prudential borrowing limit. This is made up of two elements:

- the maximum cumulative amount of long-term borrowing. This is set by reference to the five ratio tests set out in Monitor's Prudential Borrowing Code. The financial risk rating set under Monitor's Compliance Framework determines one of the ratios and therefore can impact on the long-term borrowing limit.
- the amount of any working capital facility approved by Monitor.

Further information on the NHS Foundation Trusts Prudential Borrowing Code and Compliance Framework can be found on the website of Monitor, the independent regulator of Foundation Trusts.

24 Provisions for liabilities and charges

				2011/12
	£'000	£'000	£'000	£'000
	Pensions (former directors)	Early Retirement	Legal claims	Total
At 1 April 2011, as restated	0	163	443	606
Prior period adjustments	0	0	0	0
At 1 April 2011, as restated	0	163	443	606
Change in the discount rate	0	0	0	0
Arising during the year	0	12	151	163
Utilised during the year	0	(17)	(85)	(102)
Reversed unused	0	0	15	15
Unwinding of discount	0	4	7	11
At 31 March 2012	0	162	531	693
Expected timing of cashflows:				
Within one year	0	17	135	152
Between one and five years	0	68	63	131
After five years	0	77	333	410
	0	162	531	693

Legal claims

Liability to third party and property expense schemes:

The Foundation Trust has liability for the excess of each claim.

The calculation is based on estimated claim values and probability of settlement.

Injury Benefit

The provision for permanent injury benefit has been created as at 31/03/04 and is calculated using the award value and life tables discounted over the period.

£11,272,000 is included in the provisions of the NHS Litigation Authority at 31 March 2012 in respect of clinical negligence liabilities of the Foundation Trust (£9,371,000 at 31 March 2011).

25 Related party transactions

The Foundation Trust is a body corporate established by order of the Secretary of State for Health.

During the year none of the Board members or parties related to them has undertaken any material transactions with the Foundation Trust.

During the year the Foundation Trust has had a number of material transactions with public organisations together with other government bodies that fall within whole of the government accounts boundary. Entities are listed below where the transaction total (excluding recharges) exceeds £500,000:

	£'000	£'000	£'000	£'000
	Income	Expenditure	Receivables	Payables
Bournemouth and Poole Primary Care Trust	114,632	0	968	0
Dorset Primary Care Trust	65,698	150	867	3
Hampshire Primary Care Trust	27,149	32	319	14
Bristol PCT (South West SCG)	6,125	0	55	0
South West Strategic Health Authority	4,797	3	0	3
Bournemouth Borough Council	90	1,643	0	3
The NHS Pensions Agency	0	12,892	0	1,080
HM Revenue and Customs (taxes and duties)	1,750	0	216	0
National Insurance Fund	0	8,727	0	736
NHS Purchasing and Supply Agency	0	4,446	0	254
Poole Hospital NHS Foundation Trust	3,245	3,303	2,083	1,858
NHS Blood and Transplant Agency	0	1,402	0	(7)
Wiltshire Primary Care Trust	1,722	0	102	0
The NHS Litigation Authority	0	2,012	0	0
Dorset Healthcare NHS Foundation Trust	840	496	139	19
South West Ambulance Service NHS FT	107	751	15	0
Department of Health	1,222	0	0	0
	227,377	35,857	4,764	3,963

The Foundation Trust is an agent on behalf of employees and below are material transactions exceeding £500,000:

	£'000	£'000	£'000	£'000
	Income	Expenditure	Receivables	Payables
The NHS Pensions Agency	0	5,864	0	540
HM Revenue and Customs	0	18,619	0	1,570
National Insurance Fund	0	7,400	0	624
	0	31,883	0	2,734

The Foundation Trust has also received revenue and capital payments from a number of charitable funds. The material related parties are:

- The Royal Bournemouth and Christchurch Hospitals Charitable Fund

The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust is the Trustee of the above fund.

- Macmillan Caring Locally

Mr. B Ford who is Treasurer of Macmillan Caring Locally, is also a member of the Board of Directors of the Foundation Trust.

- Davox Consulting Limited

Mr. D Bennett is a Director and majority shareholder in Davox Consulting Limited, a company that provides management and consultancy services on strategy and logistics in the healthcare and technology sectors which acted as the commercial lead for the Integrated Supply Chain programme in which the Trust was involved during the year.

26 Post statement of financial position events

There are no post Statement of Financial Position events to report in these accounts.

27 Financial risk management

The Foundation Trust can borrow within the limits set by Monitor's Prudential Borrowing Code. The Foundation Trust's position against its prudential borrowing limit is disclosed in Note 23.

All other financial instruments are held for the sole purpose of managing the cash flow of the Foundation Trust on a day-to-day basis or arise from the operating activities of the Foundation Trust. The management of risks around these financial instruments therefore relates primarily to the Foundation Trust's overall arrangements for managing risks in relation to its financial position.

Market risk

Interest rate risk

The Foundation Trust has no other loans to repay, (other than the capitalised finance lease obligations which have fixed interest rates) therefore any interest rate fluctuations will only affect its ability to earn additional interest on its short term investments.

The Foundation Trust earned interest of £539,000 during 2011/12, therefore if the interest rate should change by 0.5%, then this would affect the amount earned by approximately £110,000.

Currency risk

The Foundation Trust has minimal risk of currency fluctuations. Most transactions are in sterling, although there are some purchases of goods from Ireland where prices are based on the Euro, all payments are made in sterling.

Other risk

The inflation rate on NHS service level agreements is based on the NHS funded inflation and therefore there is a small risk of insufficient funds.

The majority of pay award inflation is

based on the national agreed rate for Agenda for Change bands and although funding through the Payment by Results (PbR) tariff will not cover all the cost (assumed additional cost improvement savings within the Foundation Trust), this represents a small risk.

Credit risk

Debtor Control

The Foundation Trust has a treasury function which includes a credit controller. The Foundation Trust actively progresses debts and uses an external company to support it on selective older debts.

The majority of The Foundation Trust's payables are short term and it participates in the national NHS payables reconciliations at 31 December and 31 March each year. This helps to identify any major NHS receivable queries.

Provision for doubtful debts

The Foundation Trust reviews non NHS receivables that are in excess of three months old as at 31 March and has provided £198,000. It has also provided for £77,000 in relation to the NHS Injury Scheme in accordance with scheme guidance.

The Foundation Trust also reviews any significant NHS receivables and has provided for doubtful debt to a total of £1,108,000. This represents either its maximum or probable risk in specific areas and reflects the uncertainty for the financial climate of the healthcare market.

Liquidity Risk

Loans

The Trust has no loans to repay.

Creditors

The Foundation Trust has a surplus in the current financial year and on the Retained Earnings reserve.

The Foundation Trust has a cash and investment balance of £45.5m and an authorised borrowing limit of £43.2m.

Therefore it is at minimal risk to its payables.

28 Financial instruments

28.1 Financial assets

	2011/12	2010/11
	£'000	£'000
	Loans and receivables	Loans and receivables
Asset as per the Statement of Financial Position		
Trade and other receivables excluding non financial assets	6,287	3,623
Other investments	0	0
Other financial assets	1,234	1,699
Cash and cash equivalents at bank and in hand	45,510	39,329
Total	53,031	44,651
Assets held in £ sterling	53,031	44,651

The amount above excludes PDC receivables of £494,000 (2010/11 £148,000).

28.2 Financial Liabilities

	2011/12	Restated 2010/11
	£'000	£'000
	Other financial liabilities	Other financial liabilities
Liabilities as per the Statement of Financial Position		
Borrowings excluding finance lease and PFI liabilities	0	0
Obligations under finance leases	2,043	1,520
Obligations under Private Finance Initiative contracts	0	0
NHS trade and other payables excluding non-financial assets	2,611	1,612
Non-NHS trade and other payables excluding non-financial assets	14,797	13,666
Other financial liabilities	0	0
Provisions under contract	693	693
Total	20,144	17,404
Liabilities held in £ sterling	20,144	17,404

The above figures excludes statutory / non contracted payables of £ 4,518k (2010/11 £ 4,421k).

28.3 Financial assets / liabilities - fair values

	2011/12	
		£'000
	Book Value	Fair Value
Financial assets		
Receivables over one year	0	0
Investments	0	0
Other	0	0
Total	0	0
Financial liabilities		
Receivables over one year	1,142	1,142
Non current trade and other payables excluding non financial liabilities	693	693
Provisions under contract (Early Retirement)	0	0
Total	1,835	1,835

There are no financial liabilities with a maturity greater than one year.

29 Intra-government and other balances

	31 March 2012	
	Receivables: amounts falling due within one year	Payables: amounts falling due within one year
	£'000	£'000
Non-WGA amounts	2,270	7,457
FTs	2,300	2,130
NHS and DH	2,692	481
Local Government	4	3
Central Government	216	4,563
Total	7,482	14,634

	31 March 2011	
Non-WGA amounts	2,577	6,670
FTs	1,572	1,060
NHS and DH	2,407	552
Local Government	32	2
Central Government	258	4,484
Total	6,846	12,768

30 Losses and special payments

There were 74 cases of losses and special payments totalling £116,000 approved during 2011/12 (£109,000, 2010/11: 129 cases).

There were no cases where the net payment exceeded £100,000.

Note: The total costs included in this note are on a cash basis and will not reconcile to the amounts in the notes to the accounts which are prepared on an accruals basis.

31 Judgement and estimations

Key sources of estimation uncertainty.

In the application of the Foundation Trust's accounting policies, the Foundation Trust has made estimates and assumptions in a number of areas, as the actual value is not known with certainty at the Statement of Financial Position date. By definition, these estimations are subject to some degree of uncertainty; however in each case the Foundation Trust has taken all reasonable steps to assure itself that these items do not create a significant risk of material uncertainty. Key areas of estimation include:

- Expenditure 'accruals' are included within the total expenditure reported with these financial statements. These accruals represent estimated costs for specific items of committed expenditure for which actual invoices have yet to be received, together with the estimated value of capital works completed, but not formally valued as at 31 March 2012. Estimates are based on the Foundation Trust's current understanding of the actual committed expenditure.
- An estimate of £1,352,000 is made in relation to the income due from incomplete patient spells as at 31 March 2012 as the true income in relation to these episodes of care will not be known with certainty until the patient is discharged. This estimate is based on historic trend analysis, together with other relevant factors.
- An estimate of £411,000 is made in relation to the value of unpaid annual leave outstanding as at 31 March 2012 for which the Trust has a current liability. This estimate is based on completed returns received from each Directorate within the Foundation Trust.
- An estimate is made for depreciation/amortisation of £8,831,000. Each capital or donated asset is added to the asset register and given a unique identifier. The value and an estimated life is assigned (depending on the type of asset) and value divided by the asset life (on a straight line basis) is used to calculate an annual depreciation charge.
- An estimate is made for provision for doubtful receivables of £1,108,000. NHS and Non-NHS receivables are reviewed, together with guidance for specific areas of income and associated provisions set up, which reflects the uncertainty of the financial climate of the healthcare market.
- The Trust has made provision within the 2011/12 annual accounts for restructuring costs as a result of the proposed merger with Poole Hospital NHS Foundation Trust.

Senior manager remuneration							
Name	Title (as at 31 March 2012)	2011/12			2010/11		
		Salary	Other Remuneration	Benefits in Kind	Salary	Other Remuneration	Benefits in Kind
		(bands of £5000) £'000	(bands of £5000) £'000	Rounded to the nearest £100	(bands of £5000) £'000	(bands of £5000) £'000	Rounded to the nearest £100
Executive Members							
Mr A Spotswood	Chief Executive	170-175	0	0	170-175	0	0
Mrs H Lingham	Director of Operations	120-125	0	0	115-120	0	0
Mr S Hunter	Director of Finance and IT	115-120	0	0	115-120	0	0
Mr R Renaut	Director of Service Development	95-100	0	0	95-100	0	0
Mrs K Allman	Director of Human Resources	100-105	0	0	100-105	0	0
Mrs P Shobbrook	Director of Nursing and Midwifery	55-60	0	0	0	0	0
Miss B Atkinson	Director of Nursing and Midwifery	40-45	0	0	95-100	0	0
Mrs M Armitage	Medical Director	35-40	175-180	0	30-35	150-155	0
Non Executive Members							
Mrs J Stichbury	Chairman	45-50	0	0	45-50	0	0
Mr B Ford	Non Executive Director	15-20	0	0	15-20	0	0
Mrs A Pike	Non Executive Director	15-20	0	0	15-20	0	0
Mr K Tullett	Non Executive Director	15-20	0	0	10-15	0	0
Mr S Peacock	Non Executive Director	10-15	0	0	10-15	0	0
Mr P Davé	Non Executive Director	10-15	0	0	1-5	0	0
Mr D Bennett	Non Executive Director	10-15	0	0	10-15	0	0
Band of highest paid director		170-175			170-175		
Median Total Remuneration		23,215			21,506		
Ratio		7.4			8.0		

Notes:

- Miss B Atkinson retired on 31 August 2011.
- Mrs P Shobbrook joined the Foundation Trust on 5 September 2011.
- The salary shown against Mrs M Armitage represents her role as Medical Director for the Trust; the Other Remuneration represents her medical consultant role at the Trust.
- All other senior manager remuneration arrangements are determined through a documented job evaluation policy, in line with the NHS Agenda for Change pay terms and conditions.
- Senior manager remuneration does not include performance components.

Summary of policy in relation to the duration of contracts; notice periods; and termination payments:

- All Executive Directors are required to provide six months' written notice, however in appropriate circumstances this could be varied by mutual agreement.
- All senior manager contracts are permanent.
- All senior managers appointed on a permanent contract are required to provide three months written notice.
- There are no provisions in place for termination payments, other than through legal compromise agreements.

Median total remuneration

The HM Treasury FReM requires disclosure of the median remuneration of the reporting entity's staff and the ratio between this and the midpoint of the banded remuneration of the highest paid director. The calculation is based on fulltime equivalent staff of the reporting entity at the reporting period end date on annualised basis.

Senior manager pension entitlements							
Name	Title (as at 31 March 2012)	Real Increase in Pension and Related Lump Sum at age 60	Total accrued Pension and Related Lump Sum at age 60 at 31 March 2012	Cash Equivalent Transfer Value at 31 March 2012	Cash Equivalent Transfer Value at 31 March 2011 (Inflated)	Real Increase in Cash Equivalent Transfer Value	Employer-Funded contribution to growth in CETV for the year
		(Bands of £2500)	(Bands of £5000)	£'000	£'000	£'000	£'000
Mr A Spotswood	Chief Executive	5-7.5	250-255	1,138	990	148	92
Mrs H Lingham	Director of Operations	5-7.5	120-125	565	482	83	52
Mr S Hunter	Director of Finance and IT	0-2.5	175-180	795	713	83	51
Mr R Renaut	Director of Service Development	2.5-5	65-70	215	158	57	37
Mrs K Allman	Director of Human Resources	2.5-5	40-45	192	157	35	23
Mrs P Shobbrook	Director of Nursing and Midwifery	2.5-5	110-115	401	310	91	59
Miss B Atkinson	Director of Nursing and Midwifery	-	155-160	-	906	-	-
Mrs M Armitage	Medical Director	40-42.5	290-295	1,497	1,222	275	171

Notes:

1. Miss B Atkinson retired on 31 August 2011. There is no CETV as at 31/03/12 as the pension is in payment.
2. Mrs P Shobbrook joined the Trust on 5 September 2011.
3. Non-Executive Members do not receive pensionable remuneration, and as such, there are no entries in respect of pensions for Non-Executive Members.

Cash Equivalent Transfer Values

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. The CETV figures, and from 2004/05 the 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 as prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV

Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

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